



GOVERNMENT OF GIBRALTAR
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Pages 1 of 2

The Gibraltar Government will denounce to the OECD, the IMF and the EU the false statements about Gibraltar's finance centre attributed to officials in the Spanish Government in the article carried by El Pais newspaper. This article is based on a web of untruths and fabrications.

The actual truth is that Gibraltar has a much better record in relation to regulation of financial services than Spain, as measured by almost every independent international organisation. The latest, very positive IMF Report on Gibraltar demonstrates the untruth of this unwarranted and false assault on our finance centre. The reality is the very opposite to the picture painted in the Article.

Gibraltar's finance centre complies, to a much greater extent than Spain's, with EU laws and obligations. The statement that Gibraltar's Finance Centre does not meet EU standards and requirements is simply false. Indeed, Spain has still not implemented the EU Third Money Laundering directive, which was due by December 2007 and which Gibraltar has implemented. It is thus Spain that appears to be in default of her EU obligations on moneylaundering.

The statement that lawyers and others in the finance centre are outside the regulatory net of financial services is also untrue and fabrication.

The report says that Gibraltar does not comply with FATF (Grupo de Accion Financiera International) recommendations. This is completely false. Unlike Spain, Gibraltar has complied with practically all of the FATF's latest recommendations (the original 40 plus the 9 new ones)– one of the few finance centres to do so. Indeed, this was one of the positive findings of the IMF Report on Gibraltar. Again, Gibraltar's performance in respect of FATF recommendations exceeds Spain's.

Insofar as concerns the OECD, Gibraltar has never received a request by Spain to enter into any exchange of information agreement as envisaged in the OECD initiative, to which Gibraltar is committed. It is therefore plainly absurd for Spain to suggest that we are non-co-operative in terms of the OECD initiative. This inescapable fact demonstrates the bad faith of these statements.

The statement that Gibraltar refuses to provide information, and has not provided information to Spanish authorities through the various legal mechanisms that exist is simply untrue. The Gibraltar Government finds that assertion staggering and deeply disappointing. Those requests that fail do so because Spanish authorities fail to comply with international legal requirements or to bring their requests within the applicable legal framework.

What is true is that when the Gibraltar Government has sought meetings with Spanish Finance Ministry officials in relation to such matters, Spain's Finance Ministry has refused to meet with Gibraltar officials.

The report says that the presence of these issues on the agenda of the Trilateral Forum reflects Spanish dissatisfaction. This is also false. It should be clearly understood that the issues of co-operation in matters of financial services and tax, and police and judicial co-operation, have been placed on the agenda by and at the request of Gibraltar, and not Spain.

A Gibraltar Government spokesman said: -

"This Article in El Pais is clearly inspired by official Spanish Finance Ministry sources. The allegations made in the Article are false and the facts in it are almost all entirely untrue. We find this deeply troubling. It is a peculiar way to seek to increase co-operation between Gibraltar and Spain on such matters. This is not the way to seek or to obtain Gibraltar's goodwill and continued co-operation.

Despite these unacceptable and reprehensible statements the Gibraltar Government will remain willing to proceed with this agenda within the Trilateral Forum. It is a measure of the nonsense of these Statements that they measure alleged non compliance by reference to the number of Banks, lawyers and companies in Gibraltar. Gibraltar's finance centre will continue to grow within the quality, compliant and high regulatory standards that the Government has marked out for it since 1996. This growth will be reflected in still more private client business, more banks, more insurance companies, more brokers and more funds business. People in Spain have got to understand the difference between money laundering, and a successful, growing, reputable and well regulated international finance centre.

The Government similarly rejects and regrets the comments on the matter by Campo MP Salvador de la Encina, who has fallen into the trap of rushing to make public statements on matters that he does not appear to understand, relying on the misinformation produced by others."