



## PRESS RELEASE

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### **Government welcomes EU approval for COVID business measures**

The Government welcomes the fact that the European Commission has today approved the umbrella measures taken in Gibraltar to support business and employment as listed in the notice at [https://ec.europa.eu/commission/presscorner/detail/en/MEX\\_20\\_1289](https://ec.europa.eu/commission/presscorner/detail/en/MEX_20_1289)

The Commission was notified by the Government of the details of the scheme as is required by the Treaty on the Functioning of the European Union (TFEU). They have found the measures listed to be compatible with the TFEU under the terms of the Temporary Framework which it has adopted to facilitate the clearance of State Aid measures for the purposes of the COVID-19 pandemic.

The amount involved is an estimate of the cost of the measures to be adopted. It includes the £ 24 million guarantee taken by the Government to Parliament recently. It is not, for the avoidance of doubt, a grant of £ 100 million awarded by the EU to Gibraltar.

It will be recalled that Member States of the European Union have taken emergency measures to assist businesses as a result of COVID-19. In its analysis of the Gibraltar measures, the Gibraltar economy has been treated and analysed in the same way as the economy of a Member States for these purposes. Indeed, the Commission has found that the Gibraltar measures are “necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State...since it meets all the relevant conditions of the Temporary Framework”.

The United Kingdom and Gibraltar left the European Union on 31 January this year and are now in the transitional period which comes to an end on 31 December 2020.

The Chief Minister of Her Majesty's Government of Gibraltar, the Hon Fabian Picardo QC MP, said: "The approval of these measures is an important underpinning of the work done in Gibraltar to secure our businesses and their employees in this difficult period. The work we have done now enjoys the approval of the EU Commission. I want to thank everyone in the office of the Financial Secretary, particularly Mr Albert Mena, and the teams working with us round the clock on these issues for helping us to deliver this important and very positive result."