



GOVERNMENT OF GIBRALTAR
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The Government is delighted to take full political responsibility for the excellent, correctly sized and well located and much needed new air terminal project, and rejects political responsibility for the financial downfall of foreign airlines. The Government notes Dr Garcia's glee that, in his own mistaken view, the Government's aviation policy is "in tatters". In doing so, he completely distorts that policy, which is clarified in this statement.

Recently, and arising from the financial failure of Air Andalus, there has been misconceived comment from Dr J Garcia on behalf of the Opposition and some journalists relating to the New Air Terminal Project and the Cordoba Airport Agreement.

Firstly, the principal purpose and significance of the Cordoba Airport Agreement is not about providing flights between Gibraltar and any Spanish Airport. That will always be a commercial matter for operators. The Cordoba Airport Agreement is about normalising the status of Gibraltar Airport within the European Union and ensuring that Gibraltar airport enjoys its full EU air liberalisation rights in respect of air services between Gibraltar and all other European countries. This important goal, which the previous government rightly but unsuccessfully sought to achieve through litigation in Europe, has now been achieved without loss of ownership or jurisdictional or other control of the airport. This is not affected by what happens to Air Andalus, or whether there is, or is not, at any given time a service between Gibraltar and a Spanish Airport.

Among the many things that the Cordoba Agreement achieved was the possibility of "expanded use" (not "joint use") of the Airport for the benefit of citizens in both Gibraltar and the Campo. It also ushered in the possibility of direct flights between Spain and Gibraltar. The value of having removed the political obstacles that previously existed does not depend on whether, at any given time, there is or is not such a service, nor on the cost of the bus service from La Linea to Gibraltar Airport while the new terminal is being built.

Nor, does the New Air Terminal depend on, and nor was it built for, the short-term “comings and goings” of individual airlines on any particular route, including routes to Spain. The New Air Terminal is an investment in Gibraltar’s future, to satisfy Gibraltar’s present and future needs and opportunities and to exploit our Europe-wide and international opportunities the possibility of which the Cordoba Agreement delivered at a political level.

Dr Garcia’s statement that the air terminal should not have been built without marketing research on one route, at one point in time, is myopic and a monument to his lack of understanding of how Gibraltar needs to invest, provide and position itself for its future prosperity.

Nor is the Government currently actively seeking new routes and operators, and will not do so until the new terminal, and the new roads and tunnel are ready. Vehicular traffic in Gibraltar cannot cope with the effects of greater use of the airport at this time. It is already severe whenever there is a take-off or landing.

The Government welcomes and desires the existence of air services to Spanish airports, but their temporary absence makes no difference to the case for the New Terminal.

Chief Minister Peter Caruana said:-

“Those who simply wish to criticise everything that the Government does for political effect, and also seek to undermine the trilateral process (which they were unable to achieve) at every step while saying (through gritted teeth) that they support it, would have people believe that the case for the new terminal, and its size, depend on whether an airline can make one route work in the midst of a global recession and financial crisis. They thus welcome every negative development in air services as ‘proof’ of the ‘folly and extravagance’ of the new terminal.

Dr Garcia apparently believes that Gibraltar’s long term investment strategy should be guided by the present state of the Campo and Spanish National economy which are in the midst of the worst post-war recession. The Government whole heartedly disagrees with this simplistic and visionless analysis of a project that will be a vital social and economic asset for Gibraltar’s prosperity for the next 50 years and more.

The Government is completely confident that routes to Spain, and to other new destinations will prosper, that the success of the terminal is assured and that it will be yet another successful piece of the GSD Government’s successful vision for Gibraltar of which everyone in Gibraltar will be proud.

But we understand the Opposition’s political desire and need to argue the contrary, as they have done with the new hospital and the new buses and all of the rest of our transformational projects.”