

Government of South Georgia & the South Sandwich Islands

Annual Report 2016



A message from the Commissioner

The publication of this year's annual report coincides with the end of the first full year of implementation of our 5-year Strategy 2016-2020. The Government team has been busy setting in motion plans to deliver our new strategic objectives. We have been ambitious and we do not underestimate the challenges we face. But we have confidence that by working with our partners and stakeholders we will be able to deliver a strong future for South Georgia.

You will see from the report the diverse range of issues on which we have been working, and the progress that has been made so far. As well as engaging domestically we have sought to broaden our collaboration with international partners. This is not just an opportunity to share our experiences and knowledge, but a way to make progress on issues where the risks and threats lie outside our jurisdiction such as the decline in South Georgia's albatross populations.

We have been privileged this year to share some of our work with HRH The Princess Royal who made her first official visit to the Territory accompanied by a number of distinguished guests. This enabled us to highlight our achievements and, by bringing together a group of committed supporters, identify new ways to achieve our shared objectives. The visit also provided an opportunity to mark the centenary of Sir Ernest Shackleton's epic crossing of the island, a journey which still inspires visitors today.

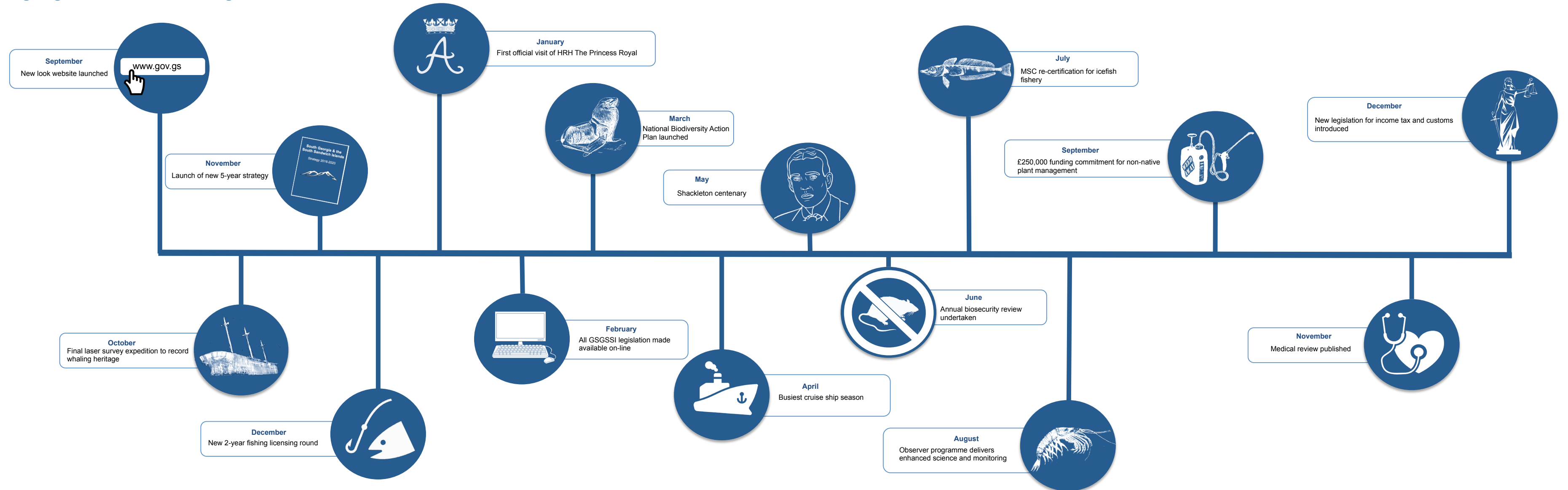
Looking ahead, there are a number of exciting projects on the horizon, some of which may mean significant change to the way in which we operate in the longer term. The new polar vessel, the RRS Sir David Attenborough, is one such project and we will be working closely with the Natural Environment Research Council to fully understand and shape the proposals.

This is also an opportunity to thank two of our staff who will be leaving us in January. A familiar face to many visitors, Pat Lurcock is departing after over 20 years at South Georgia. We welcome Emma Jones as our new Government Officer. Ian Haywood is returning to the UK after two and a half years as our Administrative and Logistics Officer. We welcome Jenni Sol to the Stanley team. We're grateful to Pat and Ian for their contributions and hope they will continue their association with South Georgia.



Colin Roberts CVO

Highlights 2015-2016 at a glance:



Governance

The Government of South Georgia & the South Sandwich Islands (GSGSSI) launched its Strategy 2016 – 2020 in November 2015. The Strategy was developed in close consultation with organisations and individuals who share a common interest in better understanding, protecting and enjoying South Georgia & the South Sandwich Islands. A key component of the strategy is our ambition for efficient and transparent government. Our new website is one way in which we have sought to facilitate this. An annual business planning process, introduced in January 2016, has guided progress in taking forward our strategy commitments.

Our audited Financial Statements for the year ending 31 December 2015 show a surplus of £542,238. The primary source of revenue was the sale of fishing licences. The toothfish fishery was the main source of income. Strong interest continued in the krill fishery in 2015, albeit lower than in 2014, with demand again increasing in 2016. Tourism generates our second largest source of income, with 2015/16 proving the busiest season on record.

The surplus generated in 2015, and further surplus anticipated for 2016, has contributed to our objective of holding one year's operating costs in reserve and the confidence to make longer term funding plans. These include the announcement of a 5-year investment of at least £250,000 in invasive plant management, and the engagement of contractors to conduct a scoping project due to commence in 2017 to consider options for the removal or remediation of abandoned heavy fuel oil on South Georgia.

We invited an internal audit of our financial processes which deemed them satisfactory while identifying ways in which we could improve further. We will act on these recommendations in 2017.

5-year strategy launched



Our headline objective:
world-class environmental management underpinned by the highest standards of governance.

New look website launched



12,000 page visits per month from:

- UK (29%)
- USA (22%)
- Germany (7%)
- Russia (5%)

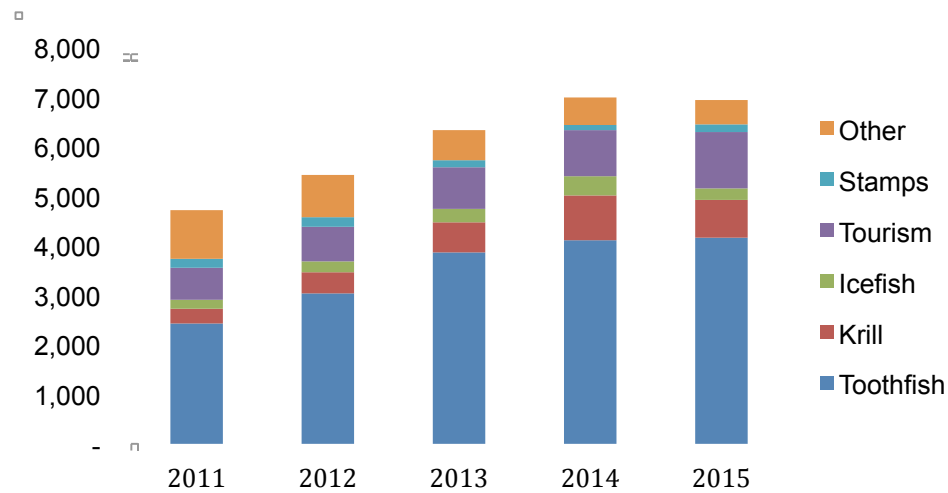


Fig 1: Breakdown of main government revenue lines 2011-2015

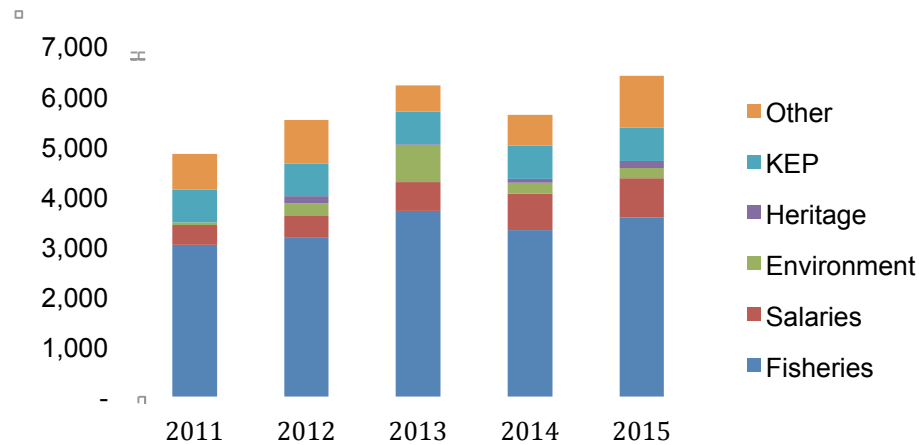


Fig 2: Breakdown of main government expenditure lines 2011-2015

NOTE: Funding received towards the Heritage projects are taken into the Capital Reserve while the expenditure relating to the refurbishment of heritage assets is treated as capital expenditure. Neither of these is recognised in the Profit and Loss account and an annual charge is made to the capital reserve to reduce the residual value of each individual heritage asset over the period of which they are expected to be in use.

Our legislative review has gathered pace with new, up-to-date, legislation introduced in the areas of income tax and customs. Consultations have been held on policing, the administration of justice, immigration and the application of English law. Legislation in these additional core areas of the review is due to be enacted in 2017. All legislation relating to SGSSI is now publicly available on the website. The legislation for the Territory comes from a variety of sources and forms an important historical record that reflects life and activity in the Territory and its relationship with the Falkland Islands and United Kingdom.

We have introduced a stronger focus on internal management. New policies have been established in the areas of personnel, finance and stakeholder engagement. We are operating new procurement procedures to ensure a fair, transparent and value for money approach to our operational delivery and we have run a competitive tendering process for two higher value contracts. We have developed a corporate risk management process, including a revised incident management plan and held an incident exercise in March 2016.

It was a privilege to host HRH The Princess Royal, accompanied by Admiral Lawrence, on her first official visit to South Georgia in January 2016. Together with other distinguished guests The Princess Royal had the opportunity to see at first hand the unique environment and heritage of South Georgia, discuss the work of the Government and its partners, and mark the centenary of Shackleton's crossing of the island. As part of the visit The Princess Royal officially opened the restored 'Slappen' or Slop Chest, now acting as the Grytviken post office.

We have worked closely with our partners on South Georgia, the British Antarctic Survey (BAS) and the South Georgia Heritage Trust (SGHT), to take forward our shared objectives. We are working with BAS to develop plans to upgrade key infrastructure assets on South Georgia to accommodate the

Legislative review programme advanced



The first two new pieces of legislation were introduced in the areas of tax and customs. All legislation is now available online.

First official visit of HRH The Princess Royal



The Princess Royal saw at first hand the unique environment and heritage of South Georgia, discussed the work of the Government and its partners, and marked the 'Shackleton centenary'.

RRS Sir David Attenborough from 2019/20. We are working with SGHT to support their habitat restoration monitoring programme due to take place in 2017/18.

We have extended our stakeholder reach and were delighted to receive over 60 attendees from a wide range of organisations at the 2016 stakeholder meeting hosted by the Foreign & Commonwealth Office. Collaboration with the Norwegian Government and Øyas Venner continues, including through a visit to Norway in September, and we are grateful for their support of heritage projects in the Territory. We look to do more over the coming year to engage with organisations in the UK, regionally and internationally, including other Overseas Territory governments. We were pleased to mark the centenary of the Sir Ernest Shackleton's crossing of South Georgia and to support the Centenary Service of Thanksgiving for the courage and endurance of Sir Ernest Shackleton and his men at Westminster Abbey in May.

Since our last annual report we have launched new stamp issues on biodiversity, Her Majesty The Queen's 90th Birthday, the 25th Anniversary of the International Association of Antarctic Tour Operators (IAATO), the 'Shackleton centenary', sports, and Zavodovski Island. There have also been a number of new coin releases.



Environment

Ensuring that the Territory's environment is conserved, ensuring human impacts are kept to a minimum, and where possible restoring degraded habitats, are high priorities for GSGSSI. In the last year we have sought to integrate the principles of environmental sustainability into Government policies and account for environmental impacts in a clear and transparent way. This is particularly important given the increasing visitor numbers, infrastructure maintenance and development work, and scientific activity.

To encourage and facilitate safe and sustainable access to South Georgia we streamlined our permitting procedures and published revised environmental impact assessment procedures that are scalable and commensurate with potential impact. We have developed a three-tier system of Regulated Activity Permits which has so far received positive feedback from users. As the number of permit requests increases, to an all time high of 64 in 2016, this new system will ensure that low impact, low risk projects can be fast-tracked allowing us to focus resources on projects with potential greater impact and ensure that best practice standards are upheld.

In March 2016 we launched the National Biodiversity Action Plan. The plan sets out an ambitious vision for how GSGSSI will work in partnership with experts and stakeholders in the UK and the rest of the world to conserve the biodiversity and ecosystem function of the Territory. The Plan is key to meeting our commitments under the Convention on Biological Diversity. The Plan takes each of the environmental objectives identified in our *Strategy 2016-2020* and sets out in detail what activities will be undertaken and when. Each objective is mapped against global conservation targets.

In 2016 we began work on a system of Terrestrial Protected Areas. We are adopting an evidence-based and consultative approach with a view to ensuring appropriate levels of protection. A visitor site use survey has contributed a better understanding of visitor use patterns and an initial workshop to discuss the project was held at the 25th general meeting of IAATO.

National Biodiversity Action Plan launched



The plan sets an ambitious vision to conserve our biodiversity and ecosystem function and is key to delivering our commitments under the Convention on Biological Diversity.

Over the last 5 years much progress has been made in the management of non-native species with the South Georgia Heritage Trust completing the baiting phase of the rodent eradication project and GSGSSI working to eradicate reindeer. Both of these projects are now in a monitoring phase where staff and visitors are being asked to be vigilant for, and report to GSGSSI, any signs of remaining animals. GSGSSI has committed support to SGHT's habitat restoration monitoring expedition planned for 2017/18.

Ensuring that effective, comprehensive biosecurity measures are in place is vital to protect native flora and fauna and a priority for GSGSSI. Our updated Biosecurity Handbook was published in June 2016 with the latest biosecurity requirements and will continue to be updated annually. In the year to May 2016, 257 biosecurity checks on cargo and baggage were undertaken by Government staff at King Edward Point and at the gateway port of Stanley, Falkland Islands. Of the 885 items that were individually inspected during these checks, biosecurity infringements were detected on 60. Infringements ranged from incorrect packing protocols that could leave boxes vulnerable to rodent or invertebrate infestation to collection of dirt and seeds from cargo items, vehicles and clothing.

A total of 138 bait stations were deployed across all vessels visiting South Georgia including fishing vessels, cruise ships, yachts, Royal Navy and Government vessels. An additional 117 rodent monitoring stations were deployed on-shore. No signs of rodents were reported either on land or at sea. All visitors are briefed on what actions they can take to prevent the inadvertent introduction of non-native species.

In line with our commitment to effectively manage invasive species, we launched our ambitious Non-native Plant Management Strategy which was developed with Darwin funding. It aims to ensure that 33 out of the Territory's 41 non-native plant species are eradicated or managed to zero population density by 2020. Plans are in place to control 10,000 m² of non-native plants each year as part of our £250,000 5-year funding commitment. A particular focus will be ensuring the continued success of

Annual biosecurity review undertaken



Our annual review of biosecurity operations included 257 checks on 885 items and led to revised procedures for those shipping to South Georgia.

managing high priority species and further developing best practice environmental standards. As well as managing non-native plants, the Indigena team will be working with GSGSSI to develop a monitoring programme to better understand the effectiveness of herbicide treatments in different habitats. This information is vital for on-going development and refinement of control techniques and for ensuring that South Georgia remains at the forefront of developing best practice environmental standards.



£250,000 commitment for non-native plant management



Indigena Biosecurity International was awarded a 5-year contract to deliver our Non-Native Plant Management Strategy 2016-2020 following competitive tender.

Fisheries

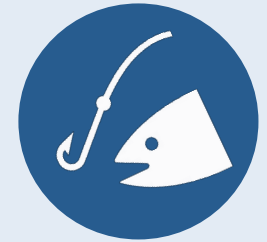
GSGSSI seeks to manage its fisheries to the highest international standards of operation, stewardship and sustainability. We adopt a precautionary management policy underpinned by high quality science and collaboration with stakeholders. GSGSSI's fisheries operate within an international context and we support the UK delegation to the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) at their annual meeting in October.

We have further enhanced sustainability across our world-class fisheries and marine protected area. We introduced a more precautionary approach to toothfish and icefish stock management that goes beyond CCAMLR standards. 100% international observer coverage has continued for all toothfish and icefish vessels, and we will introduce 100% coverage in the krill fishery (up from approximately 50%) in 2017, three years ahead of the CCAMLR requirement. New reporting requirements in the krill fishery have improved compliance monitoring and scientific analysis.

A new 2-year toothfish licensing round was launched with a total quota of 2200t per year (more precautionary than the limits recommended at CCAMLR) with six vessels receiving licences. Vessels conducted a range of science projects including to collect evidence on the effectiveness of fishery management measures such as benthic closed areas. Vessels adopted a variety of techniques that contributed to further raising operational standards in the fishery. Two vessels continued with the scientific fishing programme in the South Sandwich Islands which is collecting data on the size, distribution and ecology of the toothfish stock. A Marine Stewardship Council surveillance meeting for the toothfish fishery was held in September 2016.

The South Georgia mackerel icefish fishery achieved condition-free MSC re-certification, indicating that all MSC sustainability criteria are being met to a high standard. This fishery was first certified in October 2010 through an industry-led initiative supported by the government. This fishery is characterised by high spatial and inter-annual variability of stock and GSGSSI will be conducting a

2-year licensing rounds launched



2016 saw the start of a new 2-year licensing round for toothfish and icefish in line with CCAMLR decisions.

MSC re-certification of the icefish fishery



The icefish fishery received condition-free MSC re-certification in July 2016.

biennial groundfish survey for monitoring the icefish population and broader ecology of the South Georgia shelf in January 2017.

In the krill fishery six licenced vessels fished a total of 453 days, catching a total of 71,435 tonnes of krill.

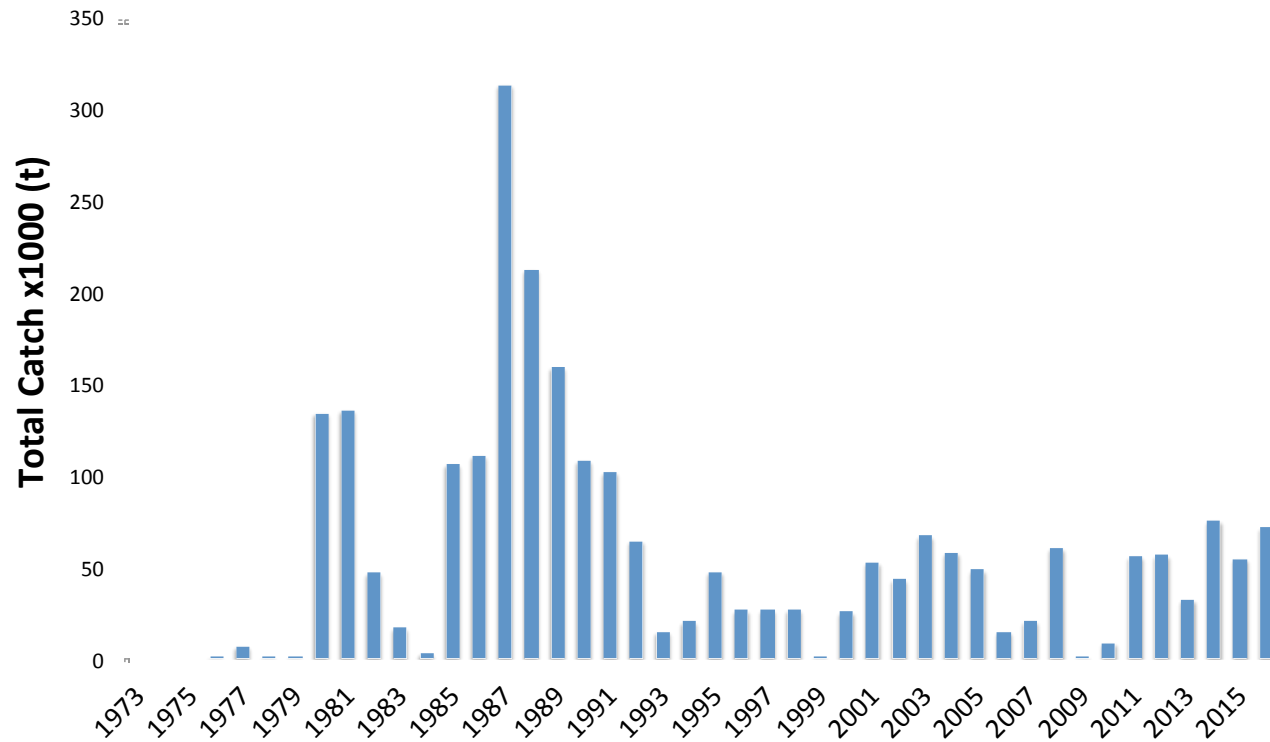
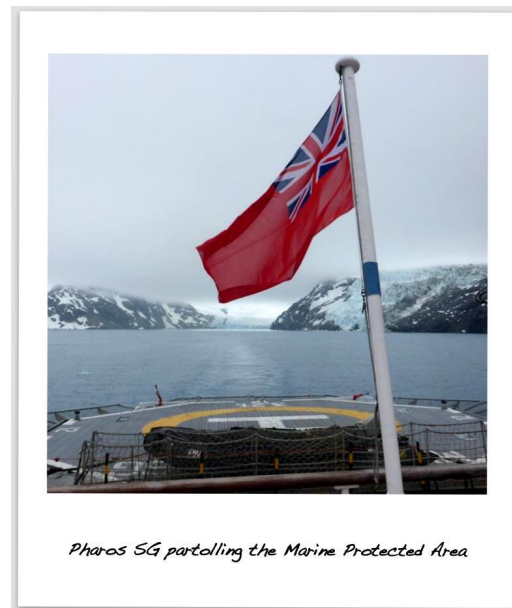


Fig 3: Annual krill catch in CCAMLR Subarea 48.3

We continued our “roaming” observer programme, contributing 131 days of additional science and monitoring on toothfish vessels and 83 days on krill vessels. Surveillance and monitoring remain high priorities for GSGSSI. *MV Pharos SG* spent 270 days on patrol in the maritime zone, and there were two aerial surveillance patrols covering South Georgia and the South Sandwich Islands. All vessels are inspected at King Edward Point, South Georgia before being licenced, and an additional 18 random at-sea vessel inspections were carried out by Fisheries Patrol Officers. All vessels are assessed for compliance with the Torremolinos Protocol.

The Government invested c.£1m in fisheries management and research, which underpins our precautionary fisheries management approach and marine protected area. We co-fund (with the UK Foreign & Commonwealth Office) the scientific research station operated by the British Antarctic Survey at King Edward Point which undertakes fisheries science and higher predator monitoring. The Government submitted evidence to the UK Environment Audit Committee’s inquiry, *Marine Protected Areas Revisited*, which will continue into 2017.



Observer programme delivers enhanced science and monitoring



International observers cover 100% of vessels in the toothfish and icefish fishery and will cover 100% of krill vessels from 2017.

Visitors

GSGSSI seeks to facilitate visits that are safe, environmentally sensitive, contribute to sustainable management and create future ambassadors for the Territory. As the number of visitors increases year on year so this objective becomes ever more important and challenging. We are grateful for the continued support and engagement from IAATO as well as other visitors to South Georgia who have provided much assistance during the year in helping maintain high standards.

The 2015/16 season saw a record number of visitors to South Georgia with over 8,780 cruise ship passengers visiting the Territory. The passenger landing fee this year was £125 for up to 72 hours. Other visitors included Royal Navy personnel, science project teams, researchers and fishers. There were a total of 68 cruise ship and 22 yacht visits with passengers from 63 countries. The largest number of cruise ship passengers came from the United States with 1,805 passengers (21%).

Last season also proved to be the busiest on record for expeditions, largely due to the centenary of Shackleton's crossing of the island in 1916. A total of 11 expeditions were undertaken, 8 planned around the 'Shackleton Traverse Route'.

The Government attended the 25th IAATO Annual Meeting at which it provided an update on plans for the development of its visitor management policy, including the tourist offering at Grytviken. It held a workshop on the development of a new system of terrestrial protected areas, a process which will continue over the course of 2017.

A review of the permitting arrangements for yachts was undertaken and, following engagement with experienced IAATO yacht operators, a new yacht application format was introduced to better reflect the requirements of these operators.

Busiest cruise ship season



67 cruise ship visits carrying 8,773 passengers made this the busiest season on record. We also received 21 yachts with 150 visitors.

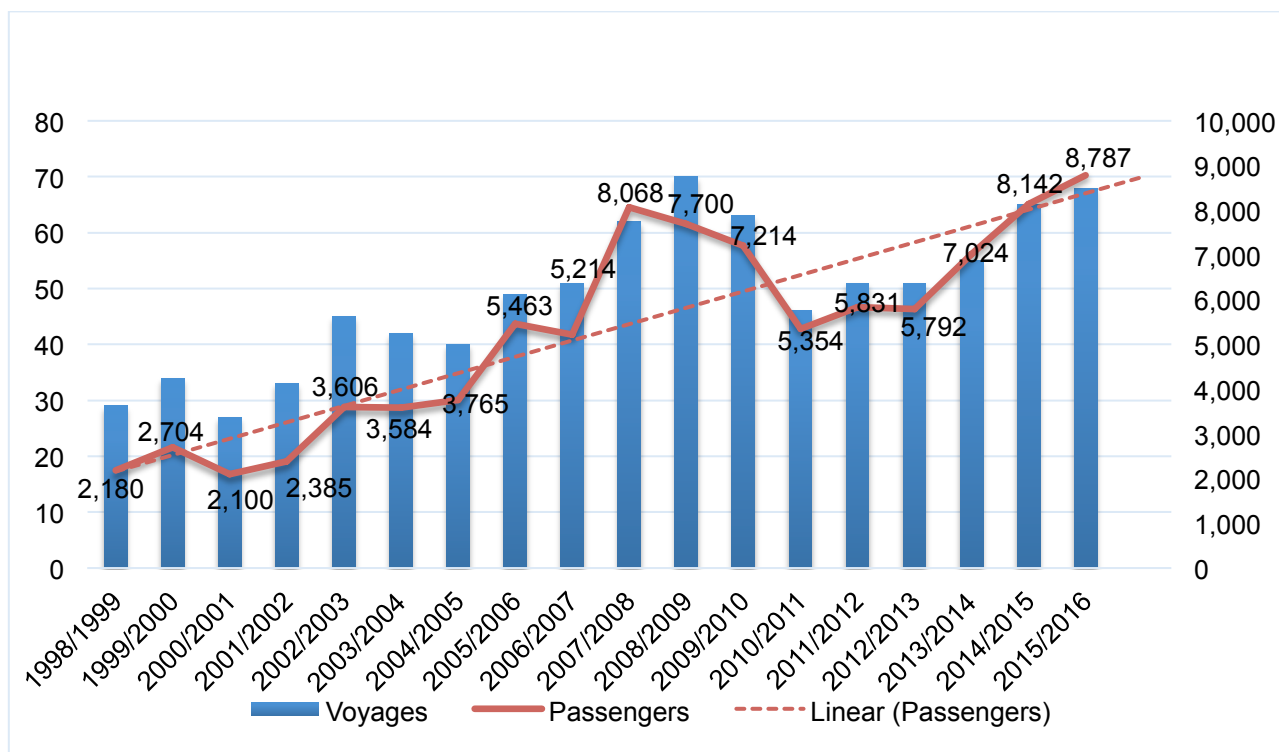


Fig 4: cruise ship visits and passenger number trends at South Georgia

Biosecurity remains a priority and spot-checks of visitors by Government Officers identified an overall high standard of biosecurity controls. Work is progressing to update our visitor management legislation and introduce immigration controls for the Territory.

In November GSGSSI was pleased to publish “Guidelines for the Provision of Medical Care in South Georgia and other Antarctic Marine Areas by Seaborne Adventure Tourism”. Following recommendations made to GSGSSI by HM Coroner for the Territory, this document identifies the medical risks associated with visits to South Georgia and offers advice and

Guidelines published on provision of medical care on cruise ships



New guidance for cruise ship operators and visitors on the provision of medical care was published.

guidance to cruise ship operators and other visitors about the provision of appropriate medical care. The guidance in this document reflects expert medical advice prepared by World Extreme Medicine following consultation with stakeholders and a medical expert peer review process. The guidance aims to provide a useful benchmark against which vessel operators can decide on the appropriate level of medical resources on board and ashore to care for passengers and crew during visits to South Georgia.

A review of lessons learned following our incident training exercise led to further improvements to our major incident stores to provide shelter and basic requirements for stranded passengers at Grytviken. We will continue to test our incident procedures annually.



Cruise ship passengers enjoying South Georgia

Heritage

South Georgia has a unique heritage which we seek to preserve and bring to a wider audience. Significant work has been undertaken this year with matched financial support from the Norwegian Government as well as contributions from Oyas Venner (Norwegian Friends of South Georgia), drawing on the skills and expertise of our building team. There have also been other projects including the conclusion of the laser survey work, an exhibition to mark the centenary of Shackleton's Imperial Trans-Antarctic Expedition, and the beginning of a process to record South Georgia's heritage – the first step towards the development of longer term management plans.

The focus of works, discussed and agreed with the Government's Heritage Advisory Panel, was the Nybrakka Barracks and the former 'Slop Chest' at Grytviken. The latter has now been sympathetically converted to house the Post Office and a gallery. The gallery has displayed an exhibition of Frank Hurley's plates of South Georgia taken during the course of the Imperial Trans-Antarctic Expedition, together with a selection of original lantern slides, on loan from the Royal Geographical Society (RGS). The restoration and replacement of wooden crosses was completed at the cemetery at Ocean Harbour.

In late 2015 the final laser survey of the former whaling stations was completed and the project data formally handed over to GSGSSI at September's stakeholder meeting. Funded jointly by GSGSSI and the Norwegian Government, this archive will ensure the preservation of an accurate and highly defined imagery record of the sites. Much data has been incorporated into interactive multimedia kiosks which have been on display in South Georgia and which the Government loaned to the Stanley Historic Dockyard Museum during the winter as part of a broader collaboration. Shadow Industries Ltd, who developed the multimedia concept, won the UK Radio and Television Society Award for Digital Creativity for this project in March.

Work has taken place to identify and record the Territory's heritage sites, structures and key

Final laser survey expedition to record whaling heritage



The final phase of the Geometria LIDAR laser survey (jointly funded by GSGSSI and Norway) was delivered in 2017.

artefacts. A process to prioritise these sites, structures and artefacts will follow in 2017 with the aim of developing appropriate heritage management plans, ranging from passive monitoring plans (for the majority) to the development of directed long-term conservation or restoration plans for a few sites or structures deemed to be of key importance and appropriate for direct management. A conservation management plan for Grytviken will be an important element of this.

In November the Government announced that following a competitive tender process Adler & Allan Ltd (A&A) had been appointed to carry out a survey in March 2017 of the former whaling stations on South Georgia to identify quantities and types of oil waste, evaluate its condition, and provide recommendations and estimated costs on the best practical options for managing the oil waste and protecting the environment. Additionally, we have worked with specialists to develop an updated asbestos management plan for the whaling stations which we will take forward in the year ahead.

A survey was carried out of the former whale catcher *Dias (Viola)* following a proposal to transport her to her original home port of Hull (UK) for restoration and display to highlight the city's maritime heritage, and commemorate the vessel's naval role in the First World War. The Government's Heritage Advisory Panel has been engaged to provide advice to the Government on this matter.



Hurley's lantern slides on display at Grytviken

Shackleton centenary

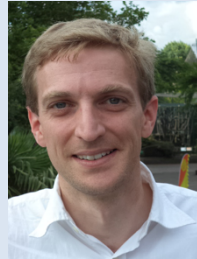


To mark the centenary of Shackleton's epic crossing of South Georgia in 1916 GSGSSI, with the support of the Royal Geographic Society, was pleased to mount an exhibition of Frank Hurley's original lantern slides at Grytviken.

Meet the GSGSSI team



Colin Roberts
Commissioner



James Jansen
Chief Executive Officer



Richard McKee
Operations Director



Mark Lewis
Legal Advisor



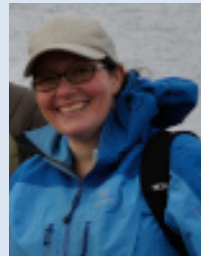
Paul Brewin
*Marine and Fisheries
Manager*



Jennifer Lee
*Environment
Officer*



Ian Haywood
*Administration and
Logistics Assistant*



Jenni Sol
*Administration and
Logistics Assistant
(from January 2017)*



Simon Browning
Government Officer



Steve Waugh
Government Officer



Pat Lurcock
Government Officer

