



## PRESS RELEASE

No: 196/2018

Date: 28th March 2018

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### **Chief Minister Ministerial Statement**

#### **“One Year Before Brexit”**

My dear fellow Gibraltarians

At midnight tonight we will be exactly one year from leaving the European Union.

We will leave with the United Kingdom.

We will leave despite the overwhelming choice we made in the referendum to remain in the EU.

Because we all know that our deep relationship with the UK is stronger and more important to all of us than our membership of the EU.

That is why tonight I want to focus in particular on some important aspects of what the next 12 months will hold.

I want to address issues related to the transition period that will likely run until December 2020.

And I want to look at the excellent progress we have made on matters that required agreement between us and the United Kingdom.

Finally, I will also address the multilateral European negotiations which the British Prime Minister is leading.

In fact, as you know, since the UK's Article 50 Notice was delivered to Brussels exactly a year ago, the Government has been working to secure Gibraltar's position.

Of course, last year all of us felt disappointed and let down by the adoption of the EU guidelines which purported to give the Spanish Government a say on the application of post-BREXIT agreements to Gibraltar.

Since last year it has also become clear that the United Kingdom has maintained the position that Gibraltar will be included in any agreements it may enter into with the EU.

That is what Gibraltar expects and that is what we have been working to ensure.



We have built a relationship of trust with Theresa May and her team.

But it is also true that Gibraltar has been let down in the past by the United Kingdom.

That is why we must remain eagle-eyed to ensure that we are not let down over the issues that now arise.

But it is equally true that the Deputy Chief Minister and I have found UK ministers genuinely supportive of Gibraltar and our circumstances.

They have understood our reasoning on how best to protect Gibraltar's position through BREXIT.

Because, consistently from September 2016, I set out in detail our position in various statements in evidence to the House of Commons, to the House of Lords and to the European Parliament.

In broad terms, this involved three strands of action.

**Firstly, we worked towards - and have now delivered - the maintenance and enhancement of our trading relationship with the UK in services.**

**Secondly, with regard to the EU, we are working towards a solution that delivers continued frontier fluidity, maintains our trade in goods and allows us to, at least, form part of the eventual UK-EU Agreement in relation to services.**

**Indeed, the Spanish Foreign Minister, Sr Dastis, has made clear himself that he also is seeking a solution which maintains frontier fluidity, signifying publicly that there is already clear agreement between us in this respect.**

**Detailed agreement is now required on the best mechanism to deliver that common objective.**

**This is hugely important not just to cross frontier workers, but also to us Gibraltarians, to tourists and to citizens generally.**

**And it matters not just in commercial terms, but in human terms also.**



**Thirdly, once Brexit occurs in full, we have sought to form part of the new international trade agreements that the UK will enter into with third countries.**

**This is now also agreed by the United Kingdom.**

But the strategy we embarked upon has not been stagnant.

It has evolved as the difficulties and opportunities of BREXIT have developed over these past twelve months.

Most importantly, I believe that we are entirely on track to deliver exactly the arrangements we set out to achieve.

With the United Kingdom we have now agreed key fundamentals.

We have secured the continuation of our current trade arrangements with the UK.

These will be enhanced also in some areas, not least in online gaming and insurance.

In these areas, cooperation on regulatory outcomes with the UK will be closer and more aligned in future in a way that will be mutually beneficial.

The principle of our continued access to the UK market after Brexit is therefore established and accepted.

Mechanisms to facilitate this market access are in place already until the end of the transition period.

And work has already commenced on the updated mechanisms to be put in place thereafter.

This was an objective we could achieve directly with the UK.



And importantly, this will protect 90% of our business in financial services and our most important market in online gaming.

This is better than excellent progress at this stage in the process of leaving the EU.

Indeed, as things stand, online gaming operators in other EU jurisdictions do not have any guarantee, certainty or clarity of what access they will have into the UK market in services after Brexit.

Specifically, the UK has provided assurances that gambling operators based in Gibraltar will continue to access the UK market after we leave the EU in the same way as they do now.

This is an important advantage for Gibraltar as no other EU jurisdiction at all can boast such a clear and unequivocal statement of continued market access post BREXIT.

Additionally, we have also reached and announced agreements with the UK Government on other issues which are of importance to us like health and education.

These achievements and the benefits they bring cannot be underestimated.

THEY ARE THE ESSENTIAL FOUNDATION BLOCKS FOR OUR FUTURE, STRENGTHENED, COMMERCIAL RELATIONSHIP WITH THE UK.

ADDITIONALLY, THEY SECURE THE STABILITY OF OUR ECONOMY.

And these are the realisation of the Government's objectives for phase 1 of the Brexit negotiations.

The second phase of our strategy must address our future relationship with the EU.

An essential part of that is our inclusion as part of the UK's agreements on Withdrawal and Transition.



Just this Monday in the House of Commons, the Prime Minister specifically confirmed this as part of her statement on the March meeting of the European Council:

**[ROLL VIDEO : PM T MAY : COMMONS 25 03 2018]**

***[We have also been working closely with the Government of Gibraltar to ensure that Gibraltar is covered by our EU negotiations on withdrawal, the Implementation Period and future relationship.]***

***I am pleased that the draft Agreement published jointly last week correctly applies to Gibraltar, but we will continue to engage closely with the Government of Gibraltar and our European partners to resolve the particular challenges our EU withdrawal poses for Gibraltar and for Spain.]***

We are therefore entirely confident that the Withdrawal Agreement must and will fully apply to Gibraltar.

We are entirely confident that the mechanisms for orderly withdrawal and continued market access will fully cover Gibraltar.

We are entirely confident that we will enjoy continued access to the EU Single Market until at least the end of the transition period.

And as we prepare to leave the European Union, we will also seek to establish new lines of cooperation with the EU and, in particular, with the neighbouring Member State, Spain.

But lets be clear:

We will do this despite Clause 24 of the EU guidelines, not because of it.

We will continue to offer to build good neighbourly relations and deliver regional prosperity, not because we feel threatened, but because that is our nature.

And we will continue to seek to construct new synergies for the future and avoid unnecessary confrontation because it has always been our approach.



Gibraltar has never sought any other type of relationship with our neighbour, although we have too often been rebuffed.

Of course, this is not an easy time to achieve such an objective.

But perhaps the difficulties that Brexit could create for ordinary people on both sides of the frontier will finally concentrate the minds of politicians whose rhetoric has come from far from this frontier.

Perhaps this moment may be a watershed, at last.

I can tell you that we are working hard to seek solutions rather than headlines.

You will have heard statements from Spanish ministers setting out the things they are seeking to address in this period.

They have referred to a list of historic 'irritants' and to seeking to agree future arrangements in respect of the use of our airport.

We, similarly, have a list of historic issues that have long been 'irritants' for the people of Gibraltar that we will seek to have conclusively addressed.

One of these is also, for us, the future arrangements that might be agreed by us for the exploitation of our £84m airport built pursuant to an agreement with Spain, as well as the ability to access the EU Single Sky even after we leave the EU.

Additionally our removal from Spanish financial services blacklists and better traffic flows at the frontier are amongst the matters we also want to see fairly addressed.

Conversely, you will also have heard repeated statements from Spanish ministers setting out that sovereignty is not a matter they are seeking to raise in Brexit discussions.

We will all welcome that; although we will be sceptical and alert to ensure that remains the position.



We have long been clear in setting out that we will only discuss the sovereignty of Gibraltar with the United Kingdom Government.

So these parameters may yet enable us to work within our established and immovable red lines to find common ground with all relevant parties in this multilateral process of withdrawing from the EU.

Achieving success will not be easy.

It will be difficult.

But it is equally something that we have an obligation to try to do.

I would say more if I could about the structure and the detail of the discussions we are engaged in.

I am unable to do so for now without endangering the real opportunities for progress that we have identified.

This is not out of a desire not to be totally open with you.

It is only out of a desire to allow all relevant parties the political space to progress discussions and build confidence amongst interlocutors.

I understand that you will all want to know more about these seminally important matters.

I CANNOT say more now.

However, as you know, we have fully briefed Cabinet Ministers and elected Opposition members.

**But, rest assured:** I will say more as soon as I am able to do so.



But this is the time that we Gibraltarians must stick together.

Because we are all in it together.

Whatever our respective party political affiliations, we are all in it together.

And you have entrusted us with the administration of our nation's affairs.

**Rest assured** that we are working assiduously to carve out a future for all of us which is grounded in protection of our exclusively, **EXCLUSIVELY**, British sovereignty, jurisdiction and control.

I will never countenance any compromise in that respect.

No one in my Government will countenance any compromise in that respect.

None of you will countenance any compromise in that respect.

**Rest assured** that these are our fundamentals.

These are not things with which we will barter or trade.

And **rest assured** also that we will NOT tolerate the return to a bilateral process of talks between the UK and Spain about Gibraltar.

So do not for one moment allow yourselves to believe that we would agree or consent to anything which is contrary to our fundamentals.

Because we will protect our nation's interests at every turn.

And so, 365 days from midnight, together with the United Kingdom, we will bid farewell to membership of the European Union.



Together as a nation, we will look forward to our future in the British family of nations and as part of the Commonwealth.

Together as a community we will reluctantly lower the European flag.

And we will approach these challenges with all the Gibraltarian grit and conviction of the generations that defended our nation before us.

Those who turned those challenges into opportunities and laid – with their effort, courage and determination - the foundations of our nation.

From the evacuation to the first referendum.

From the closure of the frontier to the rejection of joint sovereignty.

Because we were shaped as much by those challenges, as we have been by the blessings we enjoy in our homeland.

So, for all of the generations that endured the challenges of the past;

For all of the future generations of Gibraltarian women and men;

For our children today;

And their children tomorrow,

We will work to deliver solutions that preserve all that is dear to us, especially our undiluted, exclusively British Sovereignty.

Let no one doubt that.

Finally, thank you for trusting me and my team to lead Gibraltar through these complex and difficult moments in our collective history as a people.



We will not let you down.

Let me end by wishing a happy Easter break or Passover feast.

Thank you for listening.

Goodnight.

ENDS