

A close-up photograph of a person's hand holding a wooden frame. Inside the frame are several rows of yellow, honeycomb-like structures, which appear to be frames of beeswax or honeycombs. The background is slightly blurred, showing some greenery and a dark, textured surface.

St Helena's Sustainable Economic Development Plan

2018 - 2028

St Helena Government
Final

Contents



Introduction			3
The 10 Year Plan	4	Barriers to Achieving the SEDP Vision	7
Inputs and Outputs to St Helena's Economy	5	Opportunities and Comparative Advantages	8
SEDP Vision and Goals	6	Threats and Comparative Disadvantages	9
Cross Cutting Themes			10
Common Issues	11		
Exports			13
Barriers to Exports	14	Work From Home Jobs	24
Existing Export Sectors	15	Academia, Research and Conferences	25
Tourism	16	Liquor, Wines and Beers	26
Fisheries	18	Ship Registry and Sailing Qualifications	27
Coffee	20	Traditional Products	28
New or Expanding Export Sectors	22	Honey and Honey Bees	29
Satellite Ground Stations	23	Film Location	30
Import Substitution			31
Barriers to Import Substitution	32	Bricks, Blocks, Minerals and Rocks	38
Existing Import Substitution Sectors	33	New Import Substitution Sectors	40
Agriculture	34	Bottled Water	41
Timber	36		
Summary and Success Factors			42
Summary of Barriers to Growth	43	Measuring Success	46
Potential to Reduce Trade Imbalance	44	Indicator Data	47
Opportunities for Entrepreneurs	45		

Introduction



St Helena is a British Overseas Territory in a unique location with a wealth of environmental resources, and there are many opportunities for businesses to flourish and the economy to grow.

The previous Sustainable Economic Development Plan (SEDP) focused on tourism as the key growth sector. Since the previous SEDP was drafted, the airport has been built and opened, tourist attractions have seen improvement and there have been new restaurants and hotels opening providing greater choice for visitors. Tourism will continue to be a very important for economic growth going forward.

This SEDP has been drafted thanks to inputs from many sectors, through one on one meetings, individual feedback, chamber of commerce feedback, a public survey in July-September 2017 and a public consultation in January-February 2018.

This SEDP focuses on raising the standard of living and improving quality of life. Opening up a new shop on the Island isn't a marker of a good economy if it just means that the same money is spread between more retailers. The key to economic growth in St Helena is to grow industry which ensures that more money enters and is retained on St Helena. Part of this is ensuring our industries meet local demand in order to minimise the amount we buy from abroad. Another part of this is selling locally produced goods and services to people from abroad.

In 2016/17, remittances into the Bank of St Helena from abroad were £16m (of which around £100k is exports), and remittances out from St Helena were £37m. The reason for this is that St Helena does not export a considerable amount and most of the goods we consume are made overseas. As a result, the Island is still one of three British Overseas Territories, alongside Monserrat and Pitcairn Island, which still receive financial aid from the UK. In this SEDP, the focus is on developing all sectors which can help to increase exports and substitute imports in order to improve the trade deficit and balance of payments.

However, St Helena suffers from challenges of scale and remoteness. Availability of land, availability of skilled labour, and absence of economies of scale are challenges. Therefore, it is imperative that St Helena focuses resources on sectors which produce high value niche products and services, or sectors which have a significant impact on import requirements. A sector analysis has been undertaken for this SEDP. This considers St Helena's comparative advantages, potential sectors for growth and barriers to growth. Removing barriers in these sectors is key to achieving economic growth.

The 10 Year Plan



St Helena's 10 Year Plan ([St Helena Government, 2016](#)) sets a goal to become 'Altogether Wealthier'; to develop St Helena Industry and promote sustainable growth. The 10 Year Plan objectives for the 'Altogether Wealthier' goal are:

- | | | | |
|---|------------------------------------|--|--|
| • Reduce poverty and inequality | • Commitment to sustainable growth | • Continued commitment to agriculture and fisheries | • Ensure the tax and benefits system benefit the most vulnerable |
| • Promote quality of life | • Review currency situation. | • Develop training for Saints to take over internationally recruited roles | • Review customs tariffs to benefit from tourism & green agenda |
| • Raise the Minimum Wage and have a Living Wage | • Improve connectivity | • Develop the supply of amenities and recreation | • Introduce a St Helena card for recreation |
| • Encourage Saints to return to Island | | | |

Because St Helena is a net importer, national wealth is at risk of gradually decreasing because more money goes out of the country than comes in. In order to meet the objectives in St Helena's 10 Year Plan such as promoting quality of life, reducing poverty, and raising wages, St Helena needs to increase wealth by ensuring more money is earned by the island and circulates in the economy.

Additionally, in order to afford infrastructure and sector support, the Government of St Helena needs to balance its budget. When businesses and the self employed are doing better, and wages increase, the Government generally collects more tax, which makes public services and investment by the public sector affordable.

Inputs and Outputs to St Helena's Economy



The diagram below illustrates the cash flows in, out and around St Helena's Economy.



Money comes into St Helena when we export goods; we receive remittances from St Helenians or others living abroad; we receive investment from overseas; our pensioners receive overseas pensions; tourists spend money in St Helena and UK provides Grant in Aid funding.

Money then flows within and around St Helena through the buying of local goods and services, wages, dividends, tax and public expenditure.

Money flows out of St Helena when we pay for imported goods, we transfer money to overseas bank accounts, profit is repatriated overseas and we spend money on holidays abroad.

Increasing St Helena's wealth, and therefore being able to afford higher incomes, is dependant on increasing money flowing in and reducing money flowing out.

SEDP Vision and Goals



The SEDP vision is to achieve development which is economically, environmentally and socially sustainable by increasing standards of living and quality of life; not relying on aid payments from the UK in the longer term; whilst affording to maintain the island's infrastructure; achieve more money coming into St Helena than going out and sustain and improve St Helena's natural resources for this generation and the next. The goals which will help achieve the vision are as follows:

- 1. Increase Exports** Selling goods made, grown or caught in St Helena to markets abroad and people from abroad increases the amount of money entering St Helena, which can help raise standards of living.
- 2. Substitute Imports** Buying and consuming goods and services made, grown or caught in St Helena rather than buying and consuming imported goods and services reduces the amount of money leaving St Helena.
- 3. Attract Visitors and Increase Tourism** Encouraging the provision of tourist infrastructure required for a variety of visitor needs from hotels, restaurants and attractions serviced by a skilled and customer focused workforce.
- 4. Mitigate impacts of inflation on the lowest income groups** Avoiding reduction in purchasing power by the lowest income groups by regularly reviewing the Minimum Wage and Social Protection benefits.
- 5. Improve Land Productivity** Making use of derelict or underused brownfield land and changing use of existing property to provide space for businesses to thrive. Supporting businesses to make the most productive use of land.
- 6. Sustain and improve our Natural Capital** Maintaining and enhancing St Helena's exceptional environment, landscape, heritage and cultural qualities for this generation and the next.
- 7. Improve Infrastructure** Using tax revenue and other funding streams for investments to improve health, education, water, electricity, transport, risk management and other infrastructure.
- 8. Develop, Maintain and Attract a Skilled Workforce** Ensuring that local people develop skills which will contribute to the growth of St Helena's economy. Providing the wages and incentives for St Helenians to come back to St Helena and stay on St Helena. Supporting inward migration particularly in sectors where there are skills or labour shortages.
- 9. Develop the Digital Economy** Open up St Helena to new economic markets by investing in broadband services and infrastructure, work towards delivering a fibre optic cable for the island.
- 10. Reduce Leakage of Income** Provide investment opportunities for people living on St Helena to buy into, as an alternative to investing abroad. Ensure some of the returns on overseas investment is kept within St Helena.

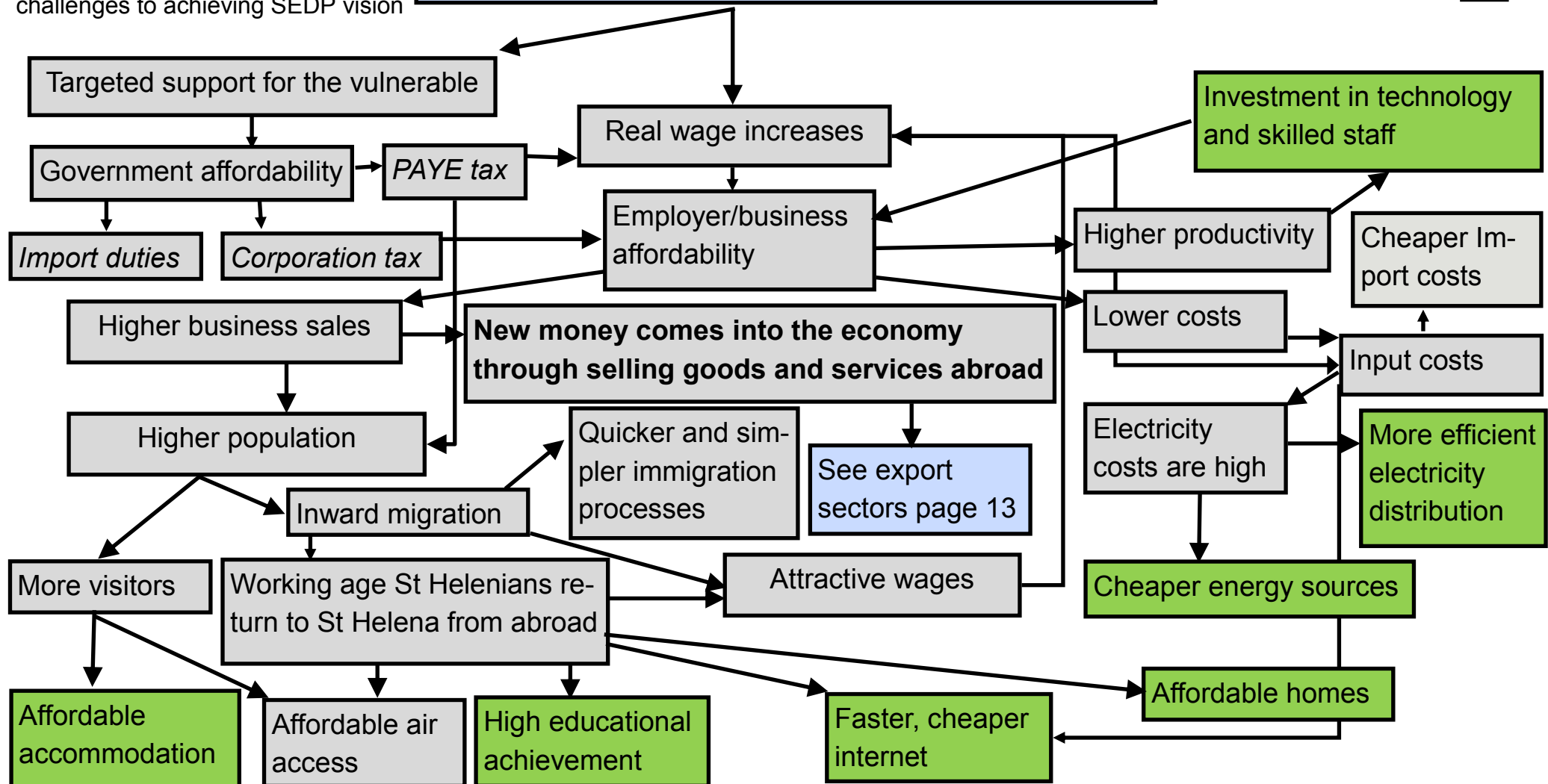
Barriers to Sustainable Economic Growth



This diagram illustrates some of the challenges to achieving SEDP vision

Raising Standard of Living and Improving Quality of Life

Infrastructure required



Raising standards of living and improving quality of life isn't simple. It requires infrastructure investment and policy support in a very many areas from immigration to education. That's why this SEDP goes hand in hand with other St Helena Government strategies.

Opportunities and Comparative Advantages



Comparative advantages are the characteristics whereby St Helena can produce goods and services at a lower cost or higher quality than other economic actors.

1. Natural Resources and Geography

St Helena's sub tropical climate, heritage, natural beauty and endemic species are a draw for tourists to visit. St Helena is geographically safe as it does not suffer from storms, hurricanes or coastal surges. All year round sun and wind provide good opportunities for renewable energy. St Helena's location between Africa and South America provides opportunities for some sectors.

2. British Overseas Territory

St Helena is an English speaking country. There are very strong links between St Helena and the UK, and links to South Africa. 80% of the resident population have left St Helena at some point in their lifetime and 50% have worked overseas. St Helena's time zone follows the Greenwich Mean Time.

3. Currency

The currency in St Helena is the St Helenian Pound. Pound Sterling is accepted on St Helena, with a fixed exchange rate of £1 to £1.

4. Relatively Inexpensive Labour and Property Costs

The minimum wage, average wage, and average property rental rates in St Helena are relatively low compared to many countries elsewhere. This translates to a relatively low variable cost for business.

5. Low Crime

Crime is extremely low in St Helena; in 2016-17 a total of 153 crimes were recorded. St Helena upholds anti corruption laws, and does not tolerate bribery and extortion. The island community is centred around family and heritage which creates an enabling environment for initiative, growth and trust.

Threats and Comparative Disadvantages



Comparative disadvantages are the characteristics which hold St Helena back from producing goods and services at a lower cost or quality than other economic actors.

1. Land Availability

St Helena island is approximately 10 miles (16 km) by 5 miles (8 km), and 47 square miles (121 km²). Part of the land is designated for conservation, much of the land is steep and there is limited flat land. This makes using machinery for traditional agricultural techniques unviable in many cases, which causes diseconomies of scale. As a result, many primary produced goods cannot compete in international commodity markets unless the product is high value, niche and/or targeted to tourism.

2. Demographics

St Helena has a population of about 4,500 of which 63% are economically active. The overall age dependency ratio (the ratio of those above/below working age to those of working age) stands at 56 according to the 2016 Census, 2016, (compared to 0.52 in the UK, according to 2016 ONS data) placing St Helena amongst the very highest of aged dependency in the world. Unemployment is very low, and recruitment can be challenging. In particular there is a shortage of productive manual labourers and skilled professionals such as accountants, lawyers, surveyors and architects. Labour intensive industries are more challenging to grow.

3. Logistics

Goods travelling to or from the island incur freight costs and customs duty. Goods will travel every 4 weeks via the MV Helena, with the exception of goods travelling weekly by air. Low volume, high value goods are best suited to export by air freight, and import substitution is most beneficial for high volume goods, because freight is charged by the container not by value.

4. Scale

Opportunities on St Helena are constrained the small size of the local market and the inability to benefit from economies of scale. This makes it difficult to compete with cheap goods from overseas. The economy would benefit from a larger population, as this translates to larger markets for goods and services.

CROSS CUTTING THEMES



Common Issues



There are common issues across many of the sectors which need to be addressed to assist economic growth:

- ◇ St Helena Government (SHG) needs to gain a credit rating so organisations operating in St Helena can raise international private finance.
- ◇ Businesses in St Helena need access to a bank account which can pay and receive money online.
- ◇ Non-residents need access to banking in St Helena to facilitate investment.
- ◇ Priority is required to strategically allocate land for viable businesses in export and import substitution sectors.
- ◇ Improving the speed and reducing the price of internet on St Helena is a catalyst for growth for a number of sectors.
- ◇ Freight costs of exports should be reduced to the lowest amount sustainably possible to ensure not all containers are returned empty.
- ◇ As per an Investment Strategy for St Helena, private investment should be facilitated to start-up and expand business (subject to labour and displacement impacts). Private sector funding sources need to be identified to support sectors to invest in cost saving infrastructure.
- ◇ A service is desirable which supports business to market, sell and distribute goods and services abroad.
- ◇ The buy local campaign should be restarted, with suppliers encouraged to use consistent labelling.
- ◇ Interest rates paid by the Bank of St Helena (or SHG, if Bonds were issued) needs to exceed inflation rates for savings to increase value.
- ◇ Regular Labour Surveys are required to understand labour and skills shortages in more detail.
- ◇ Education (including apprenticeships), staff development and immigration policy needs to support growth of viable export and import substitution sectors where skilled labour is scarce.
- ◇ Some industries require funding and facilitation of research through links with overseas partners such as universities.
- ◇ Sufficient SHG resources are required to respond to investment related requests, namely Planning, Immigration, Agriculture, GIS and Environmental Management.
- ◇ Increasing the amount of renewable energy on island, reducing reliance on diesel and encouraging improvement of distribution networks is required to avoid significant increases in energy costs in the future.
- ◇ Processes and ordinances that hinder export and import substitution should be reviewed and changed where agreed.
- ◇ A circular economy approach, as set out in the Waste Management Strategy needs to be acted upon to make the best use of resources.
- ◇ Funding is required for education, health and other public infrastructure to attract working age people with families to live in St Helena.

Common Issues (continued)



The reason that these issues exist is usually because the corporation, business or person who has power over change is often not the corporation, business or person who needs the change to happen.

There are different ways that the St Helena Government can support change when this is the case. The Economic Development Committee can ensure issues are brought to the fore and can facilitate people to come together to negotiate change. SHG can lead by example, by making necessary change within government departments and influencing change in entities where SHG is a shareholder. SHG and Enterprise St Helena, the Government's economic development agency, (ESH) can ensure finance and incentives are available if private finance is not forthcoming. And ESH can provide one on one support to make sure individual issues are tackled.

In order to make sure that the actions presented within this plan are addressed, an implementation plan will identify responsible parties and there will be annual reporting of action progress and indicator data.

The next chapters explore each of the export and import substitution sectors in more detail, outlining sector specific barriers, risks and actions.



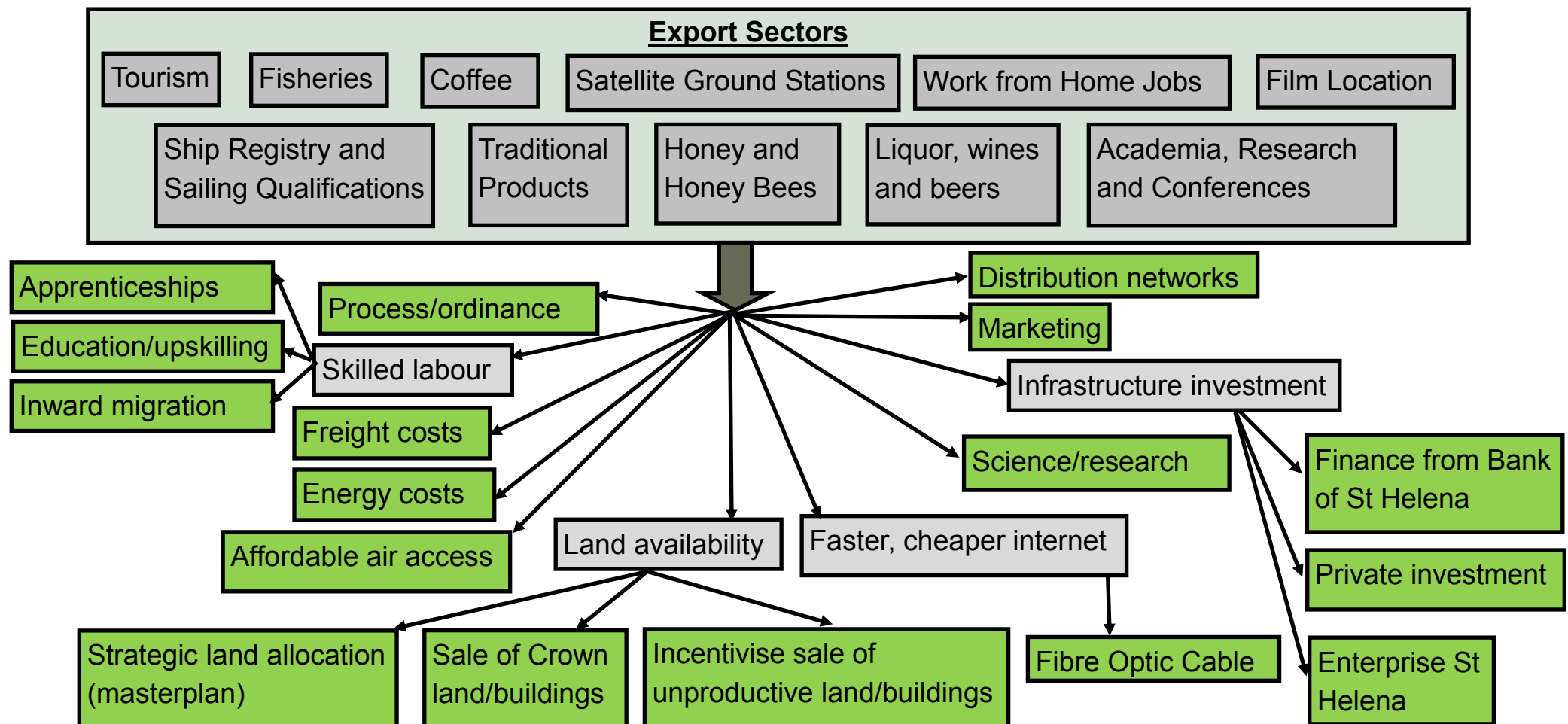
EXPORTS



Barriers to Exports



There are a number of reasons why export sectors are not flourishing currently. These depend on the circumstances of each sector, but there are some similar themes which have been identified below. The following pages go into more detail exploring barriers facing each sector alongside recommended Mitigation Actions to support export growth.



Existing Export Sectors



Tourism



Tourism is an existing growing market in St Helena. Visitor surveys have shown that tourists have had outstanding experiences visiting St Helena, and have particularly enjoyed touring wildlife and heritage sites, diving with whale sharks, walking, birdwatching, and meeting friendly local people.

There is continuous improvement to be made. Tourists prefer access to a choice of 'walk in' plus 'dine in' restaurants open after 5pm, extended shop opening hours on Sundays and Bank Holidays, more information on what to do provided online, more road signage, low cost accommodation, well stocked shops particularly selling local coffee, fish and liquor, online booking, mobile phone services (roaming) and access to unlimited internet. Continuous improvement is also required for our heritage sites and archives; more can be done to provide information on St Helena's history regarding slavery, the East India Company and the military.

There are niche opportunities which could be provided by St Helena, such as French/Napoleon history tours; Boer Legacy trips; diving photography; sports fishing; yoga, wellness and meditation retreats; walking, sailing, birdwatching or photography holidays. Provision of educational tourism could be developed, such as that linked to geography, marine and terrestrial conservation as well as teaching English as a foreign language. Health tourism is another area which may have potential, if it could help to finance healthcare services in St Helena.





The following risks and Mitigation Actions are relevant to the tourism sector:

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Affordable Air Access: Attractive air packages may not be available	Ensure that some packages combine St Helena and African destinations to enhance the offering. Offer additional flights when demand grows, particularly to alleviate difficulties faced by the hospitality sector, who struggle to stay afloat when there are low tourist numbers.	1	1	2
Skilled Labour: Difficulty recruiting skilled staff willing to work 'out of hours'	Continue to train managers, chefs and hospitality staff. Offer customer care training. Provide public transport on evenings and weekends to help staff travel. Ensure youth are encouraged to enter the sector. Encourage immigration where there are skills gaps.	1	1	2
Marketing: Environment is not always pristine	Ensure litter picking parties address litter at tourist attractions and post box walks. Undertake annual litter awareness campaigns and introduce fines for littering. Ensure public toilets are refurbished and cleaned. Demonstrate a local pride in Environment.	1	1	2
Marketing: Tourist destinations may not be accessible or invested in	Ensure more attractions are open, particularly on Sunday. Ensure entry fees or donation boxes are located at tourist sites, and use funds to improve sites. Ensure upkeep and investment of heritage information signs. Encourage property owners in Jamestown to re-paint buildings.	2	1	3
Infrastructure Investment: Purchasing by tourists hindered	Electronic payment processing and/or an ATM should be developed on island to make it easier for tourists to pay. Encourage the telecoms provider to provide tourist focused WIFI solutions.	2	2	4
Marketing: St Helena may not be marketed sufficiently	Market in targeted magazines, and via journalists and tour operators. Ensure experiences, tours and accommodation are marketed and easily bookable online.	2	2	4
Marketing: Entrepreneurs may not seize opportunities	Encourage entrepreneurs to develop activity based holidays e.g. wellness retreats, walking holidays, educational trips, bird watching trips.	2	2	4
Infrastructure Investment: Yachties do not stay or spend much ashore	Support enterprising people to provide low price, no frills food, laundry, Wi-Fi and accommodation particularly to visiting yachties.	3	1	4
Land Availability: Land may not be available for tourist accommodation	Strategically allocate land for tourist accommodation. Ensure a speedier planning process with time commitments.	3	2	5
Marketing: There could be negative reviews of St Helena	Tourist Office to survey visitors and tour operators, and record and address issues systematically. Encourage providers to use TripAdvisor.	4	2	6
Process/Ordinance: Litigation risk	Show business why it is important to use disclaimers and insure.	2	4	6
Research: Low risk sites for adventure sports must be identified	Survey of the type of rocks that are suited for climbing/coasteering and identify key activity sites.	5	5	10
Infrastructure Investment: Health tourism isn't catered for.	Explore health tourism opportunities. Engage an investor or invest in infrastructure if viable and supported politically.	5	5	10

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Fisheries



St Helena already has a fisheries sector which employs 55-60 people, lands on average 370 tonnes of fish per annum and provides around two thirds of St Helena's export income (based on 2017 data). St Helena is a pole-and-line only fishery and is committed to ensuring a sustainable catch.

A good proportion of the fresh tuna caught in St Helena could be sashimi grade; of exceptional quality and ideal to be consumed as Sushi. In 2018, St Helena exported its first consignment of fresh tuna by air, and the infrastructure and processes are being put in place for regular fresh exports.

The standard of frozen fish arriving in export markets is not as good as it could be, due to the storage conditions and duration of travel from St Helena. Investing in freezing infrastructure (e.g. which freezes to minus 60 Degree Celsius) would improve the value of frozen fish on international markets.

Currently the biggest barrier to growth is getting access to funding for both cost saving and value added infrastructure, and bringing in sufficient throughput. The St Helena Fisheries Sector: Review & Strategy (2016-2025) document provides the context for sustainable fishing in St Helena.



Fisheries



The following Mitigation Actions would contribute to the growth of the fisheries sector:

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Skilled Labour: Not enough crews to catch required throughput	Tackle the shortage of fisherman through apprenticeships and ensure youth are encouraged to enter the sector. Immigration to favour those who would work in fisheries. Consider encouraging staff and/or vessels from overseas who share the commitment to one by one fishing to assist.	1	1	2
Energy Cost: High cost of energy increases unit cost of fish	The St Helena Fisheries Corporation (SHFC) should seek a renewable energy solution in order to reduce the operating cost of the business.	1	1	2
Infrastructure Investment: Financing unavailable	Work to ensure sufficient investment financing is achieved (private or public). Focus funding to provide i) freezing/cooling infrastructure ii) cost reduction investments iii) replacement equipment iv) debt relief.	1	1	2
Distribution networks: A fair price paid requires securing a good sale price from customers	Continue to engage with and sell to international customers who desire a high quality, sustainable, product.	1	1	2
Land availability: Relocation site may not be available	Ensure a site is available for the relocation of the Fish Processing Plant, for a newer more efficient plant be built.	1	1	2
Marketing: St Helena may not be able to prove product differentiation	The quality and sustainability of St Helena's fish should be proven by gaining internationally recognised standards. Consistent branding should be established.	2	2	4
Science: Unsustainable catch would affect value of product	Scientific work should be undertaken to determine sustainable catches	3	2	5

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Coffee



Coffee provides around one third of St Helena's export income (based on 2017 data). For decades, Coffee production has been seen as one area of great potential for St Helena; as far back as 1960, studies were undertaken by researchers to identify the conditions most appropriate for coffee growing, and the St Helena Government has repeatedly put incentives forward for coffee planting. Lessons learned from these government programmes show that support should be focused on helping those experienced in producing good quality coffee to expand.

Currently demand outstrips supply of both green bean and roasted coffee in both local and international markets. The long lead time (at least 3-4 years) between planting and first harvest means that producers who already own appropriate land, or producers who have the opportunity to buy land freehold or with a long lease are those who are most easily able to expand production.

Roasting coffee has further advantages as a value added stage; exporting roasted coffee should be explored where it can further increase profits made abroad. It is imperative that the quality standards are carefully adhered to, if the current prestige of the St Helena product is to be maintained.



Coffee



The following Mitigation Actions would contribute to the growth of the coffee industry:

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Science/Research: Unroasted beans are less valuable than roasted coffee	Expert support needs to be available, particularly to producers wishing to begin roasting.	1	2	3
Distribution networks: Coffee may not be available to buy on island	Coffee should be available on St Helena to purchase by visitors interested in supporting St Helena coffee, which helps to increase international demand going forward.	2	1	3
Marketing: New coffee exporters may compromise quality, which may harm existing reputation.	Experienced producers could buy beans from new and small producers and quality check beans before onward sale.	2	2	4
Land Availability: Land may not be available to help increase coffee production	Offer crown land to experienced coffee producers where they identify land as a requirement for expansion.	2	2	4
Process/Ordinance: Exporting may be seen as costly	Negotiate incentives for exporters which makes exporting more attractive	2	3	5

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

New or Expanding Export Sectors



Satellite Ground Stations



Because of St Helena's remote location between the African and South American continents, political stability, low risk of natural or manmade disasters and the rule of UK style law, St Helena is an attractive place to host a satellite ground station when it attains improved internet bandwidth through St Helena's Digital Strategy. The business case for a sub marine cable and improved internet is robust when part of that bandwidth can be sold to a significant user, so there is mutual benefit to the Island by encouraging satellite ground stations to develop on the Island. In order for ground stations to be possible, land will need to be ring-fenced for development.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Faster cheaper internet: The sub-marine cable must be built	Ensure that funding is in place for the sub-marine cable for a source of cheaper, faster internet. Ensure EDF funding milestones are met e.g. Connected St Helena, IT upskilling and telemedicine.	1	1	2
Infrastructure Investment: Satellite ground station providers are required to come forward	Continue to communicate with those expressing an interest in developing a ground station on St Helena and develop associated Memorandum of Understanding when the time is right.	1	2	3
Land Availability: A flat plot of land with views to the horizon needs to be available for use by a satellite ground station.	Strategically allocate potential plots of land for the satellite ground station well in advance.	1	4	5
Energy Cost: Large energy users are impacted by high energy costs.	As per the Energy Strategy, ensure that the vast proportion of energy used is generated by renewables by 2022. Avoid significant price increases to consumers, and where viable reduce the government subsidy and pass on cost savings to consumers.	4	2	6

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Work From Home Jobs



Internationally, many rural areas who have suffered from outward migration in the past are seeing a revival thanks to the 'working from home' industries. As flexible working is becoming more popular, and technology is improving it's not unusual to work on projects with colleagues across the world. Contingent on provision of improved and more economical internet packages, those living in St Helena will have the opportunity to work online to sell their services abroad. This could be services such as IT, photography, editing, translation, transcription, tutoring, research, call centre work, marketing and sales. With affordable high speed internet, the island can become an attractive 'lifestyle' destination.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Faster cheaper internet: The sub-marine cable must be built	Ensure that funding is in place for the sub-marine cable for a source of cheaper, faster internet. Ensure EDF funding milestones are met e.g. Connected St Helena, IT upskilling and telemedicine.	1	1	2
Energy Costs: Expensive electricity costs could make home working unviable.	As per the Energy Strategy, ensure that the vast proportion of energy used is generated by renewables by 2022. Avoid significant price increases to consumers, and where viable reduce the government subsidy and pass on cost savings to consumers.	1	1	2
Skilled Labour: Many people may not be in a position to provide computer based services	Ensure that there is a focus on I.T. in schools and training programmes. Expose young people to, and make available studies in programming, computer-aided design (CAD), Geographic Information Systems (GIS) and code writing.	2	2	4

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Academia, Research and Conferences



Due to the St Helena commercial air service, it is now possible to host academic conferences more conveniently, enhance global academic links and invite researchers, archaeologists and conservationists to work in partnership. St Helena contains a third of known endemic UK species and many native species. St Helena has a significant amount of environmental expertise already existing on island between the St Helena National Trust, St Helena Government's Environment Management Division, St Helena's Landscape & Ecology Mitigation Programme, and the voluntary and charitable sector. The existing network of environmentalists, and abundance of endemics are factors which could encourage the introduction of a research centre. Since bones belonging to slaves were uncovered at Rupert's Valley, there have been further exploration of the history of slaves journeying the Middle Passage. There is the potential to invite researchers to St Helena to study these topics further.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Marketing and Research: Academics may not be aware of the opportunities available.	Continue to work with Research Institutes to develop well marketed conferences and research opportunities.	1	2	3
Faster cheaper internet: Expensive internet may dissuade academics from staying	Ensure that funding is in place for the sub-marine cable for a source of cheaper, faster internet.	1	2	3
Infrastructure investment: Lack of space for academics to meet and work may discourage academics from returning	Develop areas for academics to access internet, discuss and undertake work or subsidise partner organisations who are able to host researchers.	3	1	4
Infrastructure investment: Lack of conference infrastructure	Ensure there are suitable venues available to host conferences and provide conferencing infrastructure.	3	3	6
Process/Ordinance: Data difficult to obtain.	Ensure all open data (e.g. GIS) is downloadable online and process for obtaining other data is clear.	3	3	6
Process/Ordinance: Permits may be difficult to attain	Ensure that there are enough staff resources to swiftly process work permits and environmental permits for researchers.	3	4	7

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Liquor, Wines and Beers



St Helena currently has one distillery; included in its offerings are Midnight Mist (a liquor made with local coffee), Tungi (a liquor made with local prickly pear), Lemon Valley (lemoncello), Jamestown Gin, White Lion spiced rum and wine. There is a potential to expand wine offering by experimenting with growing grapes on island, and to make beer, cider and perry using imported raw ingredients. Other small Island economies, such as Curaçao, have become very well known for their liquor offerings, which are sold as a tourist souvenir. Marketing locally made alcoholic drinks is key to increasing the desirability of the product and attractiveness to overseas distributors. Plans to develop signature cocktails with local bars and hotels will increase visitor exposure to local liquor, and marketing liquor in airport shops will help to ensure tourists leave with gifts which provide added value to our export sectors. There is also more to do to encourage local liquor to be drunk in place of imports. For example, providing local liquors as house spirits at bars and restaurants. One of the major import costs are bottles. It would benefit the sector to keep liquor duties low.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Marketing: Liquor made in St Helena may not be marketed well to	Sector to ensure liquor is marketed in hotels and gift shops and work with tour operators to ensure groups visit the distillery.	2	1	3
Process/Ordinance: Exporting may be seen as costly	Negotiate incentives for exporters which makes exporting more attractive	2	3	5
Infrastructure Investment: Expensive bottles must be imported	Encourage the set up of a local bottling plant or alternative solution.	3	3	6
Infrastructure Investment: Productivity may not be able to diversify as a result of lack of infrastructure	Work with BoSH and ESH to continue to ensure sufficient loan finance is provided to export sectors in St Helena.	5	5	10
Distribution: Liquor products may not be available internationally.	Encourage suppliers to use online market places. Assist producers, where necessary, in making links with niche buyers abroad.	5	5	10

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Ship Registry and Sailing Qualifications



St Helena has around 600 visitors per annum arriving by yacht, peaking at between 100 and 200 in January during the Arc Rally. To capitalise on existing interest, St Helena could provide new sailing courses and market ship registry. The Red Ensign group ship registry is one of the most prestigious in the world and St Helena can currently register vessels of up to 150 gross tons and pleasure vessels of up to 400 gross tons. However, at present, St Helena does not have a resident surveyor and registry is not marketed. Similarly, putting the infrastructure in place to offer sailing lessons and qualifications could be an attraction to visitors, as well as necessary for important health and safety needs.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Process/Ordinance: Ship registry is restricted to applicants from a small number of countries	Update the Ship Registry Gazette to include a list of countries which is consistent with other countries in the Red Ensign Group	1	1	2
Skilled Labour: No surveyors available	Utilise a surveyor overseas, until demand is ascertained, after which decide to invest in an on Island surveying capacity.	1	1	2
Marketing: The service is not marketed sufficiently and no ships are registered or licences are issued	Ensure SHG communicates new services and markets services overseas. Target specialist publications.	1	2	3
Skilled Labour: No sailing instructors available	Support training of those willing to set up a sailing school in St Helena. Ensure youth are encouraged to enter the sector. Support immigration where there are skills gaps.	2	2	4
Process/Ordinance: Registry and Licencing may be unorganised	Create a Maritime and Coastguard Agency for St Helena	2	2	4
Land Availability: Land may not be available	Strategically allocate land to facilitate vessel surveying. Provide storage and safe access for boats.	3	2	5
Skilled Labour: May not be staff to support maritime sector	Work with new Maritime and Coastguard Agency to develop training. Support immigration where there are skills gaps.	4	4	8

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Traditional Products



Craftwork, particularly flax craftwork and lace making, has historically been a pastime enjoyed by many in St Helena. St Helena is also the home to creative jewellery makers, artists, and photographers. Both the Arts and Crafts shop in Jamestown and Shape in Sandy Bay sell locally produced craft goods which have expanded to include photographs, wooden boxes and photo frames, goods made from recycled paper and soaps. Using traditional approaches to create modern fashionable items can increase saleability.

With numbers of tourists expected to increase, the arts and crafts suppliers have the opportunity to see more small portable products which are attractive for visitors to buy and give as souvenirs or gifts.

There are additional opportunities to sell locally produced arts and crafts online through websites and market places such as Etsy.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Distribution networks: Selling arts and crafts abroad may be difficult due to postage times	Seek overseas distributor.	2	2	4
Marketing: The market for St Helenian arts and crafts may be small	Provide the opportunity to buy goods online by advertising goods on the website or online market places. Ensure that goods are marketable for modern tastes.	2	2	4
Process/Ordinance: Exporting may be seen as costly	Negotiate incentives for exporters which makes exporting more attractive	2	2	4
Skilled Labour: Niche expertise may be needed	Assist the sector by providing access to design and commercial expertise, where required.	3	3	6
Skilled Labour: The knowledge of traditional craftwork may not be held by the younger generation.	Ensure that traditional craftwork is taught in school or as part of out of school clubs.	4	4	8

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Honey and Honey Bees



Due to strict biosecurity restrictions in St Helena, local honey bees are free of the major diseases that cause significant damage to bee colonies as many other bee keeping Islands and countries experience. The genetic make-up or simply the disease free attribute of the St Helena bee may have value internationally and could provide export opportunities. Additionally, the disease free nature of St Helena's honey makes it one of the purest in the world. The honey making industry already exists on St Helena and has developed over the last few years. However, the scale is small and production needs to increase to exceed local demand in order for exports to develop organically. In order for production to increase, there needs to be planting of non-invasive flowers for honey bees to feed from, and there needs to be better management of more hives.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Science: Research on bee DNA may not be undertaken.	ESH to continue work with research centres to understand the value of bees. Bee DNA to be ascertained.	1	1	2
Science: Research not undertaken on which flowers to plant to support bees	Research what plants are good for bees and non-invasive.	1	1	2
Infrastructure Investment: Significant planting of flowers required	The public should be encouraged to grow non-invasive flowers which are good for bees.	1	2	3
Skilled Labour: Not enough beekeepers work on the Island.	Continue up-skilling bee keepers and encouraging them to increase honey production through proper hive management. Ensure youth are encouraged to enter the sector.	1	2	3
Distribution Networks: There may not be networks in place to export honey.	Encourage producers to use online market places or distributors to sell honey abroad.	2	2	4
Process/Ordinance: Exporting may be seen as costly	Negotiate incentives for exporters which makes exporting more attractive	2	3	5

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Film Location



St Helena has ample landscapes free from modern housing or road development, which include lush green rolling hills, coastal cliffs, forts and batteries, dry dusty landscapes with cacti, canyons, land featuring Mars-like red earth, and a Georgian high street. Despite having so much variety in Landscapes, St Helena is a small island and travel time between areas is minimal, whilst daylight hours and weather patterns are regular. Several film crews visit the island each year, but with commercial air access and good marketing, there is the possibility of expanding this market. Faster, cheaper, internet will also support the sector by reducing the cost of uploading footage.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Marketing and Skilled Labour: Film crews may not be aware of potential locations available in St Helena	Develop and market an online brochure outlining potential film locations alongside infrastructure information (road capacity, electricity, conservation restrictions and requirements).	1	1	2
Infrastructure: Film crews may require on island support	Provide a Location Manager who can organise logistics.	1	2	3
Affordable Air Access: Film crew may find difficulty in bringing equipment	Focus marketing on smaller crews (£1m-£5m budgets) who have less equipment to transport.	1	2	3
Infrastructure: Electricity may not be available in remote, rural, locations	Provide access to rent electricity generators on island.	2	3	5
Infrastructure: The road network may not be capable of taking large trucks	Focus marketing on smaller crews (£1m-£5m budgets) who have less equipment to transport.	3	3	6
Marketing: St Helena may not be a price competitive film location	Develop and market incentives for sector growth. An on island studio would also be attractive.	3	4	7
Faster cheaper internet: Sending footage over the internet is difficult	Ensure that funding is in place for the sub-marine cable for a source of cheaper, faster internet.	3	4	7

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

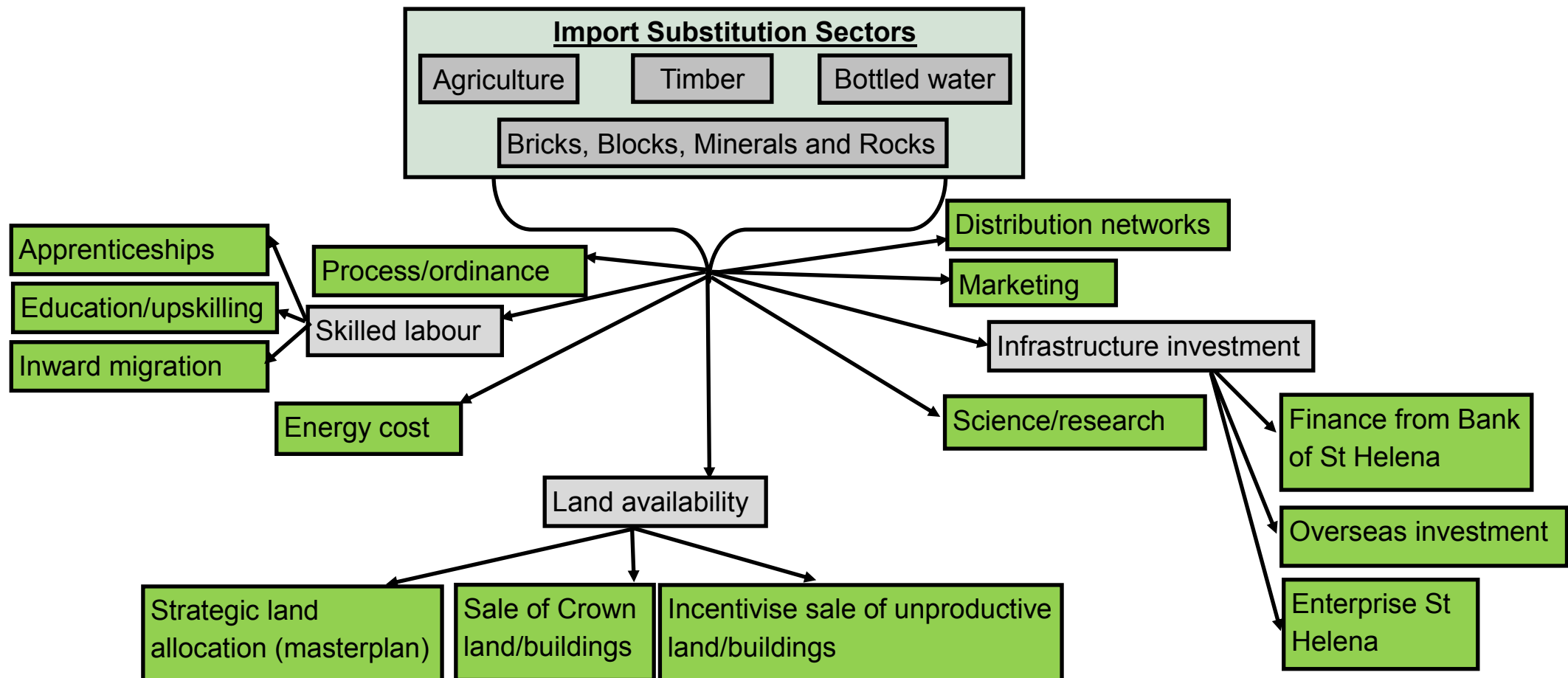
IMPORT SUBSTITUTION



Barriers to Import Substitution



There are many flourishing sectors in St Helena which are providing goods and services which would otherwise be imported. Some of the areas which have been identified for growth include those below. The sectors face some barriers to growth; the following pages go into more detail exploring these barriers alongside recommended Mitigation Actions to support import substitution.



Existing Import Substitution Sectors



Agriculture



The more food we produce and sell locally, the larger the opportunity to reduce import costs, keep money within St Helena and enhance food security. In recent years, there have been new or increased supply of local products coming to market including herbs, eggs, and salad vegetables. The longer four week rotation of the MV Helena Ship compared to the three week rotation of the RMS St Helena provides further incentive for local businesses to supply fresh produce during interim periods.

Issues in the sector are outlined in St Helena's Agricultural Policy 'Growing Forward'. In particular, agricultural output needs to be organised productively to avoid glut and scarcity and producers should supply customer needs. Retailers should use futures contracts with local produce and reduce reliance on imports. Local produce should be stored by all main retailers in cooled units to increase shelf life.

Cheap imports have prohibited the development of some products in St Helena. Whilst some products are too expensive or difficult to develop on island due to land availability and topography, there are still many products that there is local demand for, such as fruit, 28 day aged beef, chicken meat, yoghurt and alternatives to UHT milk. Whilst large scale investment in these industries may not be financially lucrative, small scale production could meet the demand from customers who don't mind paying a premium for local produce. There also may be a potential to diversify to supply a greater range of agricultural produce. Suggestions by consumers include chicken meat, mushrooms, sunflower products, edamame, soya beans and coconuts. A focus on high value products, such as Wagyu beef, could provide export opportunities. Research and trials would need to be undertaken to understand the viability of any new product development.

There is also a business opportunity to provide organic waste collection and composting services as per St Helena's Waste Management Strategy, and to supply locally made animal feed.



Agriculture



The following Mitigation Actions would contribute to the growth of the sector:

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Distribution: Shops prioritise imports	Encourage shops to sign futures contracts with local producers.	1	1	2
Science/Research and Skilled Labour: Land productivity could be poor	Use an agronomist to guide improved soils and crop management to improve land and crop productivity. Agronomist to provide training.	1	1	2
Process: Support may not be perceived to be available.	Ensure there is sufficient resources for SHG engagement with the agricultural sector	1	1	2
Distribution Networks: Demand not met	Continue to encourage a move towards using a single cooperative for vegetable planning and wholesale to help reduce wastage and to absorb risk.	2	2	4
Skilled Labour: Enough veterinary support may not be available	Ensure veterinary service is staffed sufficiently to meet demand.	2	2	4
Infrastructure Investment: Retailers may store products poorly	Work with retailers and suppliers to continue to encourage the purchase of (ideally solar powered) chilled units to ensure vegetables last longer.	2	2	4
Land: Spread of Invasive Species becomes unmanageable	Continue to fund management of invasive species. Ensure compliance by leaseholders with respect to land management	3	1	4
Infrastructure: Risk of drought	Continue to support farmers to collect and store rain water.	2	2	4
Process: Bringing in new species are a risk to bio-security.	Support the importation and growth of disease free species for sale to local farmers and ensure facilities are in place to transport small animals by plane.	2	2	4
Infrastructure Investment: Trialling new products is financially risky	Provide financial support to producers who are trialling growth of new agricultural products which could substitute imports or be exported.	2	2	4
Infrastructure Investment: Resources are underutilised	Support the development of infrastructure to collect and convert organic waste to compost.	2	3	5
Skilled Labour: Shortage of farmers/labourers	Education to ensure availability of agricultural studies and youth are encouraged to enter the sector. Immigration to favour those who would work in agriculture.	2	3	5
Land Availability: Lease requirements may not be enforced	Ensure that land leases are distributed to those who productively contribute to import substitution and maintain lease terms.	3	2	5
Science: Data may not be reliable	Encourage more suppliers to submit planting data and harvest data.	3	3	6

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Timber



Tree species on St Helena include species such as Cape Yew, Chilean Pine, Norfolk Island Pine, Bermuda Red Cedar, Cyprus, English Oak, Silky Oak, Cork Oak, Eucalyptus, Wild Mango, Poison Peach and Jacaranda.

Typically, timber used in construction is imported, and there is some work to do to ensure that local timber is easily accessible and buying local becomes a habit. By updating the forestry inventory and advertising available timber directly to the carpenters as well as the saw mill, the supply of local timber can be made more convenient. The vision needs to be based on sustainability and a balance between timber harvesting and landscape value.

Showcasing best practice use of local timber, encouraging local timber to be used as part of government construction projects (e.g. Chilean Pine for cladding), and prioritising the sale of Crown Land to projects which buy local could also help stimulate demand.





The following Mitigation Actions would contribute to the growth of the sector:

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Distribution Network: Local timber availability could be uncertain	Forestry department should periodically advertise timber directly to carpenters as well as the sawmill.	1	1	2
Land Availability/Science: Forestry may not be best utilised as a resource	Update the inventory. Thin forests to encourage tree thickness of valuable species. Research and document commercial uses of species. Plan growth of valuable species.	1	1	2
Skilled Labour: Shortage of skilled carpenters on island	Community College to ensure that a carpentry apprenticeship/courses are available. Ensure youth are encouraged to enter the sector. Immigration to favour those who bring carpentry experience.	1	1	2
Skilled Labour: Workman may not usually work with local timber	Encourage carpenters in St Helena to learn best practice from those who have successfully used local wood in construction or furniture making.	1	1	2
Process: SHG could encourage local timber demand	Mark up those bidding for SHG construction projects or Crown Land when they use local materials	2	2	4
Infrastructure Investment: Carpenters may benefit from their own sawmills	Work with BoSH and ESH to encourage sufficient loan finance is provided to import substitution sectors in St Helena.	3	3	6

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

Bricks, Blocks, Minerals and Rocks



Sourcing construction materials locally reduces the amount of money remitted abroad.

The construction industry has developed significantly as a result of the Airport, Rupert's Wharf and BFI contracts. Since these contracts have been winding down, there has been some sustained demand for construction on St Helena. However the sector still requires demand from large capital projects for the sector to persevere.

Purchasing local blocks and bricks have been popular, and the type of local materials provided to construction projects on St Helena has in the last few years expanded to road base and subbase. It is important to ensure that these products continue to be available to the local construction market after the Airport and BFI contracts expire. Using recycled materials (such as glass) to manufacture eco-bricks will also be beneficial to reduce waste going to landfill.

It is uncertain whether St Helena's rocks and minerals could provide other inputs into construction and other industries; more could be done to research how local resources could be utilised for industry, so long as negative environmental impacts are avoided. Additionally, more work should be done to understand demand in Ascension for construction materials from St Helena; some research should be undertaken to link buyers with suppliers if demand exists.



Bricks, Blocks, Minerals and Rocks



The following Mitigation Actions would contribute to the growth of the sector:

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Science/Research: The integrity of St Helena's construction products should be assured to avoid reputational risk	Encourage producers to utilise a quality assurance process to demonstrate quality and integrity.	1	2	3
Infrastructure Investment: Ensure infrastructure to produce local construction materials is still available after the Airport and BFI projects expire.	Ensure that there is a positive legacy from the Airport and BFI projects; in particular to ensure that plant stays on island where it would deliver cost savings and import substitution.	1	2	3
Process: Ensure SHG encourages local brick/block demand.	Ensure those who choose to use local materials are scored more positively when bidding for SHG construction projects, or to buy or lease Crown Land. For SHG construction projects, collate a database of local material costs and check that the bidder's cost estimates mirror the cost of local goods.	2	2	4
Science/Research: Revenues are sensitive to SHG Capital Budget allocation.	Investigate whether there is demand in Ascension for blocks and/or bricks from St Helena. Make links between buyers and suppliers.	3	4	7
Science/Research: Value of St Helena's rocks and minerals are unknown.	Research ways to maximise growth, sale and usage of local rocks and minerals, within environmental limits.	4	4	8

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

New Import Substitution Sectors



Bottled Water



Between June 2016-June 2017, St Helena spent £65,000 importing mineral waters. Plastic bottles make a large contribution to the amount of plastic which is landfilled each year in St Helena. As water resources found in the deep aquifers in St Helena are exploited, there is an opportunity to provide treated and bottled water to local people and operate a bottle deposit scheme. Should this sector grow, there could be an opportunity to export water, similar to what has been achieved by FIJI Water for example. There are also opportunities to diversify; St Helena has a high rate of diabetes and many people enjoy carbonated drinks, so a carbonated low sugar alternative could meet a gap in the local market. One of the major costs are bottles. A bottling plant or bottle return scheme would be required. This industry would be a new sector for St Helena and therefore development of this sector would be subject to viability testing.

<i>Risk</i>	<i>Mitigation Action</i>	<i>Importance *</i>	<i>Urgency *</i>	<i>Priority score~</i>
Process/Ordinance: Water sampling needs to be done on island.	Encourage Public Health to provide water testing services for the private sector.	1	2	3
Infrastructure Investment: Finance may not be available	Work with BoSH and ESH to ensure sufficient loan finance is available to viable projects in import substitution sectors.	1	2	3
Skilled Labour: No one may come forward to develop the plant.	Encourage development within the private sector sphere.	1	2	3
Infrastructure Investment: Expensive bottles must be imported	Encourage the set up of a local bottling plant. If glass bottles are too expensive, encourage an alternative. Reduce import duty on bottles, caps and cleaning machinery for the sector.	2	3	5
Distribution networks: Key shops should supply local water	Encourage key retailers to supply locally produced bottled water and a deposit return scheme.	2	3	5
Marketing: Local water may not be viewed to be as good as imported.	Sector should provide evidence to show that the local bottled water is as good quality as imported bottled water.	1	4	5
Infrastructure Investment: Water resources may be scarce during drought	Ensure that provisions for demand by drinks-making businesses are included within Water Resource Management Planning.	2	3	5

**Scores of 1 are the highest and 5 are the lowest ~Scores of 2 are the highest, 10 are the lowest.*

SUMMARY AND SUCCESS FACTORS



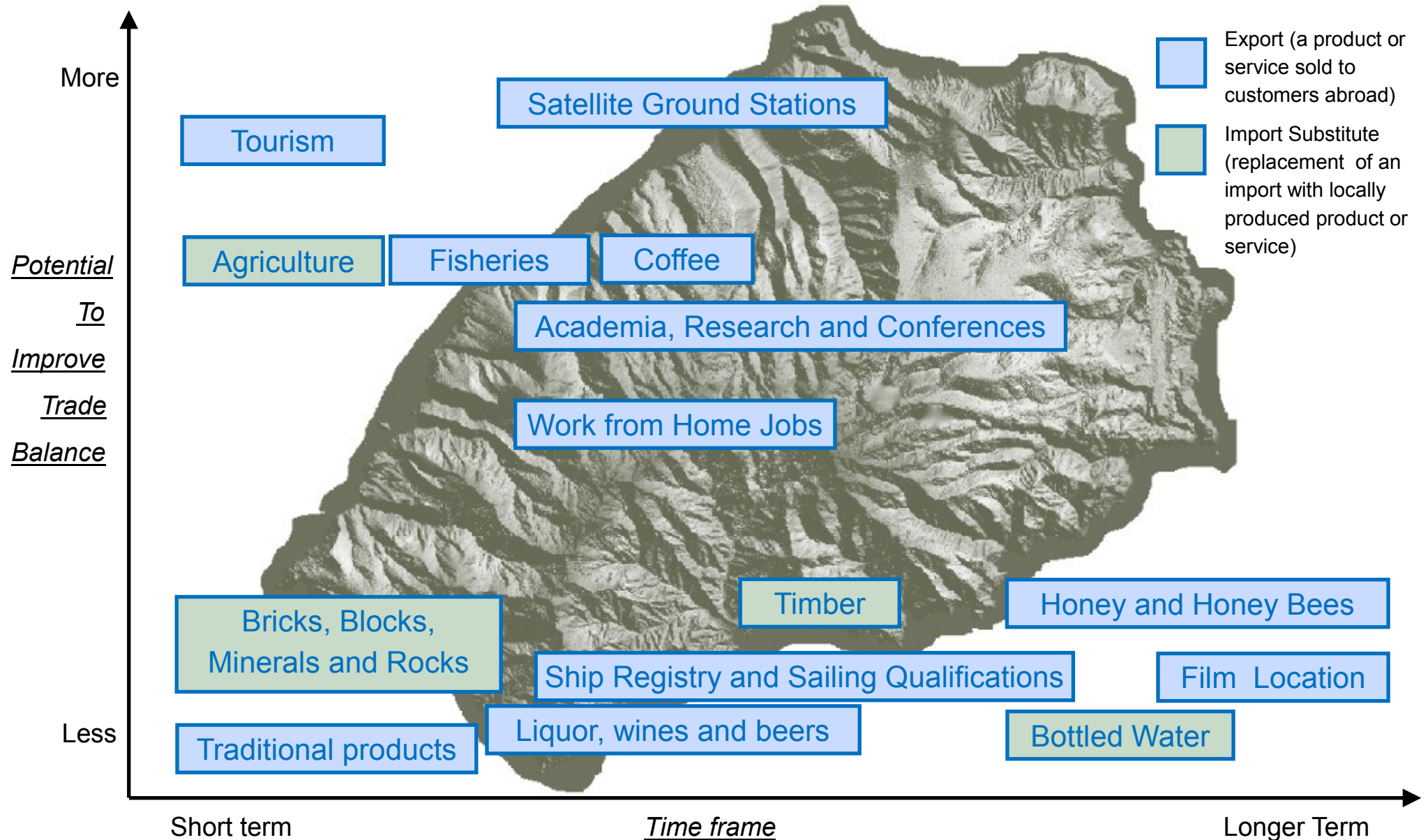
Summary of Barriers to Growth



Sector	Distribution networks	Marketing	Infrastructure investment	Science/ Research	Faster cheaper internet	Land availability	Energy Cost	Affordable Air Access	Freight cost	Labour	Process	Ordinance
Tourism												
Fisheries												
Coffee												
Liquor, Wines and Beers												
Ship Registry and Sailing Qualifications												
Honey and Honey Bees												
Film Location												
Academia, Research and Conferences												
Satellite Ground Stations												
Work from Home Jobs												
Traditional Products												
Agriculture												
Timber												
Bricks, Blocks, Minerals and Rocks												
Bottled Water												

Key:		Principal barrier to growth		Secondary barrier to growth
------	--	-----------------------------	--	-----------------------------

Potential to Reduce Trade Imbalance



Opportunities for Entrepreneurs



The private (and civil society) sectors have been and will be a key driver of investment and economic growth in St Helena. As well as there being business opportunities within the sectors outlined, this Sustainable Economic Development Plan has identified a number of desired products and services which could be provided by entrepreneurs. These opportunities have been replicated here for ease of reference. This list is not exhaustive.

- ◇ International wholesaler of St Helenian export products;
- ◇ Green waste collection and composting service; recycling services and waste export.
- ◇ Drinks making business; including bottled water, carbonated drinks, fruit juice, wines, beers and coffee.
- ◇ Food processing business;
- ◇ Bee hive rental/management services;
- ◇ Sailing school;
- ◇ Wellness or yoga retreat;
- ◇ Niche tourism activities e.g. bird watching holidays; photography holidays; guided walking, climbing or cycling tours; coffee picking experiences; St Helenian cooking classes; hosting of overseas school fieldtrips; military diving training; re-enactment centres, tours relating to the slave trade connection;
- ◇ Low price, no frills food, laundry, Wi-Fi and accommodation marketed to visiting yachties and 'adventure travellers';
- ◇ Refurbishment, enhancement and use of heritage sites for events and tourism;
- ◇ Local production of foods such as eggs, fruit, 28 day aged beef, chicken meat, alternatives to UHT milk, yoghurt, mushrooms, coconut products, sunflower products, and soya products;
- ◇ Aquaculture;
- ◇ Health tourism services, such as residential care.

The Investment Strategy is an associated document to the Sustainable Economic Development Plan (and will be published subsequently). The Investment Strategy outlines ESH and SHG's plan to make it easier and more attractive to invest.

Measuring Success



The following measures will help to track how well St Helena is doing meeting the SEDP's vision and goals:

- ⇒ Changes in St Helena's wealth will be tracked by considering annual remittance data from the Bank of St Helena.
- ⇒ Magnitude of imports and exports will be tracked annually through ASYCUDA data from Customs. Associated GDP and GNP data will be calculated by the Statistics Office using ASYCUDA data.
- ⇒ Average (median) employee income and business revenue by sector will be tracked annually by using data from PAYE and tax return forms through the Tax Office. Unemployment will be tracked by the Statistics Office.
- ⇒ Inflation will be tracked through Retail Price Index surveys by the Statistics Office.
- ⇒ Number of tourists and visitors arriving will be tracked by the Statistics Office. Number of beds in en-suite bedrooms hotels, guesthouses and self-catering establishments will be tracked by ESH.
- ⇒ Total local, diaspora and foreign private sector investment will be tracked by ESH.
- ⇒ Increase in number of individuals completing accredited training courses and achieving first year objectives will be tracked by St Helena Community College.

Progress in these measures will be reported annually by SHG's Corporate Planning and Performance Directorate.

Signs that barriers have been overcome will be apparent when:

- ⇒ Community College offers courses or apprenticeships as identified in this Plan and individuals complete courses.
- ⇒ Ordinance changes are made as identified in this Plan.
- ⇒ Land is prioritised and released for use by sectors identified in this Plan.
- ⇒ Enterprise St Helena's funding is prioritised to support export and import substitution sectors.
- ⇒ Internet speed improved and price is considerably reduced.
- ⇒ No increases in the unit cost of energy for Connect and its customers.
- ⇒ St Helena Government achieves a credit rating.
- ⇒ Increase in working age population (short term and long term)

Indicator data



The following measures will be tracked to understand how well St Helena is doing meeting the SEDP's vision and goals. Change compared to the baseline will be reported on annually and published on SHG's website. Some data is lagged by a year or more due to methods of data collection.

Indicator	Reporting	Baseline Data	Data Year
Annual payment data through Bank of St Helena	Bank of St Helena	£37.3m out of St Helena; £16.3m in to St Helena	2016/17 FY
Annual imports and exports	Statistics Office ASYCUDA	£23.2m imported (2013/14) Provisional data for 2017: £31.5m imported. £95k exported (60% fish; 30% coffee).	2013/14 (imports) July 2016 to June 2017 (imports). 2017 (exports).
Average employee income	Statistics Office Tax Office	£7,620 (2015/16)	2015/16
Revenue by sector (sectors related to SEDP)	Statistics Office Tax Office	Building materials suppliers £1.36m; Butchers £326k; Cafés, Restaurants and Distilling £463k; Construction, Trades and Firewood Processing £4m; Crafts £13k; Diving/Swimming £126k; Farming £232k; Fishing £531k; Hotels £260k; Photography/Digital £52k; Rented Accommodation £586k; Seamstress/tailoring/upholstery £26k; Taxis and Car Hire £167k; Telecommunications and IT services support £4.3m; Tour Guides and Tourism/Travel Agents £58k; Other (including retail, commercial and banking) £26m. <i>(Note that revenue is not an indication of profit)</i>	2016/17 FY <i>(some grouping of sectors were undertaken to ensure anonymity)</i>
Number of businesses operating	Statistics Office Tax Office	54 companies and 660 businesses registered	April 2016
GDP total, GDP per capita,	Statistics Office	£33.514m GDP £7,392 GDP per capita	2014/15
Annual Inflation	Statistics Office	5.1%	Annual Average 2017
Unemployment allowance claimants	Statistics Office	12 claimants	February 2018

Indicator data (continued)



Indicator	Reporting	Data	Data Year
Working Age Population	Statistics Office	2,851	2016
Number of visitors arriving by all means of transport (of which are for tourism or holiday)	Statistics Office	4,266 (1,131 tourism)	2017
Number of visitors arriving by air (of which are for tourism or holiday)	Statistics Office	917 (300 tourism) (Note that the commercial air service started on 14 October 2017)	2017
Number of rooms for tourists	ESH	122 rooms	2018
Number of local and foreign investors secured by ESH	ESH	12	2015/16
Capital investment generated (£) by ESH (FDI and local private sector only)	ESH	£535,000	2015/16
Individuals completing accredited training courses in export/import substitution sector related fields and achieving first year objectives	SHCC	New data to be collected	



Photography

*St Helena Government, Nicole Shamier, Tony Leo, Rhys Hobbs, Solomons,
St Helena Fisheries Corporation, Brick and Block Ventures Limited*

St Helena Government

www.sainthelena.gov.sh

<https://www.facebook.com/StHelenaGovt/>

<https://twitter.com/StHelenaGovt>