



Annual Report 2022

**Government of South Georgia &
the South Sandwich Islands**



Foreword

HM Commissioner Alison Blake CMG



South Georgia and the South Sandwich Islands is a British Overseas Territory like no other and my arrival in July 2022 was at an extraordinary time as we emerged from the COVID 19 pandemic. 2022/23 saw the Government receive the highest number of visitors and applications for scientific work we have ever recorded, a huge tribute to the beauty and attraction of this precious territory. Such growth poses a challenge of ensuring tourism is well managed, and sustainable so that we can continue to protect the delicate ecosystem and all that makes South Georgia very special.

Early in 2022 we published an Implementation Programme for *Protect, Sustain, Inspire* setting out the milestones and success criteria to which we would hold ourselves. As 2022 ended I was delighted that we were well on the way. Key milestones include confirmed funding for another five years of invasive plant management on South Georgia, declaring Specially Protected Areas covering the whole landmass of the Territory, increasing the capacity and resilience in the biosecurity dog team, putting in place the groundwork for the next five-year review of the Marine Protected Area, and publishing the full corpus of the Territory's law on a dedicated open-access website.

The BBC series *Frozen Planet II* featured the iconic sites of St Andrews and Right Whale Bay, sharing the beauty and majesty of South Georgia with audiences around the world. And our stamp and coin issues celebrated historic events in South Georgia's history, including the Centenary of the death of Sir Ernest Shackleton and the 40th anniversary of South Georgia Liberation Day.



Widening our outreach activities remains a priority for us, telling the extraordinary South Georgia success story to audiences around the world. It is remote and nothing there is easily achieved, but it shows that it is possible for an ecosystem to recover. That isn't done quickly, it takes hard work, commitment, funding, science, imagination and partnership between a Government and all stakeholders, including our cruise and expedition visitors, but it can be done.

International events and pressures affect daily life and our operations. Events elsewhere in the world cast a long shadow, including regrettable, politically motivated actions in CCAMLR that were aimed at undermining the sustainable, independently certified fisheries on which our self-sufficient economy depends. We are grateful to the UK Government and our fishery license holders and partners for their continuing support.

The dedicated South Georgia Government team work hard, delivering our priorities in the face of significant challenges. Our partners and stakeholders are part of our ability to deliver, they help us maintain the highest standards of environmental stewardship and help ensure our decision-making is rooted in the best available science and research.

We have many partners, too many to be able to acknowledge all of them but we could not carry out our mission without the assistance and support of the people and Government of the Falkland Islands, Byron Marine for operating our fishery patrol vessel MV *Pharos*, the British Antarctic Survey and the South Georgia Heritage Trust, British Forces at BFAI and the UK Government, Ministers and many Departments and agencies. They and all of you, our global community, share a passion for these incredible islands and I thank you all for your continued support.

Alison

Significant Events in 2022

Centenary of the Death of Sir Ernest Shackleton at Grytviken

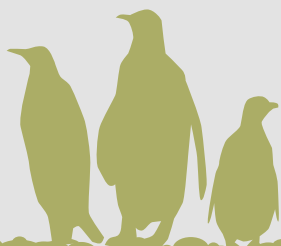
2022 was another busy year in South Georgia & the South Sandwich Islands, which began with the centenary of the death of polar explorer Sir Ernest Shackleton on 5th January.

Representatives of GSGSSI, SGHT Museum Team, British Antarctic Survey, Indigena, the Heritage Build Team and the Detector Dog Programme met at Hope Point to raise a toast to the departed and celebrate the myriad changes and successes on this incredible island over the past 100 years. A dedication was read by the Chief Magistrate, Sarah Whitby.

The centenary year has been marked by a number of activities and events both on South Georgia and farther afield. The Shackleton's Last Quest exhibition opened both in-person and online at the South Georgia Museum, and included the display of a number of interesting objects from the collection and also the Crows Nest from the original vessel that has been loaned from All Hallows by the Tower.

The Government also participated in the Request2021 Antarctic Research Project organised by the Kent County Scout Council, part of the global Scouting movement. The project commemorated the 2 Boy Scouts who participated in the original Quest expedition, including Scout James Marr who visited South Georgia on the expedition, and went on to become a marine biologist, taking part in the Discovery Investigations and specialising in Antarctic Krill. The project saw an expedition of young people travel to Antarctica aboard the Bark Europa, and a plaque dedicated to Scout Marr was transported to South Georgia where it has been mounted inside the church.

GSGSSI joined with the British Antarctic Territory and the Falkland Islands to launch a cross-territory Centenary stamp edition featuring 4 colourised photographs of Shackleton. This was followed up by a *Heroic Era of Antarctic Exploration* coin series featuring the vessels *Antarctic* and *The James Caird* in partnership with the British Antarctic Territory.



40th Anniversary of Liberation

On April 25th 2022 the Government marked the 40th anniversary of the Liberation of South Georgia from occupying forces, as part of the wider Falklands conflict. A reception was held at Government House to honour those who took part in the battle of Grytviken and to screen a 5-minute film specially commissioned for the event, which highlights the incredible work of successive Governments since 1982 to restore the ecosystems around South Georgia.

A dinner was held in Stanley later in the year to welcome a number of veterans from the South Georgia campaign and to share stories of the amazing territory.

GSGSSI issued a souvenir stamp sheet bearing the famous message relayed to the UK by Captain Young following the successful liberation of Grytviken:

"Be pleased to inform Her Majesty that the White Ensign flies alongside the Union Jack in South Georgia. God save the Queen"

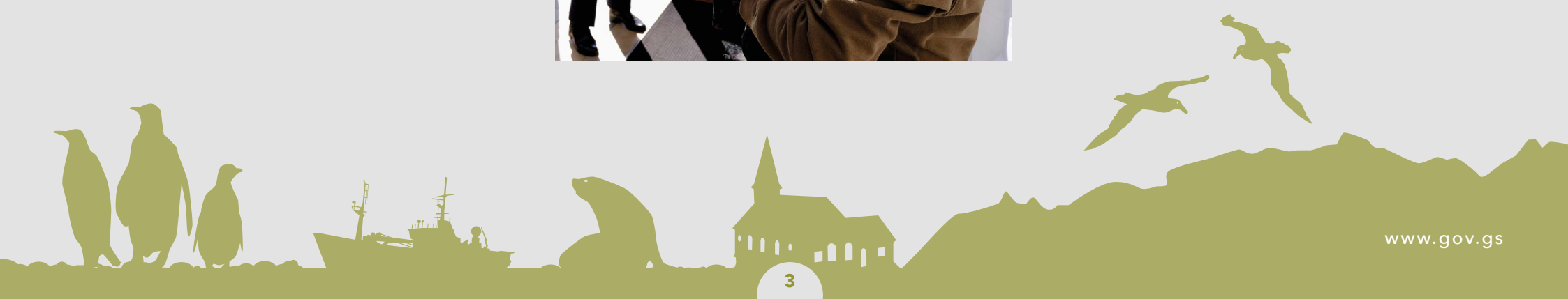


Visit by Her Royal Highness the Princess Royal

In November 2022 GSGSSI once again welcomed Her Royal Highness and her husband Vice Admiral Sir Tim Laurence to Government House and our offices in Stanley, to learn about the developments in the Territory since their last visit.

HRH was introduced to the newest members of the Biosecurity Detector Dog Team and learned about the extensions to the Marine Protected Area since 2019, the declaration of the Terrestrial Protected Area in 2022, and the Government's ambitious plans to switch to renewable energy on South Georgia by 2025.

Earlier in the year, GSGSSI also welcomed the Rt Hon Amanda Milling MP, Minister for the Overseas Territories and Rt Hon Sir Lindsay Hoyle, Speaker of the House to a briefing at Government House.



Governance & Stewardship

Finances

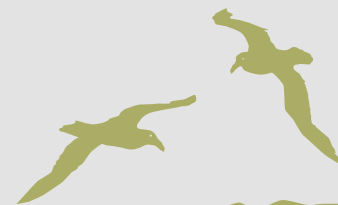
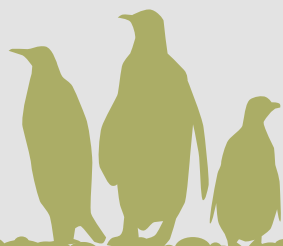


The global economy and the financial markets experienced significant volatility during 2022 including increases to inflation, fuel prices, and interest rates. GSGSSI's costs have been affected by these and we anticipate this to continue into the future. Uncertainty over the long-term structure of licences for the South Georgia toothfish fishery caused by Russia's actions at CCAMLR 40 resulted in a reduction in licence fee income, which nevertheless remains one of the Government's main sources of revenue.

To offset the combined pressure of increased costs and decreased income, in 2022 GSGSSI sought, and will continue to seek, ways to mitigate the risks arising from inflation to its direct costs and supply-chain. The Government has successfully renegotiated a number of contracts with suppliers with varying terms to allow us to take advantage of cost reductions when they occur. We have also restructured agreements to provide mechanisms to release the Government from financial obligations in the event of significant real or projected downturns in income. However, these strategies may not fully offset the impact of current macroeconomic conditions as the Government remains exposed to

fluctuations in the dollar exchange market for the provision of fuel, oil, and lubricants to the fisheries patrol vessel Pharos SG. The operation of a vessel remains the Government's highest expense line and is critical to the delivery of our mandate of environmental protection through evidence-based management. The impact of dry dock costs (pushed into 2022 due to fallout from the COVID pandemic) has fed through to increases in the charter party day rate, further increasing cost pressures.

To protect against future economic risks, the Government has focused increased attention on diversity of income streams to ensure long-term sustainability. This is principally to safeguard our ability to underwrite multi-year environmental protection activities into the future. As a consequence, we envisage that income from visitors will play an increasingly significant role in meeting the Government's operating costs into the future.



Staffing

Finances

2022 saw a slight increase through the creation of a new Operations Manager post to support the Operations Director with a roaming presence between Stanley and South Georgia. This role replaces the previously envisaged role of tourism officer on-island.

GSGSSI's establishment at 31 December 2022 was 14.8 FTE (13.8 in 2021) with a headcount of 19. Vacancies were held in the Heritage Build Team due to a reduced workplan for the 21/22 and 22/23 seasons to reduce costs. Further efficiencies were realised by adjusting the tenure for certain roles on South Georgia to a seasonal basis allowing greater flexibility to match staffing with demand.

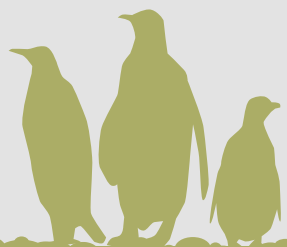
The result of these staffing adjustments was a 5% reduction in direct staffing costs but with a net increase in capacity. Directly-employed staff in Stanley and the UK (excluding the CEO) were granted a cost-of-living award pro-rata during Q3 & Q4 to mitigate personal financial stress arising from inflation. Staffing costs remain extremely modest for a public sector organisation, at c.8% of annual operating expenditure.

GSGSSI Establishment at 31 December 2022

Location	FTE	Headcount	Vacancies
South Georgia	6.0	10.0	1.0
Stanley	5.0	5.0	0
UK	1.8	2.0	0
External Secondees	2.0	2.0	0
Total	14.8	19.0	1.0

GSGSSI Staffing Costs

	2022	2021
Employees	431,000.00	
Contractors	181,000.00	
Retirement Pension Contributions	5,000	
Total	612,000.00	651,000.00



Income versus expenditure

The Government entered 2022 with anticipated expenditure of £7.77 million against an estimated revenue position of £6.5 million. Estimates were conservative due to uncertainty surrounding the future of the toothfish fishery and recovery of the expedition cruise industry post-Covid.

By the end of Q2, increased confidence in recovery across industry led to reforecasted income of £8.38 million with the expenditure forecast matched to the same figure.

At 31 December 2022, the Government's unaudited draft accounts display a cash deficit of £88k representing a 1% variance to budget. This was an impressive outcome to a fiscally challenging year with myriad uncertainties locally and globally, and reflects the dedication and creativity of all members of the GSGSSI team to ensure prudent financial management without compromising on outputs.

As in previous years, the vast majority (87%) of Government spending has been on marine protection, science, and the operation of the research facility at King Edward Point.

Strategy

Following on from the successful publication of *Protect Sustain Inspire* in 2021, in 2022 the Government published its implementation plan setting out how it intends to achieve the stretching ambition set-out in this 5-year values driven framework. These milestones and successes are grouped into five themes:

- Environmental Resilience;
- Biosecurity & Non-Native Species;
- Culture & Heritage;
- Science; and
- Global/Regional Responsibility.

The milestones can be found on the Government's external website: www.gov.gs and lays out the specific targets against the Government will measure its progress, and against which stakeholders can hold the administration to account. In 2023, the Government commits to:

- Based on the outcome of the 2023 independent 5-year review of the Marine Protected Area, revisit policies and outcomes to enhance the protection of our waters.



- Update and fund a comprehensive invasive plant monitoring and management programme with the goal to drive down prevalence of key invasive plant species.
- Complete and publish a report on the effects of climate change in terms of the ecosystems in SGSSI, including an assessment of potential future changes and approaches.



Biosecurity

Biosecurity and invasive species management continues to be the cornerstone of environmental protection for SGSSI.

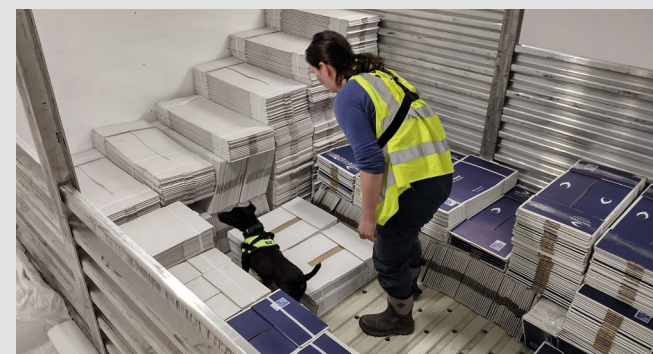
In June 2022 a new strategy for non-native plant management was launched which builds on the highly successful 2016-2020 document. This new strategy guides the delivery of an effective control programme targeting high priority non-native plant species at key sites, and continues the development of data management tools to optimise the efficacy of field workers. Whilst control remains the priority, GSGSSI has increased investment into research on non-native plant life histories and climate change impacts in order to further develop non-native plant management.

Building on the partnership developed during the successful delivery of the previous strategy, and following a thorough tendering process, GSGSSI awarded a contract to Indigena Biosecurity International to provide the highly trained and dedicated field workers needed to deliver the on the ground control for the next 5 years.

In September 2022 the biosecurity detector dog team welcomed two new dogs to the team, Hunter and King, along with an additional handler based in the Falkland Islands. The dogs were sourced from specialist kennels in the Netherlands - Scent Imprint Conservation Dogs - and transported to the Falkland Islands with assistance from the Royal Air Force and the support of British Forces South Atlantic Islands. This increase in biosecurity capacity has brought much needed resilience to the programme, helping to ensure rodents never return to South Georgia.

To mitigate risk comprehensively, GSGSSI operates with detailed plans in place in case a rodent should ever make it back to South Georgia. 2022 saw the development of a new rodent incursion response plan incorporating best practice from around the world. This plan was externally reviewed by independent experts, and replaces the previous broadcast bait method with baited boxes set out in a grid. This is a tried and tested method on other remote islands, and reduces the risk to non-target species. The Government intends to test this plan through exercising and drilling in 2023.

In the 2021/2022 field and tourism season a total of 2032 passengers were checked by Government Officers on arrival at KEP to ensure there were no soil or seeds on clothing and footwear. On average, 96% of passengers were completely biosecure which brings continued confidence that visitors continue to understand and implement good biosecurity.



Marine Protection



After patrolling GSGSSI waters throughout the Covid period, the fisheries protection vessel **Pharos SG** entered dry dock in March 2022 for a long-awaited period of maintenance. As well as routine upkeep, she was fitted with a **Simrad EK80** echosounder device with 38 and 120kHz transducers to enable her to undertake scientific acoustic transects alongside her sovereignty and fisheries patrols. She was also fitted with a new ballast water treatment plant, significantly mitigating the potential for inadvertent transmission of marine non-native species and pathogens into the South Georgia Maritime Zone and inshore waters.



Following the outcomes of CCAMLR 40, where the Commission failed to agree a catch limit for toothfish at South Georgia in 2021, UK Ministers gave the go ahead for operating the South Georgia toothfish fishery solely under domestic regulations. A licensing process was carried out and resulted in four UK -flagged longline vessels successfully fishing during the winter months under GSGSSI regulations that were more precautionary than CCAMLR's. International scientific observers were deployed on all vessels collecting data in line with all CCAMLR obligations. There was no recorded incidence of bird bycatch throughout the season.

One UK long line vessel participated in the monitoring fishery at the South Sandwich Islands continuing the multi-year collection of data on Patagonian and Antarctic toothfish stocks in the region.

Following the low catches of krill in 2021, winter 2022 saw a return of high krill abundance to South Georgia. Four vessels fished during July and August dividing effort between the north east and north west of South Georgia always operating at a distance of >30km from shore in line with the Government's MPA regulations.



Building Future Resilience

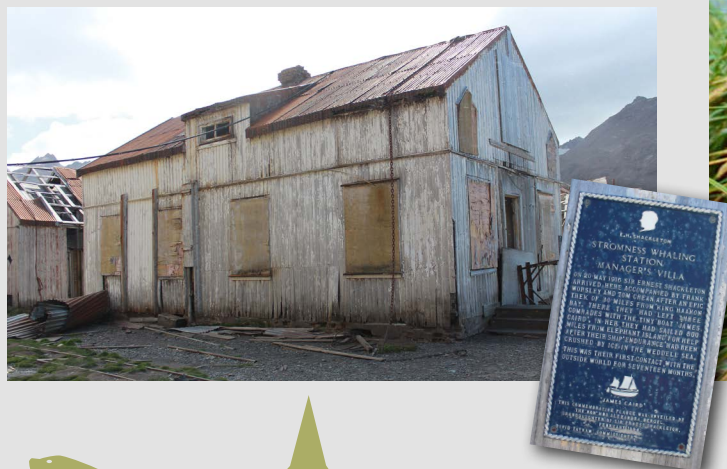
Early 2022 saw the completion of the final snagging list from the extended wharf and dolphin at King Edward Point. This critical piece of infrastructure has now been signed off and transferred to the Government's balance sheet. Installation of the sinker anchor in Cumberland Bay is scheduled for early 2023.

The second phase of an upgrade to the communications infrastructure was also completed with the installation of a new satellite dish and protective dome. This has increased the bandwidth available on station, greatly improving the ability of science teams to transmit and receive data, but also improving the facilities for deployed staff to communicate with friends and family back home.

In late 2022 the GSGSSI Heritage Building Team completed the rewiring of the Managers Villa at Grytviken which now houses the South Georgia Museum collections. They also upgraded the lighting and insulation in the Drukken Villa, increasing the energy efficiency of the historic building to reduce heat loss and energy consumption.

The Government has also ordered a new micro-hydro turbine from Gilbert Gilkes & Gordon Limited in the UK, which is due to be installed on the potable water feed at Bore Valley above Grytviken. This turbine will generate an additional 12kW of electricity – sufficient to power the entirety of King Edward Point from renewables. This takes the Government ever closer to its ambition to deliver all of the energy requirements at King Edward Point from renewables by 2025.

Over on Bird Island, the British Antarctic Survey deployed a team of staff to install photovoltaic panels on the buildings at the research station. These panels, once commissioned, will significantly reduce the need for hydrocarbon consumption, transportation and storage on Bird Island.



Local Science, Global Impact

2022 saw the first field season of a major UK Government (Darwin Plus) funded project, 'Resolving ecosystem effects of the South Georgia winter krill fishery'. GSGSSI's patrol vessel, Pharos SG- newly fitted with a scientific echosounder, carried out a series of research surveys over the northern shelf of South Georgia. This project seeks to understand the overlap between krill, the South Georgia krill fishery, and krill-dependent predators by addressing the knowledge gap that surrounds these populations in winter. The project is led by the British Antarctic Survey with support from the Antarctic Research Trust and GSGSSI.



Teams of scientists collect data on krill, whale and seabird distribution and density in the region of the krill fishery operation. Onshore, Gentoo penguins were tagged at Maiviken and Bird Island to establish foraging patterns for this species in winter. Passive acoustic monitoring devices were also deployed in the maritime zone to locate whales in real time. These highly successful surveys are planned to continue in 2023.

GSGSSI funded science activities continued at King Edward Point (KEP) including the long-term monitoring of the krill-based ecosystem, with observations of fur seal and gentoo penguin colonies at Maiviken. Six peer-reviewed papers have been published from KEP-related science, including four papers in a special issue of Deep-Sea Research II, focussed on the South Sandwich Islands.

Other science projects based at KEP included the Darwin Plus funded projects to assess the use of Unmanned Aerial Vehicles (drones) to monitor wildlife populations and to tag Albatross and petrels to assess variability in foraging locations between breeding sites.

June 2022 saw the launch of a new web-based public data portal which will help to enhance the management

of one of the world's largest Marine Protected Areas (MPAs). The new MPA Data Portal provides a platform for managers, scientists and stakeholders to access the latest information on the status and trends of marine biodiversity, environmental conditions and human activities. It contains over 150 interactive maps and data summaries, which are linked directly to the South Georgia online GIS and the UK Polar Data Centre Discovery Metadata System.

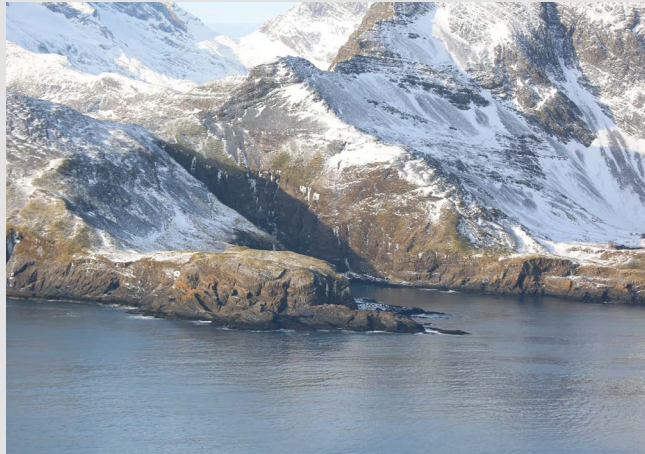
Science, monitoring and surveillance of the SGSSI-MPA was supported throughout the year by resources from the UK Government's' Blue Belt programme. This included funding of ongoing work by the UK's Centre for Environment Fisheries & Aquaculture Science (CEFAS) to investigate longline fishing interactions with seabed habitats using deep water camera systems deployed from fishing vessels. Blue Belt funding was also used by BAS to develop oceanographic models for the South Georgia region to better understand krill transport. GSGSSI worked closely with the UK Marine Management Organisation (MMO) to coordinate remote surveillance of the SGSSI MPA using a range of satellite and vessel monitoring technologies to further strengthen the protection of the MPA from the threat of Illegal, unregulated and unreported fishing.



Facilitating Sustainable Visits

2022 saw a continuation of the cautious return to expedition cruise ship visits to South Georgia experienced in the latter part of 2021, aided by the development of a clear external policy on Covid-19 mitigation measures where vessels were streamed into different categories depending on perceived risk. By the mid-point in the year, interest in visits to South Georgia for the 2022/23 season had shown a strong resurgence with a projected 120 cruise ship calls to the territory, in addition to small yachts and national science programs. This represents a significant growth in tourism footfall and the Government will seek to outline a clear strategy for tourism growth in 2023 to balance the trend for increased numbers with our commitment to sustainable management.

In the same vein, on 24th June 2022 the Commissioner designated the entire landmasses of South Georgia and the South Sandwich Islands as Terrestrial Protected Areas through the Wildlife and Protected Areas (Specially Protected Areas) Order 2022. This fulfils the commitment made in the Pathway to Protection in 2021 to extend the same protections to the environment in the territory on land as at sea.

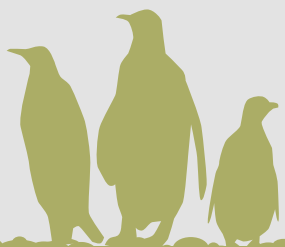


The 3,800 km² Terrestrial Protected Areas complement the Marine Protected Area, which covers the whole 1.24m km² maritime zone. Together, these Protected Areas will be an exemplar in delivering holistic ecosystem management and world-class protection, coupled with sustainable use.

Work is now underway to develop specific Management Plans and the Regulations required to implement them. Initial drafts have been developed in consultation with a Terrestrial Protected Areas Advisory Group of subject matter experts, and were released for public consultation towards the end of 2022.



Consistent with the Government's wider approach to visitor management, recreational tourism landings in the South Sandwich Islands are now prohibited by law in order to safeguard their pristine nature, and in recognition of the inherent safety risks of landing there. GSGSSI continues to permit scientific visits, including an expedition by National Geographic in November 2022 that completed the first successful visit to the summit of Mount Michael on Saunders Island, obtaining ground imagery of the lava lake in the crater of the volcano for the very first time.



Accessing Cultural Heritage

In September 2022 the Government renewed an agreement with the UK-based charity South Georgia Heritage Trust (SGHT) for the continued operation of the Museum at Grytviken. This continues the longstanding and mutually supportive relationship between the 2 organisations for effective preservation, curation and interpretation of the collections held on-island.

Following extensive consultation and discussions with SGHT, November 2022 saw a long-awaited multidisciplinary survey expedition into the interior of the abandoned whaling stations on the north coast of South Georgia. The survey forms part of the SGHT "Whaling Station Initiative" which seeks to assess the environmental, health and safety risks within the stations and to establish the feasibility of removing hazardous wastes and stabilising or restoring buildings of considerable heritage value.

The survey team included 11 individuals with expertise in: whaling heritage, structural engineering, field safety, surveying, marine logistics, environmental management, waste removal, logistical delivery and photography. The survey progressed smoothly in-line with the workplan and with minimal disruption due to weather. The Government is now considering the consolidated report and recommendations from the survey with the South Georgia Heritage Trust, to inform decisions about the future of whaling station management.



Enhancing Relationships

Stakeholders Meeting

In September 2022, the long anticipated resumption of in-person stakeholders meetings was postponed in response to the passing of Her Majesty Queen Elizabeth II. Despite this, the Government participated in a number of events and fora throughout 2022 as international travel restrictions eased. In 2023, the Government will consult on the best approach to future stakeholder engagement, acknowledging the benefits of remote technologies in achieving a more iterative approach to engagement.

British Antarctic Survey

In September 2022, representatives of the GSGSSI team including the CEO travelled to Cambridge, UK to participate in the British Antarctic Survey pre-deployment training. The team were able to meet the newly recruited overwinterers from BAS, and to brief them on the tripartite relationship between the Government, BAS and the UK Foreign Commonwealth & Development Office that drives the operation of the research station at King Edward Point. For the first time, a newly recruited Government Officer attended training alongside the BAS team, which should lead to greater alignment of skillsets as well as strong personal relationships between different stakeholder groups on-island.

CCAMLR

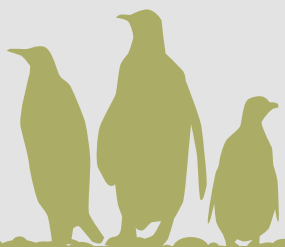
As in previous years, GSGSSI sent 2 representatives as members to the UK delegation to the multilateral Commission for the Conservation of Antarctic Living Marine Resources in Tasmania, Australia in October 2022. Staff participated in the Scientific Committee and Commission meetings, continuing the longstanding commitment to ecosystems approach to the management of the South Georgia fisheries.

Royal Navy & British Forces South Atlantic Islands

GSGSSI welcomed the South Atlantic Patrol Vessel HMS Forth to King Edward Point in early 2022. In late 2022, the Antarctic Patrol Vessel HMS Protector also visited King Edward Point during its workplan between the Falkland Islands, South Georgia and Antarctica. Crews from both vessels participated in the traditional South Georgia vs Royal Navy football matches on the pitch at Grytviken, as well as taking the opportunity for shore leave amongst the penguin colonies and to visit the South Georgia Museum and shop. These interactions serve to uphold the longstanding and mutually supportive relationship between GSGSSI and the Ministry of Defence in projecting UK sovereignty in the farthest reaches of the realm.

Fishing Industry

In May 2022, the Government welcomed the return of the longline fishing vessels alongside in Stanley, Falkland Islands, including 2 brand new state-of-the-art autoliners. Staff were delighted to be able to venture on board for the first time since pre-Covid years, and enjoy a tour of the ships' impressive bycatch mitigation and biosecurity facilities ahead of the vessels transiting to the fishing grounds ahead of a very successful season.



Tourism Industry

GSGSSI presented updates to season planning and permitting arrangement to representatives of the International Association for Antarctic Tour Operators remotely from Government House, Stanley. Following the easing of international travel restrictions, the Government plans to attend the AGM in early 2023.



Civil Society

In mid-2022, GSGSSI began a relationship with the UK-based charity Human Rights at Sea as part of its progress towards improving the living and working conditions for seafarers living and working within the Maritime Zone. With the support of the UK Government Blue Belt programme, Government Officers and other staff will participate in a bespoke training programme to upskill them as frontline human rights defenders.

Philatelic Outreach

In 2022, GSGSSI minted five new stamp issues:

- 40th Anniversary of the Liberation of South Georgia;
- 30th Anniversary of the South Georgia Museum
- 100th Anniversary of the Death of Sir Ernest Shackleton
- Platinum Jubilee of Her Majesty Queen Elizabeth II; and
- The second part of the South Sandwich Islands series featuring the central islands of Saunders, Monatgu and Bristol.



The Commissioner also authorised the minting of commemorative coins including:

- The Tall Ships Series featuring the vessels Moltke and Quest.
- The Heroic Era of Antarctic Exploration Series featuring the vessels Antarctic and the James Caird.
- A 50 pence piece to mark the Platinum Jubilee of Her Majesty Queen Elizabeth II.

