

Transaction tax, duties and rates

ID	Consolidated question	
TAX-01	How should 'placed on the market' be interpreted for goods imported or produced in Gibraltar, especially B2B/non-retail goods and locally transformed goods?	<p>Article 256(1) of the treaty places on Gibraltar an obligation to ensure that goods may be produced or placed on the market in Gibraltar only if they comply with the relevant rules of EU law governing the production or placing on the market of those goods. The term “placed on the market” is not defined in the treaty but, since it is a concept of EU law, it will be interpreted in accordance with EU law. EU law in this area, including in relation to the concept of “placed on the market” is very detailed and complex. Operators having specific transactions in mind should, as a first step, consult the EU Commission’s “Blue Guide” on the implementation of EU product rules, the latest version of which can be accessed here.</p> <p>In general though, what this Article in the treaty requires is for products which are intended to be placed on the market in Gibraltar (e.g. offered for sale in Gibraltar), put into service in Gibraltar (e.g. a lift) or used in Gibraltar for own-use (e.g. machinery imported by a construction company to be used by that construction company) to comply with EU harmonised product standards where EU rules exist in relation to the particular products in question.</p> <p>In relation to products circulating in Gibraltar, continued compliance with these requirements will be checked by the Gibraltar Office of Fair Trading.</p> <p>In relation to products imported into Gibraltar which are on the market in the EU, these products will be assumed to be compliant with these requirements.</p> <p>In relation to products imported into Gibraltar from outside the EU which are intended to be placed on the market in Gibraltar or intended for private use or consumption in Gibraltar, compliance will be checked as part of the customs processes carried out at the EU designated customs posts.</p> <p>Notably, a product is not considered to be “placed on the market” where:</p> <ul style="list-style-type: none">- it is bought by a consumer in a third country while physically present in that country and brought by the consumer into the EU or Gibraltar for the personal use of that person;

		<ul style="list-style-type: none"> - it is not placed in free circulation in Gibraltar when it is introduced into Gibraltar i.e. the product is placed into a special customs procedure instead. <p>In relation to “locally transformed goods”, where a modified product is considered a new product (e.g. where the product has been subject to important changes or overhaul) it must comply with these requirements when it is made available on the market in Gibraltar or put into service in Gibraltar.</p>
TAX-02	How will bonded stock and pre-existing inventory be valued and taxed when transaction tax starts, particularly where identical goods in bond have different historic values?	Goods which are currently in a special customs procedure under Gibraltar legislation will be subject to Gibraltar transaction tax and Gibraltar excise duties (if applicable) at the point that they are released for free circulation in Gibraltar provided they are released for free circulation in Gibraltar after the treaty has entered into force. The value of the goods at the point that they are released for free circulation in Gibraltar will be based on the original customs valuation at the point the goods were introduced into Gibraltar and not the on the market value of the goods at the point that they are released for free circulation in Gibraltar.
TAX-03	Will airport duty-free sales for passengers travelling to non-EU destinations remain free of transaction tax and excise duties?	Yes. See further response to Question DF-01 below.
TAX-04	What transaction tax rates will apply to vehicles, commercial vehicles, boats and marine engines, and how will the new regime affect existing vehicle duty bands?	<p>Vehicles, whether used for private or commercial purposes, will be charged transaction tax, at a minimum, at the standard rate so, therefore, 15% in the first year of the treaty entering into force rising to 17% by the third year. This is subject to a policy decision which HMGoG will be taking as to whether higher rates will be applied for certain vehicles (as is the case today).</p> <p>Separately, private vessels imported into Gibraltar not used for commercial purposes would also be subject to transaction tax at the standard rate. On the other hand, commercial vessels imported to Gibraltar, as well as equipment incorporated into commercial vessels in Gibraltar, will be exempt from transaction tax in line with EU legislation which exists in relation to exemptions from EU VAT concerning commercial vessels.</p>
TAX-05	Which goods will benefit from zero, reduced or exempt rates under the new regime, including	Please refer to the responses provided to Questions B.8 and B.9 of HMGoG’s FAQs published here . Goods currently subject to reduced rates or exemptions from import

	goods currently duty-exempt such as recycled paper, LED products or building materials?	duty will not be subject to reduced rates or exemptions from transaction tax unless they are specifically covered by the new regime.
TAX-06	What transitional relief will apply to goods sold, ordered, shipped or held in bond before 10 April 2026 but delivered or released afterwards, and what proof will Customs require?	<p>Please refer to Articles 269 and 270 of the Treaty as well as HMGoG's Technical Notice of 2 February 2026.</p> <p>To summarise:</p> <ol style="list-style-type: none"> 1. The treaty will not apply to goods sold in Gibraltar prior to 15 July 2026, this being the expected date on which the treaty should enter into force. 2. The treaty will not apply to goods the movement of which starts before 15 July 2026 and arrive in Gibraltar on or after that date. What is key, therefore, for this transitional arrangement to apply, is for the transport or shipping of the goods to Gibraltar to start before this date. It will not be enough for goods to simply be ordered before this date. The burden of demonstrating that the movement started before this date will be on the operator. This may require, for instance, the production of consignment notes proving the date of dispatch, air way bills or bills of landing, carrier tracking logs etc. 3. Goods which were in a bonded warehouse or a temporary storage facility prior to 15 July 2026 can continue to remain there under the current Gibraltar legislation provided that the goods are discharged from the bonded warehouse within a period of 2 months after 15 July 2026 or the temporary storage ends within a period of 30 days after the goods were placed in temporary storage under existing Gibraltar legislation. The treaty shall, however, apply to the release for free circulation, discharge of the special procedure and any re-export from Gibraltar of such goods. The treaty will also apply where a trader wants to keep the goods in a warehouse after those periods.
TAX-07	How will EU customs duties apply to mixed consignments and to goods of non-EU origin moving to Gibraltar via the UK or the EU?	<p>EU customs duties will only apply to the goods forming part of the mixed consignment which are goods originating outside of the customs territory of the EU.</p> <p>Goods which originate outside of the customs territory of the EU, or which originate outside of the UK in the case of goods exported from the UK, will have EU customs duty applied on those goods at the EU designated customs posts.</p>

TAX-08	Will goods of UK origin avoid EU customs duties, and what evidence will be needed to prove UK origin?	Yes. Goods which are of UK origin will benefit from zero tariff arrangements applying under the UK-EU Trade and Cooperation Agreement. To prove that the goods originate in the UK, operators will need to satisfy the rules of origin set out in that agreement. UK Government guidance on the application of those rules can be found here .
TAX-09	How will alcohol and other excisable products be taxed under the new regime, including whether excise is additional to transaction tax and what rates will apply?	Please refer to the response provided to Question B.10 of HMGoG's FAQs published here . Transaction tax will also apply to goods that are subject to excise duties. Transaction tax will be levied on the customs value of the goods including any excise duties attached to them.
TAX-10	Will investment gold (bullion) be exempt from Transaction Tax, in line with current VAT exemptions in the UK and EU, and if not, what tax treatment will apply?	Yes, investment gold, as defined in EU VAT legislation, will be exempt of transaction tax.

Customs transit, systems and DCP operations

ID	Consolidated question	
CUST-01	What documentation, registrations, IDs, EORI arrangements and contact points will businesses need in order to clear goods at designated customs posts and begin operating on day one?	On 26 May 2026, the Government issued detailed guidance on NIF and EORI registration requirements as well as providing assurances on matters connected to guarantees. See here . Further operational guidance will be issued very shortly in relation to all other matters covered in these questions.
CUST-02	How will T1GI and T2GI transit procedures operate in practice, including who issues them and whether Gibraltar will have full NCTS access for transit movements?	
CUST-03	What practical controls will apply to movements between Gibraltar and the designated customs posts, including seals, inspections, operating hours and any DCP processing fees?	

CUST-04	What guarantee, liability and bond arrangements will apply for transit movements and bonded operations after implementation?	
CUST-05	Will businesses continue using ASYCUDA and existing filing/payment processes, or will a new software platform replace them?	Yes. ASYCUDA will continue to be used by HM Customs Gibraltar.
CUST-06	How will the treaty distinguish between personal shopping, informal resale activity and commercial imports, including small traders and online/Facebook sellers sourcing from Spain?	<p>Once the treaty applies, only goods introduced into Gibraltar in “personal luggage” which are of “non-commercial character” will be able to be brought into Gibraltar without having to undergo customs processes relevant to the importation of goods into Gibraltar and without transaction tax or excise duties having to be paid on them, subject to the below.</p> <p>When applying these concepts, customs authorities look will at a variety of factors. The core test will be whether the goods appear intended for personal use or as gifts rather than for resale or business activity. To use an example referred to in the question, a small trader bringing goods from Spain into Gibraltar to sell, even if those goods are small in quantity or low in value, would not be goods of a non-commercial character. The same would apply to online sales. They would not be considered goods of a non-commercial character.</p> <p>During the first 3 years of the treaty’s application, goods exceeding a certain value or goods exceeding certain quantities will, even if it is determined that they are non-commercial in character, be subject to obligations with respect to customs declarations and the payment of transaction tax. These thresholds, which are known as “allowances”, will be the GBP equivalents of the following amounts:</p> <ul style="list-style-type: none"> - For general goods acquired and brought by air or by sea, EUR 430 or EUR 300 if brought by land. For under 15s, the threshold value is reduced in either case to the EUR 175. - For tobacco products: 200 cigarettes, 100 cigarillos, 50 cigars, or 250g of tobacco. - For alcohol products: 1l spirits (>22%), or 2l fortified or other alcohol (≤22%) and 4l still wine or 16l beer <p>At the end of this 3-year period, these thresholds (and therefore obligations with respect to customs declarations or the payment of transaction tax) will not apply in so far as movements from the EU into Gibraltar are concerned. This would mean, for example, that goods acquired in Spain, say a number of shirts exceeding the value of EUR 300, may be</p>

		brought into Gibraltar without those goods having to be declared or transaction tax having to be paid provided, always, that the shirts are for personal use.
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Product compliance, labeling and consumer rules

ID	Consolidated question	
COMP-01	What EU product-compliance rules will apply to UK goods sold in Gibraltar, including CE marking, British standards and goods such as 3-pin plugs?	See Section C of the HMGoG’s FAQs published here .
COMP-02	What labelling or derogations will apply to medicines, medical devices and other regulated healthcare goods sourced from the UK?	See the response to Question C.5 in HMGoG’s FAQs published here . Medical goods, which are regulated at EU level, and which are not medicines for human use or medical devices (for which there is a GHA-specific derogation), will not be able to be imported into Gibraltar unless they comply with EU standards.
COMP-03	What food-labelling rules will apply to products imported from the UK and sold in Gibraltar, including any requirement for a Gibraltar-based food business operator and whether relabelling can occur in Gibraltar?	Foods products imported into Gibraltar from the UK will need to comply with EU labelling requirements set out EU Regulation 1169/2011. In particular: <ul style="list-style-type: none"> - labels must identify a Gibraltar or EU-based responsible food business operator; - mandatory particulars must be provided, including ingredients, allergens, net quantity, durability date, storage conditions, origin (where required) and nutrition information; - allergen information must be clearly emphasised; - labels and marketing must not mislead consumers; and - prescribed EU formatting and legibility requirements must be met. With respect to the first indent, the food business operator “... the operator under whose name or business name the food is marketed or, if that operator is not established in the Union, the importer into the Union market”. Therefore, to comply with the above, for UK food products exported to Gibraltar the options are as follows:

		<p>1. Product manufacturers operating internationally will likely have subsidiaries in the EU. In these cases, the name of that subsidiary, which would be the operator under whose name or business name the food is marketed, would need to be stated.</p> <p>2. If option 1 is not available, and the UK food products are imported via an EU distributor, that distributor can be made the operator for these purposes and their name would need to be stated on labels.</p> <p>3. At a last resort, if the UK food producer/manufacturer has no trade with the EU, and no experience exporting to the EU market, the importer in Gibraltar would need to ensure that their name is stated on labels if the food is imported by them directly.</p> <p>Imported food products may be relabelled in Gibraltar using stickers or over-labelling, provided this is done before the product is placed on the market in Gibraltar or offered for sale to consumers.</p>
COMP-04	Will Gibraltar retailers be required to provide a minimum 2-year warranty in line with EU consumer rules?	No.

Cross-border deliveries, services and enforcement

ID	Consolidated question	
SERV-01	Will non-Gibraltar companies be able to deliver goods in Gibraltar, and will those deliveries be limited to roadside drop-off rather than in-home or on-site service?	<p>The treaty imposes an obligation on Gibraltar to allow the delivery of goods in Gibraltar but the obligation extends only to single transport operations which start in the Campo de Gibraltar and end in Gibraltar. That is to say, the goods to be delivered must be picked up within the Campo de Gibraltar and delivered to a single point in Gibraltar without the possibility for further drop offs at other points in Gibraltar or for the subsequent pick up of goods in Gibraltar for delivery in another point in Gibraltar.</p> <p>For as long as these (limited) rights are respected, HMGoG has total flexibility with respect to how it wishes to legislate, unilaterally and domestically, for the operation of road haulage activities involving Gibraltar. For the time being, Gibraltar will maintain its current regime.</p>

		<p>All of the above is without prejudice to operations which may be carried out by holders of ECMT permits under the ECMT regime once, as envisaged will be the case, that regime is extended to Gibraltar.</p> <p>In so far as “in-home” or “on-site” services are concerned, the treaty imposes no obligations on Gibraltar in this respect. Any company wishing to provide any services in Gibraltar will need to be registered in Gibraltar for tax and social security purposes.</p>
SERV-02	Will non-Gibraltar companies be allowed to provide services in Gibraltar such as installation, removals, catering, repairs or disposal of old appliances?	See final paragraph of response to SERV-01.
SERV-03	Must Spanish retailers or delivery operators use the commercial route and comply with Gibraltar transit/tax rules, or can they instead use the open border and charge Spanish VAT?	Absolutely. No Spanish retailer or delivery operator would be able to introduce goods into Gibraltar without that operator having to comply with the regimes established in the treaty with respect to the movement of commercial goods into Gibraltar. They will not, under any circumstances, be able to deliver goods in Gibraltar without those goods having undergone customs controls in accordance with the treaty.
SERV-04	Which authorities will enforce the new commercial-delivery and market-compliance rules, how intensive will enforcement be, and how will shell arrangements or unfair competition be prevented?	<p>Responsibilities with respect to enforcing the non-possibility of commercial goods entering Gibraltar without customs controls having been conducted will fall on HM Customs Gibraltar.</p> <p>Responsibilities with respect to enforcing Gibraltar legislation with respect to road haulage activities conducted in Gibraltar with respect to the transport of goods by road will fall on the Gibraltar Driver and Vehicle Licensing Department.</p> <p>Responsibilities with respect to the enforcement of regulatory standards in Gibraltar with respect to goods will fall on the Gibraltar Office of Fair Trading.</p> <p>HMGoG will take every step necessary to ensure that Gibraltar legislation applying treaty obligations in Gibraltar is adhered to and relevant agencies and departments will be equipped with the right tools to deter and penalise non-compliance.</p>
SERV-05	What penalties will apply for unauthorised services, misuse of the wrong border route, unregistered staff or other non-compliance?	These will be dissuasive and will provide, the relevant agencies or departments, the power to impose financial penalties, the power to revoke relevant licences issued in Gibraltar etc.

		They will be published in Gibraltar legislation relevant to each sector.
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Existing exemptions, contracts and exports

ID	Consolidated question	
CON-01	How will existing duty waivers, project-specific exemptions, long-term contracts and government tenders be treated after implementation, including whether prices can be revised?	<p>Goods which currently benefit from exemptions or reduced rates with respect import duty will not be able to benefit from exemptions or reduced rates of transaction tax unless they qualify for an exemption or reduced rate of transaction tax. See further response to TAX-05 above.</p> <p>With respect to goods which are covered by a certificate of exemption from import duty issued under Regulation 8, Part 3 of the Integrated Tariff Regulations 2017, HMGoG explained the position in its Technical Notice of 2 February 2026 which can be accessed here. To reiterate, any exemption granted under such a certificate will continue to apply for the duration of the certificate or for 3 months after the entry into force of the treaty, whichever is earlier. After those 3 months, any goods imported for projects covered by these certificates will be subject to the transaction tax upon import into Gibraltar.</p> <p>With respect to goods currently supplied to government under long-term supply contracts, prices can be reviewed in accordance with the contractual terms of the contract awarded by government provided those terms allow for that (e.g. if the contract includes a price adjustment mechanism). Otherwise, where the government considers that the circumstances warrant a review of the contractual arrangements, it will seek to adopt an open and pragmatic approach to the reconsideration of particular commercial terms, provided always that doing so is compatible with applicable procurement law and would not require, for example, the commencement of a fresh procurement process.</p>
CON-02	What practical commercial benefit does the treaty create for Gibraltar businesses exporting to the EU, and who ultimately bears VAT/IVA on those sales?	The treaty prohibits the imposition of EU customs duties on products that are in free circulation in Gibraltar or the imposition of quantitative restrictions on the export of products from Gibraltar. That is already one significant advantage which trading partners with the EU typically have over third countries with no trade arrangements with the EU.

		<p>We also expect the goods and customs regime established under the treaty to facilitate the movement of products from Gibraltar to the EU, through the use of the new transit processes the treaty implements, as compared to the position today.</p> <p>But, focusing more on the VAT issues, operators in Gibraltar should understand that, even with respect to trade between the EU Member States themselves, a destination principle generally applies to e-commerce whereby VAT is due in the EU Member State in which the customer is based as opposed to the EU Member State in which the seller is based. The same would apply to a sale from Gibraltar to, say, Germany. In such a case, transaction tax would not be charged but Germany VAT would need to be paid.</p>
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Duty free, airport retail and warehousing

ID	Consolidated question	
DF-01	How will duty-free areas operate in practice, including whether there will be other duty-free zones, whether dual pricing is limited to excisable goods, how airport lounges will be configured, and whether there will be retail opportunities at the cruise terminal?	<p>In the EU, VAT and excise duties are destination-based taxes. If goods are exported outside of the EU, they are not consumed in the EU market and can be sold without VAT and excise duties having to be levied on those goods.</p> <p>Gibraltar transaction tax and excise duties will operate in a similar manner, and the treaty preserves for Gibraltar the possibility to apply exemptions from Gibraltar transaction tax and excise duties in respect of goods sold in “duty-free” shops at the airport and port to passengers departing to destinations outside the EU. This is on the basis that such goods will be immediately exported from Gibraltar and not consumed in either Gibraltar or the EU.</p> <p>With respect to the specific questions:</p> <ol style="list-style-type: none"> 1. There will be a duty-free area in Gibraltar airport for passengers boarding flights to non-EU destinations (e.g. the United Kingdom). This area will be the current one. If we were to have flights to Schengen destinations, a different departure lounge will be used for those departing flights. 2. The same will apply with respect to the Gibraltar port save that, in the case of the port, the Government will oblige operators to operate strict requirements with respect to proving that their onward destination is outside of the EU.

		3. The ability to sell duty free will not only apply to excisable goods. It will apply to other goods too which would normally have been subject to transaction tax.
DF-02	What warehousing regime and holding periods will apply to bonded or special-procedure stock, including mixed EU and non-EU goods?	See responses to questions A.8 and A.9 of the FAQs published in HMGoG's Treaty website which can be accessed here . Further details have been published in HMGoG Guidance Notes on "Annex 19" special procedures (applying to EU goods) and "Annex 21" special procedures (applying to mixed and non-EU goods). In relation to "stock" currently held in special procedures under Gibraltar legislation, see response to TAX-06 above.

Hospitality, food and business support

ID	Consolidated question	
HOSP-01	What additional customs/admin burden will hospitality businesses face, including import licences, VAT exemption certificates, purchasing procedures in Spain and possible initial delays?	We do not expect any <i>additional</i> customs or administrative burdens for the hospitality sector. We would simply advise operators in the sector to pay attention to Government issued technical guidance and responses to published FAQs since this will contain information on general rules and procedures with respect to imports and exports which are of equal application to the hospitality sector.
HOSP-02	Which food products will be zero-rated, super reduced or otherwise treated differently from the standard transaction tax rate?	All products which qualify as "foodstuffs, (including beverages but excluding alcoholic beverages,) for human and animal consumption; live animals, seeds, plants and ingredients normally intended for use in the preparation of foodstuffs; products normally used to supplement foodstuffs or as a substitute for foodstuffs" as well as the "supply of water" will benefit from a super-reduced rate of transaction tax of 0%.
HOSP-03	What sector-specific regulatory alignment will hospitality businesses face, including food handling requirements, wider EU standards and whether Gibraltar will mirror environmental rules such as a gas-heater ban?	Gibraltar is required to ensure that goods which are produced or placed on the market in Gibraltar comply with EU law governing the production or placing on the market of those goods. For goods, including food products, which are already in free circulation in the EU, the presumption is that such goods will be compliant with these EU rules.

For goods, including food products, which are imported from outside of the EU including from the UK, it will be necessary for such goods to comply with these EU rules.

For goods, including food products, which are produced and placed on the market in Gibraltar or the EU, it will be necessary for such goods to comply with these EU rules.

The above sets out the general position.

However, specific to the food industry, operators should note that there are **two** derogations in the treaty which apply specifically to food products.

First, there is no need to align with EU rules as regards the transport, storage and distribution of food after this food has entered Gibraltar. To illustrate, with an example, what is meant by this in practice, let us take the example of a quick-frozen food product such as a frozen pizza. If that frozen pizza was in free circulation in the EU and imported into Gibraltar it will be deemed to be compliant with EU rules. But there is no continuing obligation for food operators in Gibraltar to continue to meet EU rules in relation to, for instance, the storage of that pizza at a particular temperature at the retailer's premises in Gibraltar, or the transportation or distribution of that pizza from the wholesaler in Gibraltar to the retailer in Gibraltar in particular conditions prescribed by EU rules. In relation to such transport, storage and distribution, Gibraltar legislation which does not need to be equivalent to EU law would apply instead.

Second, there is no need to align with EU rules as regards food produced in Gibraltar or prepared, processed or repacked by retail establishments and placed on the market in Gibraltar for local consumption. This applies, for instance, to cakes or bread produced by a confectionery store or bakery in Gibraltar and offered to customers in Gibraltar. It would also apply to meat products which are, for instance, marinated locally by a butcher and offered to customers in Gibraltar.

Importantly though, where that food produced, prepared or repacked in Gibraltar is "prepacked", the individual packaging must bear a label which states the words "Not for EU".

An example of something that is prepacked includes:

		<ul style="list-style-type: none"> - donuts prepared by a supermarket or bakery locally which are put in boxes and displayed on a shelf for customers to buy; - meat marinated by a supermarket or butcher locally which is put into a box and displayed on a shelf for a customer to buy. <p>In these cases, the box must be labelled with a label which states “Not for EU”.</p> <p>An example of something that is not prepacked includes:</p> <ul style="list-style-type: none"> - donuts prepared by a supermarket or bakery locally which are selected by the customer and put into a box (in a quantity requested by the customer) by the shop assistant or baker at the customer’s request, - meat which is marinated locally and is, for example, displayed behind a counter and put into a box (in a quantity requested by the customer) by a shop assistant or butcher at the customer’s request. <p>In these cases, the box would not need to be labelled with a label which states “Not for EU”.</p>
<p>HOSP-04</p>	<p>How will cross-border takeaway and similar deliveries from Spain be controlled so that Gibraltar businesses are not undercut by non-compliant operators?</p>	<p>The delivery of food from a restaurant or take-away in Spain to an address in Gibraltar would be subject to import requirements under the goods and customs chapter of the treaty as it applies to commercial goods. Such goods should, therefore, comply with customs requirements, be presented to customs with appropriate documentation etc. It would not be viable for such goods to be cleared within a timeframe which would meet the expectations of the customer in Gibraltar bearing in mind that the intention would be for such food to be consumed immediately.</p> <p>Notwithstanding the above, HMGoG is aware that operators in Spain might be tempted to circumvent the processes outlined above, and seek to evade detection, by simply putting the delivery into the boot of an unmarked motorcycle or car and cross the border normally like any other traveller, not carrying goods for commercial purposes, would. Gibraltar is under a treaty obligation to prevent such activity, and it will take seriously any steps to do so, including through the introduction of strict penalties, the establishment of communication channels for members of the public to make anonymous reports etc.</p>

SUP-01	What mitigation, support or incentive measures will Government provide to help businesses and consumers absorb higher costs under the new regime?	HMGoG has already described the support package which it intends to adopt. This was explained by the Chief Minister, in the Gibraltar Parliament, on 3 March 2026. Details can be found from lines 740 to 807 of the relevant Hansard which can be accessed here .
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People, labour and tourism

ID	Consolidated question	
PEO-01	What practical effect will the treaty have on staff crossing the border for work, including whether businesses should expect staffing disruption?	The treaty will lead to a situation where there will be no immigration controls and no routine customs controls on persons crossing the land border between Gibraltar and Spain. It delivers maximum fluidity of movement – the outcome which is most favourable to residents on either side of the border, tourists and frontier workers – this being the treaty’s core objective. Business should not expect any staffing disruption – if anything, the treaty removes the risk of staff disruption, something which has happened in the past in times when frontier workers have had to wait extended periods of time to cross the border.
PEO-02	How will work permits, residence permits, ETB issues and recruitment of British nationals operate under the new system?	Other than to prevent HMGoG from introducing measures allowing for persons not having a genuine connection with Gibraltar to have their legal residence in Gibraltar (something which HMGoG supports), the treaty does not restrict the conditions which Gibraltar can adopt with respect to those which are necessary for legal residence in Gibraltar to be established. HMGoG is in the process of designing a new regime for establishing residence in Gibraltar and this legislation will be published ahead of 15 July 2026, this being the date on which the treaty is intended to provisionally apply from. The regime will apply to UK nationals not resident in Gibraltar in the manner prescribed. In relation to work permits and ETB issues, in so far as they affect UK nationals intending to work in Gibraltar, the treaty is of no impact.
TOUR-01	How will Gibraltar manage traffic growth and congestion, and is a park-and-ride solution from La Linea being considered?	Vehicular traffic flows at the land border will be improved so that roads providing for access and egress to and from Spain will be able to support the volume of traffic which we anticipate would move across the border, and allow such traffic to move fluidly and without obstacle now that immigration and customs controls will be removed.

		There are no plans at present for the creation of a park and ride solution direct from La Linea but, with both frontier workers and tourists in mind, HMGoG is looking to improve public transport links from the border to central areas of Gibraltar.
TOUR-02	What tourism growth does Government expect after the treaty, from which source markets, and how does it expect the hospitality sector to grow?	<p>Tourism remains one of the central pillars of Gibraltar’s economy. Protecting that revenue stream is not enough; we must continue to expand it through sustained investment in Gibraltar’s tourism product and international appeal. HMGoG has already made significant and measurable progress in transforming Gibraltar into a higher-value tourism destination, successfully encouraging more visitors to stay overnight in Gibraltar’s hotels and attracting a growing number of cruise calls. This success is reflected in rising tourism revenues and record-breaking cruise call figures.</p> <p>But the opportunities ahead are even greater.</p> <p>What the treaty unlocks, by effectively removing the uncertainty and disruption associated with border delays, is the potential for a major increase in land-based tourism into Gibraltar. Combined with the new opportunities to connect Gibraltar Airport directly with destinations across the Schengen Area, Gibraltar is now uniquely positioned to become one of the most accessible, attractive, and strategically connected destination.</p> <p>This creates the foundation for continued tourism growth which will be of direct benefit to the hospitality sector. HMGoG expects the sector to grow significantly through increased hotel occupancy, higher visitor spending, longer stays, and rising demand for restaurants, entertainment and tourism services.</p>

Frontier security and implementation guidance

ID	Consolidated question	
SEC-01	What security arrangements will apply to businesses and commercial sites near the frontier, including whether operators can erect fencing, compounds or other physical barriers?	Obligations with respect to the removal of physical barriers under the treaty refer to public infrastructure. Private enterprises are, subject to compliance with Gibraltar legislation on planning control, building control etc., not affected by these obligations. HMGoG would ask though that businesses asking these questions approach the Deputy Chief Minister’s Office to furnish government with further details on what infrastructure

		businesses may have in mind in order to better advise. Moreso, given MOD, airport infrastructure and other public infrastructure in the area.
SEC-02	When will businesses receive the detailed operational guidance they need, and will all relevant authorities be fully ready on the implementation date?	<p>HMGoG has been continuously informing traders of the changes to goods and customs processes required under the treaty. It has done so through statements in the Gibraltar Parliament, the publication of press releases, through meetings of the Business Transition Advisory Group (BTAG), the publication of responses to FAQs, the preparation of individual responses to queries raised by stakeholders etc.</p> <p>On 26 May 2026, the Government issued detailed guidance on NIF and EORI registration requirements as well as providing assurances on matters connected to guarantees. See here. Further operational guidance will be issued very shortly.</p> <p>In publishing its guidance, HMGoG has been meticulous in ensuring that its advice is entirely aligned with operational arrangements agreed with both the Spanish customs authorities and the European Commission. For this reason, in recent months, HMGoG representatives, alongside officers of HM Customs Gibraltar, have been meeting operational counterparts in both Gibraltar and Brussels to iron out remaining detail in time for 15 July 2026.</p> <p>In light of this work, HMGoG is confident that all authorities will be ready to implement the treaty from that date.</p>

Exports and specialised logistics

ID	Consolidated question				
EXP-01	How will exports from Gibraltar operate in practice via Spain, including forms, operational coordination, destination/routing scenarios and the practical experience at the land border?	HMGoG will, very shortly, be issuing detailed operational guidance on matters related to transit procedures – both with respect to imports and exports.			
EXP-02	How will temporary exports and ATA Carnet movements be treated under the new framework?	The treaty establishes arrangements with respect to temporary admissions. This is one of the three special customs procedures envisaged. There is a process that will apply to EU goods and a separate process that will apply to non-EU goods or mixed goods.			

		<p>The ATA Carnet will operate under these regimes since it will act as a temporary admission declaration as well as a customs guarantee.</p> <p>HMGoG will, very shortly, be issuing detailed operational guidance on these matters.</p>
EXP-03	How will dual-use goods be defined and licensed under the new framework?	<p>Under the EU dual-use regime, controlled items are principally defined in Annex I to Regulation (EU) 2021/821. The Annex contains the detailed technical specifications that determine whether an item is “dual-use” for export-control purposes. It should be noted though that, in accordance with EU law, some goods that are not specifically listed in Annex I can still be treated as dual-use goods because of the “catch-all” provisions in Regulation (EU) 2021/821.</p> <p>These are usually ordinary commercial items that are not inherently sensitive enough to appear on the technical control list, but become controlled because of the end user, the destination, or the intended use.</p> <p>Gibraltar will remain a third country vis-à-vis the EU for purposes related to this regime. Therefore, Spain will continue to, as it does today, require authorisations and administer licensing with respect to dual-use goods passing through its territory.</p>
EXP-04	Will sea freight be available as an alternative export route under the new arrangements?	See response to Question A.7. of HMGoG’s responses to FAQs which can be accessed here .
EXP-05	How will biohazardous and other regulated clinical materials be transported under the treaty, and will Gibraltar-UK air logistics continue unchanged?	<p>As a result of the regime on goods and customs established under the treaty, only goods carried by passengers as personal luggage will be able to be transported on commercial flights operated to and from Gibraltar. Pets carried by passengers will be considered part of the passenger’s personal luggage.</p> <p>In the context of commercial air transport, there is a single exception to this rule which applies to operational supplies like spare parts and equipment required for the aircraft as well as on-board provisions.</p> <p>Like all other goods subject to the general regime on imports and exports from Gibraltar, biohazardous and other regulated clinical materials must be imported to Gibraltar, and exported from Gibraltar, via the EU designated customs posts.</p>

Port operations and shipping logistics

ID	Consolidated question	
PORT-01	Will ship spares and other goods in transit for onward export still be able to move into Gibraltar, and when must they first be processed via a designated customs post or special customs procedure?	See responses to Questions A.7. and A.8. of HMGoG's responses to FAQs which can be accessed here .
PORT-02	Will there be any changes to disembarkation rules for cruise passengers arriving at Gibraltar Port?	<p>No, there will be no immediate changes other than with respect to new obligations placed on cruise operators concerning the sharing of information concerning passenger lists with the Schengen authorities.</p> <p>Other than the above, it is possible that, further down the line, HMGoG will review its domestic processes to improve efficiency and preserve the integrity of the system from a security perspective, but the treaty will not, generally, lead to a different experience for passengers disembarking in Gibraltar.</p>

Vehicles, environment and market incentives

ID	Consolidated question	
ENV-01	Will Government introduce environmental or market-shaping measures for vehicles, such as incentives for greener powertrains or controls on older high-emission vehicles?	<p>HMGoG's environmental policy will remain aligned with that of the EU.</p> <p>Therefore, to the extent that such measures are introduced in the EU under EU legislation, Gibraltar would be obliged to, under Gibraltar legislation, match the standards set out in those measures.</p>

		Whether HMGoG wishes to go beyond those standards, or introduce measures which are not otherwise incompatible with those standards, is unaffected by the treaty.
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