



BILLET D'ÉTAT

WEDNESDAY, 28th MAY, 2008

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B I L L E T D ' É T A T

TO THE MEMBERS OF THE STATES OF THE ISLAND OF GUERNSEY

I have the honour to inform you that a Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE, on WEDNESDAY, the 28th MAY, 2008**, at 10.00am, to consider the items contained in this Billet d'État which have been submitted for debate by the Policy Council.

G. R. ROWLAND
Bailiff and Presiding Officer

The Royal Court House
Guernsey
8 May 2008

(NB **A short service will be held at the Town Church at 9.15am prior to the above States Meeting to mark the occasion of the new session of the States of Deliberation. All Members are invited to attend. Spouses and Members of the Public are welcome to attend.**)

PROJET DE LOI

entitled

FRAUD (BAILIWICK OF GUERNSEY) LAW, 2008

The States are asked to decide:-

I.- Whether they are of the opinion to approve the Projet de Loi entitled “Fraud (Bailiwick of Guernsey) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE SEXUAL OFFENCES (INCITEMENT, JURISDICTION AND PROTECTED MATERIAL) (BAILIWICK OF GUERNSEY) LAW, 2008

The States are asked to decide:-

II.- Whether they are of the opinion to approve the Projet de Loi entitled “The Sexual Offences (Incitement, Jurisdiction and Protected Material) (Bailiwick of Guernsey) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE PAROCHIAL TAXATION (GUERNSEY) (AMENDMENT) LAW, 2008

The States are asked to decide:-

III.- Whether they are of the opinion to approve the Projet de Loi entitled “The Parochial Taxation (Guernsey) (Amendment) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE CHARITIES AND NON PROFIT ORGANISATIONS (ENABLING PROVISIONS) (BAILIWICK OF GUERNSEY) LAW, 2008

The States are asked to decide:-

IV.- Whether they are of the opinion to approve the Projet de Loi entitled “The Charities and Non Profit Organisations (Enabling Provisions) (Bailiwick of Guernsey) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE EDUCATION (GUERNSEY) (AMENDMENT) LAW, 2008

The States are asked to decide:-

V.- Whether they are of the opinion to approve the Projet de Loi entitled “The Education (Guernsey) (Amendment) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

**THE EDUCATION (COMPULSORY SCHOOL AGE)
(GUERNSEY) ORDINANCE, 2008**

The States are asked to decide:-

VI.- Whether they are of the opinion to approve the draft Ordinance entitled “The Education (Compulsory School Age) (Guernsey) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

**THE ALDERNEY (APPLICATION OF LEGISLATION)
(EDUCATION) ORDINANCE, 2008**

The States are asked to decide:-

VII.- Whether they are of the opinion to approve the draft Ordinance entitled “The Alderney (Application of Legislation) (Education) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

**THE HOUSING (CONTROL OF OCCUPATION) (GUERNSEY)
(AMENDMENT) ORDINANCE, 2008**

The States are asked to decide:-

VIII.- Whether they are of the opinion to approve the draft Ordinance entitled “The Housing (Control of Occupation) (Guernsey) (Amendment) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

THE PAROCHIAL TAXATION (AMENDMENT) ORDINANCE, 2008

The States are asked to decide:-

IX.- Whether they are of the opinion to approve the draft Ordinance entitled “The Parochial Taxation (Amendment) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

**THE PAROCHIAL COLLECTION OF REFUSE (GUERNSEY)
(AMENDMENT) ORDINANCE, 2008**

The States are asked to decide:-

X.- Whether they are of the opinion to approve the draft Ordinance entitled “The Parochial Collection of Refuse (Guernsey) (Amendment) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

**THE CRIMINAL JUSTICE (AIDING AND ABETTING ETC.) (BAILIWICK OF
GUERNSEY) LAW, 2007 (COMMENCEMENT) ORDINANCE, 2008**

The States are asked to decide:-

XI.- Whether they are of the opinion to approve the draft Ordinance entitled “The Criminal Justice (Aiding and Abetting etc.) (Bailiwick of Guernsey) Law, 2007 (Commencement) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

COMMERCE AND EMPLOYMENT DEPARTMENT

GUERNSEY FINANCIAL SERVICES COMMISSION – REMOVAL OF FUNCTIONS

The Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St Peter Port

16th April 2008

Dear Sir

1.0 Executive Summary

- 1.1 This States Report recommends that the Financial Services Commission (Bailiwick of Guernsey) Law 1987 be amended to remove reference to the Guernsey Financial Services Commission having responsibility for the development of the finance industry to reflect current regulatory theory and practice.

2.0 Removal of functions from the GFSC

- 2.1 The Financial Services Commission (Bailiwick of Guernsey) Law 1987 (“the FSC Law”) confers on the Guernsey Financial Services Commission (the “Commission”) the functions of developing the finance industry. That function has been perceived in the past to extend to an element of promotion of the finance industry. Historically the Commission acted as regulator, developer and promoter of the finance industry. However, regulatory theory has developed in the 21 years since the FSC Law was first enacted and the function of developing the finance industry is considered to have the potential to place the regulator in a position which conflicts with the primary responsibilities of regulation. The International Monetary Fund has observed that:

“a regulator is called on from time to time to make difficult decisions affecting the finance sector or its individual members. [The function of promotion and development] ... has the potential to compromise the judgment and therefore the independence of the supervisors”

- 2.2 In practice the Commission has not exercised any promotional or development functions for some years. The Commerce and Employment Department is responsible for the development and promotion of the finance industry.

- 2.3 It is now the appropriate time to repeal those provisions in the FSC Law that relate to development of the finance industry. The consequence of removing the Commission's development functions would be an implicit recognition in the Law that responsibility for developing and promoting the finance industry generally was that of government and not the Commission.
- 2.4 The removal of this function will require a Projet de Loi repealing the relevant provisions of the FSC Law and it would be beneficial to have the Projet as close to enactment, if not actually enacted, at the time of the IMF assessment visit currently timed for December of this year.
- 2.5 I am grateful that the Policy Council, with the concurrence of the Presiding Officer, has agreed that this States Report and the draft Projet de Loi appear in the same Billet d'Etat.
- 2.6 It is recognised that certain other aspects of the current FSC Law may require further amendment, in order to meet current international regulatory standards. The Department is currently reviewing those issues with the Commission. It is anticipated that a further Projet de Loi will be required in the near future.

3.0 Alderney and Sark

- 3.1 The project will be put for approval by the States of Alderney and Sark Chief Pleas.

4.0 Consultation

- 4.1 The Law Officers have been consulted and have no objection to the proposals. The Commission has been consulted and has agreed to the proposals.

5.0 Recommendations

- 5.1 The Commerce and Employment Department recommends the States:
 - (a) To approve the proposals set out in this States Report.
 - (b) To approve the draft Projet de Loi entitled "The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law, 2008" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

Yours faithfully

Stuart Falla
Minister

(NB The Policy Council supports the proposals.)

(NB The Treasury and Resources Department has no comments on the proposals.)

The States are asked to decide:-

XII.- Whether, after consideration of the Report dated 16th April, 2008 of the Commerce and Employment Department, they are of the opinion:-

1. To approve the proposals set out in that Report.
2. To approve the draft Projet de Loi entitled “The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

INHERITANCE LAW REVIEW COMMITTEE

NEW CHAIRMAN AND MEMBERS

The States are asked:-

XIII.- To elect

1. a sitting member of the States as Chairman of the Inheritance Law Review Committee to replace Mrs J A Pritchard, who has ceased to have a seat in the States;
2. a sitting member of the States as a member of that Committee to replace Miss C H Le Pelley, who has ceased to have a seat in the States;
3. a member of that Committee, who need not be a sitting member of the States, to replace Jurat L A Moss, who has resigned as a member of that Committee.

PAROCHIAL ECCLESIASTICAL RATES REVIEW COMMITTEE

NEW CHAIRMAN AND MEMBER

The States are asked:-

XIV.- To elect

1. a sitting member of the States as Chairman of the Parochial Ecclesiastical Rates Review Committee to replace Mrs D E Lewis, who has ceased to have a seat in the States
2. a sitting member of the States as a member of that Committee to replace Mr B R de Jersey, who has ceased to have a seat in the States.

LADIES' COLLEGE BOARD OF GOVERNORS

NEW CHAIRMAN AND MEMBERS

The States are asked:-

XV.- To elect

1. a sitting member of the States as Chairman of the Ladies' College Board of Governors to complete the unexpired portion of the term of office of Mr W M Bell, who has ceased to have a seat in the States, namely, to 31st May 2010;

2. a member of that Board of Governors to fill the vacancy which will arise on 1st June, 2008, by reason of the expiration of the term of office of Advocate P J G Atkinson, who is eligible for re-election;
3. as a member of that Board of Governors with effect from 1st June, 2008, Mrs K M N Richards, who has been nominated in that behalf by the States appointed Governors and the Education Department nominated Governors for election by the States.

ADMINISTRATIVE DECISIONS (REVIEW) (GUERNSEY) LAW, 1986

NEW CHAIRMAN AND DEPUTY CHAIRMAN OF PANEL OF MEMBERS

XVI.- To elect, in accordance with the provisions of section 4 (2) of the Administrative Decisions (Review) (Guernsey) Law, 1986:-

1. a Chairman of the Panel of Members, who shall be a sitting member of the States of Deliberation and who has held a seat in the States for a period of three years or more, to complete the unexpired portion of the term of office of Deputy W M Bell, who has ceased to have a seat in the States, namely, to 31st May, 2008 and to commence a new term of office from 1st June, 2008;
2. a Deputy Chairman of that Panel, who shall be one of the Deans of the Douzaines but who shall not have a seat in the States, to fill the vacancy which will arise on 1st June, 2008, by reason of the expiry of the term of office of Douzenier J R Domaille, who is eligible for re-election.

POLICY COUNCIL

APPOINTMENT OF AN ORDINARY MEMBER OF THE GUERNSEY FINANCIAL SERVICES COMMISSION

Executive Summary

This report proposes the election of Dr Cees Schrauwens as an ordinary member of the Guernsey Financial Services Commission.

Report

1. Miss Rosemary Radcliffe, CBE, was first elected as an ordinary member of the Guernsey Financial Services Commission in 2006. Because of continuing ill-health, she has now given notice to the Chairman of the Commission that she wishes to resign as an ordinary member of the Guernsey Financial Services Commission. The Policy Council wishes to place on record its appreciation of her effort, commitment and service during her term of office with the Commission.
2. The Policy Council proposes that Dr Cees Schrauwens be elected as a Commissioner to complete the unexpired portion of Miss Rosemary Radcliffe's term of office, thus being appointed until 1 February 2009.
3. An overview of Dr Cees Schrauwens curriculum vitae is appended to this Report for information.

Recommendation

The Policy Council recommends the States to elect Dr Cees Schrauwens as an ordinary member of the Guernsey Financial Services Commission to complete the unexpired portion of the term of office of Miss Rosemary Radcliffe, CBE, namely to serve until 1 February 2009.

M W Torode
Chief Minister

21st April 2008

APPENDIX**DR CEES SCHRAUWERS**

Date of Birth	21 February 1947
Professional Qualifications	Dr Business Economics, Vrije Universiteit, Amsterdam
Employment	<p>1976 - Delta Lloyd Verzekerings Groep in Amsterdam – posts included: Director of Reinsurance, Head of Strategic Planning and Head of Management Information</p> <p>1982 – Assistant Company Secretary of Commercial Union PLC</p> <p>1984 – Partner Coopers & Lybrand</p> <p>1991 – General Manager UK General Insurance and IT for Commercial Union PLC</p> <p>1993 – General Manager Non Life UK of Commercial Union PLC</p> <p>1995 - Managing Director Non Life Insurance of Commercial Union PLC</p> <p>1997 – Managing Director UK Division of Commercial Union PLC</p> <p>1998 – Managing Director CGU Insurance</p> <p>2000 – 2004 Managing Director Aviva International</p>
Non – Executive Positions	<p>2004 – 2005 NED Canopus Holdings Ltd</p> <p>2004 – 2005 NED Munich Re London</p> <p>2004 – 2006 Chairman of Alio Ltd</p> <p>2004 – 2005 Chairman of CMG Ltd</p> <p>2005 – Present – Chairman Drive Assist Holdings Ltd</p> <p>2005 – Present – Senior Independent Director, Brit Insurance Holding PLC</p> <p>2007 – Present – Senior Independent Director, Record PLC</p>

(NB The Treasury and Resources Department has no comment on the proposals.)

The States are asked to decide:-

XVII.- Whether, after consideration of the Report dated 21st April, 2008, of the Policy Council, they are of the opinion:-

To elect Dr Cees Schrauwens as an ordinary member of the Guernsey Financial Services Commission to complete the unexpired portion of the term of office of Miss Rosemary Radcliffe, CBE, namely to serve until 1st February 2009

POLICY COUNCIL

THE GUERNSEY FINANCIAL SERVICES COMMISSION: 2007 ANNUAL REPORT

The Financial Services Commission (Bailiwick of Guernsey) Law, 1987, as amended, requires the Commission to prepare an annual report and accounts for submission by the Policy Council to the States.

The Policy Council recommends that the States retain the firm of KPMG Channel Islands Ltd as auditors of the Guernsey Financial Services Commission for the year ending 31 December 2008.

The Policy Council recommends the States:

- (1) to note the Report;
- (2) to approve the accounts of the Guernsey Financial Services Commission for the year ended 31 December 2007;
- (3) to retain the firm of KPMG Channel Islands Ltd as auditors of the Guernsey Financial Services Commission for the year ending 31 December 2008.

M W Torode
Chief Minister

21st April 2008

(NB The Guernsey Financial Services Commission 2007 Annual Report, which is appended to this Report, is published separately)

(NB The Public Accounts Committee has agreed to retain KPMG Channel Islands Ltd as external auditors of the Guernsey Financial Services Commission for the year ending 31 December 2008)

(NB The Treasury and Resources Department has no comment on the proposals.)

The States are asked to decide:-

XVIII.- Whether, after consideration of the Report dated 21st April, 2008 of the Policy Council, they are of the opinion:-

1. To note the Report.
2. To approve the accounts of the Guernsey Financial Services Commission for the year ended 31 December 2007.
3. To retain the firm of KPMG Channel Islands Ltd as auditors of the Guernsey Financial Services Commission for the year ending 31 December 2008.

TREASURY AND RESOURCES DEPARTMENT**PROPOSED REVISIONS TO INCOME TAX INFORMATION POWERS**

The Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St Peter Port

8th April 2008

Dear Sir

1. **Executive Summary**

- 1.1. The purpose of this Report is to obtain approval to amend in two procedural respects the legislation that gives the Administrator of Income Tax (“the Administrator”) power to obtain information from taxpayers in respect of their own affairs and from third persons.
- 1.2. If approved, these minor amendments will, firstly, extend the time limits for appealing available to persons who are affected by the exercise of the Administrator’s powers to obtain information, and, secondly, introduce a system whereby a person, independent from the Administrator, would review any request for information made by another country under a Tax Information Exchange Agreement (“TIEA”) to verify that it has been properly made as to its formal and procedural aspects in accordance with the TIEA.

2. **Background**

- 2.1. Prior to 2006, the powers available to the Administrator to obtain information, in order to carry out his statutory functions, were mainly confined to obtaining information from the taxpayer himself. There were no general powers available to the Administrator to obtain information from third parties (although there were some limited powers to do so – for example, the power to obtain information from employers about remuneration paid to employees – principally under the provisions of the Employees Tax Instalment (“ETI”) Scheme). In addition, in the case of an investigation into suspected serious fraud, the Administrator could ask HM Procureur to exercise his powers to obtain documents and information under the Criminal Justice (Fraud Investigation) (Bailiwick of Guernsey) Law, 1991.

- 2.2. At the beginning of 2002, Guernsey (at or around the same time as a number of other financial centres, including Jersey and the Isle of Man) made a commitment to the OECD, inter alia, to enter into TIEAs with OECD Member Countries. To date, one TIEA has been signed between Guernsey and the USA (signed on 19th September, 2002), which came into force on 1st January, 2006. However, a number of other TIEAs are under negotiation, and it is anticipated that some will be signed, and implemented (for which an Ordinance of the States is required) in the next few months.
- 2.3. Under a TIEA the conditions that have to be satisfied by an applicant country before information will be provided are very detailed, but once those conditions are satisfied the obligation to provide information subsists. There is an obligation on each party to a TIEA, therefore, to ensure that the competent authority (and the competent authority in the case of Guernsey is the Administrator) has sufficient information gathering powers to enable it to obtain the information required, in response to a properly formulated and reasoned request under the TIEA.

As the majority of requests under a TIEA will involve the obtaining of information from third parties (because the person subject to a request will usually live, or do business in, the requesting country), it was clear that Guernsey would have to increase the Administrator's ability to obtain information from third parties in order to comply with the requirements of the Guernsey/USA TIEA (and any further TIEAs that Guernsey may enter into with other countries).

In order to protect the Island's domestic tax base and to ensure, as far as possible, that the legislation was not open to challenge on the basis of human rights, it was drawn up in a way that applied it equally for both domestic tax purposes and for the purposes of dealing with requests made under TIEAs.

- 2.4. On the basis of a Report, from Treasury and Resources Department, dated 19 April 2005 (Billet d'État IX 2005), the States approved the Income Tax (Guernsey) (Amendment) Law, 2005 ("the Law").
- 2.5. The Law did not set down any procedures for verifying that a request for information made by another country under a TIEA had been validly made in accordance with the formal and procedural terms of the TIEA. As a consequence, the only arbiter as to whether or not this was the case is the Administrator.
- 2.6. The Law does provide rights of appeal to a person aggrieved by a decision of the Administrator to issue him with a notice requiring him to provide information. The right of appeal is to the Royal Court. The Law provides that, firstly, the person has to apply to the Bailiff, within 10 days of the date of the notice, for leave to appeal. He does this by serving a summons on the Administrator, stating the grounds and material facts on which he intends to rely.

If the Bailiff refuses leave to appeal, the person concerned can appeal that decision of the Bailiff to the Court of Appeal (and has to do so within 7 days following the date of the Bailiff's decision). The decision of the Court of Appeal is final. If the Bailiff (or the Court of Appeal) grants leave, then notice of appeal must be lodged within 7 days of the decision (and again this is done by serving a summons on the Administrator, stating the grounds and material facts on which the appellant relies).

- 2.7 In the case of a request for information made under a TIEA, a person served with a notice to provide information about another person cannot appeal on the basis that a material error of fact had been made or taken into account in the decision to issue the notice. The reason for this restriction was to ensure that the Guernsey courts are not used as a forum to resolve purely factual matters relating to the liability to tax that is under enquiry in the other country from which the request for information originates, which would more conveniently be resolved by the courts in that country, in the same way that e.g. the US courts would not be an appropriate forum in which to resolve factual matters relating to the liability to Guernsey tax of a Guernsey taxpayer. However, for Guernsey tax administration purposes, a person does have the right of appeal on the grounds that a material error as to the facts has been made, because the Guernsey courts are the proper, and (obviously) convenient, forum in which to determine Guernsey factual issues.

3. **Detailed Proposals**

- 3.1. Following comments made by business and commerce, the Department considers that:

- the appeal procedure, in relation to requests made under a TIEA, particularly the periods in which appeals have to be made, as detailed at 2.6 above, may be somewhat restrictive when compared to the rights of appeal contained in the Law, generally (which are that appeals have to be lodged within 30 days) and taking into account the fact that requests under a TIEA inevitably involve an overseas territory with the attendant potential delays in communication which can occur; and
- the Administrator should only be able to obtain information for, and provide information to, another country pursuant to a request made under a TIEA following a process of verification by a person independent of the Administrator, that the request to the Administrator has complied in its formal and procedural aspects with the terms of the relevant TIEA. It will not be for that person to enquire into the substantive issues raised in and by the request, or into the factual background.

- 3.2. In connection with the rights of appeal, the Department proposes that:

- the present requirement that an appellant must seek leave from the Bailiff to appeal within 10 days of the date of the notice requesting information should be extended to 30 days;
- the provision that, if the Bailiff (or the Court of Appeal) grants leave, the appeal must be lodged within a further 7 days, or if the Bailiff refuses leave, then a right to appeal to the Court of Appeal must be exercised within 7 days, would be retained but the Court should be given discretion to allow further time as it considers it appropriate to do so.
- in the case of a request under a TIEA (whether the notice is issued to the taxpayer or a third party), the only generally available ground of appeal should be on a point of law unless the Bailiff directs that it is just and convenient that a dispute alleging a material error as to the facts relating to the notice itself (but not relating to the liability to tax under enquiry) should be dealt with by the Guernsey courts.

The above proposals, if agreed by the States, would have the effect of aligning the time allowed for a person to pursue an appeal against a notice requiring him to provide information with other statutory appeal periods that apply under the Income Tax legislation.

- 3.3 Furthermore, a person, whether the tax payer or a third party, who believes that information should not be provided to the Administrator as a consequence of a request made under a TIEA, because a material error has been made as to the facts relating to the notice itself, but not to the tax liability which has given rise to the notice, would have the opportunity to argue that error in the Guernsey courts, provided the Bailiff concurred that this was just and convenient. This should ensure that justice is available to those who have a proper case for appeal, whilst protecting the Royal Court from having to consider appeals that may otherwise be made to delay or defeat the purpose of a notice properly made, or in respect of which the Royal Court may not be in a position to determine the facts on which the notice is based, or at least not without the expense and inconvenience attendant upon resolving overseas factual issues in Guernsey.
- 3.4 Where a request for information is received from another country under a TIEA, the Department proposes that a person who is a member of the Guernsey Tax Tribunal (“the Tribunal”) should review the request for the purpose of confirming that it has been properly formulated, as to its formal and procedural aspects, in accordance with the provisions of the relevant TIEA. In practice, the procedure followed would be that the Administrator would review the request and prepare a summary of the factors that lead him to conclude that it is made in conformity with the terms of the TIEA. He would then put the request, a copy of the TIEA and his summary before the person carrying out the reviewing function.

- 3.5 The advantage of using a person who is a Member of the Tribunal in this capacity is that the Tribunal is already constituted (the Tribunal consists of up to nine persons) and thus would avoid the need to create further bureaucracy and so the consequent costs that would impose on the public purse.
- 3.6 There is no mechanism by which the Tribunal can become involved in an appeal directly arising from a request made under a TIEA, and so there should be no question of a conflict of interest. In the remote situation where a request received under a TIEA led to an enquiry into the tax affairs of a Guernsey resident, and that resident then appealed to the Tribunal, any Member who had confirmed that the formal and procedural requirements of the original request under the TIEA had been satisfied would not be able to hear that appeal. That should not inhibit the functions of the Tribunal because 3 of the 9 Members would be sufficient to make the Tribunal quorate.
- 3.7. There would be no requirement for a right of appeal against a decision of the person carrying out the review because any error would be an endorsement of an error by the Administrator when, subsequently, he issued a notice, which would itself be subject to a right of appeal under the Law as it currently stands.
- 3.8. It would be necessary to ensure that the legislation provides that the Tribunal Member acting in relation to a request under a TIEA does not do so on behalf of the Tribunal. In effect, the Tribunal would be the “pool” from which the verifier was drawn but acting in this capacity, in relation to requests under a TIEA, would not be a function of the Tribunal. This is necessary in order to ensure that the Tribunal as a whole is not prejudiced in hearing an appeal on a Guernsey domestic tax issue if, exceptionally, it is in any way connected to the subject matter of a request under a TIEA.
- 3.9. Responsibility for the Tribunal lies with the Policy Council and so the necessary requirement for independence from the Administrator already exists.
- 3.10. Finally, Members of the Tribunal are already sworn to secrecy under the Income Tax legislation, and so this additional function could be brought into place without extending further the body of persons who are privy to confidential income tax information. Members of the Tribunal would be required to swear an oath of secrecy in relation to their role as verifier before being allowed to act in that capacity.
- 3.11. The President and Members of the Tribunal have been consulted on these proposals and have supported them in principle, with the request that the legislation should provide that they should:
 - be relieved from and indemnified against personal liability in exercising this function (fraud, wilful misconduct and bad faith excluded); and

- be remunerated for so acting (and this would be at such rate as set by the Policy Council, by Regulations).

The Department supports these requests.

4. **Recommendations**

- 4.1. The Treasury and Resources Department recommends the States to agree that legislation is enacted, as set out in this Report.

Yours faithfully

L S Trott
Minister

(NB The Policy Council supports the proposals.)

The States are asked to decide:-

XIX.- Whether, after consideration of the Report dated 8th April, 2008, of the Treasury and Resources Department, they are of the opinion:-

1. To enact legislation as set out in that Report.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

TREASURY AND RESOURCES DEPARTMENT

THE INCOME TAX (TAX DEDUCTIONS FROM COMPANY DISTRIBUTIONS) REGULATIONS, 2008

The Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St Peter Port

15th April 2008

Dear Sir

1. Executive Summary

- 1.1. The above Regulations, if approved by the States, will introduce the detailed process for requiring companies to make returns in respect of tax deducted from distributions and deemed distributions (“distributions”) made by them.
- 1.2. These Regulations underpin the provisions of section 81B of The Income Tax (Guernsey) Law, 1975, as amended (“the Law”). That section requires companies to make quarterly returns in respect of distributions and was inserted into the Law by section 25 of The Income Tax (Zero-10) (Guernsey) Law, 2007.
- 1.3. As the process is similar to that which already exists in respect of the Employees Tax Instalment Scheme, to a large extent the Regulations mirror those relating to that Scheme and will, therefore, be familiar to many of the companies affected.

2. Detailed Proposals

- 2.1. From 2008, the States have decided that Guernsey resident beneficial members of companies will be required to pay tax in respect of distributions following the move to tax most company profits at 0%.
- 2.2. In order to facilitate collection of such tax and to maintain cash flow to the States, it has been further decided that companies should be required to deduct tax, as agents, when making distributions, and to remit the tax deducted to the Administrator at quarterly intervals (ie, in exactly the same way as with the ETI scheme).
- 2.3. As mentioned, section 81B of the Law requires returns of the tax deducted and the accompanying forms giving details of the payments to be submitted to the Administrator on a quarterly basis.

- 2.4. These Regulations set out specific requirements relating to the process by which the deductions are to be made, the tax remitted to the Administrator and the records to be kept, as set out in the following paragraphs.
- 2.5. The company will be required to provide the recipient of a distribution with a distribution tax certificate showing the amounts paid during the period to which the certificate relates and the tax deducted in such form as may be prescribed by the Administrator.
- 2.6. The Law generally requires deduction at the individual standard rate (currently 20%), although if the company has been taxed at the company intermediate rate or the company higher rate then the amount of tax deducted from the distribution would be reduced accordingly. However, recognising that there may be circumstances in which deductions at the appropriate rate might be excessive (for example, if the individual has surplus personal allowances available), the Administrator may instruct a company to deduct a different amount of tax or, in some circumstances, to cease deductions or make a refund.
- 2.7. The company will be required to maintain a record of distributions made and to send those records, in respect of all beneficial members, to the Administrator on a quarterly basis, together with payment in respect of the net amounts deducted. However, the Administrator may require payment to be made to him more frequently if he deems it appropriate.
- 2.8. Documents in respect of distributions will be required to be submitted in electronic format.
- 2.9. Recognising the administrative difficulties that generally accompany the introduction of a new system such as that described in this Report, the Administrator has deferred the requirement for the first returns to be made at the end of March 2008; the returns to be made at the end of June 2008 will, therefore, require information covering the six month period to that date. The regulations are therefore expressed to have had deemed effect since the 1st January, 2008 to ensure that the June returns cover the preceding 6 months in which the new "distribution" regime has been in force. However, future returns will be on a quarterly basis.

3. **Recommendations**

- 3.1. The Department recommends the States to approve the Regulations as made.

Yours faithfully

L S Trott
Minister

GUERNSEY STATUTORY INSTRUMENT2008 No. 24

The Income Tax
(Tax Deductions from Company Distributions)
Regulations, 2008

*Made**15th April 2008**Approved by the States**28th May, 2008**Coming into operation**28th May, 2008*

THE TREASURY AND RESOURCES DEPARTMENT, in exercise of the powers conferred upon it by section 81B(6) of the Income Tax (Guernsey) Law, 1975¹, as amended, and all other relevant enabling powers, hereby makes the following regulations:-

Distribution tax certificate.

1. A company shall give to a person to whom a distribution of undistributed income (a "**distribution**") is made the statement in writing required by section 60(1) of the Law (a "**distribution tax certificate**"), in such form as may be required by the Administrator.

¹ Ordres en Conseil Vol. XXV, p.124; Vol. XXVI, pp. 146,200 and 292; Vol. XXVII, pp. 84, 118, 200, 333 and 565; Vol. XXVIII, pp. 184, 278, 353 and 409; Vol. XXIX, p.214; Vol. XXXI, pp. 406 and 473; Vol. XXXII, p. 307; No. IV of 1991; No. VI of 1992; No's IV and VIII of 1993; No. XXV of 1994; No's III and VII of 1995; No. V of 1996; No's IV and XXII of 1997; No. II of 1999; No. IV of 2000; No's. VI and XVII of 2001; No. VII of 2002; No's. IV, XVIII and XXVI of 2003; No's. XII and XVI of 2004; No's. V, VI and XVII of 2005; No's. II and VII of 2006; No. XXI of 2007; the Income Tax (Zero 10) (Guernsey) Law, 2007; and the Income Tax (Zero 10) (Guernsey) (No. 2) Law, 2007. Also amended by the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003 (No. XXXIII). Section 81B was inserted by the Income Tax (Zero 10) (Guernsey) Law, 2007.

Variation of deductions by notice.

2. (1) In any year of charge -

- (a) a person to whom a distribution is or is to be made, or
- (b) a company which makes or will be making a distribution, on behalf of such a person,

may apply to the Administrator to have varied the amount of tax deductible under section 81B(3) of the Law.

(2) Upon receipt of an application under paragraph (1), the Administrator-

- (a) shall determine whether, in his opinion, the deductions should be varied, and
- (b) may direct the company making the distribution to that person, by notice in writing (a "**variation notice**") -
 - (i) to vary the deductions to be made, as specified in the notice, and/or
 - (ii) to repay such amount as may be specified therein to him.

(3) Where the Administrator is satisfied that no tax will be chargeable upon a person to whom a distribution is to be made by a company he may, at any time, direct the company that no tax shall be deducted from the distributions payable to that person.

Tax deduction record.

3. (1) Every company shall maintain a record (a "**tax deduction record**"), in such form as may be required by the Administrator, of the information required to be reported under section 81B(12) of the Law.

(2) The tax deduction record shall record the information relating to each person referred to in paragraph (1) for every calendar quarter.

Payment of tax by company.

4. (1) Subject to the provisions of paragraph (2) and in accordance with section 81B(13) of the Law, every company shall, within 15 days of the reporting date for each calendar quarter in each year -

- (a) pay to the Administrator the amount of tax deducted by it from the distributions made by it during that quarter, and
- (b) submit the tax deduction record for that quarter relating to each person to whom it has made a distribution, whether or not any tax has been deducted or was deductible from that person's distributions.

(2) The Administrator may, if he considers that to do so would be in the interests of efficient tax collection, require tax deducted to be paid to him at more frequent intervals than those prescribed in paragraph (1).

Special arrangements with company.

5. The Administrator may, notwithstanding the provisions of these Regulations, make such special arrangements with any company as in his opinion are necessary or expedient for carrying into effect the provisions of section 81B of the Law and of these Regulations.

Documents to be submitted, etc, in electronic form.

6. (1) Where under section 81B of the Law or these Regulations a document is required to be submitted to the Administrator, the document shall be submitted –

- (a) by electronic means, or
- (b) by such other means as the Administrator may require in any particular case or class of cases.

(2) Where under section 81B of the Law or these Regulations a document is required to be in such form as the Administrator may require, the Administrator may (without limitation) require the document to be in electronic form.

Special provision for period up to the 30th June 2008.

7. Without prejudice to the provisions of the Law (and in particular sections 60 and 81B) these Regulations have effect in respect of the two calendar quarters commencing on the 1st January, 2008 and the 1st April, 2008 as if they were a single calendar quarter the reporting date of which was the 30th June, 2008.

Interpretation.

8. (1) In these Regulations, unless the context otherwise requires –

"distribution" has the meaning given by section 81B(15) of the Law,

"distribution tax certificate" : see regulation 1,

"the Law" means the Income Tax (Guernsey) Law, 1975, as amended,

"tax deduction record" : see regulation 3,

"variation notice": see regulation 2,

and other expressions have the same meaning as in the Law.

(2) The Interpretation (Guernsey) Law, 1948 applies to the interpretation of these Regulations as it applies to the interpretation of an enactment.

(3) Any person aggrieved by a decision of the Administrator under these Regulations may appeal against that decision as if it were an order in respect of which there is a right of appeal under Part VII of the Law.

Citation and commencement.

9. These Regulations may be cited as the Income Tax (Tax Deductions from Company Distributions) Regulations, 2008 and shall come into force on the 28th May, 2008.

Dated this 15th April, 2008

DEPUTY L.S. TROTT

Minister of the Treasury and Resources Department

For and on behalf of the Department

EXPLANATORY NOTE

(This note is not part of the regulations)

These Regulations require companies to prepare distribution tax certificates and tax deduction records relating to the deductions required to be made by them at source from company distributions pursuant to section 81B of the Income Tax (Guernsey) Law, 1975, as amended by the Income Tax (Zero 10) (Guernsey) Law, 2007 and the Income Tax (Zero 10) (Guernsey) (No. 2) Law, 2007.

(NB The Policy Council supports the proposal.)

The States are asked to decide:-

XX.- Whether, after consideration of the Report dated 15th April, 2008, of the Treasury and Resources Department, they are of the opinion:-

In pursuance of the provisions of section 81B of the Income Tax (Guernsey) Law, 1975, as amended, to approve the Regulations entitled “The Income Tax (Tax Deductions from Company Distributions) Regulations, 2008” made by the Treasury and Resources Department on 15th April, 2008.

HOUSING DEPARTMENT

HOUSING (CONTROL OF OCCUPATION) (GUERNSEY) LAW 1994 – VARIATION TO THE HOUSING REGISTER

Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St Peter Port

12th March 2008

Dear Sir

Executive Summary

The purpose of this report is to seek approval for the preparation of an Ordinance (under section 52 of the Housing (Control of Occupation) (Guernsey) Law, 1994) to allow the inscription of two dwellings at the Vega Apartments development (situated at the former Fruit Export site in the Bouet MURA) in the Housing Register (i.e. on the ‘Open Market’).

Background

On 14 March 2001, the States approved proposals from the then Housing Authority for the inclusion of ‘Open Market’ accommodation in prestigious or important developments.

The proposals were summarised in that policy letter as follows:

- “1. *The policy would not apply to small one-off sites or single dwellings.*
2. *It can apply to sites:*
 - *Which are part of a Mixed Use Redevelopment Area (MURA) and where the overall number of new dwellings in the MURA is likely to be in excess of 100;*
 - and/or*
 - *Where there are other strategic issues.*
3. *In return for each dwelling to be inscribe, one existing dwelling must be deleted from Part A of the Housing register.*

4. *Neither the dwelling to be deleted nor that to be inscribed will have to meet any specific size or rateable value criteria. It will simply be a numerical exchange, albeit that the department will have to approve the specific dwelling which is to be inscribed or deleted.*
5. *The dwelling to be deleted must be unoccupied, or occupied by an unrestricted qualified resident at the time of the application to delete the inscription. The fact that the dwelling is the subject of an application for the deletion of the inscription from the Housing Register under this policy would not be regarded as a reason which, of itself, would justify the grant of a housing licence to an occupier or former occupier.*
6. *The number of dwellings which can be inscribed on a one to one exchange basis will be limited to one third of the total number of dwellings in the development or a maximum of eight dwellings whichever is the lesser.*

Note – for the purposes of the above policy statement the words “site” in number 2 and “development” in number 6 mean that an owner will only be eligible for one such concession in respect of parcels of adjacent land in his ownership in the MURA. The owner would not be able to increase the number of dwellings beyond the eight or one-third mentioned in number 6 by phasing the site development or by transferring land to an associate company.”

Vega Apartments (The former Fruit Export site)

In 2002, Comprop Limited (acting for and on behalf of Admiral Court One Limited), sought the then Authority’s agreement in principle to inscribe in the Housing Register eight dwellings within the Bouet MURA, provided that it (Comprop Limited) arranged the deletion of eight existing dwellings from the Housing Register.

At the then Authority’s meeting of 25 July 2002 it was agreed in principle that it would recommend the States to approve an Ordinance to permit the Authority to inscribe, in Part A of the Housing Register, eight dwellings to be constructed in the Bouet MURA by Comprop Limited subject to compliance with the above Policy Statement.

Between May 2002 and March 2005 a total of eight dwellings were deleted from Part A of the Housing Register in accordance with the above conditions and their inscriptions have been ‘held’ for and on behalf of the developers.

This site is situated in a MURA which will include more than 100 new dwellings overall. The site has been developed in phases and the next residential phase, known as Vega Apartments, is in the process of being completed by Admiral Court One Limited.

The Vega Apartment complex consists of four separate blocks of accommodation known as Vermerette, Epec, Godfrey and Alligande and once completed will provide 83

individual units of accommodation, of which eight in total will be eligible to be inscribed in the Housing Register.

The States has recently agreed that an Ordinance be prepared, in accordance with section 52 of the Housing (Control of Occupation) (Guernsey) Law, 1994, to permit the Department to inscribe six Apartments in Part A of the Housing Register. As a result 3 Apartments in Alligande and a further 3 Apartments in Godfrey have been inscribed in the Register.

At this stage, the developer has requested that two of the dwellings erected within the 'Epec' block of Apartments be inscribed.

Admiral Court One Limited has identified Apartments 1 and 4, Vue D'Epec, as units of accommodation to be inscribed in the Housing Register.

The Housing Department is satisfied that, as at least 62 dwellings have so far been completed and a further 21 are in the process of being completed within this development, it will meet the requirements of the policy approved by the States.

Accordingly, it proposes that, as the developer company has arranged for eight dwellings to be deleted from the Housing Register, the remaining two new dwellings in the development should be made eligible for inscription in the Register.

Provisions of the Law

Since the commencement of the Housing (Control of Occupation) (Guernsey) Law, 1982, the Housing Register has been closed for new inscriptions. Section 30 of the current Law refers.

However section 52 of the Housing (Control of Occupation) (Guernsey) Law, 1994, provides that the States may, by Ordinance, permit the Department to inscribe any dwelling in Part A or Part B of the Housing Register.

It should be noted that under the provisions of section 33 of the Housing (Control of Occupation) (Guernsey) Law, 1994, any dwelling which is deleted from the Register at the request of the owner cannot thereafter be re-inscribed in the Housing Register. Such a dwelling therefore becomes a permanent local market dwelling.

It should also be noted that this report has been considered by the Law Officers prior to its formal submission.

Recommendations

In the light of all of the above, the Department recommends that both of the Apartments, namely Vue D'Epec 1 and 4 at Vega Apartments, Les Banques, St Peter Port, should be individually inscribed in Part A of the Housing Register.

The Department recommends that the States agree that an Ordinance be prepared, in accordance with section 52 of the Housing (Control of Occupation) (Guernsey) Law, 1994, to permit the Department to inscribe these two Apartments in Part A of the Housing Register subject to application being made by the owners within 6 months from the commencement date of the Ordinance.

Yours faithfully

D Jones
Minister

(NB The Policy Council support the proposals.)

(NB The Treasury and Resources Department has no comment on the proposals.)

The States are asked to decide:-

XXI.- Whether, after consideration of the Report dated 12th March, 2008, of the Housing Department, they are of the opinion:-

1. That both of the Apartments, namely Vue D'Epec 1 and 4 at Vega Apartments, Les Banques, St Peter Port, shall be individually inscribed in Part A of the Housing Register.
2. To direct that an Ordinance be prepared, in accordance with section 52 of the Housing (Control of Occupation) (Guernsey) Law, 1994, to permit the Department to inscribe these two Apartments in Part A of the Housing Register subject to application being made by the owners within 6 months from the commencement date of the Ordinance.
3. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

**THE HEALTH SERVICE (BENEFIT)
(LIMITED LIST) (PHARMACEUTICAL BENEFIT)
(AMENDMENT) REGULATIONS, 2008**

In pursuance of section 35 of The Health Service (Benefit) (Guernsey) Law, 1990, the Health Service (Benefit) (Limited List) (Pharmaceutical Benefit) (Amendment) Regulations, 2008, made by the Social Security Department on 12th February, 2008, are laid before the States.

EXPLANATORY NOTE

These Regulations add to and remove from a limited list of drugs and medicines available as pharmaceutical benefit which may be ordered to be supplied by medical prescriptions issued by medical practitioners or dentists, as the case may be.

**THE HEALTH SERVICE (ALDERNEY HOSPITAL BENEFIT)
(AMENDMENT) REGULATIONS, 2008**

In pursuance of Part IIIA and section 35 of the Health Service (Benefit) (Guernsey) Law, 1990, as amended, and as modified by the Health Service (Alderney Hospital Benefit) Ordinance, 1997, as amended, the Health Service (Alderney Hospital Benefit) (Amendment) Regulations, 2008, made by the Social Security Department on 27th February, 2008, are laid before the States.

EXPLANATORY NOTE

These Regulations provide for the list of exclusions in the Health Service (Alderney Hospital Benefit) Regulations, 1997, as amended, to accord with the Alderney Hospital Contract commencing on 1 March 2008.

**THE HEALTH SERVICE (BENEFIT)
(LIMITED LIST) (PHARMACEUTICAL BENEFIT)
(AMENDMENT NO. 2) REGULATIONS, 2008**

In pursuance of section 35 of The Health Service (Benefit) (Guernsey) Law, 1990, the Health Service (Benefit) (Limited List) (Pharmaceutical Benefit) (Amendment No. 2) Regulations, 2008, made by the Social Security Department on 16th April, 2008, are laid before the States.

EXPLANATORY NOTE

These Regulations add to a limited list of drugs and medicines available as pharmaceutical benefit which may be ordered to be supplied by medical prescriptions issued by medical practitioners or dentists, as the case may be.

APPENDIX I

POLICY COUNCIL

OVERSEAS AID COMMISSION – ANNUAL REPORT 2007

The Policy Council has received the Overseas Aid Commission's 2007 Annual Report which is attached for publication as an appendix to the Billet d'État.

M W Torode
Chief Minister

7 April 2008

OVERSEAS AID COMMISSION ANNUAL REPORT 2007

In accordance with Resolution XVIII on Billet d'État III of 2004

Background

The Overseas Aid Commission was established by the above States Resolution to replace the Overseas Aid Committee, which was dissolved as part of the Machinery of Government changes.

Constitution

The constitution of the Commission is:

- A Chairman who shall be a member of the Policy Council (appointed by the Council)
- Six ordinary members who need not be sitting members of the States (elected by the States)

The Commission which was formed in 2004 and which will serve for four years comprises

Deputy Peter J Roffey, Chairman
 Mrs José Day, Vice-Chairman
 Mr Glyn Allen
 * Mr Paul Chambers
 Alderney Representative Richard Cox
 Mr Mike Dene MBE
 Mr Ian MacRae

* Mr Paul Chambers resigned during November 2007 to take up a post within the States of Guernsey civil service.

Mandate

The mandate of the Commission is:

- To distribute monies voted by the States for overseas aid making contributions by way of grants and emergency and disaster relief
- To develop programmes relating to the collection and distribution of funds involving the private and voluntary sectors

in accordance with policies set by the Policy Council, having regard to recommendations from the Commission.

Despite a number of attempts the Commission has not been successful in attracting private funding for its work. The present Commission believes that the new Commission, to be elected in July 2008, should give consideration to either renewing these efforts or else proposing to the Policy Council that it report to the States recommending that the Commission's mandate be amended accordingly.

Annual Report

The Commission is required to submit an annual report to the Policy Council.

2007 Funding

The Commission was provided with States funding in 2007 as follows:

- £1,885,000 in respect of grant aid
- £ 200,000 in respect of emergency and disaster relief

In addition to this, and in accordance with the March 2004 States Resolution, £200,000 in respect of the 2006 allocation for emergency and disaster relief was also utilised for grant aid in 2007.

During the year the Commission received two refunds, amounting to £53,321, one in respect of a grant made earlier in the year and the other in respect of a grant made the previous year, both of which were unable to be completed. The refunded amount was reallocated to other projects.

Expenditure on grant aid in 2007 totalled £2,086,777.

Expenditure on emergency and disaster relief in 2007 totalled £150,000. In accordance with the March 2004 States Resolution, the remaining £50,000 will be made available to the Commission for grant aid in 2008.

Details of the grants made during 2007 are enclosed together with a breakdown of the expenditure.

<i>Distribution of Funding 2007</i>
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Africa

<i>Agriculture/Fisheries</i>	<i>£167,960.00</i>
<i>Education</i>	<i>£228,275.00</i>
<i>Health</i>	<i>£581,005.00</i>
<i>Integrated Development</i>	<i>£455,238.00</i>

Total Grant Aid Given to Africa	£1,432,478.00
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Total Emergency Disaster Relief Given to Africa	£75,000.00
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Indian Sub-Continent

<i>Agriculture/Fisheries</i>	<i>£81,896.00</i>
<i>Health</i>	<i>£182,145.00</i>
<i>Integrated Development</i>	<i>£99,444.00</i>

Total Grant Aid Given to Indian Sub-Continent	£363,485.00
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Total Emergency Disaster Relief Given to Indian Sub-Continent	£75,000.00
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Latin America & Caribbean

<i>Agriculture/Fisheries</i>	<i>£14,476.00</i>
<i>Education</i>	<i>£64,675.00</i>
<i>Health</i>	<i>£73,197.00</i>
<i>Integrated Development</i>	<i>£11,430.00</i>

Total Grant Aid Given to Latin America & Caribbean	£163,769.00
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Other Asia & Pacific

<i>Agriculture/Fisheries</i>	<i>£13,458.00</i>
<i>Education</i>	<i>£42,527.00</i>
<i>Health</i>	<i>£49,640.00</i>
<i>Integrated Development</i>	<i>£21,420.00</i>

Total Grant Aid Given to Asia & Pacific	£127,045.00
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Total Grant Aid Contribution to Aid Overseas	£2,086,777.00
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Total Emergency Disaster Relief Contribution to Aid Overseas	£150,000.00
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TOTAL	£2,236,777.00
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Agriculture/Fisheries

BRAZIL

War on Want

Improving Living Conditions of Poor Women Babaçu Nut Breakers and Protecting Babaçu Forests, North and Northeast Brazil

£14,467

This project will reduce extreme poverty amongst 4,000 women in the States of Maranhão, Tocantins, Piauí and Pará, Northeast Brazil, who make a living from picking the babaçu nut, by providing the equipment for 3 processing unit centres, which will increase their income and reduce their dependency on exploitative middlemen. In total, 350,000 women survive by collecting the babaçu nut, which grows in the wild babaçu palm forests in this region. Furthermore, this project will provide training to increase the capacity of the Movimento Interestadual de Quebradeiras de Coco de Babaçu (MIQCB) - Movement of Women Babaçu Nut Breakers - in order to create leaders and increase capacity to manage projects, so as to better represent the huge numbers of women who earn a living from the babaçu nut. Not only will the women and their families benefit due to increased income, but the babaçu forests will also benefit as the women babaçu nut breakers are vital to protecting huge areas of wild forest in the region that lies on the edge of the Amazon rainforest. Direct project beneficiaries will be the 4,000 women and their families who make a living from the babaçu nut, but this project will also contribute towards the empowerment and decreased poverty among the 350,000 women babaçu breakers in the region. This project will also contribute to protecting the forest, as the women are vital for stopping illegal logging, burning and destruction of the babaçu forests.

INDIA

Appropriate Technology Asia

Health and Food Security Project Using Low Cost and Low Impact Environmental Technologies, Phendeling Tibetan Settlement, Chattisgarh State

£22,966

The project seeks to provide innovative farmer-led solutions to the health, food and fuel security issues to the 3,700 Tibetan refugees living in Phendeling Tibetan settlement in Mainpat, Surguja District, Chattisgarh State, through low cost, environmentally appropriate technologies. The Tibetan settlement currently relies on agriculture as the main source of income, however there is limited knowledge of agriculture production or efficient, environmentally appropriate utilisation of ground resources. This project intends to address the issues of health, food security and fuel shortage through the introduction of a number of low cost environmentally appropriate technologies. The activities include: (1) Using passive solar architecture to undertake small-scale interventions of homes to enable more light, increase insulation and increase ventilation. These environmentally benign interventions will improve health and reduce the current

need for fuel by up to 30%; (2) Passive solar agricultural units will improve both health and food security by allowing a 12-month growing cycle of vegetables and will improve the diet of local people, and will also provide a supply of vitamins that is often lacking from the carbohydrate-rich diet; (3) Biogas plants will be used to reduce the fuel requirements of individual homes, improve the health of families, particularly the elderly and the young by providing a free source of cooking energy as well as improve food security through the provision of organic fertiliser for agricultural production. Biogas is a technology that uses scientifically controlled decomposition or fermentation of organic matter, which, under artificially created anaerobic conditions, produces two beneficial end products: combustible gas which can be used for cooking, and digested slurry which can be used as organic fertilizer on crops. As a result: (a) 20 homes will be retrofitted to improve health and reduce fuel consumption benefiting more than 150 people; (b) 20 greenhouses and mushroom units will be constructed, benefiting more than 300 people; (c) 45 Biogas plants will be constructed, benefiting 365 people and indirectly an additional 584 people; (d) Training undertaken for 1,700 people. Funding is for the infrastructure, training and support costs needed to undertake this project.

INDIA

Interlock

Development of Alternative Energy: Mobile Solar/Wind Irrigation Systems, Maharashtra State

£28,409

The aim is to address the poverty situation of marginal farmers in Rajapur, Ratnagiri District, Maharashtra State, through utilising free, alternative energy sources, to irrigate land, much of which is currently waste and useless owing to the high cost of irrigation. In the Kokan area of the West coast of India there are many rivers that are never completely dry yet generally only one crop of rice is grown during the monsoon rain period. Most marginal farmers do not use the river water for irrigation because the cost of diesel, kerosene and petrol for pumps is prohibitive and electricity is unavailable. Thousands of families are destitute and are forced to migrate because they cannot produce marketable crops. Using alternative energy resources for powering water pumps, i.e. solar and wind can change this situation, and hundreds of acres can be irrigated with no adverse effect on the water table. High value crops such as fruits, vegetables, flowers and medicinal herbs can be sown which will have a good export market in addition to meeting the domestic demand of a growing middleclass. This will improve income and reduce environmental degradation at the same time. One static solar pump unit would be beyond the financial resources of a village, but because of recent advances in design the once high cost of harnessing the free alternative energy resource has reduced dramatically. With the introduction of mobile solar water pumps that can be transported by land or floated on the rivers, and wind-powered storage distribution units, water will be available to the poorest farmer with access to a tube well, a well, or a river. Funding is for the research and development of a project consisting of three solar units and two wind-powered distribution units, a workshop/equipment, vehicle and trailer. More than twenty villages, in excess of 2,000 families, will be the initial beneficiaries.

KENYA**Concern Universal****Water and Sanitation Project in Response to the Severe Ongoing Drought Situation, North Eastern Province****£29,060**

Through the involvement of target communities, the aim is to construct and rehabilitate 1 earth dam, 1 earth pan and 2 shallow wells (adjacent to each dam) and to construct 8 latrines in Garissa and Ijara Districts, North Eastern Province, using a delivery approach called Participatory Hygiene and Sanitation Transformation (PHAST) together with emergency prevention and preparedness planning. The project will focus on a number of initiatives that will combine to provide safe and sustainable water supplies for the people and their mainstay livestock so that the impact of the severe drought and famine is reduced. This project will target over 100,000 people living in 8,300 households in Ijara District and 13,300 households in Garissa District. It is important to note that these people suffer from drought even more than they suffer from famine, which makes the delivery of safe water an imperative. The project will target most needy areas as part of Concern Universal's long-term plan to increase water coverage in this barren and inhospitable land. Importantly, women and children will benefit greatly and also the livestock of these nomadic people. Concern Universal's partner organisation is Womankind Kenya (WOKIKE). At community level, WOKIKE will work with Pastoralist Community members in project implementation. Partnerships and collaborations with Government Ministries and other development agencies, service providers and research institutions have been established to ensure the best practices are employed.

KENYA**NEW WAYS****Construction of Rock Catchment Dam to Provide Permanent Water Resource, Turkana District****£23,250**

The aim is to establish a permanent water resource, to benefit around 1,500 people in Turkana District, through the provision of ready access to fresh water. The specific purpose of this project is to construct one double wall rock catchment dam that consists of a 40m long retention wall which is 2m thick and 6m high in dry riverbeds where the rock formation already stores rainwater (the dimensions given are approximate). This project is part of an integral programme to bring sustainable water supplies to the nomadic peoples of Northern Kenya. In the area 57 such dams have already been built which have already been filled with water following rains and have proven to be successful. This resource will benefit the local community in several areas. It will provide a supply of water for their livestock reducing the long distances the local people need to travel to find fresh supplies. This also relieves tension in the area between

tribes as conflicts do arise over scarce resources. It will also help establish a nursery school which will reduce the mortality rate in under 7's and allow women and children in particular to receive regular meals while attending the nursery and access to a clinic. The people are largely nomadic and semi-nomadic communities with small herds of goats and cattle. Funding is for the capital costs of building the dam.

MOZAMBIQUE

Oxfam

Improving Food Security and Livelihoods, Southern Niassa Province

£36,500

This project aims to help 833 vulnerable families (4,165 people) in Mandimba, Mecanhelas, Cuamba, Metarica and Maua Districts in Southern Niassa Province, to improve their access to food, and provide a sustainable source of income, which will grow year on year, by providing poor families with goats. By the end of the second year 2,000 families (10,000 people) will have received goats. The goats will provide extra food through their milk and cheese and an income by selling on any surplus. In time the herd will have grown enough for surplus goats to be sold at market providing an income for many years to come. Under this scheme, in conjunction with the Ministry of Agriculture, livestock groups will be set up consisting of ten families, each family will be given three goats (one male and two female) and are expected to give back, in offspring, the number of goats received plus one female goat, any and future kids the family can keep. The first set of kids per family will be passed onto another needy family and any future kids the family can keep. Activities will include: (1) purchasing 2,500 goats which will be distributed to 833 families; (2) Training 160 beneficiaries as stockmen to administer the goat scheme for 80 livestock groups; (3) Training 160 local people as lay vets and (4) Providing 160 veterinary start-up kits for 160 lay vets to help the livestock groups keep their goats healthy. The Niassa area is very fertile and agriculture is the main source of food and income for families. However using traditional farming techniques is a very labour intensive process and for many families suffering from illness, malnutrition or HIV/AIDS, they are unable to cultivate enough land to feed their families. Goats have been chosen for these vulnerable families as they are easy to look after and require inexpensive feed and care.

MOZAMBIQUE

VETAID

Improving Coping Mechanisms for Drought-affected Households, Inhambane Province

£22,400

The aim of this project is to improve the coping mechanisms and food security of households affected by recurrent droughts in the Districts of Jangamo, Inharrime and Zavala in Inhambane Province. These Districts have experienced four successive years

of drought. Crop production has been severely affected by the crisis; in the current year over 40% of the staple crop maize has been lost. The resulting increase in the price of maize means that many poorer households are unable to meet their minimum food needs and have reduced the number of daily meals to one. The project's aims will be achieved through: (1) Distributing drought-tolerant local livestock (1 pair of goats to 150 households; 3 hens and a cockerel to 300 households) to improve family nutrition and increase income through sale of milk, chickens and eggs. A further 450 households will benefit through receiving offspring from this livestock; (2) Training local members of the community as community animal health workers to provide an affordable and accessible animal health service to local families; (3) Distributing seeds and seedlings from demonstration farms to 1,800 households to support the production of appropriate drought-resistant crops such as cassava and sweet potato; (4) Training local members of the community as agricultural promoters to support the production of drought resistant crops. 1,800 households will benefit from the project representing a total of 7,200 beneficiaries. Funding is for the provision of the above four components.

NEPAL

Appropriate Technology Asia

Sustainable Livelihoods Through Increased Food Security and Skills Development, Surkhet District

£30,521

The aim is to introduce strategies and techniques that are designed to improve the vulnerable livelihoods of 6,739 people in Surkhet District, Mid Western Nepal, and increase the capacity of communities to self-manage their own development. The intention is to create a district and regional-wide demonstration and training resource base of a diverse range of sustainable agricultural techniques available to local people, to maximise overall productivity and minimise the risk of food and nutritional deficits. Specifically the activities include: (1) Establishing 2 residential courses and 2 mobile courses to train a total of 280 active farmers in sustainable agriculture technology to give them the skills to implement new techniques and demonstrate these to others leading to an increase in domestic farm productivity and diversification and an increase in food security and health; (2) Providing training for trainers to 20 farmer leaders to enable them to design and implement training programmes and teach others (up to an additional 1,390 people) for long-term replication of successful techniques and technologies; (3) Providing literacy classes for 240 farmers (60% will be women) enabling them to achieve basic literacy skills leading to long term empowerment, increasing farm productivity and diversification and improved health and food security; (4) Providing water management through irrigation and drinking water facilities for 3 villages (1,608 people) to enable increased and diversified crop production as well as an increase in farm income and improved health and food security; (5) Establishing small-scale skills development initiatives which will enable increased opportunities for employment and an increase in local, sustainable skills development benefiting 12 village groups – approximately 280 people through training and support to 2,189 villagers through infrastructural support in terms of: 40 greenhouses, 10 improved

livestock and over 1,500 seeds and saplings; (6) Establishing 4 demonstration plots for the active demonstration of new sustainable agricultural techniques to enable learning and dissemination to improve food security, improve health and promote diversification in farm productivity. Funding is for the infrastructure, training and support costs.

RWANDA

Send a Cow

Avega Agahozo Widows Dairy Project, Eastern Region

£34,450

The aim of the Avega Agahozo Widows Dairy Project is to assist a group of women living in rural Eastern Rwanda who suffered trauma and rape during the 1994 genocide. They lack productive employment and are struggling to provide sufficient food or income for their families. Send a Cow will help the group plan and manage a dairy farming project for themselves. Training will provide new knowledge of animal husbandry, organic farming, hygiene, gender and HIV/AIDS. Families will be given an in-calf purebred Jersey heifer and in time will pass on the first female calf to another needy family. Sustainable organic farming techniques such as manure composting and kitchen gardens will significantly increase crop and vegetable production in an environmentally sustainable manner. SAC Rwanda staff, extension workers, peer farmer trainers and group leaders will provide follow-up support and veterinary services and carry out monitoring. 61 families (490 people) will be assisted directly with training and livestock while at least 180 households (1,500 people) will benefit indirectly. Each family will have milk and vegetables for a varied and nutritious diet so that malnutrition will be reduced. Sale of surplus produce will provide a steady source of income to pay for household necessities and children's education. The women will no longer be isolated, but will gain in confidence and hope.

SUDAN

SOS SAHEL International (UK)

Water Harvesting for the Beja People in Khor Arba'at Delta, Red Sea State

£22,300

Further to previous grants, the purpose of this current project is to rehabilitate the flood irrigation systems within the Khor Arba'at Delta to benefit 13,056 direct beneficiaries, thereby helping the local Beja people to make efficient and sustainable use of the available resources and to prevent them from having to migrate to Port Sudan as a last resort before total destitution. This project will continue to benefit the Beja women by repairing terraces and dams - their means to a secure water supply for their home gardens and for domestic use via managed flood irrigation. In addition, it will also strengthen the Beja community's coping mechanisms in the face of uncertain climatic conditions and by repairing the massive destruction wreaked upon existing dam structures in the recent violent floods, which the Beja cannot afford. Farming in the

Delta produces 25% of the fruit and vegetable requirements of Port Sudan town, and therefore the increase in agricultural produce following this project will contribute significantly to the diets of urban families too. The main objectives of the project are: (1) To strengthen the capacity of Arba'at farmers to address their food insecurity by developing and rehabilitating regulated water management systems for the delta; (2) To diversify agricultural production in the delta using improved seeds and tools for the most vulnerable and affected families; (3) To realise the vast potential of the Delta as a farming resource by enabling cultivation of thousands more feddans that currently remain un-cultivated (1 feddan = 4,200 metres squared or 1.038 acres). Funding is for: (a) Water Management Activities - repairs to 4 terraces with a total length of 24km, which will divert water from the main rivers and into the agricultural fields, and repairs to 1 storage dam that is 7km long, and which will help to slow the speed of flow in order to guarantee water percolation into the soil; (b) Provision of Improved Seeds and Tools to 300 very poor families; (c) Agricultural Extension Training - a series of extension sessions and field visits by SOS Sahel staff to disseminate information on best practice in vegetable gardening and plant protection. Topics covered will include seed storage, natural fertilizers, the agricultural cycle and other plant tending skills. The project will carry out this activity in coordination with existing extension institutions.

Education

AFGHANISTAN

WOMANKIND Worldwide

Women's Afghanistan Project, Kabul, Jalalabad and Mazar-e-sharif

£6,209

The overall aim of this project is to combat illiteracy in Afghanistan, where 79% of women across Afghanistan remain illiterate, through promoting Literacy, Health and Social Rights for women in Kabul, Jalalabad and Mazar-e-sharif. The project will provide 12,800 women each year with essential basic literacy training, health education training, conflict resolution training and training around women's civil and political rights. Under the seven-year Taliban regime women and girls were denied their basic right to education. Today illiteracy remains the single greatest barrier to women's progress and ability to lead an active part in their country's reconstruction. This project works to address this problem by providing basic support structures to some of the Country's poorest, most vulnerable women. Basic literacy will strengthen women's abilities in promoting sustainable development in Afghanistan. Working with 3 local partner organisations in Afghanistan, the project delivers this training in Community Resource Centres which run a variety of classes and training workshops. Additionally, women's support groups are set-up by training volunteers to work at grass roots level, dealing with community problems as well as playing a crucial role in encouraging women to attend the classes on offer. They provide information about the various education options and how to access them. Youth committees have been formed to carry out advocacy work with educational institutions and government organisations to encourage positive change in attitude towards a more equal education system. This is a

5-year project and is currently in its second year. It is already proving very successful having received recognition from the Ministry of Education, who are awarding accreditation certificates to women attending these basic literacy classes. This will further facilitate their access into formal education. Funding is for the current year 2 shortfall and is for the costs associated with the literacy and health training.

ETHIOPIA

HelpAge International

Support to Older Carers, Orphans and Vulnerable Children, Zwayi Dugda

£38,345

The aim of this project is to increase the access of approximately 88,425 poor, vulnerable and disadvantaged people -including women, orphaned and vulnerable children (OVC) and the girl child- to education in Zwayi Dugda District in rural drought-prone Ethiopia. This project will therefore contribute to the reduction in adult illiteracy which currently stands at 58% with 66% of women illiterate. While primary education in Ethiopia is free, families cannot afford to buy uniforms and books or spare their children from the fields and 75% of pupils must travel more than 5 km to their nearest school. Women and girls' access to education is limited due to early marriage, heavy work burden, and lack of rights in the community and household. HIV/AIDS has increased families' poverty and vulnerability, further limiting children's access to education and obliging older people, already amongst the poorest and most vulnerable to carry the burden of caring for People Living with HIV/AIDS (PLWHA) and looking after their grandchildren. This project will support three poor communities in rural Ethiopia to increase their access to formal and non-formal education and provide support for people living with and affected by HIV/AIDS. The project will construct and equip 3 non-formal education facilities (each with 2-room class block and a water harvester tank); provide support to 300 OVC to attend primary school, provide in-service training for 8 non-formal education teachers; train 15 older people as peer educators; provide 42 PLWHAs with home based care kits; and train 10 community based HIV/AIDS care volunteers. The project will be implemented by the Rift Valley Children and Women's Association with support from HelpAge International.

GUINEA

PLAN International UK

Access to Education, N'Zerekore District

£37,433

The purpose of this project is to increase children's access to quality education in Koule, in the District of N'Zerekore, in particular: (1) By constructing a new school with three classrooms and furnishing these classrooms with the necessary equipment, and providing a well for clean drinking water and separate latrines for boys and girls; (2) By providing all of the primary schools in Koule with textbooks and other necessary

materials to help improve the education that they receive and increase the number of children successfully completing their primary education, to include 12 existing primary schools and two secondary schools, as well as the new school, which will greatly increase the educational capacity in areas that have previously been neglected; (3) By ensuring sustainable quality education through training the School Management Committees and Parent Teacher Associations at each of the primary schools so that they are better prepared to manage their schools, their finances and long-term resource mobilisation. Since 1990 the school enrolment rate for boys and girls has drastically increased and the gender gap is narrowing faster than in any other sub-Saharan country. Primary school completion rates have also improved from only 20% in 1990 to over 55% in 2005. However, in the Forest Region of Guinea, where N'Zerekore is located, Plan research has found that the literacy rate for young women (20-24 years old) is only 15 percent and for young men is only 40 percent, and for every 10 boys enrolled in primary school only five girls are enrolled. Rural youth, and in particular rural girls, are not benefiting from the improvements in primary education that are occurring elsewhere in the country. One of the main reasons for low primary school completion rates is inadequate access to quality schools and teaching materials. The lack of access to clean water and sanitation facilities at some schools also deters parents from sending their children and this is particularly true for girls who are more likely to stop attending school if there is inadequate access to latrines. Funding is for construction costs, school supplies, training and support.

MONGOLIA

Save the Children Fund (UK)

Access to Primary Schools for Children with Disabilities, Huvsgul, Dornod and Zavhan Provinces

£36,318

The project aim is to provide better educational opportunities for Children with Disabilities (CWD) in Huvsgul, Dornod and Zavhan Provinces, the most remote, rural provinces in Mongolia with a high density of children who are of primary school age that have disabilities which have kept them from attending schools. CWD are the most vulnerable group of children in Mongolia and 70% of families with CWD are living in poverty. The improved educational opportunities will be provided through: (1) Refurbishment of 27 primary school buildings in three target rural provinces and reconstruction of facilities so that children with disabilities have physical access to schooling; (2) Trainings for primary school teachers to develop appropriate attitudes and teaching skills to work with CWD; (3) Development of training and information Education & Communication (IEC) materials for teachers and parents so they can effectively support learning process of CWD. The public and government have little or no understanding of the target group's needs and do not provide services for them, including basic education. Only 36 % of all disabled children in Mongolia have an opportunity to attend schools. One of the key obstacles for children with disabilities living in rural areas attending primary schools is an absence of barrier-free access to and lack of special facilities in school buildings. Another barrier is lack of appropriate

attitude and skills of primary school teachers in working to CWD. Funding is for the provision of refurbishment costs, teacher training and teacher training materials.

NICARAGUA

Peace and Hope Trust

Sustainable Rural Development Teaching Centre, Matagalpa District

£27,700

The aim of the project is to establish an Educational Centre in the farming region of Matagalpa to teach sustainable farming practices to Nicaraguans working, or desiring to work, on the land. In Matagalpa, Peace and Hope Trust (PHT) operates a small Coffee Farm where it grows and produces its own supply of Fair Trade, Organic Speciality Coffee. This provides important jobs for local families who manage the facilities, creates a means of industry for the region and generates funds that are put into community projects. The Centre will be built on this site to educate Nicaraguans in fair-trade and sustainable farming practices. It will operate three-day courses for ten students at a time. Students will be able to take the skills that they learn and apply them to their situation. This will help to address two of Nicaragua's fundamental problems: the degradation of the environment that compounds poverty and the need for employment skills so that people have a means of income generation. Funding is for the cost of construction materials and equipment and the transportation of these to the site. International volunteers and locals working together in partnership will construct the Centre. Students directly benefiting from the Centre will come from the local area and from other regions of Nicaragua. Indirectly, many families and communities will benefit from the sharing of knowledge in sustainable farming practices and the practical application of that knowledge which should result in greater food production and increased employment activity.

PERU

Save the Children Fund (UK)

Improving the Quality of Education through the Improvement of Primary Schools' Infrastructure, Ayacucho and Huancavelica Departments

£36,975

The overall aim is to address poverty in Peru, especially in rural areas such as Ayacucho and Huancavelica which were highlighted by poverty indicators in 2004, which placed these two areas of Peru just above Sierra Leone, in particular through contributing to improve the quality of Education by supporting both the return and performance (lower drop-out rates) for a total of 4,000 Quechua speaking boys and girls of the two poorest departments in Peru through the improvement of infrastructure of 35 rural schools. Most of the schools in these two poor departments have had no maintenance or new equipment in the last twenty years as these items have been cut from the State Education budget to reduce costs. There are pockets of severe poverty and deprivation

found throughout Peru. Save the Children's approach to poverty issues faced by Peru is to adopt a policy focusing on providing a balance of quality education and better environment. The project activities will include: Implementation by the school councils who will oversee small key projects (repairs and equipment) up to a maximum of £1,000. Examples of projects already discussed are repairs to lavatory blocks so that they can be used, new doors, repairs to plumbing and lights (£700), new basketball baskets and boards for two pitches (£90), school first aid post (£450). The criteria used to determine which projects are chosen are based upon the immediate environment risks to children such as (fitting loose doors, broken windows & toilets). The costs are low because the local communities will provide labour costs. The school councils have also asked for material kits to promote 'Active Learning' - a child-centred learning process with excellent results (average cost per kit is £35). The kit consists of scissors, colours, pencils, glue, exercise notebooks and school books. It is estimated that this project will enable 4,000 poor Quechua-speaking children to remain in school (at present fewer than 50% complete primary and only 7% secondary) or to return to school.

RWANDA

Cobo Mission Hall

Gigihogwe Secondary School, Kigali

£28,200

The aim of the project is to provide funding for the continued construction of Gigihogwe Secondary School, Kigali, in particular for a contribution towards one classroom, the provision of Toilets, Medical Room and Library, and medical equipment and medicines. The School is being built to provide education for 900 pupils from all over Rwanda. Many students will be orphans of the 1994 genocide and/or AIDS. The School will provide residential facilities from the commencement of the School in January 2008 and the first intake is expected to be 150 students, with five further intakes over the subsequent five years, each of the 150 students. The age range will be from 11 to 20+ up to Senior 6 level - equivalent to UK 'A' level. The School is being located some eight miles from the centre of Kigali, the capital, and is one and a half miles from the main road, up a good minor road. A high standard of education is planned. Direct beneficiaries will be the 900 students in the first six years with a further 150 directly for each subsequent year, and approximately 35 indirectly benefiting as the School expands up to its capacity. A School Governing Body will appraise the performance of the School. The Kigali region was particularly badly affected by the acts of genocide, and education will be an important part in healing the lives of the deprived and damaged children. The education facilities in this rural area are sparse with only a primary school in the village and the closest secondary school over eight miles away. The project is being undertaken by Rwanda Restored, a UK registered charity. The Vale Mission Church, Zion Church and Cobo Mission Church are all supporting the project. The Guernsey Grammar School raised £7,000 in March 2006 for a house for a widow and her family and for the School project. There is on-site supervision of the building work and financial control is undertaken by Mr Geoff Lane, a UK resident and Chairman of Rwanda Restored, who visits Rwanda three times annually.

SOMALIA

ActionAid

Education for Rural Children, Sanaag and Hargeisa Regions

£39,836

This project will set up twelve Education Centres in the Sanaag and Hargeisa Regions of Somaliland, (six in each region) in order to provide a quality education to 1,800 rural children. The majority of communities living in Sanaag and Togdheer are unable to send their children to school, due to a lack of available education centres, a lack of trained teachers and their nomadic lifestyle. Children in the project area have to walk at least 20 kilometres each way to access existing schools and girls can be attacked in the process. Only 12% of school-aged children in Snag and Hagias are currently attending school, and as a result thousands of children are growing up without even the most basic primary education. The project will establish the Education Centres in existing buildings to keep costs at a minimum. Workshops will be set up in collaboration with the Ministry of Education to develop an appropriate curriculum for rural children in Somaliland. Children will learn reading, writing, maths, environmental education and life skills. The project will train 36 teachers and will set up Management Committees to supervise the centres and encourage parents to send their children to school. School committees will also be set up so that children can take part in decision-making processes. The project will strongly promote the rights of women and girls by encouraging communities to send their girls to school. Mixed classes will be encouraged within the Centres. Funding is for the provision of furniture and equipment, teaching materials, workshops to develop curriculum, a training workshop for 36 teachers, the establishment and training of management committees and 36 teachers' monthly salaries for twelve months.

SUDAN

Africa Educational Trust

Improving Access and Quality of Education in Disadvantaged Primary Schools, Jungle State

£35,380

The purpose of this project is to improve the quality of education, teaching and learning in disadvantaged primary schools in Jungle State, Southern Sudan, by developing the skills of a cohort of teachers, head teachers and members of Parent and Teacher Associations (PTAs). The aim of the project is also to encourage enrolment of girls and to provide support to school in areas with large numbers of returnees. Ten schools will receive in-school training of 5 teachers each which will improve the teaching methods and content knowledge of the teachers. Improved teaching skills will have a positive impact on the confidence of the teachers and subsequently on the quality of teaching. It will also improve learning of the primary school students. Training of head teachers and PTA members will improve school management and leadership. By training and involving PTAs and the community, overall ownership of schools will increase.

Funding is for in-school training of teachers, head teachers and PTA members as well as implementation of a mobile library network, publication of supplementary readers, community grants, monitoring and evaluation. This project will benefit 2,500 primary school children and 50 teachers in ten schools in Jungle State. As a result of 20 years of civil war the overall education situation in southern Sudan is very poor. Jungle State in particular has been one of the worst affected by the war and is one of the poorest and most isolated states in South Sudan. Jungle State is also experiencing additional pressure on its already weakened educational infrastructure due to a large number of returnees from DIP and refugee camps.

UGANDA

One World Foundation Africa

Educational Support for Vulnerable Children, Kubota District

£39,650

Further to the Commission's support in 2006, the aim is to further alleviate the poverty of families and guardians of Orphans and Vulnerable Children (OVA) and to reduce school dropouts, increase accessibility and improve the quality of primary education in the rural Kubota District of Uganda. Living with their guardians, the OVA have lost one or both of their parents to AIDS. As part of a bigger project funded by Comic Relief, the project will building upon the previous year's funding. In 2007/2008, the project will: (1) Improve Access to Clean Water: In some schools One World Foundation Africa (OFFA) has provided water tanks which rely on rainfall. However, due to climatic changes, access to clean water is increasingly threatening livelihoods in the region because of severe droughts that are predicted to continue. Lack of access to clean water causes ill health and disrupts classes as children have to walk long distances for water or have to go without school meals. OFFA will construct three Valley Dams in the region, greatly improving access to safe water throughout the year, both for schools and the wider community. This builds on the success of an earlier pilot initiative and surveys. Local administrative chiefs have donated the land for the dams; (2) Provide Six New Classrooms and Repair Three Classrooms: In some of the schools, classes are held under trees and others are either significantly over crowded or the buildings are old and structurally hazardous needing repair. Improved classrooms will allow the children to learn in a healthy environment that is conducive to educational achievement; (3) enable families to generate an Income: this element will enable families to support Ova's education and enable project sustainability, by providing seeds and livestock to 120 families.

ZAMBIA

Street Child Africa

Street-based Education and Life Skills for Disenfranchised Street Children, Kitwe

£9,431

The aim is to enable Street Children, who cannot access formal education, to have

education brought to them through a Street Corner education Programme. Education and life-skills training on the streets in Kitwe and in the semi-rural shanty compounds is brought to groups of up to 30 children each day. There are currently 53 children attending these classes daily. The decline in the copper industry and the impact of high unemployment has been devastating. Chronic poverty and many children being orphaned as their parents have died in the HIV/AIDS pandemic, has forced hundreds of children onto the streets. Street Child Africa works with the Zambian NGO, Friends of the Street Children, whose vision is “To reach out to every child that comes to the streets of Kitwe and offer positive interventions to assist the child. To give the child a voice and a role in the decision making processes that affect their future”. A key part of the work is the Street Corner Education programme, which operates in two locations: next to the market and on a semi rural site accessible to children from the shanty compounds. This innovative project has been running for 2 years and has enabled over 300 children to access formal education; it had previously been supported by a corporate donor whose funding policies have now changed. The project is still in operation but at a significantly reduced level. Funding is to restore the programme to its full capacity through the provision of salary costs and education materials.

Health

AFGHANISTAN

The British Red Cross Society

Sustainable Health Clinics Programme, Countrywide

£35,221

To support 34 Afghan Red Crescent Society (ARCS) health clinics enabling them to provide essential and life-saving health care, including mother and child services, immunization and health education, to more than 38,000 vulnerable people per clinic per each year, around 1.29 million people. Decades of conflict compounded by years of drought, food insecurity and high vulnerability to disasters, have greatly impacted the health sector of the Afghanistan. The health system is now in a state of ‘near-total disrepair’ characterised by massive destruction of the rural health infrastructure and migration of health workers. Health indicators state that 1,700 in 100,000 women die during childbirth while the mortality rate of children under five is one out of four. Malnutrition and communicable diseases, poverty and poor water and sanitation remain the most significant causes of morbidity and mortality. In many areas the clinics are the only source of healthcare for most vulnerable communities. Although since 2001, the Government has started reconstructing the health system, the Arcs’ health clinics still make a significant contribution towards primary health care provision. New government health care services are predominantly focused on urban areas, thus it is the rural communities which have very little access to any sort of health care, particularly mother and child health support. Arcs’ city clinics will be relocated to those rural areas across the Country that are in most need to ensure that they complement the Government’s provision of primary health care in urban areas and reach as many vulnerable communities as possible. The project aims to support the most vulnerable communities by: The provision of essential health care by each clinic to up to 38,000

vulnerable people: Providing one week's training in family planning for each midwife in 10 clinics; Providing HIV/AIDS awareness training for all clinic staff: Running clinics that provide: Mother and Child health services (antenatal care, provision of assisted delivery, post natal care, child growth monitoring, family planning); Immunisation Services for mother and child; Health Education sessions on preventable diseases and when to seek urgent medical attention; Provision of essential medicine. Funding is for the provision of basic medical equipment, transport costs and training.

BANGLADESH

IMPACT Foundation

Community-based Primary Healthcare and Disability Prevention Project, Chiding District

£30,800

The overall aim of the project is to prevent disability in Chiding District, where IMPACT has a Community Healthcare Centre, using cost-effective, grass roots level strategies which involve the community and give people ownership over protecting their own health. This aim of meeting basic needs will be achieved by providing health education (for example, on sanitation, healthy nutrition, or recognising the early signs of disabling conditions) so people are equipped to help themselves, enabling families to establish home gardens with irrigation systems to assuage hunger and include essential vitamins and minerals in their daily diets (lack of Vitamin A is the largest cause of childhood blindness globally), providing healthcare and maternity care in regular clinics as well as training and equipping local traditional birth attendants and health workers to take outreach into the community, immunisation against disabling disease and establishing Mothers' Clubs as a forum for education and information dissemination for women – typically society's carers. It is estimated that at least 18,050 people will benefit directly and 83,750 indirectly from this initiative. This project is highly sustainable because it is based, fundamentally, on building the capacity of local people and beneficiaries through education and training. The project will also meet basic health needs. Funding is for the costs of providing immunisation against disabling disease to 500 people, screening and providing treatment in clinics to 3,500 people, health education to 7,000 participants, training and equipping 100 traditional birth attendants, and pre/post natal care to 600 women, forming 150 Mothers' Clubs and establishing 400 home gardens with irrigation system.

BELIZE

United Nations Children's Fund (UNICEF)

Improving Water and Sanitation Facilities in 52 Primary Schools, Toledo District

£39,229

The project aims to address the extremely undeveloped water and sanitation situation in schools in Toledo District, the poorest District of Belize, through improving water and

sanitation facilities in 52 primary schools so that they meet established standards. Most schools have no functioning toilets, children drink out of a bucket placed at the front of classrooms and there is nowhere for them to wash their hands. The lack of hygiene facilities results in higher than average diarrhoeal disease and causes 66% of children to be infected with parasites, which leads to malnutrition and impacts on their capacity to learn in school. A communication campaign will also improve students' hygiene practices, and by extension those of their families and communities. Specific activities are as follows: 25 double unit flush toilets will be constructed, 27 pre-existing ventilated pit latrines will be repaired and improved, proper access to sanitation facilities will be ensured, and 54 wash hand basins will be constructed adjacent to the latrines. In addition, the practice of using a shared cup in a bucket for drinking will be eradicated with the construction of 104 drinking water fountains. Where there is no running water, catchments systems will be developed to allow for a water system to be operational. Illustrated training manuals and materials will be developed to be used in the classroom and in community training sessions. To address the parasite infestation across the country, treatment kits will be given to children and pregnant women, along with micro-nutrient supplementation of vitamin A and iron. 104 teachers and community health workers from each of the rural communities will be trained to administer the treatment. A public campaign using printed materials, posters, radio messages and drama (as a part of community theatre) will result in an entire community being made aware of the advantages of good hygiene and sanitation practices. Communities will also be mobilised to assist in the construction and/or repairs of facilities. Funding is for an initial assessment of the 52 schools' facilities, the provision of capital costs, development of a hygiene and sanitation training manual, treatment of parasite infection in children, training, and design and production of public education materials.

BHUTAN

United Nations Children's Fund (UNICEF)

Improving Emergency Obstetric Care in Remote Villages, Countrywide

£39,637

This project will provide training for health workers in remote villages, countrywide, in Bhutan, a Country where the maternal mortality rate is double the world average, to reduce the high level of maternal suffering and death, and will also provide equipment to upgrade basic health facilities, both to improve maternity services and to make them more user-friendly to women. Most deaths in pregnancy and childbirth result from treatable causes and could be prevented if women had access to emergency obstetric care. Training will be given to village health workers and members of village development committees so that they can communicate the importance of safe delivery practices to women and families in their communities. In addition, new and existing health workers will be trained on emergency obstetric care and life-saving skills. A health facility needs to be able to perform six 'signal functions' in order to qualify as an Emergency Obstetric Care facility, and health workers will be trained in how to carry these out. The six signal function are: administering parental antibiotics (intravenous or

by injection), administering parental oxytocic drugs, administering parental anticonvulsants, performing manual removal of the placenta, and performing assisted vaginal delivery (vacuum extraction and forceps delivery). Funding is for the provision of training to village health workers and village development committee members, items for 6 basic health units and training the related staff.

CAMBODIA

Cambodia Trust

Rehabilitation for Landmine Survivors and Other Disadvantaged Disabled People, Sihanoukville and Kompong Chhnang

£14,419

Further to the Commission's grant in 2005, the aim is to further increase self-sufficiency and reduce poverty amongst disadvantaged disabled people such as landmine survivors and people affected by polio, club foot and cerebral palsy; particularly women and children living in the rural areas of Sihanoukville, Kompong Chhnang. The project is based in two rehabilitation centres in Kompong Chhnang and Sihanoukville, which also serve the surrounding rural areas. The Sihanoukville rehabilitation centre also serves the neighbouring rural province of Kampot. Cambodia has one of the largest disabled populations in the world, including an estimated 40,000 landmine survivors and 50,000 people affected by polio. Shunned by society and denied access to education and employment opportunities, disabled people remain trapped in the cycle of poverty. This project restores mobility and provides the chance of self-sufficiency, enabling disabled people to play an equal part in society. By providing physical rehabilitation such as prosthetic (artificial) limbs and orthopaedic braces, this project improves mobility and enables beneficiaries to participate in education, employment and community life. Physical rehabilitation is provided in conjunction with community-based rehabilitation, to enable children to attend school; to enable disabled adults to set up small businesses; to support the establishment of self-help community groups; and to raise awareness of disabled people's rights. Around 8,000 disabled people will benefit from this project over a period of twelve months, with their families, communities and Cambodian society as a whole, benefiting indirectly.

CAMEROON

Sight Savers International

River Blindness Prevention Through Community-directed Treatment With Ivermectin, North West Province

£28,350

Further to the Commission's funding of a similar project in 2006 in South West Province, the goal of the project is to eliminate onchocerciasis (river blindness) as a hindrance to socioeconomic development and as a disease of public health importance

in the North West Province, through a sustainable CDTI programme assisting the Ministry of Public Health (MoPH) of Cameroon, within the context of the African Program for Onchocerciasis Control (APOC). The target population is an estimated 1,706,141 people. Onchocerciasis is a blinding infectious parasitic disease spread by the bites of 'simulium' flies which inhabit fast-flowing water-courses. CDTI encourages communities to take responsibility for treating themselves, but in order to do this it requires certain forms of support, namely: (1) Training of medical personnel to support the distribution activities, including managing reactions. (The Province falls within the Loa loa belt and there might be persons with high parasite loads of Loa loa microfilaremia. The risk of a high prevalence of severe side effects cannot be overlooked. This is a region where Loa loa is very prevalent. In fact almost every health district has this disease. The significance of this is the fact that persons being treated with Ivermectin in this area could develop severe side effects as a result of the presence of Loa loa in their blood. To avoid these side effects treatment should be done under very strict supervision and monitoring for side effects); (2) Training of Community Directed Distributors (CDDs) in running distributions, recognising adverse reactions, referrals, counselling and record keeping (with 1 CDD per community of 250); (3) Mobilisation and education of the community on the impact of the disease, the benefits of community treatment, the recognition of adverse reactions, and appropriation of the project; (4) Treatment of at least 65% of the population where Loa loa is not co-endemic; (5) Maximising programme sustainability through integrating Mectizan distribution into the existing Primary Health Care system, community participation in the programme, and increasing community demand; (6) Monitoring, managing and documenting adverse reactions following Mectizan treatment.

ETHIOPIA

ActionAid

Safe Water for Life, Siltie Zone

£39,824

This project will supply one health centre and four surrounding communities with access to safe, clean water by setting up a spring development system in Azernet Berbere District, Siltie Zone. The only existing source of water, Mosheshe spring, is 8km from the project communities, and is unsuitable for human consumption. The project will develop Mosheshe spring by capping, cleaning and protecting the spring. The project will then install pipes along an 8km stretch so that the clean water can flow through to distribution points in all four communities by gravitational force. In Siltie Zone there are just four water points for 157,000 people. As a result, only 13% of people in the project area have access to safe water. People are forced to use local streams for drinking and bathing, which cause water-born diseases. Women and girls have to travel for long distances to fetch water, and as a result 60% of girls in the project area are out of school. The local health centre has no clean water provision at all, and conditions have become so unhygienic that certain units, such as the gynaecological department, have been forced to close. In conjunction with ActionAid Ethiopia, funding is for the capital costs element of the project.

ETHIOPIA

ORBIS Charitable Trust

Establishing Rural Eye Care Services, West Gurage

£38,106

This project will make essential eye care accessible to the rural poor of the West Gurage zone of southern Ethiopia, helping to eliminate avoidable blindness and alleviate poverty. This will be achieved by developing the skills and infrastructure of local health facilities; increasing access to water and sanitation; raising awareness and facilitating behavioural change to protect sight; and advocating for increased government funding for blindness prevention. West Gurage has a population of 1.2 million. Less than half of the population has access to primary health care and no eye care services existed before ORBIS's involvement. Over 172,000 people are blind, and as many as four times this number suffer from visual impairment. The leading causes of blindness are cataract, blinding trachoma and refractive error, all of which can be treated or prevented. ORBIS is implementing the WHO SAFE strategy to address blinding trachoma. This involves Surgery; Antibiotics to prevent infection; and Face washing and Environmental change to reduce the spread of infection. Implementing this strategy involves medical training, distributing antibiotics, community education and providing sanitary facilities. The community-education programme is also key to addressing cataract and refractive error. ORBIS will train 135 nurses on sight-saving trichiasis surgery and basic eye care; train 2,100 women's group leaders, teachers and community health representatives to increase awareness and promote behavioural change in local communities; support the provision of cataract surgery and examination for refractive error within existing health centres; and through strategic partnerships increase access to clean water and sanitation. As a result of these activities, approximately 785,000 people will be protected against blinding trachoma. An additional 14,200 people will have their sight restored and/or protected. At least 1,122,500 people will be informed or educated about protecting their sight by trained community leaders. Funding is for medical equipment and eye care training, approximately 50% of project costs for 2007.

FIVE COUNTRIES

Motivation Charitable Trust

Professionalising Wheelchair Service Provision in Africa: Ethiopia, Kenya, Namibia, Nigeria and Sierra Leone

£28,113

The project aims to alleviate the extreme isolation and dependence experienced by people with mobility disabilities in Ethiopia, Kenya, Namibia, Nigeria and Sierra Leone, by supporting the development of a professional Wheelchair Service Network to meet the vast need for appropriate mobility appliances. Key activities of the project are: (1) Building the capacity of local Wheelchair Financing Committees (WFCs) –

comprising of disabled people, local dignitaries, donors, health professionals and government officials, WFCs are responsible for raising and administering funds to purchase wheelchairs for those in greatest need. The project will make provision for regular meetings of the WFCs and facilitate fundraising and awareness raising skills, making the WFCs more effective; (2) Identifying disabled people whose health, livelihoods and quality of life is severely compromised by the lack of an appropriate wheelchair - the extreme isolation and prejudice experienced by mobility disabled people means that their needs are frequently overlooked. Specific intervention through networking with hospitals, CBR workers and Disabled People's Organisations is therefore required to identify them; (3) Creating a fund to supply wheelchairs to 125 people – the project will provide appropriate wheelchairs for 125 mobility disabled men, women and children identified as in urgent need; (4) Undertaking sustainable wheelchair financing activities – community and government awareness raising, networking with potential donors (including corporate and expatriate sponsors), lobbying. Direct beneficiaries of the project will be a minimum of 125 wheelchair users and their families, 7 Wheelchair Technologists (several of whom are disabled themselves), 5 Wheelchair Financing Committees, and Disabled People's Organisations in the project countries. It is anticipated that many more disabled people than the direct beneficiaries will benefit, as the increased capacity of the Wheelchair Financing Committees to source funds locally will mean more people will be able to access appropriate wheelchairs.

GUINEA BISSAU

PLAN International UK

School and Community Latrine Project, Bafata District

£37,460

The purpose of the project is to reduce child mortality and improve the health of 250 families and 1,600 school children in the Bafata District of Guinea Bissau, in particular through the construction of two blocks of three sanitary platform latrines (one for girls and one for boys) in 10 schools. Bafata is one of the most under-developed regions of Guinea Bissau, a Country that has come out of many years of civil war. The combination of poor hygiene practices and the absence of adequate sanitation facilities is a particular problem for this region. The lack of facilities and the low level of awareness among local people about basic health and hygiene issues has contributed towards very high levels of infant, child and maternal mortality from preventable diseases. Girls are particularly disadvantaged by the lack of sanitation facilities at the schools because they are more vulnerable to physical assault when there are no designated latrines because they are forced to use the bush. Each school will also be provided with large specialised plastic water containers that children will be able to access using taps for both drinking water and hand washing. The water for these facilities will come from existing water sources already available at the schools. 250 family latrines will be built in six districts and local communities will be shown how to build replicas so that more families can benefit in the long term. School children and community members will be trained in hygiene promotion and children will encourage

the further adoption of healthy practices through being enabled to conduct peer to peer health promotion activities, including participation in radio debates on health and hygiene. Health and hygiene awareness-raising sessions will also be conducted for community members and the Parent Teacher Associations and School Management Committees will be trained to use and maintain the new latrines and the hand washing and drinking facilities in the schools and communities. As a result of the project all of the children in the 10 participating schools and the 250 beneficiary families will develop new attitudes and practices regarding the use of latrines. Funding is principally for construction costs, awareness raising and training.

HAITI

Concern Worldwide

Water for the Island of Gonâve

£33,968

Further to the Commission's grant in 2006, the overall goal of the project is to continue to reduce the prevalence of waterborne disease on the island of La Gonâve, a desperately dry place, by sustainably improving access to potable water. Families in La Gonâve are in desperate need of clean water supplies. Population growth and shifts in patterns of consumption as a result of increased urbanisation have increased demand on a water supply that is dwindling and increasingly polluted due to environmental degradation. For these people a sip of water could be lethal. But when one is thirsty and the only water available is riddled with disease and contaminated with bacteria, there is no choice. As further information on the situation in La Gonâve and the needs of the people became apparent, Concern Worldwide has decided to extend the project by two years. Concern is therefore responding with a five year project (2006-2010) for integrated water resource management. Over the course of the entire project, work on rehabilitating and expanding water-related infrastructure (capping of 2 major and 30 minor springs, construction of 2 major water delivery systems, construction of over 150 community and family rainwater cisterns) will be carried out within the broader framework of environmental protection (reforestation and soil conservation in the areas immediately surrounding water infrastructure) and capacity building of key stakeholders at the community and state levels. The project will cover the entire island, benefiting directly and indirectly its 105,000 inhabitants through either increasing direct access to water of improved quality, building systems and real capacity for joint state-community management of water resources as well as protection of key watersheds for long term environmental rehabilitation. Funding is to help provide some of the infrastructure and capacity-building work related to this overall project. Specifically, funding will finance the construction of 2 community cisterns, (benefiting 700 and 800 individuals respectively), the protection of 2 springs, (serving between 2,600 and 5,000 individual), and contribute to capacity building for the Water Platform that brings together all key stakeholders working on water management on the Island. In addition, it will help to staff the project and help support administrative running costs.

INDIA**Arpana Charitable Trust (UK)****Equipment for Arpana Hospital to Treat High-risk Pregnancies, Haryana State****£35,876**

The aim of this project is to provide medical facilities for high risk deliveries and newborns at Arpana Hospital, Karnal District, Haryana State. The Hospital has been tackling increasing numbers of complicated cases, especially in obstetrics, and is greatly concerned about high risk delivery cases. There is a very high rate – 28.2% – of Intrauterine Growth Retardation (IUGR) in India, resulting in newborns who are at risk for survival. This is generally due to anaemia and poor nutrition of pregnant women, a problem for over 70% of the women in rural communities due to poverty and the patriarchal societal structure. The beneficiaries / catchment population are the residents of the surrounding 500 villages with a population of over 250,000. There are around 650 deliveries annually at the Hospital. It has become essential that Arpana's efforts at preventative care in the villages through primary health workers and mobile clinics be supported by upgraded hospital facilities to maintain and improve the level of health care, in particular through the provision of the following equipment: (1) Colour Doppler: In obstetrics the Colour Doppler enables the study of placental and foetal blood flow, especially important in managing pregnancies with IUGR babies and detecting if the cord is around its neck. It is also of vital importance in Cardiology and Vascular Surgery; (2) Cardiotocograph: This monitors foetal cardiac activity and is essential in the diagnosis of placental abnormalities, which if not detected can cause maternal and child mortality; (3) Paediatric Ventilator: Premature babies and those with low birth weight are frequent in impoverished communities. The Ventilator is essential to the survival of the child, who will otherwise have to be ventilated manually often causing serious complications and death; (4) A Monitor is vital in the busy ICU (Intensive Care Unit) so that the consultant, who may be attending other patients, can be alerted immediately if a problem arises. This equipment will prevent many tragedies. Many mothers and babies will be saved from an unnecessary death and many children will not have to suffer the terrible consequences of severe disability and pain.

INDIA**CARE International UK****Safe Drinking Water for the Tribal Communities of Andhra Pradesh****£40,000**

The project will provide safe drinking water to 20 remote tribal communities in Srikakulam, Vizianagaram, Visakhapatnam and East Godavari in Northern Andhra Pradesh, through the implementation of a Gravitation Drinking Water Project in each

community. Gravitational Drinking Water Systems tap a spring at its source in nearby hills, and channel the water downhill through sluices into a tank. The water is then carried through pipes into filtration tanks and then into storage tanks where it is treated with chlorine and made available to the villagers through taps at water points. The project will be implemented by the communities through their Community Action Groups (CAG) in partnership with CARE and its local partners. The outcomes of the project will be: (1) Twenty villages (consisting of approximately 800 tribal households) will have easy access to safe and clean drinking water year round; (2) Providing potable water inside the village will reduce women's drudgery (on average they walk 3-4 miles to collect water every day) and will increase their time for contributing to household food security; (3) Health-related problems such as malaria, diarrhoea and skin diseases will be addressed; (4) The effective and easy to maintain gravitational drinking water system will be promoted in the area and replicated by other agencies; (5) The 20 communities will be mobilized and empowered, having the skills to initiate and take forward other community projects in future. Funding is for the provision of 20 gravitational water systems.

KENYA

Africa Now

Community Water and Sanitation, Kisumu, Vihiga, Siaya and Bondo

£30,930

This project aims to reduce the proportion of population without sustainable access to safe drinking water and basic sanitation. In the poorest areas of Kisumu, Western Kenya, 60% of the population live in urban slum settlements. There is inadequate maintenance of existing facilities, almost no construction of new facilities and a decline in government funding. Women and children have to walk long distances searching for water, and have few income-generating opportunities, therefore increasing their vulnerability. The full five-year project will improve access to water and sanitation facilities for 100,000 people, increase health and hygiene education in schools benefiting 75,000 pupils, develop the capacity of communities to ensure good governance of water and sanitation systems, and develop income-generating opportunities for disadvantaged communities by creating 400 new jobs and encouraging local artisans to provide construction services in local areas. Specific objectives for first year include: build 14 large scale and 150 small scale water systems, including bore holes, water tanks, water pans and spring protections; construct 450 latrines in schools and communities; train 450 teachers in water, sanitation and hygiene education; set up 150 school health clubs; build the capacity of community groups to manage and maintain water points; and train 284 local artisans contract out project construction work to local artisans and small businesses. Funding is for construction of water and sanitation facilities, enterprise development, training, collaboration with local organisations and government, capacity building for community groups, support and monitoring and evaluation.

KENYA

Excellent Development

Kitui Kya Musyi and Miamba-Mitaboni Water Tank and Pipeline Project, Makueni District

£18,533

The project addresses the root causes of poverty and ill-health for three vulnerable and disadvantaged communities in semi-arid, rural, south-east Kenya, in particular through the creation, together with the communities, of long-term solutions for a sustainable source of clean water, by building water tanks and pipelines that will be managed by the communities themselves. The project outputs will be three water tanks and two pipelines, providing direct benefits to 13,000 individuals. Kitui Kya Musyi community and the Kitui Kwa Musyi Disabled group (consisting of disabled individuals from the nearby villages), have both requested pipelines and water tanks to increase their accessibility to clean water. Miamba-Mitaboni group have also requested a water tank to harvest water from a rock catchment in their village. Community members have selected the optimal location for the water output, and have committed to managing the sale of water via a kiosk system on a not-for-profit basis. The groups will assist with pipeline construction by contributing their labour in digging the trench for the pipeline. The water supply will be governed by these Government-registered Self Help Groups with guidance from Excellent Development's trained extension workers, who visit the communities on a monthly basis. With the time saved due to having locally-accessible water, children can be sent to school on time, clean and well fed. Secure supplies of clean water and better, more varied diets, will improve the population's health significantly, which is especially important for children. Women will have more time for other activities apart from collecting water, and the local water supply will enable them to start their own tree and vegetable nurseries, increase and diversify food production and generate income. Further income generation support will be available for the Disabled Group as Excellent Development has committed to purchase, at market rates, seedlings of endangered tree species grown by the Group for planting in the Mtito community forest, a regional conservation initiative of the charity. Overall, 80% of project members and half the committee members are women, who are empowered by their involvement and the improved livelihood outlook that the project will create.

MADAGASCAR

Azafady

Project Salama, Anosy Region

£22,500

The aim of this program is to reduce the high rates of disease and mortality and bring sustainable relief from poverty for people living in the Anosy region of southeast

Madagascar. It aligns with the Africa-wide WASH (Water Sanitation and Health for All) initiative and will use PHAST (Participatory Hygiene and Sanitation transformation) participatory techniques, already tried and tested in the area. Some 10,000 people will be direct beneficiaries of project work, with benefits extending through the population of the region around Fort Dauphin, an estimated 150,000 people. Azafady will build on previous operations to create a sustainable improvement in health and sanitation through an integrated program of community training, health promotion and physical infrastructure development. Wells, spring boxes, latrines and self-sustaining village pharmacies will be built given established need, completed training and where suitable motivation from local communities has been demonstrated, encouraging high levels of community sense of ownership along with sustainability in terms of ongoing care of infrastructure. Health committees will be developed in each village, assisted and monitored by the health extension workers. A regional mobile doctor will build capacity among village pharmacists and health committees. Community participation is the key to this project, achieved through maximising local involvement in all problem identification, decision-making and implementation processes. Project activity is built on direct requests from beneficiaries, and community members work with skilled staff and volunteers to plan and bring projects to fruition. Funding is for a contribution towards project costs, covering principally construction costs, plus transport costs and running expenses.

MADAGASCAR

Y Care International

Increasing Vulnerable Children and Young People's Resilience to HIV/ AIDS, Carion and Antananarivo Provinces

£9,513

The aim is to improve the sexual and reproductive health of marginalised and vulnerable children and young people aged 12-25 and increase their resilience to HIV/AIDS in two sites in Madagascar, Carion and Ankazomanga, where vulnerability to HIV/AIDS and STIs is particularly high. Funding relates to the first year of this two-year project. Carion is a very rural and disadvantaged community near Antananarivo where over 40% of the population is under 21 and yet there are very few services for children and young people. Ankazomanga is a poor and heavily populated area in Antananarivo province where young people are routinely exposed to violence, alcoholism, drug abuse and sex work, also with inadequate public health services. The project will: (1) Improve access to sexual and reproductive health information and services and increase understanding of vulnerability to HIV/ AIDS; (2) Ensure the enjoyment of citizenship rights by advocating for the implementation of the Government Action Plan on Child Rights and HIV/AIDS; (3) Increase intergenerational dialogue and support between children, young people and their parents; (4) Establish child and youth friendly health drop-in centres providing educational, feeding, cultural, psychosocial, sports and recreational activities to increase creativity, health and wellbeing; and (5) Build the programme and institutional capacity of the local

implementing partner (Madagascar YMCA). Peer education and participatory models will be used to reach orphans, street children, rural and disabled young men and women, young sex workers and parents. The project will benefit some 2,380 people per year across the two sites: 380 directly (services for 150 children and young people, training of 130 peer educators, awareness raising among 100 parents) and approximately 2,000 indirectly (via peer education activities). Funding is for awareness raising and advocacy materials and activities, training of peer educators and educational, nutritional, recreational and psychosocial services in Carion and Ankazomanga in the first year of the project.

MALAWI

THET

Strengthening Health Services for People with Epilepsy, Countrywide

£22,408

The aim of the project, through a combination of health worker training, awareness raising and information collection/analysis, is to increase the capacity of the Epilepsy Clinics, Countrywide, and help plan for the decentralisation services. Specifically, the project will involve: (1) Four one-week workshops that will train 100 frontline health personnel in epilepsy management; (2) Four two-day meetings to raise awareness of epilepsy among 100+ community leaders and health workers not involved in the management of epilepsy; (3) Specialist in-service training and supervision provided by a neurologist and two epilepsy nurses from the UK (4) Computers, donated by computer aid, will be transported to Malawi and data collection processes/ information systems will be strengthened (5) An emergency drug fund so that Clinics can supply medications when central hospital supplies fail; (6) A South-South visit to epilepsy work in Uganda. As a result of the improved skills and knowledge of health workers, more than 1,000 people with epilepsy will receive better treatment and care each year. With improved care, the stigma associated with epilepsy will reduce; children with epilepsy will be able to attend school and adults will be able to engage fully in community life, bringing additional benefits to family members. The incidence of epilepsy is much higher in the developing world due higher exposure to risk factors such as infection (malaria, HIV), head injury and birth complications. In Malawi, over 200,000 people (2% its population) suffer from epilepsy - which is an extremely high prevalence. The vast majority of sufferers are not treated due to lack of knowledge about the condition amongst health workers, teachers and the community as a whole. The reality is that epilepsy is an easily-treatable condition (although requires regular taking of drugs). With THET's help, Epilepsy Clinics have been established in four central hospitals of Malawi but many of the rural poor remain have no access to treatment. This project seeks to address that problem. Funding includes the provision of training workshops, in-service training by specialist staff, awareness-raising meetings, an emergency drug fund for the clinics, transport for the donated computers and a South-South visit to epilepsy work in Uganda.

MOZAMBIQUE

Tearfund

Water Programme, Niassa Province

£39,615

The aim of the project is to provide clean water to improve health and reduce water-related diseases in the communities of Lago District, Province of Niassa, by providing 30 new wells over 3 years (2005-07). This contribution will help to fund the final 10 wells constructed in year 3 of the project. Of the 10 provinces in Mozambique Niassa is the most isolated and least developed. Mozambique suffered 25 years of conflict and Niassa was one of the provinces most affected. Many of Niassa's population, in particular the Lago District, have spent years as refugees in neighbouring countries. Other reasons for the poor development in Niassa include the distance from the capital Maputo (3 days by road), poor road infrastructure and the unwillingness of educated people to work in such an isolated province. Many communities in Lago District do not have any source of potable water and the entire population drinks water from the lake, rivers or traditional wells. Diarrhoeal diseases are common and there have been cholera epidemics. In some communities people have to walk for over an hour to find water. There is contamination of the lake water to the North due to mining operations, but the local population continues to drink the water as there is no alternative. Thus, the provision of these wells will be hugely beneficial to everyone in these communities. In order to maintain each well, a maintenance team will be trained and introduced to oversee the operation of the well and maintain its equipment. In addition to this, formal education campaigns will be run in the communities by volunteers trained by local health workers using simple teaching materials to educate people on how to prevent water related diseases through good hygiene and sanitation practices. It is estimated that over 10,000 people will benefit from this project. Tearfund has already funded the first two years of the proposal and has spent over £100,000 on it, having seen first hand the sustainability of the project, the progress that has been made, and the changes these pumps have made in peoples' lives. Funding is for equipment and materials, staff and transport costs.

NIGER

The Leprosy Mission

Danja Hospital Upgrade, Maradi Department

£21,362

The aim is to upgrade Danja Hospital, the only specialist leprosy hospital in Niger, situated near the town of Maradi in Maradi Department, through the construction of a 12-bed ward with a shower and toilet block for the new ward. As well as serving those affected by leprosy from all over the Country and from across the boarder in Nigeria, it

also provides general health care to the rural population surrounding the hospital. The Hospital treats approx. 18,000 people per year of whom approximately 750 are affected by leprosy. Patients are extremely poor and many suffer from malnutrition. According to government statistics in the Department of Maradi, one in three children die before their 5th birthday. Polio and measles are still endemic and malaria is the most frequent cause of mortality. Danja Hospital offers life saving services to the surrounding community, both in the form of treatment, preventative health care and health education. At present the Hospital has 40 beds and is constantly overcrowded. This project is part of a two year development programme which will upgrade the hospital to a 52-bed hospital and provide an increased range of facilities including a physiotherapy room, as well as renovating the pharmacy and providing vital laboratory equipment. Funding is for the construction of the new 12-bed ward with shower and toilet block.

PAKISTAN

Mercy Corps Scotland

Increasing TB Case Detection and Treatment, Balochistan and Sindh

£14,910

The overall aim of this project is to reduce the prevalence of TB in Balochistan and Sindh Provinces and prevent further transmission. This will be accomplished by: (1) Improving the Government's capacity to provide quality Tuberculosis Directly Observed Treatment - Short Course (TB-DOTS) services (TB-DOTS is the internationally-accepted standard for TB diagnosis and treatment), and (2) Mobilising the most remote and poorest communities to seek and receive treatment. Approximately 11,230 TB patients will benefit from these interventions each year, which will markedly reduce the prevalence of TB and prevent further transmission in vulnerable communities. Reduced TB transmission will lead to enhanced productivity and social well-being for approximately 6.345 million men, women and children. Ninety percent of the three-year £1.9 million programme costs are met through a grant from the European Commission. To maximise project impact, funding is to meet critical gaps in technical and management training for health staff in remote rural areas of Pakistan. Specifically, the grant is for the provision of 1.6% part funding with the European Commission for year two of this three-year project and will fund advanced-level training of 30 doctors and 120 paramedics. As a result of successful programming, the Ministry of Health has officially declared Mercy Corps as the lead agency for TB control in Balochistan and Sindh and has requested continued support. The overall project will ensure that 60 diagnostic centres offer quality TB care. Specialised training in TB diagnosis and treatment will improve the skills of 30 district health managers and TB co-ordinators, 262 doctors, 525 paramedics, 75 laboratory technicians, and 1,500 community health workers. The thirteen districts of Balochistan and Sindh Provinces in Pakistan rank as having the seventh highest TB burden in the world.

SOMALIA

THET

Developing Blood Bank and Laboratory Services, Boroma/Haregisa

£36,935

The aim of the project is to establish an effective blood bank and laboratory services for Somaliland, at Boroma Hospital in conjunction with Haregisa Group Hospital. Pathology is the foundation of evidence-based medicine. In the absence of pathology services, there is a high risk that disease diagnosis will be incorrect and that inappropriate treatment will cause drug resistant diseases to increase. Like all hospitals in Somaliland, Boroma Hospital has no pathologist. Effective disease diagnosis and treatment is further hampered by the fact the laboratory lacks basic equipment, has no blood bank and staff are poorly trained. Without a blood bank, time critical operations are delayed resulting in avoidable mortality and morbidity. To address these problems, the following activities will be implemented: (1) Five laboratory technicians from Boroma Hospital will receive basic microbiology/cytology training so they can stain slides and identify diseases such as malaria; TB; and opportunistic infections related to HIV. During a 3-month internship at Haregisa Group Hospital they will benefit from the skills and experience of team of well trained staff. The technicians also will learn how to manage a blood bank and screen for diseases such as HIV, malaria and hepatitis. In addition, they will spend a short period at the TB Hospital; (2) The existing laboratory will be renovated/extended and basic laboratory equipment (including manual microscopes and an incubator) procured; (3) A blood bank will be established. This will involve the construction of a room to house a blood bank freezer and the supplies of antibodies/reagents which will be purchased as part of this programme; (4) As there is no pathologist in Somaliland, external support is needed to teach medical students. A pathologist from Kings College Hospital, who will give his time freely, will teach students at Boroma and Haregeisa Universities. During his visit, he will also evaluate the implementation of the above activities. Health indicators in Somaliland are among the worst in the world with low life expectancy; extremely high rates of maternal, newborn and child mortality and morbidity; and poor immunisation coverage. The public health system is extremely weak. Developing blood bank and laboratory services will greatly help to address these problems.

SRI LANKA

Motivation Charitable Trust

Ian Gardener Training and Disability Resource Centre, Colombo

£20,922

The aim of the project is to create the only fully accessible training centre with integrated hostel accommodation in Colombo. During 2006, an appropriate site was

identified and refurbished, and the management structure established. The facility now requires library equipment, a mobility skills training area and further modifications (such as widening doors, building ramps, and installing Braille signage) in order to become a centre of excellence for disabled people's participation in training and a vital resource to individuals, businesses, NGOs and health-service providers requiring information on disability. Direct beneficiaries within the first year will include 150 disabled people trained on job specific and vocational skills, 250 people (with priority given to people with disabilities) trained in technical and clinical aspects of disability, and a minimum of 8 private companies trained in disability awareness. Many more people and organisations will benefit in the future as training is delivered in line with needs. The specific activities of the project are: (1) Upgrading facilities: purchasing training equipment, upgrading hostel facilities; (2) Improving accessibility: Widening entrances, installing ramps and improving signage; (3) Mobility Skills Area: A training area equipped with simulated obstacles (such as steps, sandy ground, gravel, hills etc. will be installed so that disabled people can be shown how to use mobility devices in a safe environment to increase confidence and proficiency; (4) Resources: Installing storage, shelving and computers to create a library to ensure that disability legislation, wheelchair standards guidelines and training resources are available.

TANZANIA

Huruma Rehabilitation Programme

Improving Health Services Delivery, Shinyanga Region

£19,000

The main objective of the project is to improve and modernise medical services for the population in Shinyanga District, Shinyanga Region, through the construction and equipping of a Health Care/Medical Centre. Shinyanga Region has a total population of 4.5 million people and is currently served by only 2 Government Hospitals, one in Shinyanga Town and the other in Kolandoto 15 kms away, both lacking standard and up-to-date equipment and offering only basic services. The Health Care/Medical Centre will serve a target population of 2.5 million people. Specifically, the project will: (1) Increase the number of the needy target population receiving medical care from the Centre; (2) Improve the health infrastructure in a very poor and needy region; (3) Have well trained, committed and dedicated staff working in a good environment; (4) Through the activities of the Huruma Rehabilitation Programme, to enable individuals, and those brought to better health through the Centre, to participate effectively in economic and social development. Huruma Rehabilitation Programme (HRP) deals with assisting and helping the destitute women, people with disabilities, orphans, street children/abandoned children, AIDS widows, people affected and infected with AIDS and other vulnerable groups. Apart from the unfavourable treatment these groups of people receive in their societies, there are still other factors that limit their abilities to earn a living. Among other things, these include lack of education, low level and/or lack of income, lack of skill and knowledge. These groups are in most cases undernourished and/or lack of food, shelter, health care and/or medical attention,

clothing, training etc. Giving health care and/or medical care to women with HIV/AIDS, orphans etc, will improve the health status of the target groups. Importantly, improving their health will make these groups more economically productive. The land has been donated for the health Care/Medical Centre. Funding is for 63% of overall costs.

TANZANIA

Sound Seekers

Tanzania Ear Care Project, Countrywide

£36,220

The project will prioritise access to audiology/ear-care services amongst the isolated rural poor communities of Tanzania, in particular through the building and equipping of a sound-proofed hearing test room, together with a laboratory which will enable the maintenance, calibration and repair of audiology equipment, as well as the manufacture of earmoulds for hearing aids. Tanzania currently has no audiology service. The service will deliver screening for hearing loss and debilitating ear disease, treatment of disease, referral to hospital for surgery, referral to school for deaf children, dissemination of advice and information about how to care for one's hearing, and provision of hearing aids. The project will have the capacity to assist 6,750 people per year in this way. It will be run by three local nurses, trained in Tanzania by a UK audiologist during a 12 month. The outreach service will be delivered with the use of a bespoke mobile 'HARK!' audiology clinic, carrying a full suite of diagnostic and treatment equipment. The project will especially improve the life opportunities of children suffering ear disease and hearing loss, many of whom will be able to benefit from school attendance otherwise blocked to them.

UGANDA

Feed the Minds

Campaign to End Obstetric Fistula – Healing Wounds and Preventing Harm, Kasese District

£10,459

This project aims to facilitate better understanding of obstetric fistula among women in the Kasese District of central western Uganda, including awareness about its causes, preventive measures and available treatment. Obstetric Fistula is a pregnancy-related injury that results in a hole in a woman's vaginal wall, resulting in a leaking of faeces from the rectum or urine from the bladder, or both. It is reported that two to three women per 1,000 pregnancies in this impoverished region suffer from fistula. Without treatment, fistula has resulted in social, physical, emotional and economic decline for these women. Besides the rashes and infections caused by the leaking excrements, the

humiliation of the disease has forced these women into isolation and many have resorted to commercial sex work and begging for survival. Through an Information, Education and Communication campaign, the project will target 12 villages in 4 sub-counties of the Kasese District, directly impacting on 250 vulnerable women and indirectly reaching another 350, as well as the wider community. The campaign will raise awareness of fistula through the production and dissemination of informational literature in local languages and radio talk shows and bulletins. In addition, health staff at the Kagando Mission Hospital (the local health centre) will be trained in gender sensitive, modern client care methods in order to encourage women to use hospital facilities for births and obstetric checkups. Funding is for: a portion of local staff costs, project overheads, publication of literature, radio airtime and training for health staff.

UGANDA

Voluntary Action for Development

Clean Water and Sanitation for Rural Communities, Wakiso District

£38,677

The overall aim of this project is to improve the general health and reduce poverty among the rural poor in Kyasa and Kanziro parishes of Namayumba Sub County, Wakiso District. Namayumba sub county of Wakiso District has the lowest safe water coverage in the whole District. According to a 2005 District Water Department assessment, the average safe water coverage is less than 28%. Therefore people walk long distances to collect safe, clean water for drinking cooking, washing etc. In most parts of Namayumba the majority of the people get water from the same water sources as domestic animals because most water sources are not protected. This project will therefore construct 20 shallow wells to provide clean safe water to cover 7,680 people directly, train 6 community-based masons who will ensure construction and future repairs /maintenance of the constructed facilities, train 20 elected water user committees and 11 elected village-based community monitoring teams (village health volunteers). The project will also conduct village-based sensitisation and mobilisation seminars that focus on hygiene/sanitation promotion and provide sanplats on a subsidised price in order to increase the current clean water coverage of the two Parishes from the existing 28% to 53% and safe sanitation coverage from 23% to 48% in one year. This project will also train 6 science teachers from three primary schools, and 3 science clubs in maintenance and sustainability of the promotion of good hygiene/sanitation practices in the schools. The project will also train pupils to use drama to promote sanitation and hygiene good hygiene practices. In addition, 3 x 10,000 litres tanks will be provided to the three schools to ease the problem of lack of clean water in schools, and latrines will be constructed in the three schools to solve the current problem of poor sanitation facilities in the schools, where over 1,348 pupils of these schools will benefit from this project. The project will consequently improve the general health and reduce poverty among the rural poor communities in the above two Parishes of Namayumba sub county, Wakiso District, including the pupils in the three targeted schools.

ZAMBIA

The British Red Cross Society

Water and Sanitation Project, Choma and Sinazongwe Districts

£38,677

To provide sustainable, community-managed water and sanitation to nearly 5,000 vulnerable people in Choma and Sinazongwe districts in southern Zambia. Alongside ongoing water and sanitation initiatives – which include training for local people in hygiene awareness and the maintenance of existing water supplies by community-managed committees – 1,000 sanitation platforms will be built for use in households and new latrines installed in 40 schools or health centres. As well as this, four new boreholes will be built and twenty rehabilitated. Zambia Red Cross staff and volunteers who assess needs and monitor programme outputs will also be supported. In parts of southern Zambia only a third of the population has regular access to safe drinking water and sanitation. People are exposed to water-borne diseases such as diarrhoea and cholera and small-scale farmers lack reliable water sources to irrigate their crops. Where the HIV prevalence rate is high, and average daily living allowance less than £1, many young Zambians cannot expect to live beyond their fortieth birthdays. Funding is for the above main capital costs plus the provision of 8 bicycles for volunteers, one motorbike, plus construction and maintenance tool kits.

ZAMBIA

World Vision UK

Kakoma Water and Sanitation Project, Central Province

£39,548

The project aims to increase access to safe and potable water, for 1,750 community members (including children), and increase community awareness on the need to use pit latrines, in Kakoma villages in Keembe, Chibombo District, Central Province. The villages are: Kafulo, Kango'mba, Kapinilyuba, Shikupilo, Masaka, Jeremiah Mpongo, and Foloko. The project will increase access to safe potable water by increasing the number of safe water points in Kakoma through the sinking of 7 boreholes. In addition to sinking the boreholes, the project will also focus on increasing community awareness on the need to use Pit latrines for disposal of human waste through the promotion of Ventilated Improved Pit latrines (VIPLs). The project will construct 7 demonstration VIPLs in 7 villages. The project will also facilitate the formation of Village Water and Sanitation and Health Education (V-WASHE) committees. The project will also aim to improve the hygiene practices within the 7 beneficiary communities through promotion of construction of dish racks and dug out rubbish pits for rubbish disposal. The V-WASHE Committees will maintain the boreholes. The project will also train 14 Area Pump Menders to provide support to the V-WASHE committee in maintenance and

repair of the boreholes. The project will work with and tap into the expertise of the District Water and Sanitation Health Education Programme (D-WASHE). D-WASHE is a multi-sectoral committee comprised of all players in the water sector in the district. One of their responsibilities is to provide training to V-WASHEs on Watsan management including training of pump minders in pump maintenance and/or repair. Kakoma area has 6 zones and has a total population of 15,417 people. The area faces high levels of poverty, disease and food insecurity. People in this area have very limited access to safe and potable drinking water. A typical local village in this area has a population of 3,000 people but only one borehole exists to provide safe drinking water to the inhabitants of this area. Only 20% of this population make use of pit latrines and the remaining 80% have very poor waste disposal facilities. This in turn leads to increase in the incidence of disease in the area and subsequently increased mortality due to diarrhoeal diseases. Funding is for the construction costs.

Integrated Development

ANGOLA

Mines Advisory Group (MAG)

Humanitarian Mine Action Support to Road and Bridge Reconstruction, Moxico and Lunda Sul Provinces

£39,590

The aim is to provide 1 Toyota Land Cruiser and 1 Toyota Land Cruiser Pick Up, plus running costs, to support the Mines Advisory Group (MAG) in providing assistance with the long-term reconstruction and rehabilitation in Moxico Province, eastern Angola, in particular with road and bridge reconstruction. With the completion of the UNHCR repatriation process in December 2005, the impetus for the long-term reconstruction and rehabilitation of eastern Angola is increasing. However, due to landmine and unexploded ordnance (UXO) contamination, returnees from the DR Congo and Zambia, as well as resident populations in the region, are struggling to improve their lives through construction of permanent housing and cultivation of land to decrease levels of food insecurity. Furthermore, the suspected presence of mines around bridges and on key access routes is imposing actual and psychological restrictions on population movement. Moreover, at an institutional level, where governmental and UN agencies including the World Food Programme (WFP) are working to rehabilitate the road and bridge infrastructure of the province, contamination of roads and around bridge sites is preventing the opening of vital inter-provincial routes. This lack of reliable road infrastructure is hindering inter-provincial movement and the development of local trade. Each of these externalities is preventing the fight against poverty at the grass roots and national level. The project will: (1) Assess and clear remaining bridgeheads, allowing the construction of metal or wooden bridges by WFP; (2) Carry out road assessment and threat reduction along routes between bridge sites, thereby opening up two key primary routes and linking population centres in the province; (3) Carry out assessment and threat reduction of secondary roads made accessible by the reconstruction of primary road and bridge networks; (4) Provide mine

action support to accessible populations following the reconstruction of road and bridge networks.

BANGLADESH

Oxfam

Flood Prevention and Access to Clean Water and Sanitation, Gaibandha, Kurigram and Kishoregonj Districts

£39,948

This project aims to reduce the vulnerability of 2,500 people living in the river basin area of Gaibandha, Kurigram and Kishoregonj Districts in Northern Bangladesh. These Districts are three of the poorest areas. Oxfam will provide practical solutions to improve the communities' ability to cope with recurrent flooding, improve access to clean water and sanitation and provide a means to make a living. Due to the isolation of the river basin areas from the mainland and the precarious nature of the land people live on, every year many people lose what few possessions they have and their crops in the monsoon floods. Loss of life during the floods is commonplace due to a lack of local flood shelters. Chronic food insecurity and malnutrition are widespread and a lack of clean water and sanitation throughout the whole year leads to widespread ill health. The consequence of these factors means people are unable to move above a basic hand to mouth existence. The aim of this project is to enable people to start to build a better life that isn't wiped out every year with the floods. The activities are: (1) Raising homesteads for 495 families above the flood line, which will include kitchen areas, livestock and poultry sheds; homestead gardens, crop fields, tube wells and latrines to ensure all assets are protected for 2,470 people; (2) Install 315 latrines and 98 tube wells (wells where water is pumped up through metal tubing) on raised platforms to reduce the spread of disease and ensure up to 2,500 people have access to clean water and sanitation all year round; (3) Installation of 61 treadle pumps and 12 shallow tube wells to be built, which will provide water for crop irrigation and homestead gardens to improve production of food for 365 people.

CAMBODIA

Ockenden International

Rural Development for Vulnerable Displaced People, Battambang Province

£21,420

The project seeks to improve the livelihoods of those displaced as a result of the civil war in Cambodia within the Province of Battambang in the North West of the Country. Ockenden's partners will deliver Vocational Skills Training to 30 individuals, with start-up loans, to enhance opportunities for self-employment and enable vulnerable people to support themselves and their families. They will provide training in skills as diverse as sewing, haircutting, fish-farming and motor-bike repair. Families will receive a Self-help Loan to enable them to utilise their newly acquired skills by

financing the purchase of stocks and assets upon the successful completion of the training. These loans will be offered to 220 households. Given the self-perpetuating nature of these groups this will benefit many more people indirectly. Partner organisations provide guidance and supervision during the entire process for effective and proper use of funds. Literacy Training will target 300 local women, taught in groups of 25, to enable them to read and write Khmer, understand basic arithmetic and book-keeping. Through the self-help groups and skills training the project will seek to enable the displaced people from the poorest rural villages to become self-sufficient and achieve a better quality of life. The project also aims to empower the most vulnerable and address attitudes that might hinder groups, namely women, from benefiting from the skills training offered. To this end the project has a Gender Awareness component to address this issue and will be provided to 30 individuals so as to disseminate the messages of equality and women's rights to their local communities, extending the reach of this project well beyond the direct beneficiaries. Funding is for the provision of the above four components, plus support costs.

ETHIOPIA

Christian Aid

Bakko Gazer Community Empowerment Project, South Omo Zone

£39,407

The overall aim of the project is to enhance the food security and sustainable livelihoods of 41,842 people in six agro-pastoral kebeles (communities) in South Omo Zone, Bakko Gazer Woreda. This Woreda (District) is particularly marginalised and suffers from insecure livelihoods due to a narrow livelihood base, market deficiency, limited credit facilities, drought, animal disease, and pests; deficient governance; lack of access to social services; and violation of rights; particularly against women and people living with HIV/AIDS (PLHA). In order to address these issues and empower local communities, the project has the following objectives: (1) Enhance community capacity through securing and diversifying livelihoods. Activities include establishing 4 beekeeping cooperatives with 45 members each; controlling animal diseases such as trypanosomiasis, a major cattle killer; and establishing a community animal health service; (2) Enhance community participation in local government decision making. Activities include establishing a citizen's council; rights based approach training for staff; and capacity building of local communities to take on decision making roles; (3) Improve Woreda-level disaster preparedness and response capability. Activities include support given to a Woreda-level disaster preparedness and management plan, and water development activities including well construction, gravity supply schemes, and solar-power generation; (4) Improved access to basic services. Activities include establishing 6 alternative basic education centres and a health post; (5) Improved respect for women's rights and the rights of PLHA. Activities include establishing a Woreda women's network and resource centre, enhancing gender awareness, supporting school girl clubs, establishing HIV/AIDS clubs, and advocating for the rights of PLHA. Direct beneficiaries of the basic services and sustainable livelihoods activities will be 41,842 people in six agro-pastoral kebeles of Bakko Gazer Woreda. Meanwhile, the whole

Woreda totalling some 232,936 people will benefit from governance, disaster preparedness, gender and HIV/AIDS related activities.

ETHIOPIA

The Leprosy Mission

Bahir Dar Livelihood Improvement Project, Amhara District

£22,052

This project will provide Sustainable Livelihood Development for People Affected by Leprosy, Through Cattle Fattening, in Bahir Da, Amhara Province. It has a dual aim: (1) To improve the quality of life of people affected by leprosy and their families; (2) To provide the local community with a quality meat supply and dung for cooking/fuel/manure. Through establishing a commercial enterprise (and utilising the profits to support the revolving loan fund) people affected by leprosy will not only be supported economically to rise above the poverty line but will also be integrated into society, whilst providing valuable commodities to their local community. To begin the activity, 50 cattle in good condition will be purchased and after 4 month of feeding, they will be sold in the local market. Assuming a return of 2,000 Birr per cattle (£133) plus income from cattle dung sold as a fuel and to produce organic fertilizer, the farm will earn E.T.B 138,000 (£9,020) in one production season. There will be 3 production seasons in a year. A barn will be constructed, a store for concentrate, plus ancillary items. The estimated number of beneficiaries in the first year of the project will be over 10,000: Eight ex-leprosy patients will receive full time employment in cattle fattening (approximately 40 people including their families); 30 ex-leprosy patients and their families will receive micro-credit loans from the revolving loan fund to establish income generating activities (benefiting approx.150 people); 1,776 + members of the association (and their families – 8,800 people) will benefit from improved knowledge of civil rights and increased social integration. Indirect beneficiaries include the 130,000 population of Bahir Dar who will benefit from improved access to a quality meat supply, fuel and manure.

INDIA

International Children's Trust

Educational and Health Support for Children in Tsunami-affected Communities, North Chennai

£6,629

The aim of the project is to continue and strengthen key elements of post–tsunami work done to date in the two communities of Thadavukarankuppam and Sadayankuppam, north Chennai, Tamil Nadu. Following the Asian Tsunami, International Children's Trust (ICT) and Arunodhaya, secured funding for relief and rehabilitation work in 21 affected communities in Tamil Nadu, working alongside these communities to support them in rebuilding their lives and livelihoods, through relief packages of material

support, psychosocial counselling, children's centres and linking communities to available services and compensation. The above two communities are part of these 21 affected communities. International support for post-Tsunami interventions is now decreasing, yet there remains a pressing need for work in these communities, which were living in extreme poverty even before the Tsunami struck. This project will support: (a) Two Balwadis – early-learning centres for 50 children aged 3 – 5 years, to ensure that children's health needs are met, facilitate enrolment into primary school and educate mothers on childcare and child development; (b) Two Guided Learning Centres (GLCs) – through Arunodhaya's work since the Tsunami many children have been mainstreamed into formal education rather than being forced into work. As these children are generally first generation learners they need assistance in their studies, access to educational resources and to be motivated to continue their education. GLCs function post-school (4pm – 7pm) and will reach a total of 80 children; (c) An Educational Awareness Campaign – to create awareness of the importance of education and motivate people to enrol their children in school. This campaign will involve a number of social mobilisation activities (street plays, street corner meetings, using IEC materials) as well as liaison with local schools; (d) Health Interventions and Awareness-raising.

INDIA

One World Action

Community-based Spice Production & Marketing Project, West Bengal

£14,536

This project will establish a financially sustainable social enterprise that will link rural farmers to city food vendors in West Bengal, enhancing the livelihoods of both. High quality spices will be sourced from the farmers through a fair trade arrangement, and prepared and packaged by Kolkata's association of 45,000 food vendors, for onward sale to its own members. 330 rural farmers and their families will benefit from fair and stable prices for their produce, and by ensuring low cost, high quality spices the project will boost the incomes of 3,000 food vendors in the first year alone. One World Action's partner organisation, Calcutta Hawkers Sangram Samity (CHSS), will buy supplies of turmeric, chilli, cumin, coriander and ginger direct from a network of small-scale farmers at fair and stable prices. High quality ground spices will be produced by an electric spice grinding machine and semi-automatic packing machine. The ground spices will be sold initially to 3,000 of CHSS's network of 45,000 street food vendors under the brand name of "Hawk". The profits will be used to replenish the purchasing fund and expand the distribution of the product. At least 5% will be held back in a project fund for new income-generating initiatives. A training programme will provide beneficiaries with the skills they need to manage the project. This training is vital since CHSS members will establish, maintain and operate the venture, thereby making themselves co-owners of the project. In the first year of the project the quality of food eaten by 13,000 urban poor will immediately improve, contributing to better health. Funding is for the provision of the machinery, production/processing/packaging costs, marketing and distribution costs and training.

KENYA**HelpAge International****Poverty Alleviation Across Generations in Rural Communities, Homa Bay District****£25,908**

The aim of this project is to contribute to the alleviation of poverty among 3,250 people in Koyoo village and 2,948 people in Ochumuga village of Rangwe Division, Homa Bay District, Western Kenya who are affected by HIV/AIDS. People in Homa Bay District suffer from food insecurity, lack of income, insufficient access to basic health facilities, poor education, and discrimination against women and other marginalised groups. Kenya is one of the sub-Saharan African countries most affected by HIV/AIDS – with a national HIV/AIDS prevalence rate of 10.2% and over 2.2 million HIV positive Kenyans. Homa Bay has 24% prevalence rate which has led to a dramatic rise in poverty levels particularly amongst the most vulnerable. In order to alleviate poverty this project will improve shelter and sanitation through the construction and renovation of 40 houses and 20 sanitation facilities; improve food security and household income through the distribution of agricultural inputs and income-generation grants to 200 older people headed households; improve children's access to education through the provision of funds to schools to help them earn money to subsidise vulnerable children's school costs. Awareness raising and sensitisation of school teachers, community leaders amongst others of the impact of HIV/AIDS on older people and orphans and vulnerable children will form an essential part of this project. The project will be implemented by HAI and its local partner HelpAge Kenya (HAK). Funding is for capital costs, the establishment of school and individual income-generating schemes, training in HIV/AIDS awareness and hygiene.

KENYA**International Childcare Trust****Orphans and Vulnerable Children's Rights Development, Mumias and South Nyanza****£29,199**

The two broad aims are to: (1) Promote and protect the rights of 2,000 orphans and vulnerable children in Mumias and South Nyanza, Western Kenya; and (2) Create a society in which orphans and vulnerable children's rights are understood respected and have opportunities to advance their livelihoods. These aims will be achieved through two objectives: (A) Improving access to basic education and protection to 2,000 children; (B) Strengthening community capacity to provide social protection, care, food, shelter, healthcare and protection to orphans and vulnerable children in the project area. Access to basic education and protection will be improved through the supporting Western Education, Advocacy and Empowerment Programme (WEAEP) Children's

Centre to provide the following activities: consulting and assessing the needs and aspirations of orphans and vulnerable children; providing psychological care, legal advice/support, school uniforms, and examination fees to 2,000 homeless and migrating orphans, street children and child heads of households; and empowering young people by supporting vocational training and purchasing tool kits for those who have successfully completed their courses. Social protection and care environment will be strengthened through the following activities: raising awareness on entitlement and rights of children; educating 1,300 women and community members about HIV/AIDS prevention in weekly village meetings; supporting poor women guardians in micro-enterprise development; training programme staff and community volunteers in childcare and protection; and placing at least 70% of the orphaned and vulnerable children under community care; and influencing local attitudes (and those of policymakers) by building the confidence of orphaned and vulnerable children through their participation in sports and local festivals. In addition, to facilitate programme activities and obtain projected results, 1 Field Co-ordinator and 4 Social Workers will be employed to: provide psychosocial care; co-ordinate programme activities; and build the capacity of/collaborate with local people, community-based organisations and government agencies.

KENYA

International Childcare Trust

Improving Lives of Women and Children, Kakamega District

£28,982

The project aims to increase functional literacy for 750 mothers in Bunyala, Kakamega District, and improve quality of life of 3,700 children through the use of the REFLECT (Regenerated Freire's Literacy through Community Empowering Techniques) approach to literacy. (This methodology is a psychosocial approach that fuses and adapts Paul Freire's concepts of adult pedagogy and participatory rural appraisal techniques. The approach is used effectively to develop critical conscious thinking among beneficiaries, which enable learners to analyse their problem and to develop "home grown" solutions for their practical and strategic needs). The project will address the critical issues of the negative impact of poverty on women, which exhibits itself through high rates of malnutrition, high rates of child and infant mortality, and low levels of literacy through the following objectives: establishing REFLECT literacy programme in the project area to promote female literacy; increasing post-literacy activities for 750 women to enhance functional literacy; improving the health of 2,500 children suffering from malnutrition, who are severely underweight, by providing supplementary foods. The REFLECT literacy programme will be established by: supporting 30 REFLECT literacy centres and 4 community level committees to manage the literacy activities; recruiting and training 60 Community Resource Facilitators who will be responsible for leading literacy training activities with literacy groups; and ultimately carrying out the activities which develop the literacy, numeracy and functional skills of those women involved in the project. The following post-literacy activities will also be implemented: supporting

women in 30 REFLECT circles to pursue their income generation, micro-credit and savings mobilization activities to increase their economic and social empowerment; refurbishing and equipping 4 Community Resource Centres with desks, chairs, bookshelves, computers, printers and tables for women to access information on literacy, nutrition education, enterprise development, family planning; developing and producing post literacy materials to enhance literacy activities for 750 women; and mobilizing resources to an endowment fund for self sufficiency. The project will provide milk-based supplements and nutritious porridge to 2,500 children suffering from severe malnutrition who are underweight, and two motorcycles to assist field Workers. Funding is for 74% of project costs.

KENYA

Widows and Orphans International

Combating Poverty Through Improved Response to Socio-economic Consequences of HIV/AIDS, Nyanza Province

£32,917

The overall aim is to reduce poverty and promote equity in Nyando District, Nyanza Province, through enhanced responses to socio economic impact of HIV/AIDS amongst the poor. The strategy is to create conditions for accelerated, sustainable and equitable economic growth in Nyando through greater empowerment of widows, orphans and people living with HIV/AIDS. Nyando District has an HIV/AIDS prevalence rate of between 15%-40% with 635 of its population living in absolute poverty at 63%. Activities will include: 1) Imparting livelihood skills to the target groups in order to mitigate the impact of HIV/AIDS and thus improve quality of life for people living with AIDS and spur overall economic development through empowerment of poor widows, orphans and People Living With HIV/AIDS (PLWHA). This will include training of 600 beneficiaries in micro-economic enterprises micro-credit schemes, business management, marketing and book-keeping; 2) Protecting and supporting the target groups through provision of savings-based micro-credit loans and grants, to a total of 100 widows; measures to prevent marginalisation of chronically ill people and grants for initiation of Income Generating Activities (IGAs). The IGAs will include establishment of poultry farming, posho mills, small scale irrigation farming, workshops such as tailoring, carpentry and welding; 3) Capacity building for Omega Foundation (the primary local partner) for sustained support to target groups; 4) Education support for (260) orphans and other vulnerable children, creation and support for (100) widows, (50) orphans and (120) PLWA in vocational training institutions to enable the target group acquire specific skills that increases their chances of either getting employment or self employment. The support for orphans will include paying of school fees in secondary schools, provisions of uniforms, books and pens and supporting of a food kitchen at a feeding centre. The programme will assist the beneficiaries at the economic, social, educational and family levels. Funding is staff costs, equipment, machines and tools, running costs, capital for revolving loans, and some orphan support.

MADAGASCAR

Mission Aviation Fellowship UK (MAF)

New Aircraft Urgently Required to Serve the People of Madagascar.

£25,000

An urgently needed new aircraft will enhance life prospects for multitudes of sick and poor people across much of the huge island of Madagascar. So that MAF can tackle successfully more of the unmet challenges, it has identified the best course ahead will be to acquire and operate a second Cessna Caravan aircraft. Since the successful introduction of the first Cessna Caravan in 2003, previous restrictions on single engine aircraft have been lifted, enabling MAF to fly into the Northeast and mountainous areas, previously out of reach. In addition, the increased passenger capacity, up to 163% more load carrying, and advanced navigation technology will enable flights to take place in poor weather conditions as well as faster journey times. All this makes for an ideal solution over previous aircraft types used. Madagascar is home to millions of far-flung people with little hope of receiving medical treatment. Many rural communities are hampered by the slow pace of development; their existence made all the more difficult because so many live below the poverty line. All will have a new hope through the provision of more flying capacity. The aim will be to end suffering by enabling many more people to learn about health and hygiene issues, raise their level of education, prevent the spread of curable diseases and put them in touch with their own government so they can take part in the decisions that affect their future.

NEPAL

Practical Action

Strengthening the Capacity of Vulnerable Communities to Reduce the Impact of Flooding, Chitwan and Nawalparasi Districts

£38,331

The aim of this project is to build the capacity of communities and local NGOs to deal with flooding along the Rapti and Narayani river valleys, north of the Chitwan game reserve in southern Nepal. Whilst floods are a regular event, tied in with the annual monsoon, the intensity and duration of floods is accelerating annually with increasing loss of life, inundation of agricultural land and destruction of property, livestock and stored crops each year. The increasing impact of flooding is being further exacerbated by increasing population densities in vulnerable river bank areas as poor and ethnically/caste disadvantaged groups are being forced to live on increasingly marginal land. The programme will provide training and materials to assist safe evacuation of those most at risk during flood (boats, life jackets); establish early warning systems (watch towers, water meters, rain gauges) to improve and increase local knowledge of flood conditions and their capacity to react; construct community prioritised flood alleviation infrastructure (dykes, bridges, evacuation shelters) to limit the effects of floods; and develop village level disaster plans to coordinate all local level activities and help leverage further district level support from the government and other agencies. The

wider project will operate in 6 villages (3 each in Chitwan and Nawalparasi, respectively) with this project supporting activities specifically in Meghouli, in western Chitwan. 9,442 individuals within 1,645 households will benefit from this project in Meghouli out of a total target population of 34,194 (6,436 families) programme-wide. Through this project communities will gain the capacity to better plan their responses to the annual floods, gauge the likely severity of floods in advance, protect more of their assets against loss or damage, be able to continue a greater range of activities during the periods of flood and engage more forcefully with local government for more direct and appropriate assistance.

NICARAGUA

One World Action

Supporting Disabled Women in 14 Towns and Outlying Rural Areas

£11,430

This project is designed to enable severely disabled women in 14 towns and outlying rural areas to participate in credit programmes, training courses and planning events. Four tricycles (two motorised) and disability aids for blind women will be provided so ensuring that women, who otherwise would be totally isolated, are able to attend workshops on income generation and access credit. Women from these four groups and 10 other groups will also benefit from micro-credits, sewing machines and vocational training for setting up small businesses. Thus, the improved transport and mobility will mean that they are able to generate income to maintain their families; it will also enable the women to take an active role in the work of their groups. The organising committees of the groups will also use the tricycles to attend to medical emergencies of group members. FEMUCADI, the Federation of Women with Different Capacities, members of which include the above groups, will oversee project implementation and monitoring. The project will directly benefit 340 women (120 will benefit from disability aids, 44 from micro-credits, 20 from a craft workshop, 32 from vocational training and a cooperative of 12 women from 3 sewing machines). A further 112 women will benefit from greater mobility through the provision of the tricycles. The need for this project is borne out by figures released by INEC (Nicaraguan Institute for Statistics, 2004) that show unemployment levels for disabled people rising to 75%. The figure for disabled women is worse, standing at 85%, chief reasons being a lack of disability aids and transport, lack of vocational training and employer discrimination. Health statistics indicate that only 3% of disabled people receive necessary medical provision.

SUDAN

Mines Advisory Group (MAG)

Humanitarian Mine Action Support, Blue Nile State, Eastern Equatoria, Central Equatoria and Lakes State

£36,704

The aim is to reduce the threat of death and injury from explosive remnants of war

(ERW) in the Blue Nile State, Eastern Equatoria, Central Equatoria and Lakes State. The Mines Advisory Group (MAG) achieves this through removing and destroying this legacy and providing community liaison and mine risk education services to affected communities. Specifically, funding is for the provision of 2 GPS system trimble ProXRS sub 1m DGPS with Trimble Ranger data collector solution together with Microsoft Office Groove 2007 software licenses and media, which will allow for the management and efficient dissemination of geographic and other field data to staff across all MAG Sudan operational locations, and 20 UNHCR emergency item kits. MAG has been operational in Southern Sudan since 2004 and has built a strong working relationship and understanding with mine action representatives from both the north and south Sudan. The Signing of the Comprehensive Peace Agreement (CPA) in January 2005 and the consequent increased commitment from international donors to Sudan, means that development actors such as MAG and others are now in a position to implement longer term project objectives designed to meet the needs of Internally Displaced People (IDPs), refugees and resident communities. MAG Sudan both provides information to, and receives tasks from, the United Nation Mine Action Office (UNMAO). UNMAO is the coordinating body for mine action in Sudan. Tasks are selected and given to MAG based on geographical location, skills required and prioritised based on impact on the community. Funding will enable MAG: (1) To collect accurate data and information on the location of ERW and the impact that this has on the redevelopment of Sudan; (2) To participate in a coordinated effort in the removal of landmines, UXO and caches of weapons; (3) To provide mine risk education to resident, returning and refugee groups; (4) to reduce the threat of death and injury from explosive remnants of war (ERW) in the Blue Nile State, Eastern Equatoria, Central Equatoria and Lakes State.

SUDAN

Y Care International

Care and Support for Orphans and Vulnerable Children, Western Equatorial State

£10,000

The aim is to improve the quality of life of orphans and other vulnerable/ war-affected children and young people in Yambio County, Western Equatorial State, a farming region in Southern Sudan where there is exceptionally poor access to education and health services and a large population of returning refugees and Internally Displaced Persons. This two-year project aims to: (1) Increase access to basic health and social care and support services for orphans and vulnerable children in Yambio County; (2) Increase their access to good quality primary education; and (3) Promote dialogue between governmental and non-governmental agencies on issues facing orphans and vulnerable children in Southern Sudan, and advocate for their specific needs and rights. The project will use a programme-based capacity building approach that will help strengthen the organisational, institutional and programmatic ability of the local implementing partner, the Yambio YMCA, aiming to make it a leading rights-based

advocacy and service delivery organisation for children and young people in the region. Central to this approach will be the meaningful participation of children and young people in programme and policy decision making processes. The project will directly benefit 1,000 orphans and other vulnerable children and young people (both male and female) over two years, 500 of these in the first year for which funding is sought. Many more will benefit indirectly from the project, via advocacy activities on child rights and capacity building of the local implementing partner, with the aim of enabling it to develop and continue the initiative beyond the two years of the project. Funding is for a contribution (42%) towards the cost of setting up and equipping a day centre for orphans, providing educational, health, nutritional and leisure activities, local staff salaries and organisational development (staff and board training, financial management system) in the first year of the project.

TANZANIA

International Childcare Trust

Street Children Education and Psychosocial Support (SCPS), Morogoro Municipality

£23,946

The aim is to improve access to education opportunities for 200 street children in rural Morogoro Municipality, through provision of basic education, healthcare and reintegration of street children into a safer community environment. In Morogoro Municipality, it is estimated that 600 orphans are living on streets. AIDS and poverty are the major factors leading children to live on the streets in Tanzania. Street children lack access to education, clean water, food, sanitation and protection. They are abandoned; discriminated against and survive by engaging in activities such as child labour, scavenging for food and petty crime. This project will reintegrate street children into formal primary education; they will be enrolled at the Faraja Street Site School (FSSS) to receive basic literacy skills prior to placement in formal primary school. Faraja staff and primary school teachers will provide psychological support to street children to help them cope with stress and emotions. The project will improve FSSS to provide quality education and cope with the increase in enrolment by providing additional basic teaching and learning materials, including school uniforms, school desks, chairs, 2 extra classrooms and 2 toilets, to improve health and sanitation. Faraja Social Workers and volunteers will also trace children's families, conduct counselling, and home visits and improve economic status of families so that they are better equipped to provide care and education to their children. Children who do not have relatives will be helped by Faraja to find local guardians. Poor guardians will be given loans to start income generating activities. SCPS will directly benefit 200 street children, 80 boys and 120 girls, 100 poor women guardians and will indirectly benefit another 500 vulnerable children. Funding is for teaching and learning materials, simple meals at the FSSS, school uniforms, extra 2 classroom and 2 toilets, purchase of 70 school desks and 70 chairs, staff costs and basic health care of children.

TANZANIA

International Rescue Committee

Empowerment of Burundian Refugee Women and Girls, Kasulu District, Western Tanzania

£39,721

The aim of this project is to reduce the vulnerability of Burundian female refugees and provide women and girls with opportunities to actively participate in, and contribute to, the development and peace of their communities upon their return to Burundi. The project will be implemented in 3 refugee camps in Western Tanzania; Mtabila I, Mtabila II, and Muyovosi where Burundian women and girls face considerable obstacles to living their daily lives and preparing for repatriation free from harassment, abuse and violence. The reconstruction and maintenance of peace in rural Burundi will depend on women, who bare the burden of providing for their families and the rearing of children. Domestic violence increases women's and girls' vulnerability and negatively impacts on their ability to be productive, their physical and mental well being, their education, school performance and retention of girl students, and their ability to contribute to vital decision-making at the family and community levels. The programme will be delivered through organising activities in partnership with Burundian teachers and students in 20 primary and 3 secondary schools to address the specific needs of adolescent girls, and within three IRC youth centres to address the wider concerns of women and girls in the community. Up to 4,500 students and 215 teachers in 23 camp-based schools and up to 5,000 community members will benefit directly from the intervention. It is estimated that the project will benefit a further 25,000 people indirectly living in the 3 targeted camps. Funding is for 33% of a larger project and is mainly for the educational, advocacy and awareness-raising activities to be conducted in the schools and communities, and centre services provided to women and girls who are vulnerable to, or are victims of, violence.

UGANDA

Christ Our Hope Orphanage Centre

Improvement on Water Hygiene, Sanitation and Empowerment of AIDS/HIV Orphaned Families Through Income Generation, Wakiso District

£33,600

The aims are: (1) To permanently improve the water situation currently serving the AIDS/HIV orphaned children at Christ Our Hope Centre and the surrounding community, and in addition; (2) To improve the health and living standards of the rural poor disadvantaged communities in Bukasa Parish of Busiro County, an area characterised by rampant poverty, poor infrastructure and communication. The project is to benefit 709 children who are either totally or partial orphans, 104 families

(approximately 872 people) within a radius of 3 kilometres. This project will lead to access to safe clean water which will be contained in a 60,000 litre capacity metallic water tank raised at a higher gradient for easy gravity water flow/movement to the Centre and the nearby area. This water will be pumped to the tank using an electric submersible pump located in a drilled underground water source. An improvement in sanitation and hygiene will be brought about through health education programmes in personal hygiene and school sanitation environments, thereby eliminating the risk of contracting diseases associated with drinking unsafe water. This will also free the distressed children from the time taken to travel long distances during dry seasons looking for/fetching water from collecting sources that are open ponds shared by both human and animals. The purchase of a generator to serve the Centre will provide a reliable electricity supply to the maize mill, carpentry workshop, computers and water pumping station. Alleviation of poverty among the AIDS/HIV COHOC's orphaned families will be achieved through the initiation of income-generating activities (IGA's) to benefit 82 families/extended families (approximately 640 people). The activities will include; local brewing, fish smoking, retail businesses, poultry rearing, piggery keeping, bee keeping, mushroom growing, second-hand cloth selling, market vending, cereal crop growing and horticulture. Funding is for the procurement of a 60,000 litre capacity metallic water tank plus accessories, pipes, electric submersible water pump, education and training in hygiene and sanitation improvement, initiation of IGA's in COHOC's orphaned families, and the purchase of a generator to serve the Centre.

Emergency Disaster Relief

BANGLADESH

Disasters Emergency Committee

Donation to Bangladesh Cyclone Appeal

£50,000

To enable the thirteen British aid agencies participating in the Disasters Emergency Committee's Bangladesh Cyclone Appeal to provide emergency relief following the devastating cyclone that struck the southern coast of Bangladesh which affected nine southern regions, namely Satkira, Khulna, Bagerhat, Projpur, Jhalakathi, Barguna, Patuakhal, Borisal and Bhola. Cyclone Sidr swept across the Country with winds of up to 150 miles per hour, torrential rain, and created 3-5 metre tidal surges which devastated coastal towns and villages. Estimates indicate that the confirmed death toll of 3,000 may rise to 10,000 people. Over 5 million people have been affected by the catastrophe, around 1 million homes destroyed and possibly a million acres of cropland have been lost in what is the worst cyclone to hit Bangladesh since 1991. This destruction comes soon after the severe flooding in the north of the Country. The funds will assist to provide immediate essentials such as food, drinking water, emergency shelter, clothing, medicine, basic sanitation etc.

BANGLADESH, INDIA, NEPAL, PAKISTAN

Grants to Two Agencies' Appeals for South Asia

Asia Floods Appeals

£25,000

In response to the catastrophic floods covering vast areas of South Asia, to enable The British Red Cross Society and Christian Aid to provide clean water, food, clothing, temporary shelter, sanitation, hygiene kits etc to those in need in the region, in particular Bangladesh, Pakistan, India and Nepal where, in those countries alone, the lives of over 20 million people had been devastated by the disaster which has affected some of the poorest populations in the world. The Commission's grant of £25,000 has been divided equally between the above two agencies.

SUDAN

Grants to Three Agencies' Appeals for Sudan

Sudan Crisis Appeals

£75,000

In response to the increased insecurity prevailing in many parts of Darfur in Sudan, and the consequent deterioration of the humanitarian situation in the region, to enable the three British aid agencies that have launched appeals for their work in Darfur and Chad to provide food, clothing, mosquito nets, clean water, sanitation and washing facilities, blankets, food etc to those in need in the region. The Commission's grant of £75,000 has been divided equally between the following three agencies: The British Red Cross, Concern Worldwide and Oxfam. The situation in Darfur continues to deteriorate. Insecurity and violence has intensified after the signing of the Darfur Peace Agreement in May 2006 and is continuing to force people to flee their villages, leading to further waves of displaced persons in addition to the more than two million people that are currently living in crowded camps or massed on the edge of towns and villages, both in Darfur and Eastern Chad. A total of around four million people have been affected by the conflict and are now dependent on humanitarian assistance, making this the world's most serious and longest-running humanitarian crisis.

Guernsey Retail Prices Index⁶⁸¹

Quarter 1 - 31 March 2008



POLICY COUNCIL
THE STATES OF GUERNSEY

Issue Date - 16th April 2008

Introduction

The Guernsey Retail Prices Index (GRPI) is the measure of inflation used in Guernsey. It measures the change in the prices of goods and services bought for the purpose of consumption or use by households in Guernsey. It is published quarterly by the States of Guernsey Policy and Research Unit. The calculation of the GRPI is based on the price change of items within a 'shopping basket'. Whilst some prices rise over time, others will fall or fluctuate and the Index represents the average change in these prices. More detailed information on the RPI and its calculation can be found at the end of this handout.

Headlines

- At the end of March 2008 Guernsey's annual headline rate of inflation was **4.8%**. This is 0.1 percentage points lower than the figure at the end of December 2007. The equivalent figures for the UK and Jersey were 3.8% and 3.2% respectively.
- Guernsey's RPIX (inflation excluding mortgage interest payments) was 0.4 percentage points higher this quarter at **4.3%**.
- The **Housing** group, which has the largest weight within the Index, contributed **1.2%** of the overall increase, which is seven percentage points less than last quarter.
- The Index increased to **139.1** (1999 base).

Overview

The Guernsey RPI increased by 4.8% for the twelve months ending 31st March 2008. This is the same rate of inflation as in March 2007. The increase over the three months ending 31st March 2008 was 2.1%, compared to 1.1% during the previous quarter.

The Housing group continued to be the largest contributor to the annual percentage change (1.2% out of 4.8%). However, there was no increase over the last quarter, which was mainly due to the Bank of England reducing the interest rate, reducing the cost of mortgage repayments. This combined with decreases in costs of bathrooms and kitchens to offset increases in other areas of the Housing group.

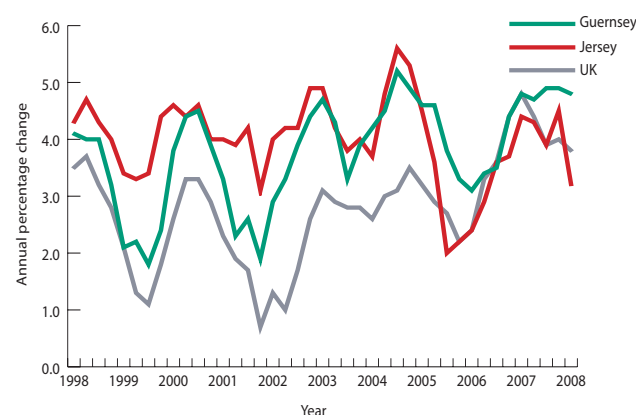
The Food Away From Home group provided the greatest contribution (0.4%) to the quarterly increase (2.0%). In addition, the Alcohol, Fuel Light and Power, Household Goods, Motoring and Fares groups each contributed 0.3% to inflation this quarter.

The only Group to have a deflationary effect on the index during the quarter, was Clothing & Footwear (-0.4%).

Table 1: Annual Rates of Inflation

Year	March	June	September	December
2002	2.9	3.3	3.9	4.4
2003	4.7	4.3	3.3	3.9
2004	4.2	4.5	5.2	4.9
2005	4.6	4.6	3.8	3.3
2006	3.1	3.4	3.5	4.4
2007	4.8	4.7	4.9	4.9
2008	4.8			

Figure 1: Annual Rates of Inflation



APPENDIX III

HOME DEPARTMENT

DATA PROTECTION ANNUAL REPORT 2007

The Chief Minister
Policy Council
Sir Charles Frossard House
La Charroterie
St Peter Port

4th April 2008

Dear Sir

I enclose the annual report from the Data Protection Commissioner setting out the activities of his office for the year ended 31 December 2007.

The report is prepared in accordance with the Commissioner's responsibilities under paragraph 5 of Schedule 5 to the Data Protection (Bailiwick of Guernsey) Law, 2001.

The Report also includes a statement of accounts as required by paragraph 3 (b) of the above Schedule to the Law.

The Home Department is pleased to support the work of the Commissioner and his office and recognises that high standards of data protection continue to be essential in ensuring the international reputation of the Bailiwick in this field.

Section 52 (b) of the Law requires the report to be laid before the States. I should therefore be grateful if you would arrange for its publication as an Appendix to the May 2008 Billet d'Etat.

Yours faithfully

G H Mahy
Minister

Enc

BAILIWICK OF GUERNSEY**DATA PROTECTION OFFICE**

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10th March 2008

Dear Sir

DATA PROTECTION REPORT FOR 2007

I have pleasure in enclosing a copy of my report to the Home Department for the calendar year 2007 that has been prepared in accordance with my responsibilities under paragraph 5 of Schedule 5 to the Data Protection (Bailiwick of Guernsey) Law, 2001.

This report also includes the statement of my accounts as required by paragraph 3(b) of the above Schedule to the Law. A more detailed version of this statement has been previously submitted to, and agreed with, your finance staff.

I should be grateful if you would kindly lay this report before the States in accordance with section 52 (b) of the Law.

I should like to express my sincere appreciation for the excellent level of support and assistance that has continued to be provided by your Central Services staff throughout the past year.

Yours faithfully

Dr. P.R. Harris
Data Protection Commissioner

Encl.

BAILIWICK OF GUERNSEY



DATA PROTECTION COMMISSIONER REPORT FOR 2007



MISSION STATEMENT

The Data Protection Office will encourage respect for the private lives of individuals by:

- promoting good information handling practice,*
- enforcing data protection legislation and*
- seeking to influence national and international thinking on privacy issues.*

Front Cover: Delegates attending the international conference: "Respecting Privacy in Global Networks", held on 11th April, 2007 at St. James Conference and Assembly Hall, St. Peter Port, Guernsey.

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FOREWORD

I am pleased to present my seventh annual report to the States of Guernsey, covering the calendar year 2007.

The major breach of security at HM Revenue and Customs ("HMRC"), resulting in the loss of computer disks containing personal data of 25 million recipients of child benefit, served to highlight the importance of the security of personal data held by public bodies.

Following that breach I wrote to the Chief Minister proposing that government departments should conduct reviews of their processes to reassure the public that such a breach could not occur here.

There was a positive response with many departments deciding to institute improved data security measures and some considering conducting privacy impact assessments of their major IT systems.

The highlight of the year was undoubtedly the 41st meeting of the International Working Group on Data Protection in Telecommunications, which was held at Castle Cornet. This meeting in April was preceded by a highly successful public conference at St. James, in which many of the members of the Working Group participated, and which served to promote Data Protection to a much wider audience from across the Channel Islands.

In July, Les Cotils was the venue for the annual meeting of the Data Protection authorities from the UK, Ireland, Cyprus, Gibraltar, the Isle of Man and Jersey. Active collaboration with our colleagues in other jurisdictions such as these is essential to the effective operation of our Offices.

One particular matter that was discussed at that meeting was the disclosure by UK banks of offshore account information to HMRC, a matter which had been the subject of numerous complaints to many of the participant authorities; subsequently, the Information Commissioner wrote to HMRC, proposing changes to the Special Orders under which the information had been demanded.

My Office continues to receive a steady stream of complaints from individuals that require investigation, but also many requests from organisations for advice, guidance or the delivery of short training courses, which we are happy to provide.

A handwritten signature in black ink, appearing to read "Peter Ham", with a horizontal line drawn underneath it.

Data Protection Commissioner, March 2008.

DATA PROTECTION ISSUES

Amendments to the Law

In the report for 2006, it was anticipated that the amendments to the Law that had been approved by the States on 27th September 2006 might be enacted during 2007¹. Unfortunately it appears that there was insufficient legislative drafting time available, but it is hoped that these amendments will come into force during 2008.

HM Revenue & Customs

HMRC obtained warrants requiring the disclosure by UK banks of any information that they held relating to the banking details of the holders of offshore bank accounts. This was ostensibly to discover tax avoidance on interest by UK resident holders of offshore accounts.

The Commissioner received complaints from local residents that their details were disclosed by the banks even though they believed that they were not subject to tax in the UK. Similar complaints were received by the Commissioners in other offshore jurisdictions.

An investigation revealed that the disclosures had not been made by locally based banks, but by their UK partners, which had been processing certain aspects of the information relating to accounts held offshore.

It was evident that the UK banks had appealed the Orders but that the appeals had been rejected on the premise that information was being sought in order to recover substantial amounts of tax from individuals resident in the UK who held accounts offshore.

The complaints were passed to the Information Commissioner, who wrote to HMRC proposing changes to the Special Orders under which the information had been demanded in order to limit disclosure to those persons who were liable to pay UK tax; at the time of writing this report, the matter remained under discussion.

This action by HMRC has led to a re-evaluation by the locally based banks of their policy of undertaking certain processing activities relating to offshore accounts on the UK mainland.

It was evident that many of the customers of these banks were unaware that their financial information was being processed in the UK and accordingly the Commissioner is of the view that compliance with the fair processing principle requires more transparency by the banks as to the location of their processing activities.

¹ Billet d'État XVI, September 2006 p. 1660

Social networking

There has been an explosive rise recently in the use of social networking sites on the Internet, especially by younger people.

These sites provide a powerful opportunity for individuals to share information between friends and acquaintances, but equally can lead to unintended consequences for those who may not appreciate the limited privacy features of the site they are using.

One of the consequences of the availability of ostensibly free storage and dissemination may be a loss of ownership and control. This can mean that information, once uploaded cannot be deleted and furthermore, information intended for sharing just amongst friends may end up being accessible to everyone. Users of the sites may find themselves the targets of unwanted advertising related to the content that they have stored or accessed.

Furthermore, the information uploaded by one individual may in fact relate to others whose permission was not obtained for its disclosure. There is also evidence that social networking can be used by some people for harassment and bullying.

The adverse consequences may be, for example, that employers see embarrassing incidents about their employees or applicants for employment, thereby compromising their employability; or that identity fraudsters are able to obtain sufficient information about individuals to enable them to exploit their identities for unlawful purposes.

In response to these concerns, the Information Commissioner published guidance on his website² to highlight the threats and to give advice on how to counter them.

The Commissioner recognises that in the vast majority of cases social networking performs a useful function, which is considered by many people to be of value, but urges all participants to exercise caution and endorses the advice given by the Information Commissioner's Office, as detailed below.

² www.ico.gov.uk/youngpeople

The “top tips” from the Information Commissioner are:

- **A blog is for life** – remember you risk leaving a permanent electronic footprint. If you don't think you'll want it to exist somewhere in 10 years time, don't post it
- **Privacy is precious** – choose sites that give you plenty of control over who can find your profile and how much information they can see. Read privacy policies and understand how sites will use your details
- **Personal safety first** – don't allow people to work out your 'real life' location e.g. your place and hours of work. Your personal safety offline could be affected by what you tell people online
- **Password protected** – change your passwords regularly, don't use obvious words like your pet's name and don't use the same passwords on social networking sites as you do for things like internet banking
- **Address aware** – use a separate email address for social networking and one that doesn't give your year of birth or ideally, your full name
- **Reputation is everything** – what seems funny to you and your friends now might be not be to your teachers, university admissions tutor or prospective employer – or to you in years to come

The Surveillance Society

In November, the Information Commissioner's office published the results of a research project that had been undertaken to explore and understand public awareness and perceptions of the various forms of surveillance in society.

Broadly speaking, the majority of the research sample was not unduly worried about 'pure' surveillance or data gathering and some people thought that data collection by the security services could go even further (e.g. compulsory fingerprint/DNA databases) if this would bring about a safer society.

Much of the research was conducted during October, prior to the loss of data by HMRC, and at that time the spontaneous concern was largely

confined to the activities of commercial organisations and to a fear of ID fraud.

Many respondents thought that the risks to their privacy were greater as a result of the trading of personal data within the private sector than from data sharing between government departments, although a minority expressed concern about the drift towards increasing state control of personal information.

The research report concluded that there was little doubt that, *"despite widespread acceptance of the status quo, any future surveillance or data 'disaster' will cause more citizens to wonder why 'nothing was done to prevent it'."*

In November, the Information Commissioner presented evidence to the House of Lords Select Committee on the Constitution, which was examining the subject of Surveillance and Data Collection. The Information Commissioner told the Members of the Select Committee that he was recommending a strengthening of the Law to introduce a criminal offence for those who recklessly flout the data protection principles with a serious consequence.

Notification of Security Breaches

A number of countries have enacted, or are considering the enactment of, legislation requiring organisations to report security breaches involving the loss of personal data either to a regulator or to the individuals affected.

In the United States, 40 of the states have passed security breach notification laws, resulting in 441 security breaches being publicly reported in 2007. 40 states have also passed "credit freeze" laws, whereby individuals can prevent anyone (including themselves) taking out a loan, mortgage or applying for new credit in their name.

The European Commission has proposed that security breaches involving telecommunications data should be notified.

It appears that the UK is considering the enactment of legislation that would require the disclosure of any security breach that had a real and substantial risk of causing damage or distress to individuals.

The Commissioner will continue to monitor the situation and advise the States should he consider it advisable to enact any similar legislation within the Bailiwick.

Privacy Impact Assessment

In December, the Information Commissioner launched an interactive handbook on Privacy Impact Assessment (PIA) in the belief that it would: *“prove to be a dynamic risk-assessment tool for new projects that would minimise customers’ privacy concerns or avoid litigation”*.

The PIA approach has been widely used in other countries, such as the United States, Canada, Australia and New Zealand, but is a relatively new concept in Europe.

The aim of a PIA should be to allow the assessment of a project’s privacy risks from the outset and should benefit an organisation by identifying privacy risks before they happen.

The Government Business Unit alerted States’ departments to the existence of the handbook and encouraged its use for any new information system project involving the processing of a significant amount of personal data.

PIA is of equivalent benefit to both the public and private sectors, and the Data Protection Commissioner’s Office would be pleased to assist any organisation that was considering using the technique.

The PIA handbook includes numerous hyperlinks and is best used online in an interactive way; the handbook may be downloaded from the Information Commissioner’s website³ or a copy on CD may be obtained on request from the Commissioner’s Office.

³ http://www.ico.gov.uk/upload/documents/pia_handbook_html/html/1-intro.html

NOTIFICATION

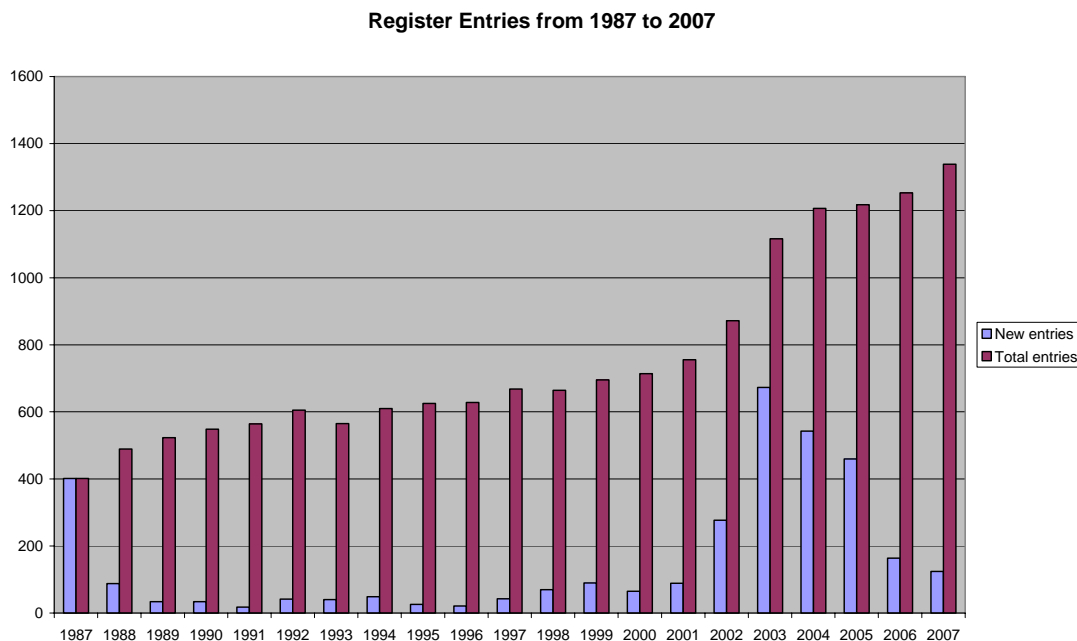
Section 17 of the Law requires Data Controllers to “Notify” the Commissioner of their processing of personal data. This Notification is on an annually renewable basis and covers all processing that is not exempt.

Exemptions from Notification exist for manual data, certain charitable and not-for-profit organisations and for the processing of data associated with the core business purposes of accounts, staff administration and marketing. However, exemption from Notification does not relieve a data controller from the requirement to conform to the data protection principles and the remainder of the Law.

The annual fee for Notification remained at £35 throughout the year, as the legislation that had been passed in 2006 increasing the fee to £50 was not enacted during 2007. This meant that the anticipated increase in revenue did not happen.

Register Entries

The chart below shows that the number of Register entries has continued to rise slowly.



By the end of December 2007, there were 1338 Notifications on the register, compared with 1253 at the end of 2006.

There were 158 new Notifications and 54 closures during 2007 - a net increase of 104, (compared with 164 new and 65 closures in 2006 - a net increase of 99).

Towards the end of the year, a campaign was launched to identify any organisations that had failed to Notify. The last time this had been done was in 2003 and it was felt that significant changes may have occurred in the interim. As a direct result of this campaign, a further 16 Notifications requests were received in December.

A new multi-function document production system was purchased to replace the aging photocopier and it was possible to exploit its scanning capability to capture the historical documentation associated with closed notifications.

By the end of the year almost all of the information associated with the closed Notifications had been scanned, enabling the manual documentation to be destroyed. Trials using computer desktop search tools have established that it is feasible to locate information relating to closed Notifications by searching the scanned image store.

It is planned to build on this experience by commencing a programme of scanning all current Notification data during 2008, possibly using more sophisticated document management software, such that ultimately all manual Notification records may be eliminated.

Internet Statistics

The Notification process may be completed online at the Notification site⁴.

This site is used both by those wishing to create and maintain their own Notification entries and by the staff of the Data Protection Office.

Statistics gathered over the past three years by the hosting service Eduserv show that approximately 38% of the Notification site accesses were for downloads of manuals and information, 20% for administration purposes and the remainder (42%) for online notification activities and enquiries.

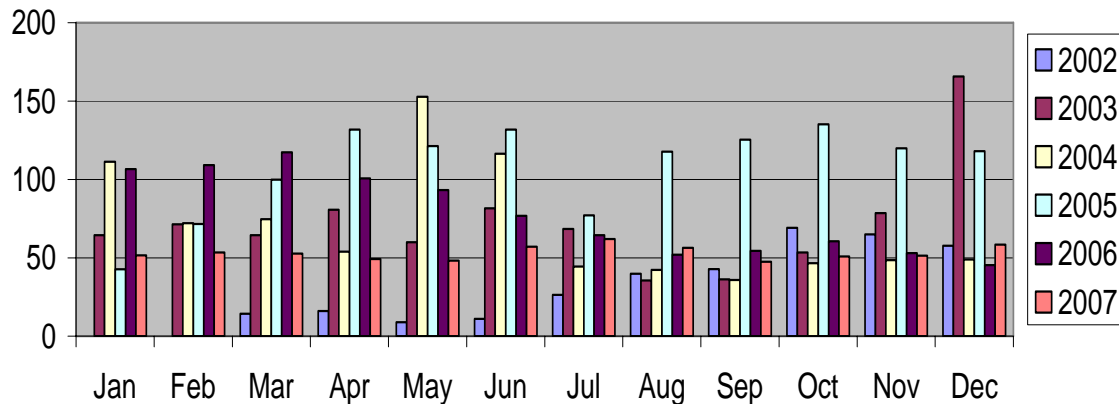
The chart below shows the variation in the average daily activity on the online Notification site between the commencement of Notification in 2002 and December 2007; the vertical axis representing the average daily rate of successful requests for pages of data from the site each month.

The variations in activity generally correspond with variations in the volume of new Notifications and renewals that are dealt with each month

⁴ <http://www.dpr.gov.gg>

and have stabilised at a level of between 40 and 100 page requests per day over the past two years.

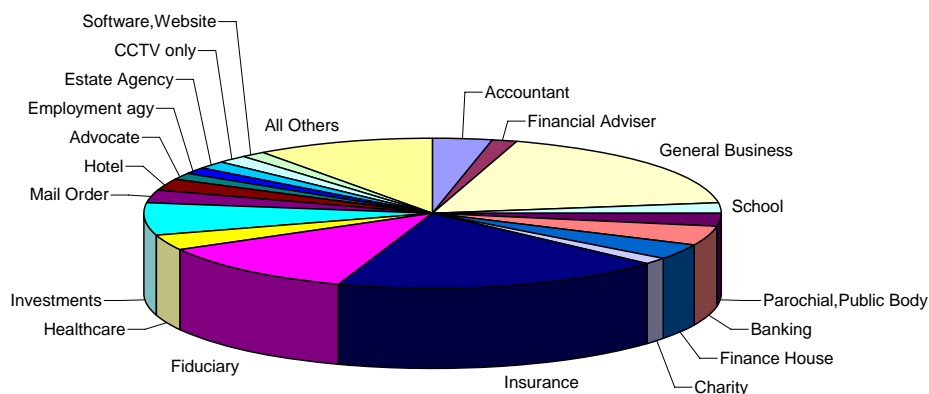
Notification Site Activity between 2002 and 2007



Notifications by Sector

The Notification process requires data controllers to indicate the nature of their business activity. This requirement not only simplifies the process, as it allows for the generation of a standardised draft Notification based on a template, but also enables an indicative record to be maintained of the number of Notifications by industry sector.

Notifications by sector in 2007



The chart represents the breakdown of notification templates for 2007 by industry sector.

A General Business template was used by 243 Notifications (19%), with the remaining proportions being: Insurance (20%), Fiduciary (12%), Investments (7%), Banking (5%), Healthcare, Accountant and Finance House (all 4%), Mail Order, Hotel and Parochial/Public body (all 3%), with six classifications [Charity, Advocate, Employment Agency, Estate Agency, CCTV only and Software/website development] being between 1.5% and 2.5% and 'All Others' [27 classifications] collectively amounting to 11%.

Exemptions

Exemptions from the need to Notify may be claimed by those whose processing is limited to the core business purposes of accounts & records, staff administration and a limited amount of marketing to existing clients.

An exemption is also available to most voluntary organisations, charities and to those whose processing is limited to manual data. However, once CCTV is used by an organisation for the prevention and detection of crime, these exemptions from Notification are lost.

Organisations that are exempt may choose to Notify voluntarily, thereby relieving themselves of a responsibility to provide information on request under section 24 of the Law. The number of voluntary Notifications remained at 39, (3% of the total).

In 2003, the Data Protection Office commenced the compilation of a list of those organisations that had informed the Commissioner that they were exempt from Notification and by the end of that year 303 organisations were so listed. The exempt list was primarily designed to assist in monitoring compliance and to avoid pestering those who had previously advised the Office that they were exempt.

During 2004, the exempt total rose to 447; in 2005, it fell to 441, in 2006 it rose to 446 and in 2007 the number fell to 384 representing 22% of the overall total [of 1722 exempt and notified organisations]. The decrease in the number of exempt organisations is due to some previously exempt organisations having subsequently notified and because some others are no longer trading.

It is planned to publish the exempt list on the Commissioner's website during 2008.

Payment and communications methods

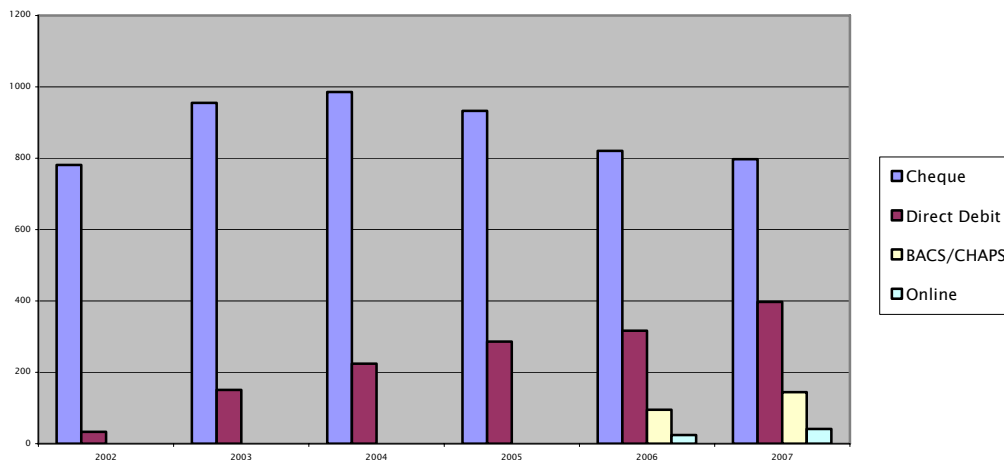
Renewal reminders advised data controllers of the introduction of alternative means for the payment of fees.

The number paying by these various means in 2007 was as follows:

Payment methods for Data Protection fees

Cheque: 786 (57.5%) Online: 41 (3%) BACS/CHAPS: 144 (10%)
Direct Debit: 397 (30%) Cash: 4 (0.3%)

Payment methods 2002 to 2007



In 2005 and 2006, 286 (23%) and 317 (26%) of the fees had been paid by annual Direct Debit, so this method of payment continued to show an increase. BACS had accounted for 95 (8%) and Online payment for 24 (3%) in 2006, so it can be seen that these methods are also increasing in popularity at the expense of cheque payment.

1146 organisations (86%) provided an email address for communication purposes, compared with 1069 (85%) in 2006; this was used for the issue of automatic renewal reminders to those who did not renew by Direct Debit; of those, 229 required a second reminder to be sent by post. Second reminders were also issued to 16 organisations whose first reminder had been sent by post. It was necessary to resort to final reminders in 34 cases and this resulted in some payments being overdue.

It appears that some data controllers do habitually ignore final reminders resulting in the need for follow-up action. In 2007 two police cautions

were administered to data controllers who failed to renew their Notifications without good cause. A significant amount of administrative time is spent on pursuing late payers and it is recommended that a financial penalty should be imposed in the case of those who are late in renewing their notifications.

The most common reason for the issue of second and final reminders was that the data controller's address or the email address of the administrative contact had changed since Notification. Data controllers are reminded that it is an offence for an organisation to fail to keep its registration particulars up to date.

Nevertheless, the use of automated email reminders and Direct Debits continued to reduce substantially the administrative effort involved in the Notification process.

Security Statements

Part 2 of the Notification Form includes a security statement, in which data controllers are required to answer a number of questions related to their information security policy and provisions; the answers given were as follows, with the corresponding figures for 2006 in brackets:

Security Survey Answers		
Do your security provisions include:	YES	2007 (2006)
Adopting an information security policy?	87%	(86%)
Taking steps to control physical security?	93%	(94%)
Putting in place controls on the access to information?	90%	(90%)
Establishing a business continuity plan?	90%	(89%)
Training staff on security procedures?	85%	(83%)
Detecting and investigating breaches of security?	87%	(85%)
Adopting British Standard 7799 (ISO 9001)?	13%	(12%)

These answers are broadly similar to those in 2006 and show that, in general, security is taken seriously by the overwhelming majority of organisations, and that increasing attention is being given to staff training and to the detection and investigation of breaches.

STAFFING AND STAFF DEVELOPMENT

Since its inception, the Office of the Data Protection Commissioner has comprised just three people: the Commissioner and Assistant Commissioner, both of whom work full time and the Personal Assistant to the Commissioner, who works part-time.

The Commissioner is a statutory public appointment, but members of his staff are seconded from the Home Department of the Civil Service and are wholly responsible to him.

The Assistant Commissioner devotes the majority of her time to compliance activities, responding to enquiries from individuals and organisations and delivering training to the public and private sectors.

The Personal Assistant undertakes all of the administrative activities for the office including the processing of Notifications and the reconciliation of the accounts.

The Commissioner considers that, whilst his office remains responsible only for the Data Protection Law and the associated Privacy Regulations, the current establishment of one full time Assistant and one part time Personal Assistant represents a satisfactory minimum level of staffing resource, which enables him to discharge his responsibilities adequately under the Law.

In 2007, the use of external consultancy was limited to the provision of expert assistance in the detailed planning and realisation of the Conference and the Working Group meeting and a small amount of legal advice from Pinsent Masons.

The Commissioner is keen to encourage the academic, technical, administrative and professional development of his staff and to that end supports their attendance at training courses and relevant conferences and other forms of personal development.

The Commissioner remains a member of the E-commerce and IT Advisory Group of the GTA University Centre and of the Guernsey Digimap Management Board and attends relevant seminars and workshops organised by the GTA University Centre and the Guernsey International Section of the British Computer Society.

The Assistant Commissioner has attended GTA seminars, participated in the UK Data Protection Forum and continued her legal studies with the Open University.

RAISING AWARENESS

There is a continual need to ensure that individuals are made aware of their rights under the Law and organisations that process personal data are made aware of their responsibilities.

The Awareness campaign for 2007 included the following activities:-

- Organising a public conference
- Delivering presentations and training
- Involvement in working groups
- Making use of the media.
- Giving compliance advice
- Developing the Internet web site

Organising a public conference

Over 150 delegates attended the Channel Island conference: "Respecting Privacy in Global Networks", which was organised by the Commissioner to coincide with the 41st meeting of the International Working Group on Data Protection in Telecommunications, and was held at St. James on 11 April 2007.

The Conference was sponsored as a Golden Jubilee event by the Guernsey Section of the British Computer Society, and additional Channel Island sponsorship was received from law firm Carey Olsen and telecommunications company Newtel Solutions Limited. Orchard Events provided a complete organisation and management service to ensure the smooth running of the conference.

The delegate list was enhanced by the presence in the island of over 40 members of the International Working Group on Data Protection in Telecommunications, which was meeting in the British Isles for the first time in its 24-year history.

Some of the speakers were members of the Working Group, whilst others were members of the BCS Information Privacy Expert Panel.

In opening the conference, the Commissioner, who is a member both of the Working Group and the Expert Panel, drew a parallel between the Golden Jubilees of the BCS and the European Union. He postulated that it was primarily the convergence between computers and communications over the past 50 years which had facilitated the development of large multi-lingual and multi-cultural societies, such as the EU.

However, he warned that technology has the potential for harm as well as good. Much of the information circulating on global networks comprises

personal data and without adequate security measures, the confidentiality of such information might be compromised.

Guernsey's Commerce and Employment Minister, Deputy Stuart Falla MBE, welcomed the delegates and spoke of the crucial role of global communication networks in the success of the local economy.



He emphasised that the protection of data online was becoming increasingly important in a community such as Guernsey where the economy relied heavily on financial services and was home to so many international financial transactions each day. However, global networks could be exploited by criminals and it

was important to balance the need to disclose information to the law enforcement authorities to fight crime against the need to respect individual privacy.

Dr Alexander Dix, Chairman of the International Working Group and Data Protection and Freedom of Information Commissioner for the State of Berlin, gave the key note address.



He posed the question: *"Has privacy come to an end with the arrival of the Internet?"* and set the tone for the day by flagging up many issues about the threat to privacy from global networks and the rise of the Internet.

Dr Dix recalled that the Working Group had first warned about the threat to privacy on the Internet in 1996 and had been

campaigning over the following nine years in an attempt to rectify this. He contrasted the off-line world, where privacy was recognised as a right, with the online world, where it was under threat. *"More and more activities are taking place online, such as communicating, canvassing, expressing political opinions, voting, buying, banking and playing"* he said, *"... but the Internet is an inherently insecure environment and people tend to forget that"*.

He warned that there were technical options that allowed for ubiquitous and unprecedented surveillance and he observed that the law

enforcement agencies wanted to exploit these surveillance techniques and were actively doing so.

Without inbuilt privacy protection, the long term success of global networks would be undermined, he told the audience.

Dr Dix closed by recalling comments made by Bill Gates in March 2007: *"... historically we've essentially relied on incompetence to protect our privacy, but this will no longer suffice. It would be a strong milestone to have an all-inclusive uniform privacy law that would give consumers control over their personal information. This would increase their confidence in providing information to legitimate organisations."*

Advocate Mark Dunster, Partner at Carey Olsen, one of the joint sponsors of the conference, offered some practical examples of how the data protection laws could be perceived to come into conflict with the requirements of business and Ben Bunn, Senior Systems Engineer with Broadsoft, a firm which works closely with the other local sponsor, Newtel Solutions, examined privacy threats to the development of internet telephony.

Susan McDonald Cooper, Counsel for International Consumer Protection at the US Federal Trade Commission, discussed the measures being undertaken by the FTC to combat the threats from spam and spyware, and described the US-SAFE WEB act, which for the first time allows for the exchange of information between the FTC and foreign law enforcement agencies to combat Internet-based crime.

Peter Fleischer, European Legal Counsel for Google announced that Google had recently taken the step to protect the anonymity of its customers by removing all personal data from its archived search history database. Whilst this action may not have gone far enough in the view of some European Data Protection authorities it was nevertheless a major step forward and one which he expected would be followed by Google's major competitors.

Toby Stevens, Director of the Enterprise Privacy Group and Chair of the BCS Information Privacy Expert Panel outlined some of the privacy concerns with the UK Government's proposals on introducing satellite-based road pricing. He raised the spectre of itemised road pricing bills being used as evidence in divorce proceedings.

Prof. Dr. Hans-Jürgen Garstka, the Director of the European Academy for Freedom of Information and Data Protection, covered the related issue of the 'black boxes' now being fitted into modern vehicles for onboard monitoring purposes. The data collected by such devices was of great interest not only to the manufacturers but also to traffic police, emergency services, insurance companies, hire car operators and employers. There was even the prospect that a driver might need to

insert a chip-encoded driving licence into the 'black box' before being allowed to drive the car.

Paula Ortiz Lopez, legal adviser for international affairs in the Spanish Data Protection Agency described the Spanish electronic ID card, which was being developed in a privacy-friendly way and Dr Fleur Fisher, a member of the BCS Information Privacy Expert Panel and Director of a Healthcare-ethics consultancy, described the apparent flaws in the NHS patient records database, which limited the ability of NHS patients to control the use of their sensitive medical data and urged the Channel Islands' government Health Departments not to follow blindly down the same route as the NHS.

In summarising the day and thanking Fiona Murray of organisers, Orchard Events, Dr. Harris added that it had been clear that the delegates had been impressed with the breadth of expertise on show and the wide ranging nature of the presentations; it was evident that global networks impact on all of our lives and the privacy risks are real and on the increase.

Further details of the conference and the speakers, including some of the presentations, may be found on the conference website managed by Newtel Solutions⁵:

The conference resulted in a number of Press articles, television and radio interviews and was also a financial success, with the surplus from the conference being used to offset some of the costs of hosting the International Working Group meeting on the following days. The delegates were particularly complimentary about the organisational arrangements which had been masterminded by Orchard Events.

Delivering presentations and training

The Commissioner and Assistant Commissioner delivered talks and presentations throughout the year to many professional associations and organisations in the public and private sectors. These included: schools, nursing homes, finance institutions, law firms, retail businesses and voluntary organisations.

The total audience reached in this way was around 579, compared to 358 in 2006.

In addition, copies of the training DVD entitled: "The Lights are On", produced by the Information Commissioner's Office, are available free of charge from the Commissioner's Office.

⁵ www.networkprivacy.gg

Involvement in Working Groups

The Commissioner and Assistant Commissioner participated in the States Data Guardians Group. The activities of the group have initially been involved with the establishment of data sharing protocols between various departments and sections within the government.

Making use of the media

25 articles or letters relating to Data Protection were published in the local media during 2007, (compared with 28 in 2006) covering topics such as:

- Identity theft;
- ID cards;
- Conference and Working Group meeting;
- Freedom of Information legislation;
- Enforcement action against unsolicited marketing;
- HMRC data breach;
- Prosecution for alleged offences under section 55 of the Law;
- Disclosure and retention of credit card numbers by merchants;
- Breach of privacy in Mobile phone top-ups;
- Data on insurance disks
- European Data Protection day.

Guidance Notes

The number of Guidance Notes published by the Commissioner during the year remained at 29, but new editions of all the Guidance Notes were created, published in booklet form and made available on the web site.

A full list of available publications is given overleaf.

An estimated 1,096 hard copies of the literature were distributed to individuals and organisations during 2007, compared with 905 copies in 2006.

This is in addition to the unknown number of electronic copies of these guidance notes that were viewed or downloaded from the website⁶.

⁶ www.gov.gg/dataprotection

Guidance Notes published by the Data Protection Office

Baby Mailing Preference Service: <i>How to stop the receipt of unwanted mail about baby products</i>
Be Open...with the way you handle information: <i>How to obtain information fairly and lawfully</i>
CCTV Guidance and Checklist <i>Explains how to comply with the law in relation to the use of CCTV</i>
Charities / Not-for-Profit Organisations
Data Controllers: <i>How to comply with the rules of good information handling</i>
Dealing with Subject Access Requests
Disclosures of vehicle keeper details <i>Explains when vehicle keeper details can be disclosed</i>
Exporting Personal Data
Financial Institutions
Mail, telephone, fax and e-mail preference service <i>How to stop the receipt of unsolicited messages.</i>
Marketing – A Guidance for Businesses
No Credit: <i>How to find out what credit references agencies hold about you and how you can correct mistakes</i>
Notification – a Simple Guide
Notification – a Full Guide
Notification Exemptions
Personal Data & Filing Systems (guidance on what makes information “personal” and explains what manual records are covered by the Law)
Privacy Statements on Websites – a Guidance
Respecting the Privacy of Telephone Subscribers
Recommended Disclosure Policy for the Central Records Office Of Guernsey Police
Rehabilitation of Offenders – Guidance for applicants – Police Disclosures
Code of Practice & Explanatory Guide – Disclosure of Criminal Convictions in connection with employment
The Data Protection Law and You: <i>A Guide for Small Businesses</i>
Spam – How to deal with spam
States Departments – a Guidance
Transparency Policy
Trusts and Wills – a Guidance
Violent warning markers: use in the public sector <i>How to achieve data protection compliance in setting up and maintaining databases of potentially violent persons</i>
Work References
Your rights under the Law: A Guidance for Individuals

Developing the Internet Web Site

Work continued throughout the year to keep the information on the official website⁷ up to date.

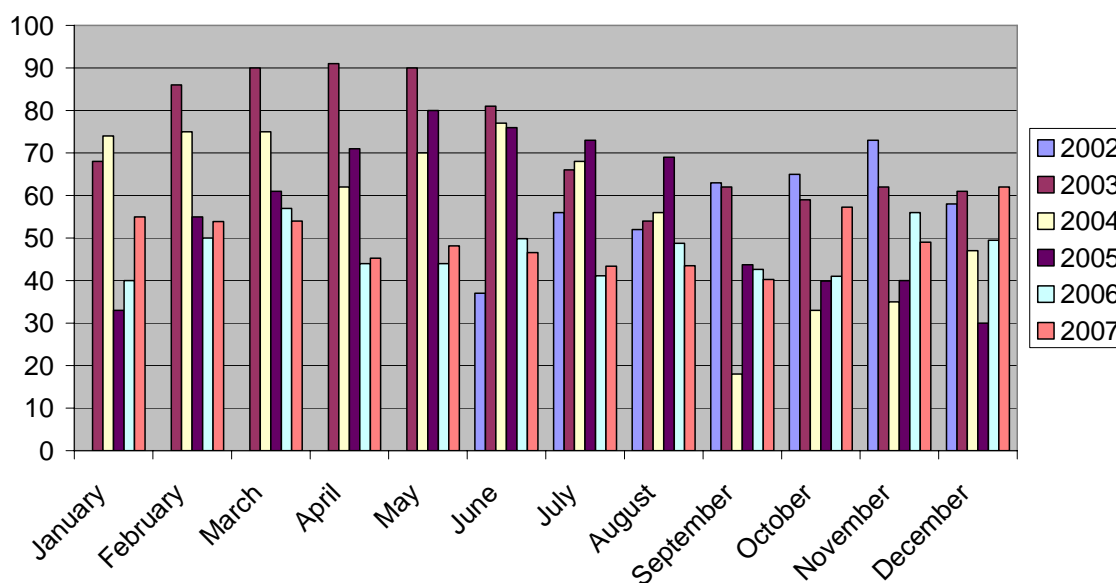
A chart of the average number of pages viewed per day between October 2004 and December 2007 is shown below.

The data for this chart are provided by the Information Technology Unit.

Currently, it would appear that about 50 pages per day are being accessed, compared with a peak of 90 pages per day in 2003; the most popular pages continuing to be those containing Guidance Notes.

This is reinforced by the number of calls received at the office which refer to the guidance that has been published on the Internet.

Average Daily Visits to Internet Site



⁷ <http://www.gov.gg/dataprotection>

Registrations with the Preference Services

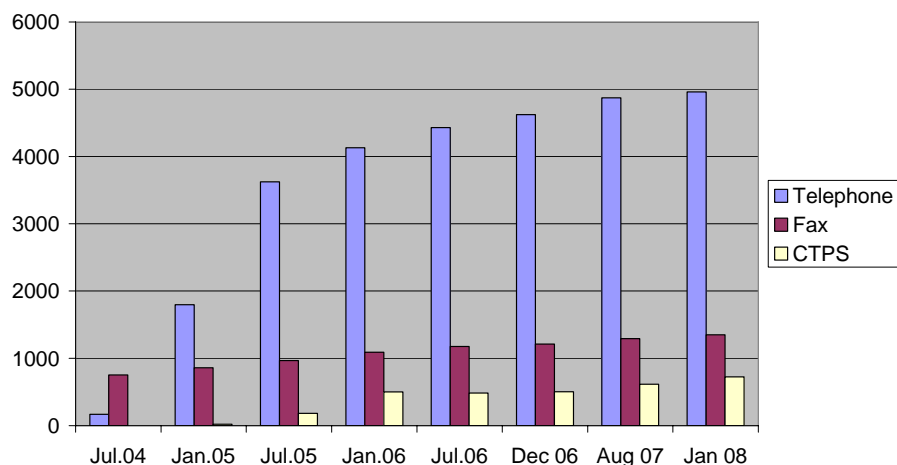
The Telephone Preference Service (TPS)⁸ allows individuals to opt-out of the receipt of unsolicited marketing calls. Although the regulations covering the TPS apply only to marketing organisations based in the British Isles, in practice TPS registration appears to reduce, but not eliminate, the receipt of calls originating from overseas, since many reputable overseas telemarketers appear to screen their calls against the TPS database.

The Fax Preference Service (FPS)⁹ allows any individual or business with a fax machine to opt out of the receipt of unsolicited marketing faxes whereas the Corporate Telephone Preference Service (CTPS) is for use by organisations wishing to opt out of the receipt of marketing calls.

The Preference Services were initially promoted in Guernsey by the Office in 2004, following a number of complaints about marketing calls and a service was offered whereby the Office undertook the registration on behalf of local residents. The services are now advertised within the information pages at the front of the Cable & Wireless and Wave Telecom directories and it appears that the majority of people now feel confident to register for themselves as requests to this office for registration have declined.

The chart below, derived from data provided by the Direct Marketing Association, shows that registrations for TPS continue to show a small increase, with 4,961 numbers being registered, compared with 4,622 at the end of 2006 and 4,130 in 2005. Registrations for FPS have increased by 55 to 1348 and those for CTPS have risen by 109 to 724.

Registrations for Preference Services



⁸ www.tpsonline.org.uk

⁹ www.fpsonline.org.uk

ENFORCEMENT

The Law provides for a number of offences:-

- a) Failure to notify or to notify changes to an entry;
- b) Unauthorised disclosure of data, selling of data or obtaining of data;
- c) Failure to comply with a Notice issued by the Commissioner.

The Commissioner may serve an Enforcement Notice where he has assessed that a controller is not complying with the principles or an Information Notice where he needs more information in order to complete an assessment. With the advent of the Privacy in Electronic Communications Regulations, the Commissioner's power to issue Notices has been expanded to cover non-compliance with those Regulations.

Notices

One data controller was served with a Preliminary Enforcement Notice in 2007, whereas in 2006 no Enforcement Notices had been served. Two Enforcement Notices had been served in 2005. All these Notices concerned non-compliance with the Regulations in relation to email marketing.

No Information Notices were issued in 2007 or 2006. Two Information Notices had been issued in 2005. This demonstrates that data controllers are increasingly co-operative in providing information to the Commissioner when he is assessing complaints.

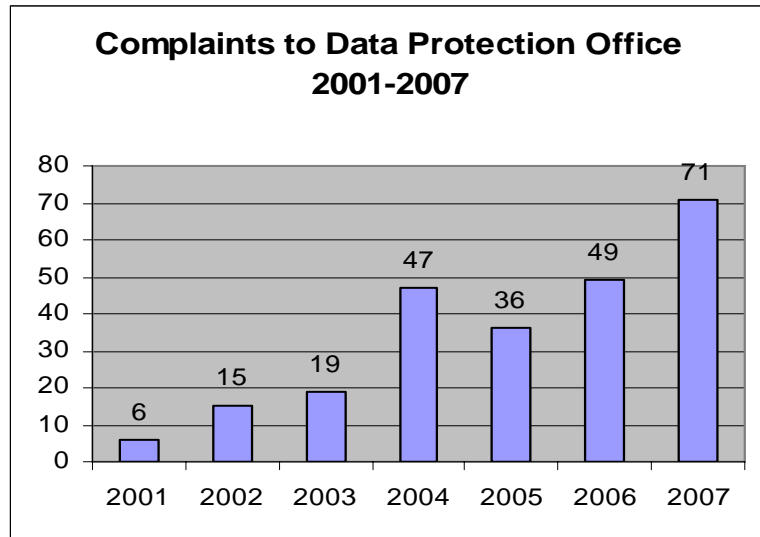
Police Cautions

Some data controllers do habitually ignore final reminders to renew their Notifications, resulting in the need for follow-up action. In 2007 two Police Cautions were administered to data controllers who had failed to renew their Notifications without good cause. A significant amount of administrative time is spent on pursuing late payers and it is recommended that a financial penalty should be imposed in the case of those who are late in renewing their notifications.

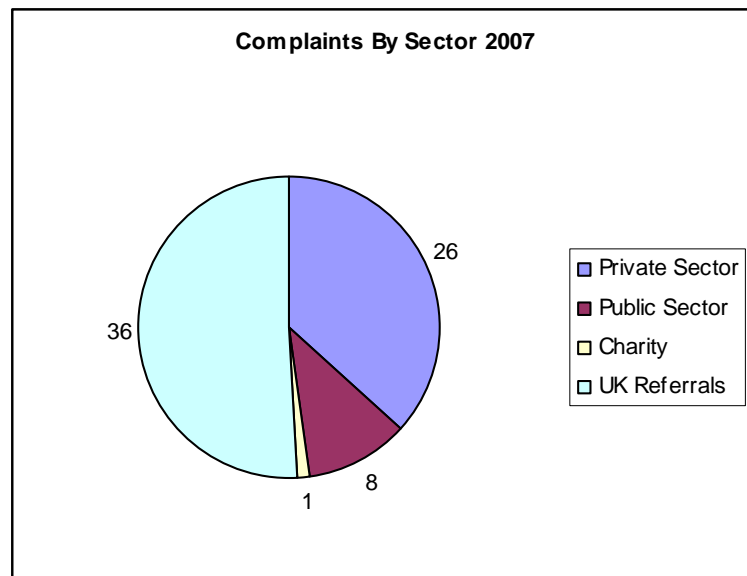
This action would be likely to prevent the need to refer such matters to the Law Officers, thus saving their time as well as the time of the Police.

Complaints

There were a total of 71 complaints received by the Commissioner during 2007, compared with 49 in 2006, 36 in 2005 and 47 in 2004. A relatively smaller number of complaints were processed in prior years, as is shown opposite.

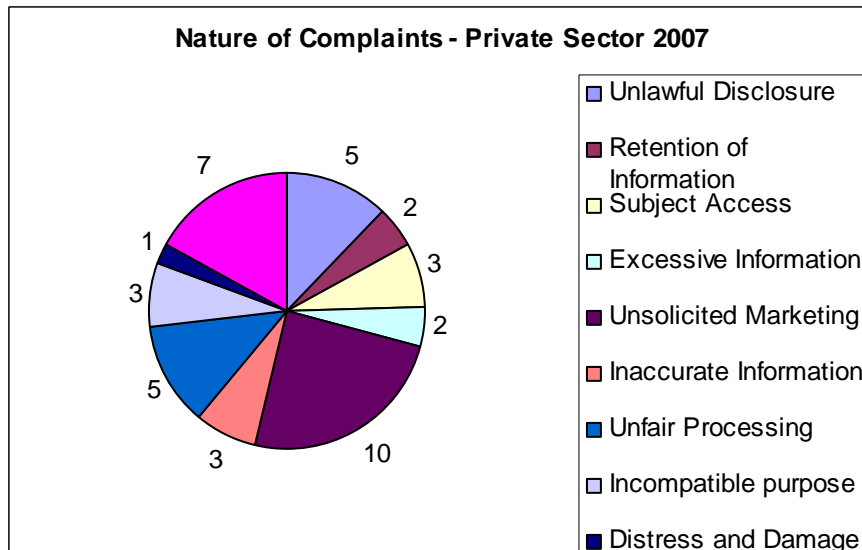


The breakdown of complaints received in 2007 and depicted opposite, shows that 26 related to the private sector, 8 to the public sector and one concerned a local charity. There were 36 complaints referred to the UK.



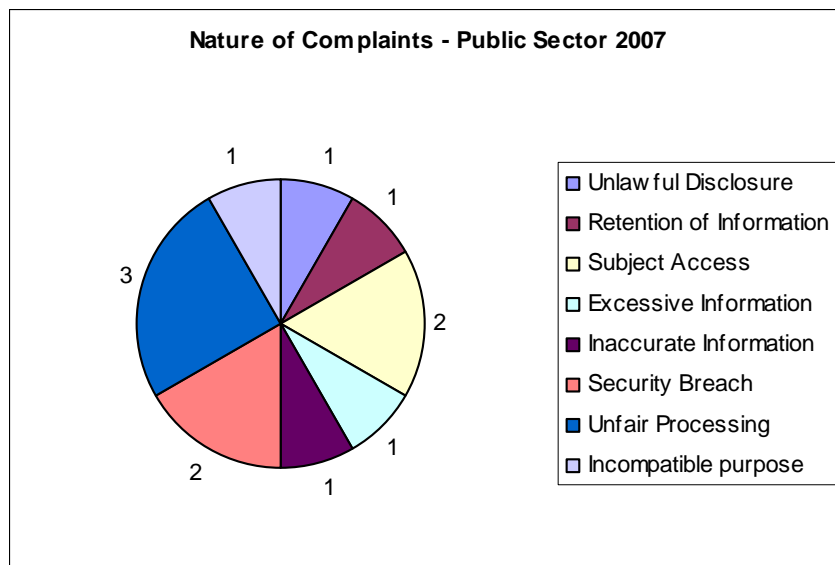
Of the 36 complaints against locally based controllers, 20 were upheld, one was partially upheld and 14 were not upheld, by the Commissioner.

A breakdown of the subject matter of the 26 complaints against the private sector can be seen opposite. Any one complaint may involve an alleged breach of one or more of the data protection principles.



For instance an inappropriate disclosure of information may not only be a breach of security but could also be construed as unfair processing, i.e. using the personal information of someone without informing them that this is being done. This may also have the effect of causing damage and distress. Likewise, damage and distress may also be caused if information is recorded inaccurately or used for a purpose which was not communicated to the individual at the time of collecting the information.

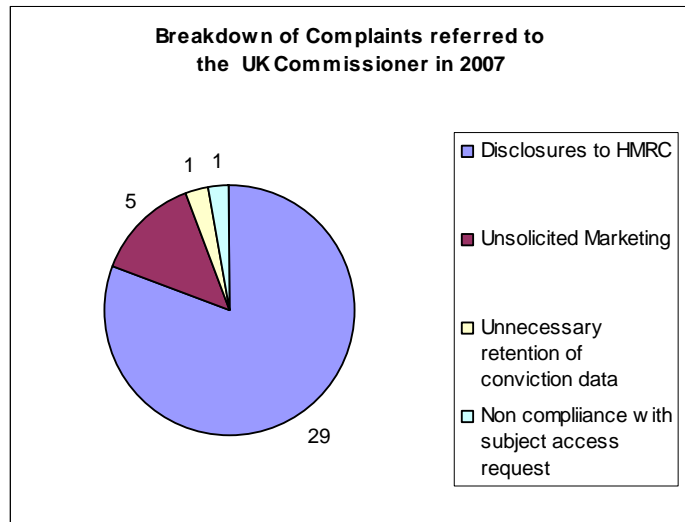
The diagram opposite provides a breakdown of the subject matter of the 8 complaints made against the public sector, involving alleged breaches of 12 principles.



The one complaint received against a local charity concerned the alleged unlawful disclosure of personal information to a third party.

Such a disclosure would be an offence under section 55 of the Law. In this particular case the complaint was not upheld by the Commissioner.

Of the 36 complaints referred to the UK Commissioner in 2007, 5 involved unsolicited marketing, 1 involved the unnecessary retention of spent convictions, and another was to do with non-compliance with a subject access request. The remaining 29 complaints concerned the disclosure by UK banks of Bailiwick residents' bank account details to Her Majesty's Revenue and Customs (HMRC). Consideration of this disclosure remained ongoing at the end of 2007.



The Commissioner acknowledges with thanks the assistance that has been provided in the resolution of these complaints by the staff from the Office of the Information Commissioner.

In addition, the Commissioner appreciates the provision of legal advice from the Law Officers of the Crown which has assisted his determination of these cases.

Case Studies

A selection of the complaints dealt with during the year have been grouped into topics and detailed below in the form of case studies.

Topic 1 -Processing of Electoral Rolls throughout the Bailiwick

The purpose of the Electoral Rolls as stated in legislation is to list those individuals who are entitled to vote at elections. Individuals who are eligible to vote make a written application to be inscribed on the Roll, but in none of the Islands is registration compulsory.

The Electoral Rolls should not be used for other purposes such as marketing. In addition copies of the Rolls are not to be provided to any organisation or individual other than for electoral purposes. However, Government must allow members of the public to view the Rolls.

1) Alderney

The Commissioner investigated a complaint that the Alderney Electoral Roll had been used for the purpose of sending out survey forms. The complainant claimed that this was not the purpose for which the Roll was legally constituted and therefore was unlawful. The Commissioner drew the complainant's attention to an exemption allowed for in the Law for purposes of research. The use of the Roll for sending out survey forms might be permissible as long as the information obtained was not used to make a decision about any individual. The Commissioner further advised that persons should be informed that the Roll may be used for this secondary purpose, possibly by a short statement on the Electoral Roll application form. This would give an individual the opportunity to opt out of the receipt of survey forms. When people apply to go on the Electoral Roll they do so for the express purpose of being able to vote. If their information is to be used for research, which is not the primary purpose stated in statute, it is the Commissioner's view that they should have the opportunity to consent or object to this.

2) Sark

Candidates for election are permitted to obtain a copy of the Electoral Roll for the purpose of electioneering. If elected, the candidate may retain the information for constituency purposes, but otherwise should return or destroy the information. During an investigation of a complaint, a person informed the Commissioner that he had a personal copy of the Electoral Roll which he had been given as he sat on a Sark committee. Information from the Roll had been used for the circulation of political material. The Commissioner hopes that this was an isolated incident and recommends that this should not be the usual practice.

3) Guernsey

A Guernsey resident kept receiving the postal mail of a former occupant of his house. This former occupant had left the island and could not be traced. Cards to update the Electoral Roll details were delivered to the house both for the present and former occupants. The present householder updated his card requesting that the former occupant be disassociated from his address. He was informed that this was not possible as the Law does not allow someone to remove another person from the roll. This highlights a potential need for this legal provision to be amended as, not only could it lead to a non-eligible person being able to vote, but also to the fraudulent use of their name and address. It is understood that the House Committee is considering this matter.

Topic 2 - Credit Reference Agencies

Credit reference agencies keep records of debtors to enable providers of products and services to make informed decisions on whether or not to accept people as customers. One method of getting information about debtors is to obtain copies of court judgements and keep them on file. Information is retained by the agencies for six years and so it is important that this information is accurate and up to date.

- 1) A husband and wife were refused credit and on enquiry learnt that there was a court judgement against them for a significant sum of money. They were confused about this and obtained a copy of their credit reference record. The record gave details of a court judgement, which had never been made against the couple and so it was necessary for an advocate to provide evidence to the agency that this was the case. The agency had misinterpreted the report of the court judgement. The agency offered to put a notice of correction on the record but it took the input of the Commissioner to have the record fully deleted.*
- 2) An individual was advised to contact a credit reference agency to find out why his custom had been refused. He was shocked to discover that details of a court judgement which had been settled by his insurance company four years before was on record. He was informed by the agency that it was his responsibility to contact the agency once the judgement had been settled. However he did not know that a credit reference agency would be holding information on him because as far as he was aware he had not been in debt. The record was subsequently amended to show that the judgement had been satisfied.*

The Commissioner stresses that it is important for individuals to inform credit reference agencies that a court judgement against them has been settled. Whereas information about court judgements is in the public domain, the satisfaction of the court order is often a private matter between plaintiff and defendant.

Topic 3 - Processing without Consent

When personal information is either procured or disclosed without the consent of the data controller (i.e. the organisation that holds the information) it is an offence under section 55 of the Law. Some individuals complained to the Commissioner that their information had been disclosed in contravention of section 55.

- 1) An employee of a local charity was asked by another organisation to accompany them on an investigation so that use could be made of her expertise and specialist knowledge. The employee took photographs during the visit and sent copies of these to a third party. The subject of the investigation claimed that this was an unlawful disclosure with detrimental affect. The Commissioner concluded that, as the charity employee had not been requested by the investigating organisation to take the photographs or to hand them over after the visit, the photographs were her property to do with as she liked. As she did not need the consent of the other organisation to process these photographs a section 55 offence could not have been committed.*
- 2) An individual complained that a public body had procured personal information from him when it had no authority to do so. The Commissioner found that the information was procured to enable the organisation to carry out its regulatory function and so the procurement was covered by the exemption in section 31 of the Law.*
- 3) An advocate claimed that an individual had taken a business database without the consent of his ex-employer and was utilising it for commercial advantage in a new place of work. This case could not be proceeded with as no evidence could be produced to substantiate the claim.*

Topic 4 - Disclosure of Medical Data

A patient complained that her medical details had been disclosed to the General Medical Council (GMC) without her consent.

The disclosure had been made because there were concerns about the treatment that this patient had received from a local medical professional.

The GMC is a UK authority that regulates the medical profession and has statutory authority to investigate complaints made against its members. If a patient does not consent to the release of records to enable the GMC to investigate a complaint, then section 35(A) of the Medical Act 1983 may be used to obtain them.

The Medical Act is a piece of UK legislation which does not extend to the Bailiwick of Guernsey and so the complainant considered that the disclosure was unlawful as she did not give her consent.

However, local legislation makes it a criminal offence for any doctor, dentist or pharmacist to practise locally unless they are registered as practitioners in the UK and are on the register maintained by the Health and Social Services Department (HSSD). Before the HSSD accepts a practitioner on its register it must be satisfied that the person is registered in the UK. Therefore all local medical practitioners are accountable to the GMC and will be subject to its disciplinary investigation procedures.

Secondary legislation under the Data Protection Law provides for the disclosure of sensitive personal data such as health information without consent if this is considered to be in the substantial public interest. An example of a disclosure in the substantial public interest would be an investigation of a practitioner where there were concerns about his or her fitness or competence to practise.

Having considered the facts of the case and relevant local legislative provisions, the Commissioner concluded that the disclosure in question was lawful. He intends to issue detailed guidance to the local medical profession as a result of this case.

Topic 5 - Marketing by Email

Marketing by email is regulated by the Privacy and Electronic Communications Regulations¹⁰ (see also the Appendix).

The basic rules are:

- individuals must in general give explicit consent to be marketed by email;*
- businesses may be sent an initial email without prior consent provided there is an unsubscribe facility provided within the email;*
- emails must not be sent to an address which has been unsubscribed.*

- 1) An individual complained that he had been receiving emails from a company despite having unsubscribed several times. On investigation, it was discovered that the unsubscribe messages were getting caught in the company's spam filter. Due to the size, commercial commitments and available resources of the company, the Commissioner issued a Preliminary Enforcement Notice even though there had been no prior complaints against that company.*
- 2) Another individual complained that he had received an email from a company after having unsubscribed. In sending this email the company did acknowledge that the person had unsubscribed and informed him that he would not be sent further emails if he did not positively request them. However, the company also included details of new products and services that were available. The Commissioner considered that this constitutes a promotional and marketing email and accordingly was in breach of the Regulations. The company apologised to the ex-customer and stated that it would use different methods of promotion in future.*

¹⁰ The European Communities (Implementation of council directive on privacy and Electronic Communications (Guernsey) Ordinance, 2004.

Topic 6 - Ensuring Adequate Security

Organisations will be in breach of data protection principles if they do not employ appropriate technical and organisational measures to ensure the security of personal information. While there have been no major security breaches reported locally [by comparison with the HMRC breach in the UK], the Commissioner continues to receive some complaints from individuals about their information not having been processed securely.

- 1) When a person used an automatic cash dispenser, a bank card of another person was returned to him in addition to his own. This had occurred because of a technical fault and was quickly remedied when it was brought to the bank's attention after the weekend. However, if the recipient of the card had not been honest, the other cardholder could have been exposed to the likelihood of fraud or identity theft.*
- 2) A tenant in a block of flats complained that an organisation had disclosed his personal details to other tenants and that this information could have conveyed the wrong impression that he was in debt to the organisation. An employee of the organisation had left an open card in a communal area of the flats. The organisation agreed to put cards in an envelope marked to the addressee in similar circumstances in future.*
- 3) A patient complained that details, of a diagnostic test were visible through a window on an envelope and this had resulted in disclosure of the fact that the test had occurred. The organisation undertook to instruct its staff to take more care when inserting material into window envelopes in future.*

Organisations must be aware that there must be satisfactory staff training and supervision, appropriate procedures and resources in place to ensure the security of processing of personal information. The Commissioner accepts that there may be "once off" incidents but details of breaches are kept on record and will be considered in the event of similar complaints in future.

International Conference of Data Protection Authorities

The Commissioner attended the 29th International Conference of Data Protection and Privacy Commissioners, which was held in Montréal from 25th – 28th September 2007.

The conference program was focused on the challenging issues confronting data protection and privacy commissioners now and in coming years.

The main themes covered in the plenary sessions were identified as "dragons" in keeping with the conference theme of *Terra Incognita*.

The 6 dragons that were identified for the conference were:

- | | |
|-------------------------|-------------------------|
| 1. Public Safety | 4. Ubiquitous Computing |
| 2. Globalization | 5. The Next Generation |
| 3. Law Meets Technology | 6. The Body as Data |

The conference passed three resolutions on:

- the urgent need for global standards for safeguarding passenger data;
- the Development of International Standards;
- International Co-operation between data protection authorities.

Full details of the conference are available on its website¹¹:

The 30th International Conference will be co-hosted by the Commissioners of France and Germany, both of whom are celebrating their 30th anniversary, and will be held in the border city of Strasbourg from 15th - 17th October 2008.

European Spring Conference

The Assistant Commissioner attended the European Spring conference, which was held in Lanarka, Cyprus on 10th -11th May 2007. She was one of 109 delegates representing 47 data protection authorities throughout Europe.

The conference focused on the challenges faced by data protection authorities in protecting the rights of individuals in regard to the processing of their information in the world of today.

The 2008 meeting will be held in Rome on 17th – 18th April.

¹¹ <http://www.privacyconference2007.gc.ca>

International Working Group on Data Protection in Telecommunications (IWGDPT)

The Commissioner attended the two meetings of the International Working Group that were held in 2007.

The 41st meeting was held at Castle Cornet on 12th and 13th April and was preceded by the public conference entitled: "Respecting Privacy in Global Networks", that was held at St. James.



Dr. Alexander Dix, chairman of the IWGDPT firing the "noon-day gun" at Castle Cornet, to commemorate the Group's 41st meeting.

The 42nd meeting of the Working Group was held in Berlin on 5th and 6th September.

Both meetings covered similar topics, mainly concerned with the production of working papers addressing the following issues:

- IP Telephony (Voice over IP)
- Voice Analysis Technology
- Privacy and Search Engines
- Trusted Computing and Digital Rights Management
- Privacy and Cross-Border Marketing
- Online Availability of Electronic Health Records
- Spam
- E-Government
- RFID
- Vehicle Event Recorders
- Personal data within WHOIS databases
- Privacy aspects of the World Summit on the Information Society

At the meeting in Guernsey, the Working Group approved a paper, originated by the Commissioner, recommending further action by governments and the telecommunications industry to establish better procedures to combat cross-border telemarketing.

A full list of papers published by the International working group since its inception may be found on its website¹².

The 43rd meeting of the Working Group will be held in Rome on 12th and 13th April 2008 and the 44th meeting will be held in Berlin at the beginning of September 2008.

Liaison between the British, Irish and Islands' Data Protection Authorities

The Commissioner and Assistant Commissioner welcomed representatives from the authorities of Cyprus, Gibraltar, Ireland, the Isle of Man, Jersey, Scotland and the UK at the annual Data Protection Authorities' meeting, which was held at Les Cotils on 12th July.



International Delegates to the Authorities' meeting at les Cotils

¹² www.berlin-privacy-group.org

The Commissioner summarised the main issues being discussed at the International Working Group on Data Protection in Telecommunications and the Isle of Man Supervisor introduced the topic of mandatory notification of security breaches, a practice that originated in the United States, and which was under consideration by the European Union.

The Assistant Commissioner for Scotland outlined his role, which is limited to Data Protection matters, as there is a separate Freedom of Information Commissioner for Scotland.

There was a specific discussion centred on the disclosure by UK Banks to HMRC of non-UK resident offshore account details; the UK Information Commissioner agreed to investigate this matter.

The Authorities also discussed the different legislative and supervisory approaches that were being adopted by the participating territories to the facilitation of Public Access to Official Information, otherwise known as Freedom of Information.

These meetings are of particular value to the smaller Authorities, which are able to draw on the broader experience of the larger Authorities in dealing with common issues.

The next meeting of the Authorities will be held in Gibraltar on 25th June 2008.

Liaison with the UK Government

No formal meetings were held with staff from the Ministry of Justice during 2007. However, email contact with officials was maintained and informal meetings held during the various conferences that were attended during the year.

Data Protection Forum

The Assistant Commissioner attended three meetings of the Data Protection Forum that were held in London during 2007; the topics covered in the meetings were:

- *The development of international standards for data retention*
- *Data sharing across the public and private sectors*
- *The re-use of public sector information*
- *The work of the UK Information Tribunal*
- *The role and responsibilities of the UK Passport Agency*

- *Perspectives from data protection authorities in the UK, Ireland and Crown Dependencies*
- *Developments in European data protection*
- *Review of data protection issues during 2007*

The Commissioner was invited to join a panel at a "Commissioners' Question Time" that was held on 6th September, 2007. Other members of the panel were the UK Commissioner, the European Data Protection Supervisor, the Cyprus Commissioner and the Isle of Man Supervisor.

Attendance at these meetings provides benefits which include:

- networking with key people involved in data protection, in many cases from parent companies with offices in Guernsey ;
- the opportunity to influence data protection policy-making;
- raising the awareness of pertinent issues and future trends that may affect both the public and private sectors.

Information Privacy Expert Panel

The Commissioner attended the three meetings of the British Computer Society [BCS] Information Privacy Expert Panel [IPEP], which were held in London during the year.

One of the functions of IPEP is to provide expert input to inform official responses by the BCS to UK Government consultations on matters relating to privacy and data protection.

The IPEP includes members from academia, the public and private sectors and has considered various topics, including the UK Government proposals on Identity Cards and data sharing initiatives within the public sector.

The cost of attendance at these meetings of the IPEP and at any related meetings is borne by the BCS. Another positive outcome of the Commissioner's involvement was the participation by members of the IPEP in the 2007 conference at St. James and its sponsorship by the Guernsey International Section of the BCS.

OBJECTIVES FOR 2008

The primary objectives for 2008 will encompass the following areas:-

- ***Legislation***

Detailed work on the amendments to the Data Protection legislation will continue as and when appropriate.

- ***Adequacy and International Transfers***

Work will continue to ensure that the European Commission's adequacy finding for the Data Protection régime in the Bailiwick is respected and that international data transfers comply with the eighth Data Protection principle.

- ***British Isles and International Liaison***

Participation in relevant UK, European and international conferences will continue as a means of enhancing the international recognition of the independent status and regulatory prowess of the Bailiwick and ensuring that local knowledge of international developments remains up to date.

- ***Raising Awareness***

The media will be used to continue the awareness campaign and a further series of seminars and talks for the public and private sectors will be mounted.

Collaboration with the Training Agency will continue over the organisation of courses leading to formal qualifications in data protection, such as the ISEB Certificate.

Promotion of relevant training using UK specialists will be done, with training being targeted separately to financial sector organisations, other private sector organisations and the public sector.

The publication of new literature and the review and revision of existing literature will be undertaken as the need arises.

Promotion activities will concentrate on privacy-friendly data sharing, the importance of information security and the benefits of undertaking privacy impact assessments.

- **Compliance**

Targeted compliance activities will be organised to increase the notification level of local organisations. Rigorous enforcement will continue, including consideration of prosecution of non-compliant organisations.

The monitoring of websites and periodic surveys to assess compliance with data protection legislation and the privacy regulations will continue.

- **Government**

Close liaison with the States of Guernsey Government departments will continue with the aim of promoting data sharing protocols and the further development of subject access procedures. Opportunities will be taken to promote the use of Privacy Impact Assessments where appropriate.

- **Administration**

The process of moving all notification data onto electronic media will continue, with the aim of dispensing with all manual records of notification by the end of 2009.

The periodic review of the business recovery plan will be undertaken.

FINANCIAL REPORT

The Data Protection Office is funded by a grant from the States of Guernsey that is administered by the Home Department. This grant is based on a budgetary estimate of expenditure prepared annually by the Commissioner.

In accordance with Section 3 of Schedule 5 of the Law, all fees received are repaid into the General Revenue Account.

The Data Protection Office's Income and Expenditure, which are included within the published accounts for the Home Department, have been as follows:

<u>INCOME</u>	2007	2006	2005
	£	£	£
Data Protection Fees ¹	46,010	43,382	41,686
<u>EXPENDITURE</u>			
Rent	15,526	15,526	16,276
Salaries and Allowances ²	147,971	138,328	137,251
Travel and Subsistence	8,926	10,588	9,751
Furniture and Equipment	11,790	13,806	14,237
Publications	2,910	2,886	2,609
Post, Stationery, Telephone	3,977	3,542	4,253
Heat Light, Cleaning	4,681	4,743	4,874
TOTAL EXPENDITURE	£195,782	£189,419	£189,251
EXCESS OF EXPENDITURE OVER INCOME	<u>£149,771</u>	<u>£146,037</u>	<u>£147,565</u>

NOTES

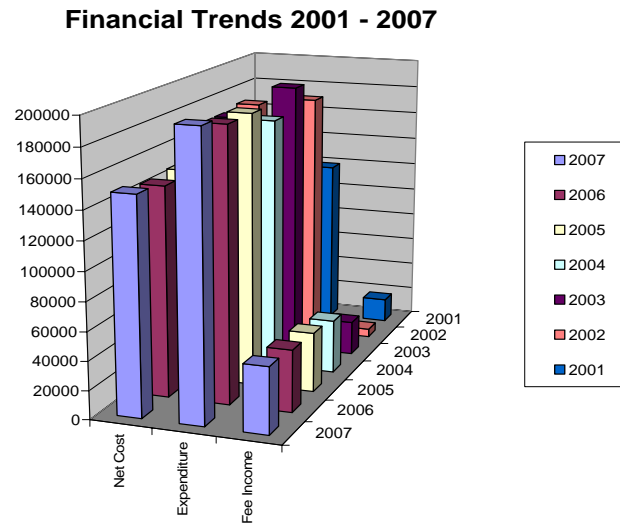
¹ Fees were £35 per notification or renewal of a notification.

Income from fees is accrued on a monthly basis.

The cash received for notifications in 2007 was £47,810 (£43,505 in 2006 and £42,665 in 2005) representing the 1,366 annual notifications and renewals that were processed during 2007.

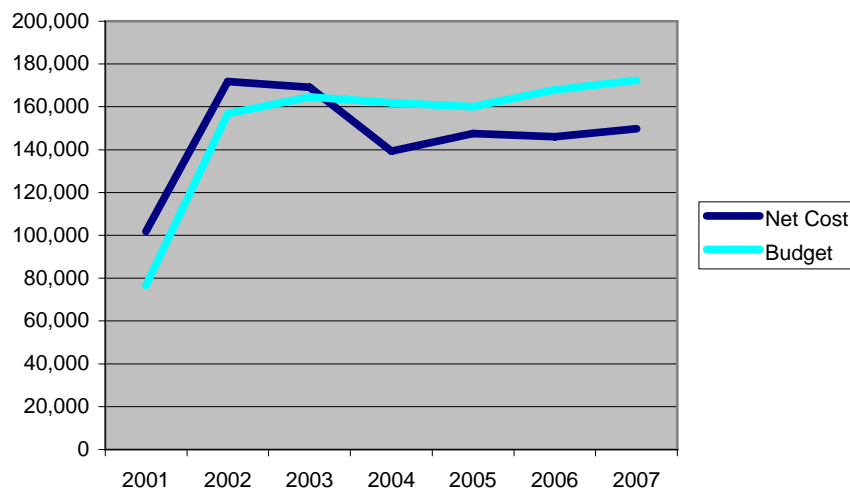
² This includes an amount of £5,510 (£1,662 in 2006 and £6,270 in 2005) for consultancy fees.

The financial trends in income and expenditure since 2001 are shown graphically below.



Expenditure for 2007 rose by £6,362 (3.3%), whereas the income from fees rose by £2,628 (5.7%); hence, the net cost of the Office to the taxpayer increased by £3,734 (2.5%) and remained below the authorised budget. It is anticipated that the increase in Notification Fees, which has been approved by the States but not yet implemented, would bring in an additional £17,000 of income in a full year, enabling the net cost of the Office to be reduced.

Net cost vs budget 2001 - 2007



During the year, the aging photocopier began to fail and it was replaced from the capital budget of the Home Department with a multi-function device which combined the functions of network printer, photocopier and scanner.

The cost of this equipment at £5,606 has not been included in the above statement as it was funded directly by the Home Department.

In addition, thanks to technical and operational support from the Information Technology Unit (ITU) of Treasury & Resources, it was possible to replace the three Personal Computers and a faulty Ethernet router.

The Commissioner appreciates the financial support that has been forthcoming from the Home Department and is grateful for the continuing technical support from the ITU.

It is hereby confirmed that no gifts or hospitality were received by the Commissioner or his staff during 2007.

APPENDIX

THE DATA PROTECTION PRINCIPLES

1. Personal data shall be processed fairly and lawfully and special conditions apply to the processing of sensitive personal data.
2. Personal data shall be obtained for one or more specified and lawful purposes.
3. Personal data shall be adequate, relevant and not excessive in relation to the purposes for which they are processed.
4. Personal data shall be accurate and kept up to date.
5. Personal data shall not be kept for longer than necessary.
6. Personal data shall be processed in accordance with the rights of data subjects.
7. Technical and organisational measures shall be taken against unauthorised or unlawful processing and against accidental loss or damage to personal data.
8. Personal data shall not be transferred to a country or territory outside the Bailiwick unless the destination ensures an adequate level of protection for the data.

THE PRIVACY AND ELECTRONIC COMMUNICATIONS REGULATIONS

1. Telecommunications services must be secure and information processed within such services must be kept confidential.
2. Traffic data should not be retained for longer than necessary and the detail of itemised billing should be under subscriber control.
3. Facilities should be provided for the suppression of calling line and connected line information.
4. Information on the subscriber's location should not generally be processed without consent.
5. Subscribers may choose not to appear in directories.
6. Automated calling systems may not be used for direct marketing to subscribers who have opted out.
7. Unsolicited faxes may not be sent to private subscribers unless they have opted in or to business subscribers who have opted out.
8. Unsolicited marketing calls may not be made to subscribers who have opted out.
9. Unsolicited email marketing may not be sent to private subscribers and must never be sent where the identity of the sender has been disguised or concealed.
10. The Data Protection Commissioner may use enforcement powers to deal with any alleged contraventions of the Regulations.

Further information about compliance with the Data Protection (Bailiwick of Guernsey) Law 2001 can be obtained from:



Data Protection Commissioner's Office
P.O. Box 642
Frances House
Sir William Place
St. Peter Port
Guernsey
GY1 3JE

E-mail address: dataprotection@gov.gg
Internet: www.gov.gg/dataprotection
Telephone: +44 (0) 1481 742074
Fax: +44 (0) 1481 742077

PUBLIC ACCOUNTS COMMITTEE**2008 ANNUAL REPORT**

The Presiding Officer
The States of Guernsey
Royal Court House
St Peter Port

3rd April 2008

Dear Sir

In accordance with Resolution XII of Billet d'Etat XXIV of 2003, I am pleased to present the Public Accounts Committee's fourth Annual Report for the year ended 30 April 2008 and the last of the first four year term of office of the members of the Committee to be appended to a Billet d'Etat.

1 Executive Summary

Over the past four years the Public Accounts Committee ("the Committee") has, within its mandate firmly and fairly highlighted areas where the States can improve its financial management, processes and procedures to achieve better value. It has not been an easy journey but that was not unexpected due to the Committee's critical and analytical role.

The Committee has continued to perform its duties during the last year despite a continued lack of resources, building on the experience gained over the four year term and its nineteen published reports.

During the year ended 30 April 2008, the Committee has produced:

- a report on its Operations and Procedures (Billet d'Etat XVI, June 2007), "the Operations and Procedures Report";
- its third Annual Report (published as an appendix to Billet d'Etat XX, September 2007);
- a States Report on a Review into Guernsey Water (Billet d'Etat XXII, October 2007);
- a Clinical Block Contact Update (issued as a statement to the States at the December, 2007 meeting);

- a States Report on Controlling Expenditure on Off-Island Placements (Billet d'Etat I, January 2008);
- a States Report on Using Consultants Appropriately in the States of Guernsey (Billet d'Etat II, February 2008); and
- a States Report on the Implementation of the Guernsey Integrated Social Security System (Billet d'Etat III, March 2008).

The seven reports indicate the diversity of the work of the Committee from value for money reviews, follow ups, project and contract investigations to developing its own procedures which led to establishing its own access rights.

The Committee has also been working on two further reviews on Heritage Assets and Housing Associations which will be presented to the States during the next twelve months, considered two future reviews on Investments and Corporate Governance and indicated the intention to carry out a value for money review at the Health and Social Services Department.

The Committee has continued to establish its independent parliamentary role alongside government as well as forging links with those outside parliamentary government. Not only did it become officially styled a Parliamentary Committee during the year, but also it carried out the role of an audit committee in respect of external audit issues.

The independent scrutiny role of the Committee will continue to strengthen during the next parliamentary term (2008-2012) as the successor members of the Committee build on the firm foundations established during the first four years.

2. The Role of the Public Accounts Committee

The role and duties of the Committee are set out in its mandate and explained in depth in the Operations and Procedures Report¹. That States Report, which clarified the Committee's relationship with States' Departments, also gave the same rights of access to property, documents and persons as have been afforded to Internal Audit. It also gave the Committee authority to gain similar access to recipients of States' funds.

The Committee has evolved into a strong and focused body to help Guernsey achieve value for money from States expenditure and also to bring issues to light in an open and transparent way.

The Committee promotes accountability but it has sometimes been difficult to establish for a variety of reasons. These range from outdated guidance, inexperience and poor procedures and processes to inadequately managed projects and, to some extent, the passage of time which included a period of transition from one government structure to another in 2004. However, the Operation and Procedures Report recognised the accountability of Departmental Chief Officers for the most effective provision of services within budgetary and staffing limits.

¹ Billet d'Etat XVI, June 2007, page 1313.

Promoting accountability within the States is shared with the Scrutiny Committee and the Committee continues to work with the Scrutiny Committee to ensure consideration of a full range of financial and policy issues. The move to designate the Committees as Parliamentary Committees² so that they report directly to the Presiding Officer and then to the States, is recognition of both the importance of scrutiny within the States and the need to keep the Committees independent.

Since its inception, the Committee has been instrumental in reviewing five subjects that have involved all Departments, namely:

- Inter-Island Co-operation³;
- Income Generation⁴;
- Managing Sickness Absence in the States of Guernsey⁵;
- Risk Management and Insurance in the States of Guernsey⁶; and
- Using Consultants Appropriately in the States of Guernsey⁷.

The Committee appreciates the contribution that Departmental staff, especially the financial staff, have made in providing information to the reviewers when carrying out these analyses of the States' performance.

The Committee is fully aware of the impact that its requests have on the overstretched resources within States' Departments but the reviews are a necessary part of Government to help ensure that funds are used effectively, efficiently and economically. The implementation of recommendations from reports commissioned by the Committee should make the task easier in future.

There have been four specific value for money reviews during the past four years: two reviews on Controlling Expenditure on Off-Island Placements (involving an original⁸ and follow up review⁹); Industry Support Schemes in Guernsey¹⁰; and Review into Guernsey Water¹¹.

The reports which have concentrated on the way in which projects were tendered for and run have established the reputation of the Committee as presenting the outcome in an open and transparent way. These reviews include:

² Billet d'Etat II, February 2008, page 274.

³ Billet d'Etat II, February 2005, page 263.

⁴ www.gov.gg under Public Accounts Committee reports.

⁵ Billet d'Etat XVIII, November 2006, page 2255.

⁶ Billet d'Etat III, January 2007, page 305.

⁷ Billet d'Etat II, February 2008, page 259.

⁸ Billet d'Etat II, February 2005, page 250.

⁹ Billet d'Etat I, January 2008, page 87.

¹⁰ Billet d'Etat XVI, September 2006, page 1708.

¹¹ Billet d'Etat XXII, October 2007, page 2234.

- Beau Sejour¹²;
- St Sampson Pumping Station and Fire Main¹³;
- Award of the Clinical Block contract¹⁴;
- Guernsey Integrated Social Security System¹⁵;

with a further three pending, the Airport, St Sampson's Marina and New Jetty projects.

The Committee has been effective in the work it has carried out, both in the public view and behind the scenes, as well as maintaining its independent profile. The Members who will sit on the Committee in future will benefit from the secure foundation put in place. The rest of this report will indicate the cornerstones of the work carried out during the last year.

3. Summary of States Financial Performance

Since the last annual report of the Public Accounts Committee, the States have considered the Interim Financial Report¹⁶ and the 2008 Budget¹⁷.

In July 2007, the Committee wrote to the Treasury and Resources Department asking a number of questions in relation to the Interim Financial Report. The Department replied in advance of the debate on a number of topics including unspent balances, successful projects, the contingency reserve fund, capital funding and the Corporate Housing Programme, the Aurigny Group and the Restructuring and Reorganisation Fund. On the basis of replies received, further investigations were not pursued at that time.

As the Budget Report is more focused on taxation for the forthcoming year and is to some extent more concerned with the statement of policy, the Committee is therefore less likely to comment on its content. The current method of allocating budgets rests with the Treasury and Resources Department although the Committee is aware that this is likely to change should the proposals in the Government Business Plan be accepted. Following the Fundamental Spending Review, the budget setting for 2009 and 2010 may involve the Public Accounts Committee as well as the Treasury and Resources Department.

The Committee welcomes the initiative of the Treasury and Resources Department in commissioning a Fundamental Spending Review. It is accepted practice for governments to review their spending before setting budgets to facilitate efficient and

¹² Billet d'Etat III, January 2006, page 255.

¹³ Billet d'Etat VIII, April 2006, page 823.

¹⁴ Billet d'Etat V, February 2007, page 421.

¹⁵ Billet d'Etat III, March 2008, page 471.

¹⁶ Billet d'Etat XIX, July 2007, page 1570.

¹⁷ Billet d'Etat XXIII, November 2007.

effective services, and to eliminate waste. The Committee believes that the outcome of the Spending Review will lead to better value for money in the provision of essential services

Aspects of the 2008 Budget Report were of interest to the Committee, in particular the update on the financial situation regarding the Ports Holding Account. It is well known that the Committee is waiting to review three major capital projects financed through the Ports Holding Account, but the work carried out by the Committee on the financial accounting of the Ports Holding Account is less known. The Committee circulated a draft States report on the Ports Holding Account to all States' Departments to ascertain whether there was a consensus of opinion to discontinue a joint account for the ports called the Ports Holding Account and to allow the Airport and Harbours at St Peter Port and St Sampson to commence trading separately. The three main Departments directly involved in the ports were not supportive of the proposals being brought to the States at that time as they were undertaking their own reviews. The Committee awaits the outcome of these reviews.

Another area of concern to the Committee was, and is, the Guernsey Dairy. The Committee is monitoring the situation at arms length in order for the Dairy to implement the recommendations from reviews focusing on the whole Dairy industry. Should there not be any improvement in the finances of the Dairy in the near future, the Committee may wish to consider commissioning an independent value for money review.

The Budget Report outlined proposed permitted investment rules for the contingency reserve fund, which were accepted by the States. **Last year the Committee indicated that it would be carrying out a review on investments and this is one of the areas that it will pass on to the new members to consider carrying out.**

Finally the Committee is pleased to note that the Treasury and Resources Department will be carrying out a general review on the format and layout of the States Accounts.

4. Value for Money Audits

Since its inception, the Committee has issued 19 reports publicly in relation to its work and reviews, seven of those during the last year.

The majority of its reports (12) were based on reviews carried out by third parties. The Advisory and Finance Committee appointed the UK National Audit Office ("NAO") to carry out a series of value for money reviews, under contract, prior to the Committee being set up in May 2004. The contract was initially for a period of eighteen months with the option to extend for a further eighteen months. In 2005 the Committee opted to continue with this contract and revisited its terms so as to include a further four reviews. A further follow up review was carried out under the same terms as the contract.

During the past year, two of these reviews carried out by the NAO were issued, with a covering States Report from the Committee. The first report provided an update on

"Controlling Expenditure on Off-Island Placements"¹⁸, the original report being first presented by the Committee in 2005. The update indicated that good progress had been made since the first report had been completed but there was still more work to be done.

The second report on "Using Consultants Appropriately in the States of Guernsey"¹⁹ highlighted the processes and procedures used by the States Departments to appoint consultants and suggested ways in which these could be improved. The NAO report also included an in-depth analysis of expenditure on consultants for 2005. The Committee's States Report updated the figures recorded by the NAO for 2006 to provide another year's data and provided evidence that expenditure on consultants was decreasing. Indications are that this trend has continued in 2007.

The Committee also released a Review regarding Guernsey Water²⁰. The Review had been completed the previous year but had been delayed due to the diversion of staff resources to support the Clinical Block investigation. Guernsey Water was the most positive review carried out during the last four years as the Wales Audit Office confirmed that Guernsey Water was providing value for money very successfully albeit there was criticism that Guernsey Water proposals were not technically challenged by the Board.

Two other reviews were carried out during the year by the NAO on Housing Associations and Safeguarding Guernsey's Heritage Assets. Both reports were issued to States' Members prior to States' debates on associated subjects. The Committee's covering report for the Housing Associations review is still being finalised and the Heritage Assets report is waiting for input from interested organisations before the Committee completes the review. Both will be issued to the States Members during this calendar year.

The Committee has approved the scope of two future reviews on Investments and Corporate Governance to be commenced soon and has indicated that a value for money review will be carried out at the Health and Social Services Department on a topic to be determined. This will allow the work of the Committee to continue into the next parliamentary term.

5. Project Reviews

Another year has passed with the Committee not being able to carry out the investigations requested by the States on the Airport²¹ and New Jetty²² contracts and also on the St Sampson's Marina contract.

Following the settlement of the Airport contract with the construction company, the Committee started to plan its investigation but was unable to continue due to further potential litigation.

¹⁸ Ibid n. 9.

¹⁹ Ibid n. 7.

²⁰ Ibid n. 11.

²¹ Billet d'Etat III, January 2004, page 457.

²² Billet d'Etat XXV, November 2003, page 2418.

Similar constraints applied to the other contracts. The latest update from Public Services Departments on the three projects of 28 February 2008 stated that:

"Regrettably there have been no major changes in the position in respect of these contracts in recent months."

It is regrettable that the current Committee members have been unable to complete this work and it wishes the new members success in resolving these issues.

During the year the Committee carried out a follow up on the recommendations of the investigation into the award of the Clinical Block Contract. The Chairman presented a statement²³, under Rule 8 of the Rules of Procedure of The States of Deliberation at the December 2007 States meeting, thus meeting the States Resolution to report back to the States before the end of the year.

The review that had the highest profile and biggest impact on the way in which the States operates was the Clinical Block investigation. In February 2008, the States considered the House Committee proposals for implementation of four of the fourteen recommendations²⁴, with the Policy Council, Treasury and Resources and Commerce and Employment Departments still working to complete the other ten recommendations. **Although the Committee regrets the slowness with which these recommendations are being implemented, the eventual outcome from this review will be beneficial as the States of Guernsey should become more effective and efficient. Until such time as the changes are made the States continues to operate using flawed, outdated or inadequate procedures.**

A major review for this past year related to the Implementation of the Guernsey Integrated Social Security System²⁵. There were a number of firsts for this review: the first computer project that the Committee had reviewed; the first review carried out by a local provider; and the first full review at the Social Security Department. Of major concern to the Committee was the lack of openness and transparency in reporting the computer project to the States.

This review indicated that information technology contracts are no different from construction contracts and that the expectation is for staff to manage projects in addition to their day to day responsibilities. **The States undertakes some expensive capital projects and it must improve its project and financial management.**

In July 2007 the Committee wrote to the Treasury and Resources Department for an update on the progress made in implementing the recommendations of the January 2006 Review into the Beau Sejour Redevelopment. The Department replied that the recommendations of the Clinical Block review integrated with those from the Beau Sejour review and that progress was being made, albeit dependent on the clearance to proceed from the Policy Council.

²³ www.gov.gg, under Public Accounts Committee reports.

²⁴ Billet d'Etat II, February 2008, page 280.

²⁵ Ibid n. 15

The Committee has established a close working relationship with the States Property Services section of the Treasury and Resources Department through its Contract Review Working Party, and is fully aware of the sterling efforts to improve the way in which construction projects are managed through its series of staff workshops. Likewise the Committee is aware that similar action is being taken in respect of information technology projects.

Also during the past year, the Treasury and Resources Department forwarded completed post implementation reviews on the Guernsey Prison, St Barnabas, and the Royal Court for the Committee to consider. These reviews added to the deliberations to revise and update guidance, leading to improved States' management of construction capital projects. The Committee continues to monitor the findings of the professional independent reviewers and will only take the matter further should it warrant additional action.

Post implementation reviews have yet to be received for projects from the Education Department (Sixth Form Centre and Le Rondin) and the Health and Social Services Department (John Henry House and Mignot Hospital). The Committee made a formal request for an update of information (under Rule 6) on the post implementation reviews for the Education Department's capital projects in March 2008. The Committee is of the opinion that the opportunity of learning from the experiences of large capital projects, whether good or bad, can be lost and lead to continuation of bad practices unless post implementation reviews are completed expeditiously.

The Committee appreciates the work being done by the Treasury and Resources Department to ensure post implementation reviews are carried out on completion of a project and looks forward to the proposed changes in the commissioning of post implementation reviews.

6. Operations and Procedures

The Committee presented the Operations and Procedures Report²⁶ in June 2007. This Report provided the opportunity to describe the processes and procedures of the Committee and the States resolved to give it powers of access to premises, documents and individuals within the States Departments and Committees, and non-States bodies in receipt of public funds.

The Committee has already utilised this right of access in respect of non-States bodies when reviewing Housing Associations and continues to monitor the performance of other non-States bodies i.e. Guernsey Finance, Cabernet Limited (Corporate owner of Aurigny) and the Office of Utility Regulation.

In July 2007, the Committee successfully laid an amendment to the Government Business Plan so that it had joint responsibility with the Scrutiny Committee for strengthening accountability for Priority 12 with regard to meeting "the needs of

²⁶ Ibid n. 1

Guernsey Citizens as public service clients more effectively through corporate working and streamlined delivery"²⁷.

The Government Business Plan indicative timeline²⁸ includes proposals that the Committee will be part of Phase 3 of the Island Resource Utilisation with the Treasury and Resources Department. The Committee has yet to discuss with the Government Business Plan team how this would operate and passes this to the new Committee to consider.

The Committee is generally pleased with what has been achieved over the past four years. It is though disappointing that it has been unable to complete its research to put forward clear recommendations with regard to the appointment of an Auditor General.

The Audit Working Party of the Committee visited the Board of the Treasury and Resources Department to express its concerns on the inadequacy of internal audit staff resources as internal audits assure management that appropriate internal controls are in place to safeguard the assets of the States of Guernsey. The Committee looks forward to the findings of the review led by the Chief Accountant.

In accordance with its mandate, the Committee carries out the appointment and monitoring of the external auditors. Considerable time was spent during the past year on finalising the arrangements with the new external auditors for both States and non-States bodies.

The Committee met with the outgoing external auditors on the audits for the 2006 financial accounts and has already met with the new auditors following the interim audit for the 2007 accounts. The role that the Committee has assumed has enabled the external auditors to report any items of concern found during the course of the audit to an independent body away from the day to day financial management of the States through its Departments.

7. Committee Membership

There have been no changes to Committee membership during the past year. The balance between States and non-States members has proved to be very successful with a mix of business acumen, financial knowledge and States experience within the Committee.

A list of members can be found in Appendix I.

The Committee welcomed a new Public Accounts Officer to its staff establishment in November 2007.

The Committee appreciates the commitment and support of its staff, often working in isolation from their colleagues so as to maintain the independence of the Committee.

²⁷ Billet d'Etat XVIII, July 2007, page 1426 Level 2 bullet point 3.

²⁸ Billet d'Etat III, March 2008, page 335 – Government Business Plan: 2008-2012 indicative timeline Phase 3.

8. Dialogue with Third Parties

In its role as financial watchdog, the Committee has established a strong relationship with the staff of the Treasury and Resources Department. Not only did the Committee have regular contact with the Internal Audit Unit (when still staffed) and States Property Services, it will continue to make recommendations that will strengthen financial procedures and processes devised and administered by the States Treasury. The Committee has met with the Chief Officer and Assistant Chief Accountant formally to receive updates on a number of States financial issues. The Committee looks forward to establishing a good working rapport with the new Chief Accountant. The relationship with the Treasury and Resources Department's political board is similar to that with any other Departmental board in the States.

The Committee was pleased to meet with independent advisors, at the invitation of Treasury and Resources Department, when the Department was considering the suitability of commissioning a Fundamental Spending Review. Discussions provided the reassurance to the Committee that the direction it was taking in respect of financial scrutiny, was wholly appropriate and correct. The Committee is sure that its successors will look forward to the outcome of the Spending Review and its integration into the financial aspects of the Government Business Plan.

As a Parliamentary Committee, operating at arms length from the main workings of the States through its Departments, the Committee has been encouraged by the positive feedback it has received from outside bodies and the community at large. The Committee also appreciates the balanced and helpful way in which the findings of its reviews have been reported.

Full details of the visitors to Committee meetings are found in Appendices II and III.

9. The Year Ahead

The Committee members leave a legacy of proposed reviews for their successors to take forward.

Internal guidelines, procedures and processes have been updated and induction packs are ready for the Committee members.

The Committee has established an independent, effective, efficient and economic process to promote value for money throughout the States of Guernsey.

Yours faithfully

Leon Gallienne
Chairman

PUBLIC ACCOUNTS COMMITTEE**MEMBERSHIP****Full Committee**

Deputy Leon Gallienne (Chairman)
Deputy Chris Brock (Vice-Chairman)
Deputy Brian Gabriel
Deputy Scott Ogier
Deputy Jenny Tasker
Mr Michael Best
Mr Chris Bradshaw
Mr Eifion Thomas
Mr Tony Wills

Contract Review Working Party

Deputy Jenny Tasker (Chairman)
Deputy Brian Gabriel
Mr Michael Best

Public Trading Operations Working Party

Deputy Chris Brock (Chairman)
Deputy Scott Ogier
Mr Chris Bradshaw

Audit Working Party

Deputy Leon Gallienne (Chairman)
Mr Eifion Thomas
Mr Tony Wills

Procedure Working Party

Mr Chris Bradshaw (Chairman)
Deputy Leon Gallienne
Deputy Jenny Tasker

Appendix II**Visitors to PAC Full Committee****Visitors have included:**

- PricewaterhouseCoopers x 3 - GISSS Review
 - Partner
 - Director
 - Senior manager
- NAO Director x 3
- Public Services Department re contracts
 - Law Officers of the Crown
 - Chief Officer
 - Minister
- Public Services Department re Guernsey Water
 - Minister
 - Member - Deputy Al Brouard
 - Non-voting member - Advocate Peter Atkinson
 - Chief Officer
 - Deputy Chief Officer
- Treasury and Resources Department
 - Minister
 - Chief Officer
 - Assistant Chief Accountant
- Deputy Chief Executive
- Deloitte and Touche - interim audit feedback
 - Partner
 - Audit Manager

In addition a hearing was held on Using Consultants Appropriately in the States of Guernsey involving:

- Chief Officer, Treasury and Resources Department;
- Director States Property Services, Treasury and Resources Department;
- Head of Project Services, Treasury and Resources Department;
- Chief Officer, Education Department;
- Assistant Director (Resources), Education Department; and
- Assistant Director (Planning and Projects), Education Department.

A hearing was also held on the Implementation of the Guernsey Integrated Social Security System:

- Chief Officer, Social Security Department; and
- Deputy Chief Officer, Social Security Department.

The Committee met 22 times during the year to 30 April 2008.

Appendix III**Visitors to PAC Working Parties****Visitors to the Contract Review Working Party:**

- Director of States Property Services, Treasury and Resources Department; and
- Head of Project Services, Treasury and Resources Department.

The Working Party met twice during the year.

Visitors to the Audit Working Party:

- Audit Manager, Audit and Assurance Unit, Treasury and Resources Department;
- Assurance Officer, Audit and Assurance Unit, Treasury and Resources Department;
- Lead Director and Staff, KPMG (Channel Islands) Limited;
- Director and Staff, PricewaterhouseCoopers LLP;
- Partner and Staff, Deloitte and Touche LLP;
- States Treasurer and Assistant States Treasurer; and
- Assistant Chief Accountant (formerly Assistant States Treasurer).

The Working Party met three times during the year.

The Procedure Working Party and the Public Trading Operations Working Party did not meet during the year.

Appendix IV**Reports Issued by the Public Accounts Committee
during its first four years****2005**

Controlling Expenditure on Off Island Placements	Billet d'Etat II, February
Inter-Island Co-operation	Appended Billet d'Etat II, February
Income Generation in Guernsey	June
First Annual Report	Appended Billet d'Etat XI, July

2006

Review into Beau Sejour Redevelopment	Billet d'Etat III, January
St Sampson's Pumping Station and Fire Main	Appended Billet d'Etat VIII, April
Second Annual Report	Appended Billet d'Etat XIII, July
Industry Support Schemes in Guernsey	Billet d'Etat XVI, September
Clinical Block Interim Report	October
Managing Sickness Absence in the States of Guernsey	Appended Billet d'Etat XVIII, November

2007

Risk Management and Insurance in the States of Guernsey	Billet d'Etat III, January
Investigation into the Award of the Clinical Block Contract	Billet d'Etat V, February
Operations and Procedures	Billet d'Etat XVI, June
Third Annual Report	Appended Billet d'Etat XX, September
Review into Guernsey Water	Billet d'Etat XXII, October
Clinical Block Contract Update	December

2008

Controlling Expenditure on Off Island Placements	Billet d'Etat I, January
Using Consultants Appropriately in the States of Guernsey	Billet d'Etat II, February
Implementation of the Guernsey Integrated Social Security System	Billet d'Etat III, March

IN THE STATES OF THE ISLAND OF GUERNSEY ON THE 28th DAY OF MAY, 2008

**The States resolved as follows concerning Billet d'État No VII
dated 8th May 2008**

PROJET DE LOI

entitled

FRAUD (BAILIWICK OF GUERNSEY) LAW, 2008

I.- To approve the Projet de Loi entitled “Fraud (Bailiwick of Guernsey) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE SEXUAL OFFENCES (INCITEMENT, JURISDICTION AND PROTECTED MATERIAL) (BAILIWICK OF GUERNSEY) LAW, 2008

II.- To approve the Projet de Loi entitled “The Sexual Offences (Incitement, Jurisdiction and Protected Material) (Bailiwick of Guernsey) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE PAROCHIAL TAXATION (GUERNSEY) (AMENDMENT) LAW, 2008

III.-To approve the Projet de Loi entitled “The Parochial Taxation (Guernsey) (Amendment) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE CHARITIES AND NON PROFIT ORGANISATIONS (ENABLING PROVISIONS) (BAILIWICK OF GUERNSEY) LAW, 2008

IV.- To approve the Projet de Loi entitled “The Charities and Non Profit Organisations (Enabling Provisions) (Bailiwick of Guernsey) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE EDUCATION (GUERNSEY) (AMENDMENT) LAW, 2008

V.- To approve the Projet de Loi entitled “The Education (Guernsey) (Amendment) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

THE EDUCATION (COMPULSORY SCHOOL AGE) (GUERNSEY) ORDINANCE, 2008

VI.-To approve the draft Ordinance entitled “The Education (Compulsory School Age) (Guernsey) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

THE ALDERNEY (APPLICATION OF LEGISLATION) (EDUCATION) ORDINANCE, 2008

VII.-To approve the draft Ordinance entitled “The Alderney (Application of Legislation) (Education) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

THE HOUSING (CONTROL OF OCCUPATION) (GUERNSEY) (AMENDMENT) ORDINANCE, 2008

VIII.-To approve the draft Ordinance entitled “The Housing (Control of Occupation) (Guernsey) (Amendment) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

THE PAROCHIAL TAXATION (AMENDMENT) ORDINANCE, 2008

IX.-To approve the draft Ordinance entitled “The Parochial Taxation (Amendment) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

THE PAROCHIAL COLLECTION OF REFUSE (GUERNSEY) (AMENDMENT) ORDINANCE, 2008

X.-To approve the draft Ordinance entitled “The Parochial Collection of Refuse (Guernsey) (Amendment) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

THE CRIMINAL JUSTICE (AIDING AND ABETTING ETC.) (BAILIWICK OF GUERNSEY) LAW, 2007 (COMMENCEMENT) ORDINANCE, 2008

XI.- To approve the draft Ordinance entitled “The Criminal Justice (Aiding and Abetting etc.) (Bailiwick of Guernsey) Law, 2007 (Commencement) Ordinance, 2008” and to direct that the same shall have effect as an Ordinance of the States.

COMMERCE AND EMPLOYMENT DEPARTMENT

GUERNSEY FINANCIAL SERVICES COMMISSION – REMOVAL OF FUNCTIONS

XII.- After consideration of the Report dated 16th April, 2008 of the Commerce and Employment Department:-

1. To approve the proposals set out in that Report.
2. To approve the draft Projet de Loi entitled “The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law, 2008” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

INHERITANCE LAW REVIEW COMMITTEE

NEW CHAIRMAN AND MEMBERS

XIII.- To elect

1. Deputy Mrs M M Lowe as Chairman of the Inheritance Law Review Committee to replace Mrs J A Pritchard, who has ceased to have a seat in the States;

2. Deputy R W Sillars as a member of that Committee to replace Mrs C H Le Pelley, who has ceased to have a seat in the States;
3. Paul Leslie Matthews as a member of that committee who need not be a sitting member of the States, to replace Jurat L A Moss, who has resigned as a member of that Committee.

PAROCHIAL ECCLESIASTICAL RATES REVIEW COMMITTEE

NEW CHAIRMAN AND MEMBER

XIV.- To elect

1. Deputy T M Le Pelley as Chairman of the Parochial Ecclesiastical Rates Review Committee to replace Mrs D E Lewis, who has ceased to have a seat in the States
2. Deputy Mrs M M Lowe as a member of that Committee to replace Mr B R de Jersey, who has ceased to have a seat in the States.

LADIES' COLLEGE BOARD OF GOVERNORS

NEW CHAIRMAN AND MEMBERS

XV.-

1. To elect Deputy Mrs S J Maindonald as Chairman of the Ladies' College Board of Governors to complete the unexpired portion of the term of office of Mr W M Bell, who has ceased to have a seat in the States, namely, to 31st May 2010;
2. To re-elect Advocate P J G Atkinson as a member of that Board of Governors, with effect from 1st June 2008;
3. To elect Mrs K M N Richards as a member of that Board of Governors with effect from 1st June, 2008.

ADMINISTRATIVE DECISIONS (REVIEW) (GUERNSEY) LAW, 1986

NEW CHAIRMAN AND DEPUTY CHAIRMAN OF PANEL OF MEMBERS

XVI.- In accordance with the provisions of section 4 (2) of the Administrative Decisions (Review) (Guernsey) Law, 1986:-

1. To elect Deputy R R Matthews as Chairman of the Panel of Members, to complete the unexpired portion of the term of office of Deputy W M Bell, who has ceased to have a seat in the States, namely, to 31st May, 2008 and to commence a new term of office from 1st June, 2008;
2. To re-elect Douzenier J R Domaille as Deputy Chairman of that Panel, with effect from 1st June 2008.

POLICY COUNCIL

APPOINTMENT OF AN ORDINARY MEMBER OF THE GUERNSEY FINANCIAL SERVICES COMMISSION

XVII.- After consideration of the Report dated 21st April, 2008, of the Policy Council:-

To elect Dr Cees Schrauwers as an ordinary member of the Guernsey Financial Services Commission to complete the unexpired portion of the term of office of Miss Rosemary Radcliffe, CBE, namely to serve until 1st February 2009.

POLICY COUNCIL

THE GUERNSEY FINANCIAL SERVICES COMMISSION: 2007 ANNUAL REPORT

XVIII.- After consideration of the Report dated 21st April, 2008 of the Policy Council:-

1. To note the Report.
2. To approve the accounts of the Guernsey Financial Services Commission for the year ended 31 December 2007.
3. To retain the firm of KPMG Channel Islands Ltd as auditors of the Guernsey Financial Services Commission for the year ending 31 December 2008.

TREASURY AND RESOURCES DEPARTMENT

PROPOSED REVISIONS TO INCOME TAX INFORMATION POWERS

XIX.- After consideration of the Report dated 8th April, 2008, of the Treasury and Resources Department:-

1. To enact legislation as set out in that Report.

2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

TREASURY AND RESOURCES DEPARTMENT

THE INCOME TAX (TAX DEDUCTIONS FROM COMPANY DISTRIBUTIONS) REGULATIONS, 2008

XX.- After consideration of the Report dated 15th April, 2008, of the Treasury and Resources Department:-

In pursuance of the provisions of section 81B of the Income Tax (Guernsey) Law, 1975, as amended, to approve the Regulations entitled “The Income Tax (Tax Deductions from Company Distributions) Regulations, 2008” made by the Treasury and Resources Department on 15th April, 2008.

HOUSING DEPARTMENT

HOUSING (CONTROL OF OCCUPATION) (GUERNSEY) LAW 1994 – VARIATION TO THE HOUSING REGISTER

XXI.- After consideration of the Report dated 12th March, 2008, of the Housing Department:-

1. That both of the Apartments, namely Vue D'Epec 1 and 4 at Vega Apartments, Les Banques, St Peter Port, shall be individually inscribed in Part A of the Housing Register.
2. To direct that an Ordinance be prepared, in accordance with section 52 of the Housing (Control of Occupation) (Guernsey) Law, 1994, to permit the Department to inscribe these two Apartments in Part A of the Housing Register subject to application being made by the owners within 6 months from the commencement date of the Ordinance.
3. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

**THE HEALTH SERVICE (BENEFIT)
(LIMITED LIST) (PHARMACEUTICAL BENEFIT)
(AMENDMENT) REGULATIONS, 2008**

In pursuance of section 35 of The Health Service (Benefit) (Guernsey) Law, 1990, the Health Service (Benefit) (Limited List) (Pharmaceutical Benefit) (Amendment) Regulations, 2008, made by the Social Security Department on 12th February, 2008, were laid before the States.

**THE HEALTH SERVICE (ALDERNEY HOSPITAL BENEFIT)
(AMENDMENT) REGULATIONS, 2008**

In pursuance of Part IIIA and section 35 of the Health Service (Benefit) (Guernsey) Law, 1990, as amended, and as modified by the Health Service (Alderney Hospital Benefit) Ordinance, 1997, as amended, the Health Service (Alderney Hospital Benefit) (Amendment) Regulations, 2008, made by the Social Security Department on 27th February, 2008, were laid before the States.

**THE HEALTH SERVICE (BENEFIT)
(LIMITED LIST) (PHARMACEUTICAL BENEFIT)
(AMENDMENT NO. 2) REGULATIONS, 2008**

In pursuance of section 35 of The Health Service (Benefit) (Guernsey) Law, 1990, the Health Service (Benefit) (Limited List) (Pharmaceutical Benefit) (Amendment No. 2) Regulations, 2008, made by the Social Security Department on 16th April, 2008, were laid before the States.

DEBATE ON APPENDIX REPORT

POLICY COUNCIL

GUERNSEY RETAIL PRICES INDEX – QUARTER 1 OF 2008

Pursuant to a motion under Rule 21 of the States Rules of Procedure, TO TAKE NOTE of this Appendix Report.

**K H TOUGH
HER MAJESTY'S GREFFIER**