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The Case for a Telecommunications Select Committee

Five OpenFalklands Posts

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Post 1: Falklands Radio Interview Sets the Clock: August and the Case for a Select Committee

On Tuesday, 22nd June 2026, Traighana Smith, Editor of Falklands Radio, interviewed MLA Roger Spink and asked him about the current status of FIG's telecommunications strategy. Although quite short, it is probably one of the most impactful interviews on Falklands telecommunications since Starlink took centre stage in the dialogue.

For a PDF version of the interview, click here: PDF version

For many months, the public debate about the future of telecommunications beyond December 2027, when Sure's exclusive licence ends, has been conducted largely without substantive public response from FIG apart from a short interview by the Director of Development and Commercial Services on FITV.

Previously, the Connected Falklands Group wrote an open letter to the CEO of the FIG, and OpenFalklands published many posts on the subject. The community has read, shared and engaged in a record number of online page views – more than 35,000 in 2026.

Against that backdrop, what MLA Roger Spink said in his interview with Falklands Radio deserves careful attention. His remarks contained more substantive public information about the future of telecommunications than anything FIG has released over the past six months.

August: The Decision Point

The single most important piece of information in the interview is the confirmation that an Executive Council (ExCo) paper on telecommunications is expected in August 2026. For the first time, a specific month has been attached to the FIG decision-making process. August 2026 is not a distant horizon – it is weeks away. If the ExCo paper arrives as expected and leads to a decision, the period of strategic ambiguity that has characterised the past six months could be coming to an end.

Telecommunications Business Models Under Consideration

According to MLA Roger Spink, the ExCo paper will address the future structure of telecommunications provision in the Falkland Islands. The options he identified, an open tender to a private operator, a joint venture with FIG, or FIG ownership of the assets, will be familiar to regular OpenFalklands readers. These are precisely the models that have been examined in detail on this site since July 2025, most recently in the October 2025 posts on Shaping Falklands Telecoms: FIG's Possible Path to Ownership and Oversight. The paper will also address whether a formal notice will be served on Sure South Atlantic. It is interesting to consider the use of the word "whether", implying that notice may not be given in a situation discussed in the previous OpenFalklands post – When Incentives Align: A Speculative Look at FIG and Sure.

That these options are now confirmed as the basis for the ExCo discussion is significant in itself. It suggests that the analytical work undertaken through the CMC process and discussed publicly on OpenFalklands over the past year is helping to directly shape the terms of the decision that FIG is now being asked to make. The community has not been shouting into a void.

The Islanders Deserve More Than a Press Release

Roger Spink also indicated that the ExCo paper will almost certainly remain confidential, on the grounds that it will contain commercially sensitive information, including details about notice. A press release is expected after decisions are made. The community will likely learn what has been decided, but not the full reasoning behind it.

That is understandable up to a point. Some elements of a procurement or negotiating strategy are legitimately sensitive. But confidentiality has its limits, and in this case, those limits matter enormously.

The contrast with previous telecommunications reviews is striking. In 2005, Chris Doyle's telecommunications report was published. In 2015, the two Cartesian reports were also released. Both contained redactions, as would be expected. Yet neither of the two Cambridge Management Consulting reports completed six months ago in 2025 has yet been published, even in heavily redacted form. A pattern is emerging in which the most consequential strategic decisions about Falklands telecommunications are being made with decreasing public visibility.

The future of the post-2027 telecommunications framework is one of the most significant decisions the Islands have faced in recent years. It will shape connectivity, investment, competition and public expenditure for the next decade and beyond. To suggest that a press release will adequately explain the reasoning behind a decision of that magnitude is, frankly, insufficient.

The community that organised the Starlink petition, engaged constructively with the CMC process, and has followed these developments closely deserves better than an announcement without an argument. When public consultation is announced, sufficient detail about the reasoning that took place behind closed doors must be in the public domain beforehand. Without it, meaningful and considered engagement is simply not possible; islanders cannot ask informed questions about a process they have not been allowed to understand.

It is also worth recalling that a Select Committee was established for the Starlink petition. That process gave the community a formal mechanism to scrutinise, challenge and contribute to a consequential decision. There is no obvious reason why a similar approach could not be adopted here, and every reason why, for a decision of this scale and complexity, it should be.

Endorsement of the Urgency Argument

Perhaps the most striking moment in the interview comes when Roger Spink is asked whether the time elapsed since the Cambridge Management Consulting (CMC) report was completed concerns him. His answer is direct and unambiguous. Yes, it does concern him. He raised the matter with the Acting Chief Executive that morning. And he is concerned because, with every passing day, the Islands continue to pay a very large subsidy to Sure, thereby unnecessarily extending that period. Ongoing compensation payments to Sure are understood to run to several million pounds annually — a direct and growing cost to the public purse that accumulates with every month of delay.

This reflects a concern widely expressed across the community: that delay is not a neutral choice, that it carries a direct and ongoing financial cost to the public purse, and that urgency is not impatience but prudence. Hearing it stated publicly by an elected MLA is significant and suggests the concern about the pace is shared at the level of elected representation. That matters for the political context in which the August ExCo paper will be considered.

Telecommunications Remains a Priority — But Words Are Not Enough

Roger Spink confirms that all five MLAs present at the morning's discussion see telecommunications as a priority and expressed concerns that progress needs to be made. He also acknowledges, with commendable honesty, that it is easy to declare something a priority, but it is harder to do the work and bring everything together.

That is a fair and self-aware observation. It also contains an implicit challenge. Priority status and expressions of concern are necessary but not sufficient. What the community needs, and what the August ExCo paper must deliver, is a decision, not a further deferral – not a statement of principles, but a clear commitment to a course of action with a timetable attached.

MissionNEX and the Cable Survey: Now Part of the Public Conversation

When asked about the considerable interest in reports concerning an American company proposing a satellite gateway in the Falklands and speculation about possible fibre optic cable surveys linking the Islands with South America, Roger Spink does not dismiss the questions. He acknowledges that FIG receives approaches from a variety of organisations and individuals with ideas for the future, and that those ideas will be taken into account when any tendering process takes place.

That is a careful and measured answer, neither confirming nor denying specific knowledge. But the fact that the question was raised on Falklands Radio, and that MLA Roger Spink chose to engage with it rather than deflect it entirely, confirms that these developments have entered the mainstream public conversation in the Islands.

What Comes Next

The August timeline changes the landscape considerably. If the ExCo paper arrives as expected and leads to a clear decision on notice and the future structure, many of the questions that have been circulating for months will finally have answers, or will at least have a framework within which they can be addressed.

The community that organised the Starlink petition and has engaged constructively throughout the CMC process deserves clarity, and August is now the moment when that clarity should arrive.

If it does not, the questions will not go away. They will simply become more pressing, and the case for a Select Committee stronger.

An Update from Today's 26th June Penguin News

Today's Penguin News adds further important context. Reporting on a Standing Finance Committee meeting held on 24 June, the paper confirms that notice has not yet been given to Sure regarding the ending of the exclusive licence. MLA Roger Spink is reported as telling the committee that MLAs had been 'assured' that a paper would go to ExCo in August on this topic, though he cautioned that the two-year notice period from the date of termination will take the contract past the current December 2027 end date – a point that has been made consistently on OpenFalklands.

Most significantly, MLA Stacy Bragger stated publicly that he would personally like notice to be served on Sure as soon as possible, while emphasising the need to ensure the Islands are in the best position with a clear plan in place. That is the clearest personal statement of intent on notice from any MLA to date, and it matters for the political context in which the August ExCo paper will be considered.

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Post 2: £653,000 Every Quarter: The Cost of Delaying Notice to Sure

The headline numbers to remember for busy readers:

While Sure South Atlantic's (Sure) exclusive licence remains active, the Falkland Islands Government (FIG) pays the company approximately £653,000 per quarter, or £2.6 million annually, through two financial arrangements. The VSAT compensation agreement accounts for about £393,000 per quarter, and the broadband capacity obligation adds £260,000 per quarter. These payments represent a significant ongoing public commitment for as long as notice is delayed.

The 26th June 2026 edition of Penguin News reported that £1.5 million has already been paid to Sure South Atlantic under the Starlink compensation agreement established in October 2025. This was announced in the Standing Finance Committee meeting minutes dated 24th June 2026. OpenFalklands' calculations highlight the ongoing financial impact of delaying notice under Sure's exclusive licence. This figure warrants closer review, both regarding the agreement's origins and the implications of continued delay for public finances.

Nearly £1.5m paid to Sure in compensation

Nearly £1.5m has been paid to Sure South Atlantic for VSAT compensation over the past eight months.

The agreement reached between Falkland Islands Government (FIG) and Sure last October allowed for the telecommunications company to claim up to £6.167m over the rest of the exclusive licence period for revenue lost following the updated VSAT licensing scheme.

A brief update was provided to Members of the Legislative Assembly in the open section of Standing Finance Committee (SFC) on June 24. A further update was listed on the agenda for the closed section.

Financial Secretary Pat Clunie explained that so far £1,412,619 has been paid to Sure across three different claims.

The report explained that the total sum was made up of a "prior losses" claim of £625,411 covering April 2024 to August 2025 which was paid in October 2025. An explanatory note in the paper said, "this is defined as revenue lost from a baseline established before the updated VAST licence regime was introduced."

The petition to change the fee was started in May 2024 which then led to a select committee examining the proposals. The updated VSAT regime and lower licence fee was approved by Executive Council in June 2025. VSAT licence applications were reopened to the public in November 2025.

The second compensation claim from Sure covered September to December 2025 for a total pay out of £393,623. The third claim covered January to March 2026 for £393,585. Claims are made quarterly, with the next covering April to June expected to be broadly in line with the January to March claim.

The projection for the total compensation amount paid across this financial year 2025/26, including the prior losses claim, is around £1.82m. This is less than "worst case" loss projection of around £2.5m which was outlined in the ExCo paper concerning the compensation agreement.

Penguin News asked MLA Stacy Bragger about the losses being claimed and whether it was right that some covered a period of time before the new regime was in place. He explained: "there had been widespread use of Starlink before the new regime came in so I guess it was just to recognise that. I guess it was felt that was the best outcome for Sure and FIG at the time. I don't think anyone's happy that the compensation has had to be brought in but bearing

continued on page 3.

e different charities will each swim, thanks to money raised ent sponsors including the FIC.

Nearly £1.5m paid to Sure in compensation

Continued from front:

everything in mind that's probably the best acceptable position that could have been arrived at."

Notice has not yet been given to Sure regarding the ending of the exclusive licence. It was mentioned by MLA Roger Spink in SFC that MLAs had been "assured" that a paper would go to ExCo in August on this topic, but he cautioned that there is still a two year notice period from the date of termination which will take the contract past the current December 2027 end date.

Some brief discussion was held about accounting for the continuation of the compensation agreement, as well as Sure's current subsidy, after December 2027, which hasn't currently been factored in. However Mr Clunie explained that "we're under forecast for the first year [of the compensation agreement] and one would expect the first year to be where most movements would be."

The Financial Secretary continued that, "at such point that notice is given, whenever that may be we can recalculate the impact on the five year plan."

MLA Jack Ford did note that "this compensation package is as a result of the work of the VSAT select committee so if that hadn't taken place we wouldn't be paying compensation."

On the topic of notice not yet being given to Sure, MLA Bragger told Penguin News, "I personally would like notice to be served as soon as possible, but I think we need to make sure that we're in the best position and there is a clear plan in place."

How the Compensation Agreement Came About

The compensation agreement was negotiated after Sure threatened legal action in response to the [October 2025 ExCo paper] approving the revised VSAT (Starlink) licensing policy. According to the ExCo paper, Sure argued that the changes would harm its commercial viability and breach its legitimate expectations under the exclusive licence. Rather than risk a lengthy and costly judicial review, FIG negotiated a commercial settlement based on compensation. The ExCo paper noted that legal proceedings could have significantly delayed the implementation of the revised VSAT policy.

The resulting agreement allows Sure to claim compensation for demonstrated broadband revenue losses relative to a baseline established before the widespread adoption of Starlink. Claims are submitted quarterly and follow a tiered formula intended to incentivise Sure to continue operations in the islands.

The ExCo paper authorising the agreement stated it was an appropriate use of public funds, given the essential nature of Sure's services and the need to maintain universal service for the rest of the licence period. While this justification was valid at the time, the timetable has since changed.

The Maximum Compensation Liability

The compensation agreement authorised a maximum liability of £6.166 million, based on the assumption that Sure's exclusive licence would end at the earliest opportunity in **December 2027,** following notice in January 2026.

The authorised amounts were:

- **2025/26:** £2,495,040 (including back payments)
- **2026/27:** £2,447,753
- **2027/28:** £1,223,877 (to December 2027)

In practice, compensation has been significantly lower than the maximum assumed. The three claims paid to date total £1,412,619, with current quarterly payments at approximately £393,000, or about 64% of the maximum rate anticipated when the agreement was approved.

What the Current Claim Rate Means in Practice

It has been noted that because compensation claims have been lower than expected, there is significant headroom within the authorised £6.166 million provision.

At current claim rates, about £2.4 million of the authorised provision would remain after payments through December 2027. This suggests the existing provision could cover compensation for roughly 18 months beyond December 2027, assuming claim rates stay consistent.

However, this conclusion should be approached with caution for two reasons.

First, if Sure's future claims rise toward the maximum rate assumed in the agreement, the available headroom would be significantly reduced, potentially covering only about five additional months beyond December 2027. Notice has already been delayed by six months.

Second, both the original ExCo paper and the recent Standing Finance Committee paper state that any compensation beyond December 2027 – as is the case, as notice was not given in January 2026 – would require new negotiations. It is unclear whether any underspend within the existing £6.166 million provision could be used to extend the licence period. Until FIG clarifies this, the apparent headroom should be viewed cautiously.

The Continuing Broadband Capacity Payments

The VSAT compensation agreement is not FIG's only financial commitment to Sure during this period. Since 2019, FIG has paid Sure approximately £1,042,000 per year under successive broadband obligation agreements. These payments began with the 2019 three-year agreement and continue under the 2022 five-year agreement, which runs until the current exclusive licence ends in December 2027. Will this be extended after December 2027, or will satellite capacity need to be reduced without a subsidy?

Although these are separate arrangements, the VSAT compensation of £393,000 per quarter and the broadband capacity obligation of £260,000 per quarter together total an estimated £653,000 per quarter, or about £2.6 million annually, paid to Sure South Atlantic while the exclusive licence remains in effect.

What the Numbers Tell Us

Budget headroom does not make these payments cost-free. Each quarter that passes without notice being served is associated with a further compensation payment of about £393,000, delaying the earliest possible end of these arrangements. Notice could have been given as of January 2026, but it has not been, and a fourth quarterly claim is now expected for the April to June 2026 period.

At current payment rates, the existing compensation provision appears sufficient to cover payments through December 2027 and possibly beyond. However, this apparent headroom should not be seen as a reason to delay action.

The original ExCo paper anticipated that, if Sure's exclusive licence were extended beyond December 2027, additional compensation payments could become due. More recently, the Standing Finance Committee confirmed that any such extension would require fresh negotiations with Sure and that no budget assumptions have yet been made for that period. Whether any apparent underspend within the existing £6.166 million provision could, therefore, be automatically used to fund an extended period of exclusivity remains unclear.

The ExCo paper on telecommunications, expected in August, should address both the issue of serving notice on Sure and the long-term structure of telecommunications in the Falkland Islands. Regardless of the model chosen, the timing of this decision now carries clear and measurable financial consequences. If new public information emerges that changes this analysis, I will provide an update.

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Post 3: What the Falkland Islands Government's Negotiations with Sure Tell Us

Please note that this is an AI-generated image.

The headline points for busy readers

This post is not about what the Falkland Islands Government (FIG) will propose on the future of telecommunications in August. It examines something more fundamental: the organisational culture that may shape that decision. Drawing on publicly available documents and events, it considers whether a pattern has emerged of delaying difficult decisions, preferring incremental change over decisive action, and placing a high value on avoiding risk. If that pattern exists, it may help explain not only how the current position developed, but also what kind of recommendation is most likely to emerge from the August telecommunications ExCo paper.

External Constraints and Organisational Culture

It is important to recognise that FIG has operated within genuine constraints. Sure holds a legally binding exclusive licence, and the threat of judicial review over the Starlink licensing changes was both credible and potentially costly. Delivering universal telecommunications in a remote island territory is inherently challenging, and the incumbent operator continues to perform an essential role.

However, the Starlink campaign demonstrated that when MLAs received a clear public mandate, they were prepared to act decisively despite those risks. This post asks a different question: has FIG shown the same willingness to take difficult decisions when negotiating with the incumbent?

To explore that question, it is helpful to examine FIG's negotiations with Sure over the past few years.

£8 Million and No Value for Money

The Public Accounts Committee's (PAC) report, published in May 2025, examined more than £8 million of public expenditure paid or committed by FIG to Sure between 2018 and 2027, primarily for broadband improvements and, to a lesser extent, mobile coverage in Camp. It concluded that it was difficult to demonstrate value for money from this expenditure, raising significant concerns.

The report noted that PAC's investigation faced significant obstacles. Limited information was provided despite repeated requests; some individuals declined to cooperate, and key documents were withheld. As a result, the committee relied largely on public information, which limited the completeness of its review.

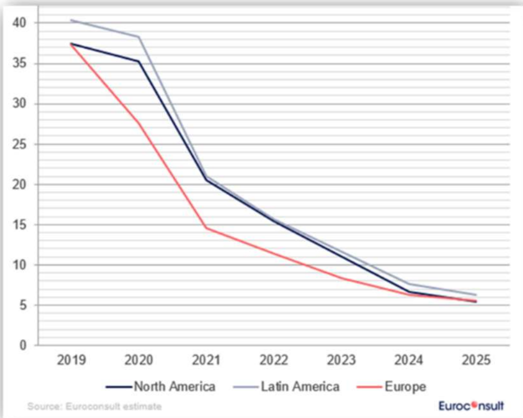
Despite these constraints, the PAC's findings were critical. The failed launch of OneWeb LEO services in 2024 left Sure's customers without a promised service. The report questioned whether FIG had adequate safeguards to manage financial risk and observed that Starlink's entry prompted Sure to introduce unlimited packages without additional FIG subsidies, suggesting competition, rather than public funding, may have driven improvements.

FIG's formal response to the report, published in January 2026, did not address the PAC's main value-for-money conclusion. While it responded to the committee's specific recommendations and agreed with most of them in principle, the central concern that public money provided for subsidies is not delivering value remained unaddressed.

A Subsidy That Should Never Have Been Needed

Long before the Starlink compensation agreement, FIG was already making substantial payments to Sure. From 2019 onwards, FIG subsidised Sure's satellite capacity by more than £1 million per year — the £8 million referred to in the PAC report — on the basis that improvements to broadband capacity would otherwise require significant price increases for consumers. FIG chose to fund the additional capacity itself, substituting public money for commercial investment that Sure might otherwise have been expected to make. As a result, satellite capacity was effectively doubled in 2019 and increased by a further 45% in 2022, delivering real improvements in broadband performance.

The timing makes this decision hard to justify in retrospect. When FIG agreed the subsidy in 2019, the global cost of satellite capacity was already falling sharply — down between 35 and 60 per cent — and continues to fall by around 77 per cent over the following five years, driven by LEO competition. A company with Sure's profitability, operating in a market where its core satellite capacity costs were collapsing, was telling FIG it needed public money to improve its service. The subsequent arrival of Starlink competition prompted Sure to introduce unlimited broadband packages without any further public subsidy, raising the obvious question of whether these earlier capacity subsidies had ever been genuinely necessary. Source: SpaceNews



These capacity payments continue until December 2027 and may prove difficult to unwind, as Sure could argue that reducing satellite capacity would degrade the broadband service on which islanders now depend. Together with the VSAT compensation payments, they illustrate a pattern of the FIG accepting Sure's commercial position rather than challenging it more robustly.

They also raise a broader question about public financial management. Long-term subsidies should not become permanent simply because they have existed for several years. As markets, technologies and commercial circumstances change, it is reasonable to ask whether continued public funding remains justified and, if so, at what level. By 2026, the issue is no longer whether additional satellite capacity should be subsidised, but whether the existing subsidy of £262,000 per quarter should itself be reviewed and renegotiated in the public interest.

Starlink Compensation

The VSAT compensation agreement provides perhaps the clearest and most costly example of FIG's negotiating approach. When FIG legalised Starlink and reduced the VSAT licence fee from £5,400 to £180, Sure threatened legal action. Rather than contesting those claims in court, FIG negotiated an agreement allowing Sure to recover up to £6.166 million from public funds for evidenced broadband revenue losses.

Nearly £1.5 million has already been paid. Together with the continuing broadband capacity subsidy, FIG is now committing an estimated £393,000 each quarter to Sure while the exclusive licence remains in force. The Standing Finance Committee confirmed on 24 June 2026 that if the exclusive licence is extended beyond December 2027, any compensation for that additional period may require fresh negotiations with Sure. No budget assumptions have yet been made for such an extension, despite the possibility having already been identified in the October 2025 ExCo paper.

The PAC had already concluded that FIG's regulation of Sure lacked sufficient robustness and that public funds had been committed without adequate safeguards. Against that background, the October 2025 compensation agreement raises a broader question about negotiating strategy. Whether a firmer negotiating position could have produced a different outcome cannot now be known, but no evidence has entered the public domain to suggest that this course was pursued.

Given the Falkland Islands' current fiscal pressures, it is reasonable to ask whether this continuing level of public financial support was subject to sufficiently robust challenge in the public interest.

Public Subsidies for a Profitable Company

FIG's Starlink compensation agreement was not the only example of continuing public financial support for Sure while the company remained highly profitable. Sure South Atlantic reported revenues of £18.3 million and profits after tax of £5.0 million in 2023. During the same year, it paid a £9 million dividend to its parent company, Beyon (formerly Batelco), following an £8.5 million dividend in 2022.

There is nothing unusual about a profitable company paying dividends to its shareholders. The public policy question is whether continuing public subsidies remained justified when the recipient was generating sufficient profits to distribute millions of pounds to its parent company.

The public record contains no indication that these subsidy arrangements were reconsidered in light of Sure's continuing high profitability. Whether FIG should have continued subsidising the company under those circumstances is ultimately a matter of public policy and public accountability. It is a question that deserves careful consideration as decisions are made about the future structure of telecommunications in the Falkland Islands.

The Same Pattern, A Different Arena

Cruise passengers can enjoy Starlink connectivity throughout their voyage. Yet when they step ashore in Stanley, that connectivity disappears, despite Starlink now being legal for individual use within the Falkland Islands. A vessel using Starlink at sea requires no Falklands VSAT licence, while small guest houses offering the same service to guests remain subject to licensing restrictions and potential penalties of up to £125,000.

This outcome did not arise solely through negotiation. Sure's exclusive licence created genuine legal constraints, and the Communications Regulator concluded there was no realistic scope for change before January 2028.

The result, however, is a dual system. Businesses may use Starlink internally for staff communications, payment systems and office operations, but customer-facing connectivity remains reserved for Sure. While legally understandable, the arrangement limits opportunities to improve the visitor experience and places a disproportionate burden on sectors such as tourism.

Again, whether greater flexibility could have been achieved within the existing legal model remains open to debate. What is clear is that the resulting arrangements align more closely with preserving the existing market structure and benefiting Sure rather than supporting the key needs of the islands' businesses.

What August ExCo paper Might Bring

Taken individually, each of these examples could be explained by its own circumstances. Considered together, however, they suggest a recurring pattern in how difficult commercial and regulatory telecommunications decisions have been approached.

The August ExCo paper will be the first major test of whether the pattern described in this post continues or demonstrates change. According to the Falklands Radio interview on 22 June 2026, the paper is expected to consider whether to serve notice on Sure and which model should replace the current exclusive licence after December 2027.

There is already evidence that a different approach is possible going forward. When the Starlink petition reached the Legislative Assembly in 2024, MLAs established a Select Committee, examined the evidence in public, acknowledged legal and commercial risks, and nevertheless concluded that the community's interests justified change. That decision ultimately transformed telecommunications for many islanders.

A post-2027 telecommunications model that simply preserves the existing approach would represent a missed opportunity at a pivotal moment for the Falkland Islands. Equally, a well-supported proposal that demonstrates strategic ambition, commercial discipline, and a clear focus on the long-term public interest would signal something more important than a change in telecommunications policy. It could indicate that FIG has become more confident in confronting difficult telecommunications decisions.

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Post 4: What the Falklands Government's 2016 Telecoms Decisions Tells Us About 2026

Please note that this is an AI-generated image.

The headline points for busy readers

In 2016, when the Falkland Islands Government (FIG) was deciding how to structure a new exclusive telecommunications licence for Sure, it did not lack for warnings. Its own consultants had set out a menu of alternatives to straight renegotiation. The Chamber of Commerce, individual residents and even the Select Committee's own line of questioning raised specific, detailed concerns about the length of exclusivity, the weakness of the terms on offer, and the risk of locking the Islands into a decade-plus arrangement without adequate safeguards. Almost a decade on, many of those warnings read as remarkably accurate predictions of where we've ended up. As FIG prepares an August 2026 ExCo paper that will again ask whether to renegotiate continuity with Sure or pursue something different, this post asks a simple question: were the 2016 warnings actually addressed, or is the community being asked to take the same gamble twice? The past can inform the future.

A choice presented as the safe one

It's worth remembering that in 2016, renegotiating directly with Sure was never the only option on the table. FIG consultants, Cartesian, working with legal advisers Preiskel & Co, evaluated a full range of alternatives: serving notice and running a competitive process for a new exclusive licence, unbundling services to introduce an element of competition, structurally separating the wholesale satellite link from retail service delivery, taking the network into public ownership, or negotiating a new exclusive agreement with Sure.

Cartesian ultimately recommended negotiation, and the FIG's own economic analysis reached the same conclusion. The reasoning, set out in the October 2016 Executive Council paper, was that the Islands' small and dispersed population meant that Stanley, Camp and Mount Pleasant together were unlikely to sustain a competitive market at reasonable prices without government intervention, and that regulating a genuinely competitive market would itself exceed the Government's practical capacity. On its own terms, that reasoning was defensible, and this post is not arguing that exclusivity should necessarily have been rejected altogether.

What is often forgotten, however, is that Cartesian's recommendation was explicitly conditional. At the public meeting held on 16 November 2016 **– held 19 months after ExCo approved an exclusive licence with Sure –** officials explained that the final Cartesian reports had been received in March 2015 and that the Executive Council had agreed the following month to begin commercial discussions with Sure. The consultants' recommendation was to "negotiate directly with Sure for a new exclusive licence with defined priorities", with the Government's economic analysis aligning with that recommendation. Crucially, however, the presentation also made clear that a competitive tender or an unbundled model remained available if acceptable terms could not be reached through negotiation.

In other words, negotiation was never intended to be an end in itself. It was one strategic option, supported by a credible fallback if negotiations failed to secure an acceptable outcome. As events unfolded, that fallback was never invoked.

The concerns raised at the time

The November 2016 Select Committee, held 19 months after ExCo's decision, scrutinising the Communications Bill, heard sustained, specific objections rather than vague unease. The Chamber of Commerce, represented by Executive Secretary Stacy Bragger (a current MLA), told the Committee it had been raising concerns with FIG since 2013 through position papers, presentations to the Telecommunications Working Group, and repeated letters, and said it was left deeply disappointed by where the Bill and licence had ended up.

Written submissions to the Committee went into greater detail. One submission questioned why the exclusive agreement appeared to value the exclusive licence at only £10,000 when the incumbent's recorded profit the previous year had been over five million pounds. Another submission, from resident Drew Irvine, argued that the returns being made by a monopoly provider were already excessive, that self-provision and genuine competition were the only real check on price and quality, that the accounting behind the licence lacked transparency, and that placing heavy faith in a Regulator and Regulations was hard to justify given the arrangement's track record over the previous two decades.

None of this was abstract muttering from the sidelines. It was detailed, repeated, on the record, and delivered directly to the people who would go on to approve the Bill and the licence.

What was recommended, and what was actually signed

Perhaps the clearest sign that these warnings had some substance is that even Cartesian's own confidential recommendations were more cautious than what FIG ultimately agreed. Cartesian's Part B advice proposed a licence with an initial term of ten years and a notice period of three years within that first decade, tightening to two years after that. What FIG actually signed with Sure in April 2017 was a licence backdated to run from January 2016, for an initial term of twelve years, a structure that sits uneasily against the three licence models the FIG's own Communications Ordinance was simultaneously being drafted to allow.

The 2016 ExCo paper had also pointed to detailed exit provisions, covering the handover and compensation at the end of a licence, as one of the clear improvements the new regime would deliver over the old arrangement, which officials said had left FIG open to being held to ransom by the existing provider. Those exit provisions are precisely the section of the signed licence that remains blacked out in the public copy today.

The Community Was Not Consulted — and Said So

It is worth recalling that when the Communications Bill was passing through the Legislative Assembly in 2016, the community raised serious concerns about the lack of meaningful consultation with islanders. At the belated Select Committee on the Communications Bill, held in November and December 2016, multiple witnesses called for a delay to allow proper public consultation before the Bill was passed. The Chamber of Commerce went further, arguing that the entire process should start again with a proper tender exercise and genuine community engagement before any decision was made.

FIG proceeded anyway. The Bill was passed, the licence was signed, and the community's call for meaningful consultation before a ten-year commitment was not heeded. A decade later, the community finds itself in exactly the position those witnesses warned about: locked into an arrangement that is proving difficult and costly to change, with limited public visibility of the reasoning behind the decisions that created it.

Did the 2016 warnings come true?

Looking at where things stand now in 2026, it's hard to argue that the Chamber and Mr Irvine were wrong to worry. The Public Accounts Committee's 2025 review of over £8 million paid or committed to Sure since 2018 concluded it would be very difficult to demonstrate value for money from that spending. Sure's Falklands operation has reportedly returned a net margin of around 29 per cent, with dividends of roughly £8.5 million in 2022 and £9 million in 2023 flowing to its parent company, paid in the same years FIG was subsidising the company's satellite capacity by over £1 million annually. The narrow, personal-use only model that now governs how businesses can use Starlink traces directly back to the broad definition of exclusivity in the 2017 licence, years before Starlink was even a realistic option.

In other words, the concerns raised at the Select Committee in 2016, about excessive profitability, weak transparency, and a Regulator being asked to do more than it could realistically deliver, were not idle. They described, with reasonable accuracy, the decade that followed.

Some lessons from 2016 for 2026

If many of the concerns raised in 2016 can now be tested against a decade of experience, the obvious question is what should be done differently as the Falklands Government prepares its decisions for August 2026. The historical record points to several practical lessons that, amongst others, deserve careful consideration before any new long-term agreement is reached.

1. **Openly weigh all the options, not just a continuity route.** The August ExCo paper faces broadly the same menu of Cartesian set out in 2016: tender the licence, unbundle services, separate wholesale from retail, take the network into public ownership, or negotiate a new Sure continuity deal. In 2016, that menu was presented, but the negotiated continuity route was reached quickly and matched FIG's own starting preference. This time, the alternatives deserve genuine, visible consideration on their own merits, rather than being treated as a mere formality on the way to a foregone conclusion.
2. **Let community scrutiny happen BEFORE terms are locked in, not after.** The Chamber of Commerce and residents raised detailed concerns in the belated 2016 Select Committee, and the Bill proceeded largely unchanged anyway. A Select Committee process this time should let any concerns really shape the outcome, not just be noted and ignored. Papers should be published with appropriate redactions if necessary for discussion, not just withheld for "commercial confidentiality" reasons.
3. **Make transparency a licence condition.** There was no obligation on Sure to publish the financial details needed to judge whether the public is getting value for money. Any new agreement should require regular, public financial reporting as a term of the licence itself, not something FIG has to negotiate for after the fact.
4. **Build in a review point, not just a distant exit.** The 2017 licence has no mechanism to revisit terms if circumstances change materially, and Starlink's arrival was exactly that kind of change. A new agreement needs a genuine mid-term checkpoint, not just one notice window years away.
5. **Define exclusivity narrowly, with future technologies in mind.** The current ban on business use of Starlink exists only because "commercial telephony satellite services" was defined broadly in 2016, years before Starlink existed. Any new scope should be tight enough not to foreclose options nobody can yet anticipate.
6. **Carve out room for major strategic developments in advance**. Premier Oil warned in 2016 that an exclusive licence could inadvertently block it from sourcing its own communications for the Sea Lion development. That concern is far more live now than it was then, and any new licence should

explicitly reserve space for large industrial or economic developments to arrange their own solutions.

7. **Don't let the most important section be the redacted one.** The 2016 ExCo paper cited detailed exit and compensation provisions as proof that the new regime had fixed the "held to ransom" problem. Redacting that same section in the final licence rendered the point moot. Exit terms should be open to public scrutiny.
8. **Treat the fallback option as real, not as cover.** Cartesian's plan kept open the option to tender or unbundle the licence if talks with Sure failed. There's little sign that leverage was ever seriously used. A credible alternative only means something if FIG is genuinely prepared to walk toward it.

The same questions, again, in August 2026

FIG is now preparing to decide whether, and when, to serve notice on Sure. The shape of the options is strikingly familiar to 2016: a small, dispersed population; a consultant's report weighing the same broad set of options; and an incumbent whose cooperation FIG will feel it needs to secure a stable transition.

What should be different this time is that FIG can no longer claim the risks are theoretical. In 2016, the Chamber of Commerce and individual residents were making predictions. By 2026, those predictions can be tested against a decade of evidence from the Falkland Islands itself: PAC findings, public subsidy payments, the Starlink compensation agreement, and Sure's continuing profitability all provide a factual record against which the decisions of 2016 can now be judged.

The Cartesian review also provides an important reminder. Its recommendation to negotiate with Sure was conditional on acceptable terms, not an endorsement of negotiation at any cost.

If the August 2026 ExCo paper again favours a negotiated extended licence arrangement with Sure, the community should be asking whether that choice is reasonable in principle; given the Islands' size, it may well be. The more important question is whether the eight lessons identified above will genuinely shape the approach taken this time, or whether the concerns raised in 2016 have once again been acknowledged without fundamentally changing the outcome.

The Connected Falklands Group's current call for a Select Committee on the post-2027 framework is not a new idea. Similar calls for greater public scrutiny and engagement were made in 2016. The August decisions will show whether the FIG has chosen a more open approach to telecommunications decision-making than it did a decade ago.

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Post 5: Before August: Negotiations Begin Long Before Anyone Sits Down at the Table

Please note that this is an AI-generated image.

Over the past three weeks, OpenFalklands has published four detailed posts examining the financial cost of delay. Together they make a single argument: that what happens in August, when a telecommunications future after 2017 Falkland Islands Government (FIG) paper is presented to ExCO, will reveal whether a decade of caution has given way to something more confident and decisive.

This post considers what that argument means in practice. Negotiating culture does not switch on when formal talks begin. It has already been shaping the environment in which those talks will take place.

Telecommunications Is Not a Peripheral Service

Before considering how negotiations are already forming, it is worth stating plainly why they matter so much. Telecommunications is not a utility in the background of the Falklands economy. It underpins every part of it — fishing, tourism, financial services, government operations, education, healthcare and Camp connectivity. It shapes whether the Islands can attract investment, retain skilled people and participate fully in a world that is increasingly dependent on reliable, affordable digital connectivity.

The FIG chosen proposal made in August will affect every household, every business and every public service in the Islands for the next decade and beyond. That is why the negotiating culture FIG brings to those decisions deserves as much attention as the policy recommendations themselves.

The Market Is Already Forming a View

During 2025, Cambridge Management Consulting conducted preliminary market engagement to assess potential operators' interest in the post-December 2027 framework. That exercise was more than a technical assessment. It was also about confidence.

Companies considering entry into a new market are not simply evaluating population size, geography and commercial opportunity. They are also assessing the customer. They want confidence that decisions will be made, that procurement will proceed within a reasonable timescale, and that the organisation leading the process has a clear strategic direction.

More than eighteen months have now passed since the Executive Council approved the revised VSAT policy that legalised Starlink. During that period, further work has continued, but notice under Sure's exclusive licence has not yet been served. There may be entirely legitimate reasons for that. Telecommunications reform is complex, and careful preparation matters.

Nevertheless, time inevitably sends signals to the market. Delay creates uncertainty, and uncertainty affects commercial confidence. By the time FIG returns to the market, potential participants will not simply be evaluating the opportunity before them. They will also be evaluating the process that brought them there, and forming a view about whether this is an organisation they want to do business with.

The Incumbent Is Forming a View Too

The same principle applies to Sure South Atlantic (Sure).

Negotiations are never conducted in isolation. Every experienced commercial organisation seeks to understand the priorities, constraints and negotiating style of the party sitting across the table. Over the past decade, Sure has observed how FIG has approached major telecommunications decisions. It has seen public funding used to subsidise additional satellite capacity, commercial agreements reached following the threat of legal proceedings, and extended periods of analysis before major structural decisions have been taken.

Whether each of those decisions was right or wrong in its own context is not the issue here. Taken together, they form part of the negotiating environment. They help shape Sure's expectations about how future negotiations are likely to be conducted.

If one party is perceived as cautious, keen to avoid conflict and inclined to seek negotiated compromise wherever possible, any experienced counterparty will take that assessment into account when deciding its own negotiating strategy. That is not a criticism — it is simply how negotiations work. But it is a reality FIG cannot afford to ignore going into August.

August Is About More Than Telecommunications Policy

None of this tells us what the August ExCo paper will recommend. Nor does it suggest that FIG's commitment to serve notice and engage the market will not be honoured.

What it does suggest is that organisational culture has consequences long before formal negotiations begin. It influences how potential market entrants assess the opportunity. It influences how the incumbent prepares its negotiating position. And ultimately, it influences the range of achievable outcomes.

The August proposals should therefore be judged on more than their policy recommendations. They should also be judged on whether they demonstrate a genuinely different approach — one that gives both the market and Sure confidence that FIG is prepared to act decisively, negotiate confidently and deliver the long-term telecommunications strategy that the community and the Islands' economy deserve.

Proper scrutiny should not be seen as an obstacle. Decisions on major infrastructure and public policy are often strengthened through examination by MLAs, giving them greater confidence that the available options have been thoroughly tested before implementation.

That is precisely why the Connected Falklands Group has called on Members of the Legislative Assembly to establish a Select Committee before the post-2027 framework is finalised. A Select Committee would give the community a formal mechanism to scrutinise not just what is being proposed but how it has been negotiated and on what basis. It would demonstrate that the proposals had been subjected to independent parliamentary scrutiny before implementation. And it would give FIG the opportunity to publicly demonstrate that the culture described in recent posts is genuinely changing.

The decision whether to establish a Select Committee now rests with Members of the Legislative Assembly. If there is to be structured public scrutiny before the post-2027 framework is settled, this is likely to be the only realistic opportunity to provide it.

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