



Deputy Chief Minister

## PRESS RELEASE

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### **Gibraltar Has Benefited From 60m Euros in EU Funding**

On the day that the Chief Minister Fabian Picardo and the Deputy Chief Minister Dr Joseph Garcia leave for Brussels, the Government considers that it is important to highlight the fact that Gibraltar stands to receive a total of nearly 60 million euros in EU funding since the first allocation of such funds was made in 1990. This includes the current programme. A total of 75 public sector projects and 202 private sector projects in Gibraltar have benefitted from EU Structural Funds over the years. This has come about because of our membership of the European Union.

The funding programme for Gibraltar has come from the European Regional Development Fund (ERDF), the European Social Fund (ESF) and Interreg. The ERDF is the new strategic programme for the use of structural funds in Gibraltar. The objective of the scheme is to stimulate economic development which in turn encourages job creation. The theme of the existing ERDF 2014-2020 programme centres on enhancing the competitiveness of small and medium enterprises and supporting the shift towards a low-carbon economy in all sectors. The current programme provides 5.68m euros in ERDF and 4.81m in ESF. There is a provision of 0.5m each in SUDOE and MED.

The estimate is that by the end of 2020 Gibraltar will have received over 32 million euros under the ERDF, nearly 18 million under the ESF and about 9 million under Interreg. The Interreg funding includes programmes for cooperation with other parts of south west Europe or the Mediterranean, known as SUDOE and MED. There have also been specific programmes for funding projects which straddle EU with non-EU territories and these have been granted for cooperation with Morocco in the past. The Konver programme which has covered the conversion of assets from military to civilian use is also particularly relevant to Gibraltar.

This is particularly relevant because EU funds have historically assisted the economy of Gibraltar as it made the transition from an economy which was 60% based on defence spending to an open private sector economy which competed with the outside world. A number of former military facilities in the old naval dockyard, for example, were converted into the Europa Business Centre with the assistance of the European Union and another



industrial park was built at Lathbury Barracks. The Casemates area, which included historic military accommodation and facilities, was modernised and became shops and restaurants. Other public sector projects that have benefited from EU funding include the Alameda Gardens, Commonwealth Park, Tourist sites and the City Hall refurbishment.

There is a long list of private sector projects that have done very well from EU funding. This includes businesses involved in freight forwarding, light industrial activity, eco-tourism, broadband services, medical and health services, entertainment and fitness.

The Government's records show that 3615 jobs have been created or safeguarded as a result of the EU funding projects and this is estimated to increase further to 5004. There have also been over 5000 qualifications gained as a result of these funds.

Commenting on the matter, the Chief Minister Fabian Picardo said:

“The EU funding unit comes under the Ministry for Economic Development for obvious reasons. They are doing an excellent job in promoting EU funding within the criteria laid down by the European Commission itself. Membership of the European Union has allowed Gibraltar to access EU funding. This is an advantage for local businesses and also for employees who are able to gain employment in the enterprises that are established thanks to these funds. There has also been considerable benefit to Gibraltar as a whole given that public sector Government projects have in many cases been part-financed by the European Union. This funding stream should not be put at risk.”

The Deputy Chief Minister Dr Joseph Garcia said:

“Last year I was able to meet the European Regional Policy Commissioner Corina Cretu in Brussels and to thank her and her officials for their professionalism and their support in relation to the EU funding programmes for Gibraltar. These funding programmes have been very successful in the establishment of small business and in generating employment and economic growth. The European Union has worked well for Gibraltar in this regard.”