



No: 130/2019

Date: 26th February 2019

Government counters misinformation in Spain about east side project

The Government notes press reports in Spain regarding the construction of affordable homes on the eastern side of Gibraltar.

It is important to set the record straight given the considerable amount of misinformation that has now been circulating in this respect.

1. The east side reclamation has been around in different forms for over twenty years. It is not a recent reclamation. The works required for this development involve no new reclamation and indeed no new reclamation is planned outside of port waters before the General Election or the next couple of years. There will therefore be no new reclamation outside of port waters before the end of the currently envisaged transition or implementation period.

2. The site has been the focus of a number of development projects in that time.

Over a decade ago the then GSD Government sold the land to a developer in respect of the Sovereign Bay project.

In 2015 the GSLP/Liberal Government announced the Blue Water project on the same site.

The northern part of the site has now been allocated to the Hassan Centenary Terraces affordable housing development.

3. In 2005 a detailed Environmental Impact Assessment commenced on the site in accordance with EU and Gibraltar law. This found that there were no significant trans-boundary effects.

4. The European Commission has investigated the east side reclamation several times and upheld the results of the Environmental Impact Assessment.

The most recent examination followed a complaint from Spain in 2013. The Commission's Directorate-General on Environment ruled in 2014 that it was unable to identify any breach of EU environmental legislation in respect of the east side plot.

5. Land reclamation by Spain, particularly around Algeciras port, has been carried out without the same cross-border notifications and led to significant storm damage in Gibraltar.



6. The Spanish view that Gibraltar is not entitled to territorial waters is fundamentally flawed in international law. Gibraltar enjoys three miles of territorial sea and up to the median line in the Bay, under the United Nations Convention on the Law of the Sea (UNCLOS). Indeed, even senior legal advisers to the Spanish Foreign Ministry have argued, on retirement, that Spain does not have a valid argument in this regard.

It is a sad reality that whenever elections take place in Spain, Gibraltar becomes a political football for different sectors of Spanish society. This often happens with no regard for the accuracy of the comments that are made.

The truth is that Gibraltar has long produced a positive economic impact on the Spanish side of the border. There are now over 14,000 people who live in Spain and work in Gibraltar, including well over 8000 Spanish nationals. Gibraltar businesses purchase some £ 400 million a year from their counterparts on the Spanish side, generating further indirect employment. Gibraltar residents spend about £ 73 million a year in goods and services from Spain and those with second homes there an additional £ 62 million a year. The economy of Gibraltar added some £ 554 million to the economy of the Campo de Gibraltar and accounts for 25% of its GDP.

It is particularly tragic that this positive news should be sacrificed on the altar of political expediency whenever elections come round in Spain, even though the new residential project on the east side will once again create hundreds of more jobs for Spanish construction workers as has been the case in the past!