



GOVERNMENT OF GIBRALTAR

PRESS OFFICE

No.6 Convent Place

Gibraltar

Tel:20070071; Fax: 20043057

PRESS RELEASE

No: 229/2011

Date: 29th July 2011

“GOVERNMENT TERMINATES OHL TUNNEL CONTRACT”

The Government has given the contactor of the tunnel contract,OHL, 14 days notice to terminate the contract and expel them from the site. The effective date of termination will be 12th August.

The grounds for such termination are the Contractor’s failure to comply with the terms of the Contract and to proceed with the works as required by the Contract.

The Government will make alternative arrangements to proceed expeditiously with the completion of the tunnel and related works included in the Contract.

A Government spokesman said, “ the Contractor’s performance and lack of progress has left us with no alternative but to take this action as soon as we have been advised that it is legally prudent to do so. The Government honours its contractual commitments and expects its contractual counterparties to do so as well. Taxpayers are entitled to the benefit of bargains struck on their behalf and therefore contracts bind and benefit both sides in equal measure.”