



**GOVERNMENT OF GIBRALTAR
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PRESS RELEASE

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LAUNCH OF GIBRALTAR EU CO-FUNDED PROGRAMMES, 2007-2013

Today, at 10.30 a.m., the Deputy Chief Minister Hon Joe Holliday MP launched the Gibraltar EU co-funded Programmes, for the new programming period of 2007-2013, in the absence of the Chief Minister (Finance Minister) from Gibraltar to address the Foreign Affairs Committee of the House of Commons. The event was attended by Mr José Palma Andrés of the European Commission who is Director of the Directorate General for Regional Policy [DG Regio] for interventions in Austria, Denmark, Germany, Latvia, Lithuania, Slovakia, Sweden and the United Kingdom and also Mr Guy Flament, DG Regio desk officer for Gibraltar.

Mr Palma Andrés has previously visited Gibraltar, when he attended meetings of the Gibraltar EU Programmes Monitoring Committee and visited a number of the projects in Gibraltar that have benefited from EU co-funding.

Present at the launch were representatives from Government Departments and Agencies, of the social partners who were members of the Programme Monitoring Committee for the outgoing Programmes, and of the private sector beneficiaries under the outgoing Programmes.

In launching the new Programmes, Hon Joe Holliday first reviewed the benefits that Gibraltar obtained from the 2000-2006 Programmes, that are drawing to a close this year and which have resulted in a total investment (as at 1 October 2007) of £13.41 million, as follows. The EU contribution from the European Regional Development Fund to the Gibraltar Objective 2 Programme totals £4.72m. The Government's investment in and contribution to the Programme comes to £6.79m. The amount invested by the private sector in Gibraltar in the Programme is £1.9m. Minister Holliday commented in particular on the impacts on the economy and on employment of the outgoing Programme. 67 Small and Medium-sized Enterprises (SMEs) were successful in obtaining EU funding, together with 33 SME business start-ups. A total of 145 full-time jobs were created by 1 October 2007, together with 32 part-time jobs.

In addition, 10 trainees were employed and 79 jobs were safeguarded. The outgoing Objective 2 Programme has therefore had an impact on 266 jobs.

The Objective 2 Programme attracted investment from the EU, to complement Government spending, on a number of major projects. They included:

- beautifying the City Centre
- beautifying and recovering Orange Bastion
- beautifying Catalan Bay
- improving the public bus service, including assisting with the purchase of new buses
- improving the Upper Rock, including the World War II tunnels
- improving the Alameda Gardens

Support was also obtained, through the European Social Fund, for training schemes and initiatives.

Minister Holliday highlighted that, when the 2000-2006 Programmes are closed during the course of 2008, the outputs achieved will need to be increased as private sector applicants continue to benefit from the old Programmes.

The Minister then described the new Programmes for 2007-2013 and proceeded to launch them. The European Commission adopted a decision on 13th December 2007 accepting the Operational Programme for Community Assistance from the European Regional Development Fund under the Regional Competitiveness and Employment Objective in Gibraltar for the new funding period of 2007-2013, that had been submitted by Gibraltar. Under the Programme an allocation of €5,800,739 has been allocated to Gibraltar. The EU funding needs to be matched by the Gibraltar Government or the Gibraltar private sector, depending on whose projects are proposed and approved. Projects need to conform to the guidelines set by the Commission in European law, in the form of EU Regulations, and be compliant with the areas earmarked for financial assistance from the EU.

The Gibraltar Operational Programme therefore makes provision for assistance for projects that will:

- create new SMEs
- encourage existing SMEs to grow and or diversify
- foster the development of IT systems by SMEs
- develop e-Government
- grow e-commerce
- assist in regenerating inner-city areas
- generate tourism development
- encourage environmental improvements

Gibraltar has been allocated a further €3,361,599 for the same programming period from the European Social Fund, under the European Territorial Cooperation Objective. These funds can be used to co-fund projects, activities and measures designed to:

- tackle unemployment
- develop entrepreneurship
- exploit opportunities for job creation
- assist vocational training schemes
- equip young people with relevant and adaptable skills
- support adaptability in business

In addition, Gibraltar will participate in two Transnational Programmes, funded by the European Regional Development fund. €211,130 have been earmarked for Gibraltar under the South West Europe Programme and a similar sum under the Mediterranean Programme.

Following the Minister's intervention, the Chief Secretary Richard Garcia delivered a more detailed technical appraisal of the new Programmes and placed them in context. The Chief Secretary is responsible for the Gibraltar EU Programmes Secretariat. He chairs the Programme Monitoring Committee at which Government Departments and Agencies together with private sector partners monitor progress in implementation of the Gibraltar Operational Programme.

Mr Charles Collinson, the EU Programmes Manager, then provided a pictorial presentation on EU funding in Gibraltar, and introduced the members of the EU Programmes Secretariat.

The Gibraltar Operational Programme for 2007-2013 can be accessed on the Gibraltar Government's website, www.gibraltar.gov.gi. Information on the Programme, on eligibility to apply for funding, and advice on how to submit an application for EU funding can be obtained from:

EU Programmes Secretariat
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Note for Editors:

A copy of the speech delivered by Hon Joe Holliday is attached.