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Editorial Comment

“Emerging” international finance centre

Support for Gibraltar’s developing investment strategy will be reinforced by the latest Global Financial Centres Index, published by Z/Yen Partners in London that saw Gibraltar’s finance centre gaining a higher recognition ranking among worldwide business professionals.

A six-month analysis published in September noted that while there had been an overall drop in confidence amongst the leading world finance centres, by contrast the European ‘island’ centres did well, including The Rock described as an “emerging international [finance centre] contender”.

With so much talk of Brexit and its effects on Gibraltar, it’s pleasing to learn that another, completely different avenue of business for the finance centre is on the verge of opening up. China’s “one belt, one road” economic ambition is a massive strategic initiative that extends the country’s influence throughout much of the world. Gibraltar would welcome a piece of that commercial input!

As locals have said, it only needs a comparatively small amount of fresh Chinese business, primarily in aspects of insurance, but also potentially in construction and, maybe, with finance, to make a big difference to the community (as we report in this edition).

For example, involvement of Beijing Engineering and Construction from Manchester could provide competition to local construction companies - including State-owned Gibraltar Joinery & Building Services (GJBS) – bidding for the government’s, ambitious 1,500+ ‘affordable’ homes project.

Chinese investment in projects could also be of help to inject new life

into schemes, such as transforming the large area of East Side reclaimed land into a multi-use development, which has twice been proposed in the last 12 years, as yet without result.

But positively, Gibraltar’s premier remote gambling companies, in particular, must have been encouraged at end-September by the apparent softening in approach to the operation of the frontier by Spain’s foreign minister, Snr Alfonso Dastis, who reportedly said his country would neither “go to war [over the Rock] or close the border” post-Brexit.

The gaming sector employs over 3,500 people – some two-thirds of whom cross the border daily to work - and is said to account for a quarter of the jurisdiction’s £2bn economy. Despite the prospect of Brexit creating uncertainty over the continued ability to maintain unfettered access to Europe through “passporting” of services, the biggest single issue for the gaming companies is the physical requirement for a free-flowing border.

In the last year, there has been a rash of consolidations with bwin acquired by GVC, Gala and Ladbrokes merging, and Unibet acquiring 32Red and Stan James – all bringing more jobs to Gibraltar. Unlike other jurisdictions that are seeing big losses in licensees and staff, the overall trend in Gibraltar remains positive, in part because of strong, uncompromising regulation that seems to be the envy of much of the rest of the world.

By contrast, the UK Gambling Commission has licenced 150 remote operators, two-thirds of which are not in the UK and it is not feasible for them to be supervised, which adds to the body’s revenue but defeats the object of providing good consumer protection. As Gibraltar’s gambling regulator points out, having close relationships with operators is key.

Ray Spencer

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China expected to make inroads on The Rock

A concerted behind-the-scenes effort over the past two years to win Chinese investment and encourage companies to set up in Gibraltar is expected to reap dividends shortly as part of the Far East nation's "one belt, one road" (OBOR) overseas expansion initiative

It is understood that after several visits over two years by Chinese State and business officials, a Memorandum of Understanding (MoU) was signed in September between the Gibraltar government and Beijing Engineering Construction Group International (BECGI), a Chinese state-owned enterprise (SOE).

about its intention and Gibraltar's government, when asked by *Gibraltar International*, to confirm the extent or existence of the MoU, simply replied: "The government will make an announcement about any relationship it has with any commercial entity when it is ready to do so."

The Chinese are believed by many to be looking at potential projects on the Rock. One Chinese official is said to have bought an apartment to serve as a base from which to conduct business negotiations. A bank with Chinese connections is understood to be on the verge of gaining a license in on-line banking.

Alicia Bowry, a leading member of the 3 year old Chinese Association of Gibraltar, said: "It is a really good thing that a Chinese organisation is interested in Gibraltar, because that sometimes leads to a Chinese competitor deciding also to take a look at the possibilities being offered. See also "prospecting for business", p10

"The typical way for Chinese to approach a new territory is to first get to talk to people in the local community" – there are around 200 Chinese living on The Rock, mainly working in gaming and financial services, and there are four or five people heavily involved in the Association. "I met the Chinese 'introducer' – a sort

of agent – who wanted advice from myself, as an accountant, and my husband [Richard] a lawyer, about how things are done here and what opportunities there might be", Bowry told *Gibraltar International*.

Although she had no direct knowledge of the MoU, she confirmed that BECGI would have "first wanted to be quite certain that it could gain business in Gibraltar before signing".

"Chinese companies are looking at different European opportunities, because they are outward-looking and successful and are cash rich", Bowry said. She believed finance "would not be a problem".

A Gibraltar insurance broker, Bruno Callaghan) with history of chasing Chinese business first visited Beijing in 1992 as part of the jurisdiction's first and only trade mission. "Last year was the first time I had gone back

and [the previous personal contact] carries amazing weight and importance, rather than being from someone just pitching up; the Chinese look at things with a long term relationship and for them Gibraltar is very strong and stable - the fact that it is an overseas territory and, in old fashioned-speak, a British Crown colony, we have remained British for 350 years and we are not here today, gone tomorrow", he emphasised.

"A lot of what I do is Gib plc. It takes a lot of time, dedication and effort to achieve things in these territories; the timeline is much greater than it is in western Europe or the US, for example, because their outlook on how things happen is totally different to ours." Callaghan revealed: "I am looking to employ a couple who speak Mandarin in Gibraltar."

In September 2014 Gibraltar entered into a MoU with Shell, related to the possible supply and storage of liquefied natural gas (LNG) in Gibraltar. The purpose of the MOU was to allow Shell to undertake a study into establishing an LNG storage facility on the Detached Mole with a view to supplying the new Gibraltar Power Station at the North Mole, and this is now progressing.

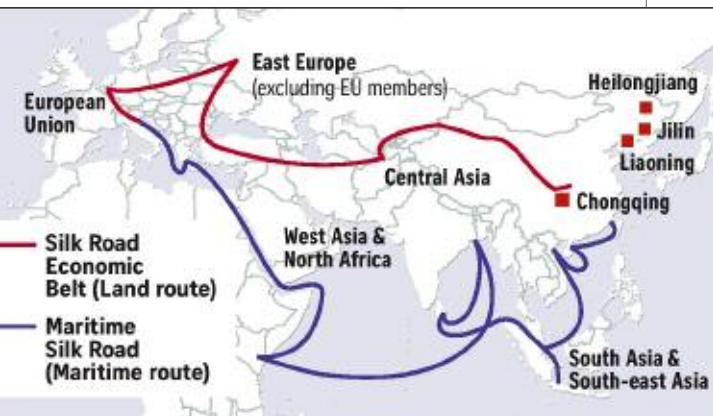
Now there is speculation the Chinese may be involved in other development. At end-September, the government revealed its intention to build over 1,500 affordable homes on three new estates from mid-2019 until end 2021. No financing details were given, nor the total expected cost – Fabian Picardo, Chief Minister, invoked the confidential tender process from late this year until at least August 2018. Some cite £200m as the likely total cost.

The first flats, Hassan Centenary Terraces, will be on part of a near-700,000 m2 plot of reclaimed land on Gibraltar's east side and where Cameron Holdings planned a £1.1bn low-energy, mixed-use development that required a total of nearly £87m to be paid upfront to the government by September 2015.

The Blue Water project – the second planned there since 2006 – was to provide 1,147 co-ownership government homes in six blocks, but these latest flats, subject to planning, will be in a different part of the site to "provide spectacular aesthetics at the entrance to the East side development".

Chinese firms have invested heavily in infrastructure projects in target countries, including Europe, but some jurisdictions have taken a more cautious approach fearing undue influence in their local economies.

Ray Spencer



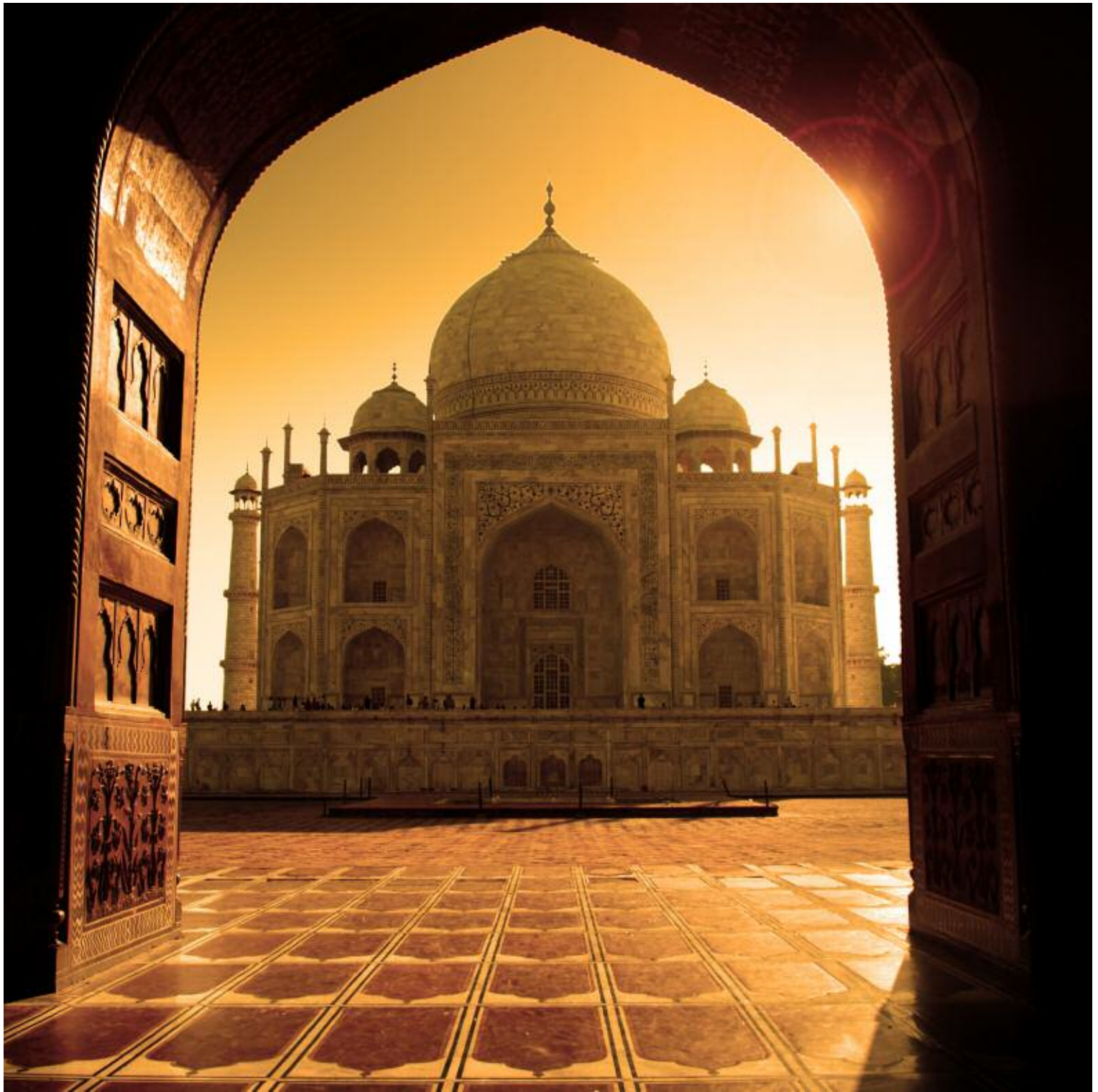
Map illustrates China's 'one belt, one road' economic initiative

A MoU is a formal agreement indicating an intended common line of action between two or more parties; although MoUs are not legally binding, they carry a degree of seriousness and mutual respect (particularly in Chinese culture), stronger than a gentlemen's agreement.

BECGI's European headquarters has since 2013 been based at Manchester's Airport City, where the Chinese firm invested £800m; a year ago it started work on a large Salford residential and commercial development.

Xing Yan, is managing director of BECGI, an international property developer and construction company that is focused on growing its global presence by "bringing projects to life through strategic partnership, investment and relationship building".

BECGI did not respond to enquiries



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DLT: regulation, applications and token sales 101



by Joey Garcia
ISOLAS LLP

Most people will have, by now, heard of the proposal to introduce a regulatory framework that is intended to capture and regulate firms that use distributed ledger technology (DLT) for the transfer or storage value belonging to other people. The response to this principles based approach to regulation of the emerging, but very quickly developing, space has been fantastic.

“Operators...crave a regulated framework”

Many operators in this area crave a regulated framework for their businesses and operations. Creating a distinguishing layer between a professionally run business and a ‘garage operator’ in this space is critically important for the development of the industry. The security of knowing that you are dealing with a regulated business cannot be underestimated. While regulation may always remain technology neutral, and while Gibraltar is not seeking to somehow attempt to regulate any form of fully decentralised protocol, it is the operators in this space, the ones that are providing intermediary functions that invariably have touch points to the technology, and the underpinning value of the information ‘stored’ on a distributed ledger, that need to be professionally run.

Regulation will bring with it a level of consumer protection that has not necessarily existed in this space before but that is not to say that regulation will protect any person or individual from the underlying risk of exposure to, say, any particular crypto asset but it will ensure that the entry and exit points or ramps are regulated, and that those who are building the infrastructure and businesses using the underlying technology (for certain purposes relating to transfer and storage of value) are well run operations.

I must admit that when we commenced an initiative to provide a framework for this activity around 3 years ago, it was very much virtual currency focused. Today, the proposed framework is thankfully much wider. The

speed of evolution in the use and application of this technology is quite incredible and this is why I personally feel that the approach we are taking in Gibraltar is correct and intentionally wide.

Token Sales...what's a token?

One of the use cases of the technology has been the recent explosion of ‘token sales’ or ‘Initial Coin offerings’ (ICO’s). In ultra-simple terms, let’s consider the recent Uber licensing issue in London.

Let’s consider a case where I want to create a new business to fill this gap in the UK market. I want to call this the Skuber service. For the purposes of the example I will disregard any IP/copyright issues, or licensing issues around the activity. Essentially I believe that the Skuber service is going to be better, faster, more reliable than Uber or actually any other taxi service in London. One of the reasons for this is that it will be cheaper for both the passenger and more profitable for the driver because I will be ‘disintermediating’ the need to the centralised company ‘Uber’ and allowing the driver to receive more of the revenue, while allowing the customer to also pay less by way of fees. People will be able to use the service and interact directly between themselves in a secure way without the need for me to be involved.

To support the Skuber service I am going to create a new ‘token’. This token is basically the internal Skuber currency. You can use the service and pay the driver but only with this new SKU token. To build the Skuber service and infrastructure I am going to pre-sell SKU tokens, initially only to professional investors who are taking more of the enterprise risk, but ultimately to the public who want to use the service and in that way create a network of interested users in my service. People can choose to buy the token now at a set price during a public sale of that token (essentially the ICO) or further down the line through a number of potential mechanisms or even secondary markets that will develop for the SKU (and which are not necessarily controlled in any way by Skuber).

What I am aiming to do is to build supply and demand for the new alternative taxi service and then use the proceeds of this sale to build the Skuber network (build

technical infrastructure, develop the application, incentivise drivers, subsidise car purchases, obtain licenses etc etc). This is of course a very very simple case scenario and there are a multitude of issues that would need to be considered in the above kind of set up, but at a high level this is the principle behind the creation of these new tokens. There are of course platforms that are also infinitely more complex than the taxi service example. Decentralised computer storage, news, prediction market platforms, credit scoring, copy trading or portfolio management, location services, web browsers, identity systems etc etc . The token can have almost any functionality (and well beyond the function of being a simple exchange of value like bitcoin for example). This ‘smart contract’ functionality can allow for logic to be coded into the blockchain creating the ability to replicate many (automatically executing) business processes and the token can represent any functionality desired by the developer

Security vs Utility – regulated or not?

The opportunity for a ‘DLT Firm’ to raise funds in this way is a relatively new phenomenon. However, in the last year more funds have been raised through this crowdfunding mechanism than have been allocated by the entire venture capital investment community. This is not without its complications though, and there are a multitude of risks relating to this activity, in particular, the treatment of the token by different regulatory authorities around the world. Selling something that may be treated as a form of equity, debt, a derivative, option, a form of e-money or an arrangement that may constitute a collective investment scheme arrangement will bring the token within the existing ‘legacy’ legal and regulatory frameworks that exist around the world (and which are by no means consistent). In essence, ‘form will be disregarded over substance.’ Similarly the tax treatment and in particular VAT implications for delivery of a token into another jurisdiction can also be complex.

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Prospecting for business set to pan out

There is quiet confidence that the efforts over two years of a local insurance professional with the support of Gibraltar Finance will result shortly in the opening of the first Chinese insurance enterprise – with several more to follow
Ray Spencer reveals

At the same time, efforts are also being made to attract EU insurers to the territory using seminars in London and elsewhere to illustrate how those European firms could use different insurance vehicles to give certainty to retaining their UK business.

seven working days and I will keep on going there until we get their business, possibly in late 2018 or 2019, of that I am totally convinced”, he told Gibraltar International, just prior to departing.

“I think we will get business to come to Gibraltar in 2018, not just in insurance captives, but also in third party writers of business, life, pensions and casualty.”

The strength of Gibraltar’s case goes back more than 20 years when Callaghan was part of a trade mission after the fatal Tiananmen Square incident. “It was when China had effectively been excommunicated from the international world, and it was an eye opener.”

As Callaghan explained: “China brings huge opportunities. Gibraltar is beautifully positioned, because of President Xi Jinping’s

we are putting much effort into; one is very keen to have an insurance structure in Gibraltar as soon as possible”, Ashton said. “I’d like to think that an initial structure could be in place by the end of the first quarter of next year,” he added.

Callaghan pointed out: “In terms of what can be attracted to Gibraltar there are lots of very large companies that people in Europe have never heard of that are bigger than FTSE 100 companies and there are also large State-owned enterprises. As they expand, they require insurance to cover their activities in Africa and in Europe and Gibraltar is well-placed to assist with that business. “

Captives cover risk

As the Chinese buy businesses and assets, or invest in infrastructure in Europe, Gibraltar’s message in insurance is for them to think about having their own captive, with local risk management in the same time zone – people who are based in Europe, who know the local regulators and who administer the risk management of assets and operations locally.

Worldwide, there are some 7,000 captives, a form of self-insurance whereby the insurer is owned wholly by the insured, whereas in China there are less than ten captives. “Our message, working in partnership with Willis Towers Watson, the largest insurance broker in China, is that as these Chinese businesses expand it would make sense to use captive insurance in the same way as is done in Europe, USA, Australia and Japan,” Ashton declared, adding: “We hope that is a sweet spot; they appear to agree with that assessment; they think it is very interesting.”

The delay in securing Chinese insurance business is in large part down to the 19th National Congress of the Communist Party of China - embracing the Central Committee of the Polit Bureau and the Communist party – an event every 5 years – in October “resulting in a reshuffle [of officials and key appointments] internally and externally, so for the last 6 months very little has been happening [within China], and we have to have patience and wait until January”, Callaghan stated.

In January, Ashton spoke at an Insurance Society of China captive conference in Beijing where there were 250 in attendance. Guernsey Finance was also there and two months later signed a Memorandum of Understanding (MoU) with the China Insurance Regulatory Commission (CIRC)

Continued overleaf



A modern vibrant city, Beijing at night

The moves come in the wake of the UK Brexit vote to leave the European Union, which equally affects Gibraltar, and a realisation that most of the jurisdiction’s business is focused on Britain. The drive to broaden the range of insurance business – the largest part of the jurisdictions all-important financial services sector - beyond its predominant motor policies, has given added impetus.

Bruno Callaghan, who has his own Gibraltar insurance brokerage and is a consultant to premier international brokers, Willis (which he introduced to The Rock in 1985), was at end-October making his third visit to China this year.

“I will be in China and Hong Kong for

‘one belt-one road’ economic expansion initiative; Gibraltar is at the end of that road geographically. It is important to many in China to look at and explore the advantages that Gibraltar may be able to give to them and greater China as a whole. As we all know, Gibraltar doesn’t need a large amount of business to succeed.”

Mike Ashton, Gibraltar Finance senior executive specialising in insurance, concurred: “I think the Chinese business, in relative terms, can be important. Only a small slice would be significant for Gibraltar.” End October was to be his eighth trip to China in 18 months – “a pretty big investment” – and the fourth by Minister Isola in that period.

“I have got two current enquiries which

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Prospecting for business set to pan out

Continued from p10

the third Chinese insurance MoU [for financial services] with the Bailiwick in nine months, “signalling an increased level of cooperation between the regulatory bodies of both markets”, the Channel Islands finance centre said and it was “symbolic of the openness of Guernsey’s insurance sector to Chinese-led business.”

“Guernsey has been busy in this area for many years because they have had an office in Hong Kong and now opened one in Shanghai, which Gibraltar’s budget doesn’t yet stretch to”, Callaghan observed “but we also are in the process of agreeing an MoU with the Chinese Regulator and it is just about ready to be signed.”

Return to China

Gibraltar’s Ashton has been asked to return to China for a seminar focusing on the benefit of overseas captives for large Chinese businesses and State-owned enterprises.

establish financial investment or holding companies’, and once that happens Gibraltar’s local [financial services and legal] community can service some of their future activity and requirements.”

One suggestion is to utilize a Gibraltar Protected Cell Company (PCC) as an initial step; “overseas businesses already use Gibraltar PCC cells for a variety of reasons and the Gibraltar structure often permits a new cell to be established in a short time frame subject to regulatory approval”, Ashton maintained. A cell could offer the full solution or it could be an initial step towards establishing a new Gibraltar insurance company.

In terms of establishing an insurance company, Chinese applicants would need to meet the existing requirements in exactly the same way as any other insurance company applicant. With management and control of the business in Gibraltar.

Being part of the EU, a Gibraltar captive has a €3.7m minimum capital requirement –

whereas, the requirement in a number of other captive domiciles maybe a headline figure of just £100,000. “I personally think that for Chinese businesses €3.7m would not be a factor that would deter them from establishing in Gibraltar. It will take time, but we are prepared to make the necessary investment and work over a number of years to build relationships and confidence in Gibraltar.”

setting up a new insurance company in the UK or in Gibraltar would probably not be economic”, Ashton rationalises.

“So what they almost certainly will look to do is either, stop writing that business – seen as a cost of Brexit and they’ve lost out – or they may look to some kind of fronting arrangement, whereby they get another insurance company in the UK to write the business and then reinsure out - but fronting can be expensive, and may not be an economically viable model in the long term.

However, Gibraltar maintains that subject to the class(es) of business being underwritten, those mainland European businesses could instead establish within a few months a new Gibraltar PCC cell from which to write insurance into the UK.

In August, Minister Isola, announced the expansion of insurance business permitted within Gibraltar licenced PCCs to include third party business, opening up “new opportunities for Gibraltar’s insurance sector in a safe and robust manner”.

EU opportunity

The opportunity for Gibraltar is to contact those European businesses and ensure they are aware that Gibraltar is an option, because it can passport into the UK.” Whether consideration is given to a new Gibraltar insurance company or a new Gibraltar PCC cell, the jurisdiction can gain credibility through demonstrating the success of passporting over 15 years with a core group of motor insurers - Admiral, Advantage, Acromas and Marketstudy were some of the first to establish on the Rock - and the 20-22% share Gibraltar firms now have of the UK motor insurance market.

“For some, Gibraltar won’t be the right answer, but I want to at least be on the shopping list, so that Gibraltar is considered as an option.” Advantages of the territory include: having a single insurance regulator; ease of access to the Regulator, because if needed meetings can be achieved normally in a matter of days, which is not always the case in larger jurisdictions; and speed to market for applications.

“It would be a success if we can encourage a handful of these firms to establish in Gibraltar,” Ashton noted. “We are considering mini-road shows or seminars for invited groups of insurance professionals and their clients and maybe the sweet spot for Gibraltar PCC cells is for [overseas] insurers with say £10-20m premium income in the UK.”



Mike Ashton (4th from left) next to pioneering broker, Bruno Callaghan, and Chinese business professionals in Beijing

“We are encouraged by the fact that we hear from our contacts in China that the use of captives to support the one belt, one road strategy and all the investment that is taking place, is a very positive development”, Ashton reported. That could result in formation of a Chinese captive insurer, and then a subsidiary captive that would sit below it in Gibraltar.

Gibraltar’s pitch is to attract Chinese owned captives in the jurisdiction particularly for European infrastructure investments and acquisitions. In addition, “Gibraltar is a great jumping off point for north Africa, because of our proximity, but also because in Gibraltar there is English law, a bi-lingual workforce, etc”, he enthused.

“If Gibraltar can attract captives, we could then say ‘what about using Gibraltar to

Appealing cells

Creation of a Gibraltar PCC is also an approach that might attract European insurers to set up locally as a hedge against the possibility of not being able to write business in the UK if Brexit results in a loss of freedom of services across borders.

The Bank of England publishes a list of around 750 EEA insurers that write insurance business in the UK of which about 75 have set up branch offices, the rest are all passporting into the UK from their home territories under freedom of services.

“There is a group of companies in Europe – I don’t know if that’s 50, 100 or 200 – which are passporting into the UK from a number of locations such as Ireland, Germany, France and Italy, with quite small books of business, and the cost to them of

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Gibraltar gears up for DLT and Blockchain



By Vickram Khatwani Senior Tax Manager, Deloitte

The terms blockchain, cryptocurrency and Distributed Ledger Technology (DLT) have become part and parcel of everyday conversation, spoken by both industry professionals and the general public alike. Gibraltar has not been slow to react. The rise in interest in Gibraltar by Fintech companies over the last few months has been colossal, bringing with them increasingly innovative ideas that use DLT, blockchain or virtual currencies as a means to do business. A phenomenon that is becoming increasingly popular globally.

Cryptocurrency Working Group

Gibraltar now finds itself in an enviable position, and deservedly so. Following the initial discussion paper, Virtual Currency: Outline Regulatory Framework, published as far back as January 2016 by the Government of Gibraltar's (GoG) Cryptocurrency Working Group, the jurisdiction has gone from strength to strength, leveraging off local and international industry expertise, to set in motion the steps necessary to introduce a regulatory framework for businesses engaging in activities that use DLT for the transmission or storage of value belonging to

others. In May 2017, a further consultation paper, Proposals for a DLT Regulatory Framework, was issued by GoG for public consultation. Following on from this, Gibraltar is now on the brink of becoming one of the only jurisdictions in the world to regulate DLT business, with draft legislation on the regulatory framework already complete and undergoing final reviews ready to hit our statute books as from 1st January 2018. A new industry is on the cusp of birth and Gibraltar, with its well-developed infrastructure, flexibility and competitive tax regime, provides the ideal business environment to nurture new businesses in this space. But this is just the start. Whilst the excitement is clear to see, and the opportunities for the jurisdiction are rife, as an internationally reputable financial services centre, Gibraltar is keen to maintain its position as a sound and safe place to do business and build on past successes based on the very same virtues that have proved so valuable in other sectors.

Initial Coin Offerings

The new regulatory framework for DLT will be principles based and the key principles have been set out in the consultation paper of May 2017. This is beneficial both for the regulator as their approach can be customised to each company, and the licensed company who will hopefully see more relevant criteria applied to them and less compliance for the sake of meeting general rules. Although this framework seeks to regulate the activities of firms that use DLT to store or transmit value belonging to others, consideration is also being given to the wave of early-stage start-ups looking to raise finance through the creation and sale of tokens or coins based on DLT, also known as Initial Coin Offerings (ICO) or token sales. The fact that ICOs are an unregulated means of raising finance for start-up projects that have sometimes still not gone through early development, can raise flags about the

complementary framework would set out standards which need to be adhered to by any new entrants interested in carrying out ICOs from or in Gibraltar.

Managing in a new industry does have its challenges, however, it also provides a jurisdiction with the ideal opportunity to set the ground rules for new entrants very early on. This is where Gibraltar finds itself at the moment. Companies looking to set up and operate in Gibraltar as regulated entities under the proposed DLT regulatory framework will have to comply with the principles set out therein, with a view to maintaining the three desired regulatory outcomes – consumer protection, economic benefit and the protection of Gibraltar's reputation.

A sustainable industry

In reality, the principles set out should serve as guidelines not just to those interested in undertaking regulated activity, but to unregulated activities as well, for example those companies looking to raise finance via ICOs. From the onset, any companies interested in operating in this space should, other than having a good realistic commercial idea, be dealing in standard good business practices including having good corporate governance, strong internal controls, sound monitoring systems and access to the key skills and professional advisors to help them. These are just a few of the ingredients required to give Gibraltar every chance of making this industry a sustainable one.

New entrants should look at the success of Gibraltar's online gaming industry as testament to Gibraltar's approach to developing the jurisdiction as a world class location for new industries. The Gibraltar Licensing Authority made a point of only considering 'blue chip companies' with proven track records, good financial standing, strong corporate governance and realistic business plans when entertaining gaming license applications. If played right, the potential is there for the DLT industry to mimic similar success and possibly become the fifth pillar of Gibraltar's strong economy.

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sustainability of the projects on which these funds will be invested. In its statement on 22nd September 2017, the Gibraltar Financial Services Commission (GFSC) are already considering a further regulatory framework covering ICOs and the grounds on which these can be carried out from Gibraltar, expected to follow 3 or 4 months down the line, which would complement the DLT regulatory regime. It is envisaged this

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Having close relationships key to former cop's successful Gibraltar gambling regulation

With a sharp focus on the industry and its users, 60 years old former top British 'cop' Phill Brear is still working to protect consumers and 'police' Gibraltar's gambling companies, *Ray Spencer* finds



"We don't regulate at arm's length" Phill Brear, Gibraltar Gambling Commissioner

In 2005 when straight-talking Brear was ready to retire from police work after 32 years, his short time as police advisor to the British Gaming Board eased open the door to become their senior gambling regulator.

Two years later he switched to Gibraltar and in the process has become the go-to source for all aspects of remote gambling, advising government and regulators far and wide "on managing a fast moving and dynamic industry of which every state in the world tries to get a piece of the action"

While Gibraltar is said to be the premier world location for remote gambling regulation, his 12 years dealing with gambling companies has led Brear to reflect: "At the macro level it has been maintaining or convincing the world that we are as good as we believe and say we are."

And it is the greater certainty and security of a well-defined regulatory policy that has encouraged the major remote gambling companies to locate operations on The Rock. There are 30 licensees now, but in the past decade 25 have been issued to new companies. At least ten have been absorbed by competitors over the last five years following mergers and acquisitions. In recent

years there has also been an influx of business-to-business (B2B) companies servicing business to consumer (B2C) operators. Both continue to face consolidation pressures.

"We have a couple of full B2C applications in the pipeline and two or three B2B operations; it is slowing down though, in that they are taking longer to come to fruition", Brear remarks. "For every one we license, it seems that two merge."

From being appointed the Regulator in 2007, his first three years allowed more time to go to conferences and getting the word out about what Gibraltar offered. "We then had any number of regulators visit us – from America, Europe, Australasia – who all used phrases around 'until you see it, you don't believe it' in terms of just how it works by being such a small place.

"It is about having a very active regulatory engagement model - where nobody is invisible, nobody is unknown to us - by only licensing people of substance and high repute, that can give you a high quality, relatively well-delivered, safe and profitable product," Brear says.

He is stepping down in late January as Gibraltar's Head of Gambling Regulation to make way for successor, Andrew Lyman, as executive director and head of the government's Gambling Division. Lyman is currently director of regulatory affairs at William Hill in London.

But Brear is not leaving. For a while he will remain as Gibraltar's Gambling Commissioner. He had planned to retire (despite friends suggesting he would quickly regret it, "I'm not convinced"). The government wants him to provide "strategic advice over a period of time and to ensure a smooth transition, so there is no sudden loss of corporate knowledge. "I'll stay as long as I think it is necessary for me to do it, but you can't build around me long term – I've already given my long term," he declares.

"I'm quite happy to do that, because in Andrew we have somebody who probably knows a lot more about some things in the industry and about being a regulator than I do, he having previously also been with the UK Financial Services Commission, HMRC and the UK Gambling Commission, as well as eight years in the industry." But Gibraltar's

Gambling Act needs rewriting, "because the text is 15 years old and is not as well-tuned as it now needs to be, to reflect the way the industry has developed - it is more sophisticated and fragmented than it used to be."

At the core of Gibraltar's regulatory model is the requirement to establish and maintain personal relationships with operators. Brear is emphatic: "We don't regulate at arm's length; we don't regulate from a distance. We regulate by knowing the companies and the key personnel in those companies and they knowing what our expectations are."

And then comes the rap. "I see other regulators try to regulate without effective relationships and I'm afraid it ends in tears. I've come across lots of people who believe they can regulate by publishing a turgid document and pushing out rules. In my experience that approach takes you only so far, but it doesn't actually deliver what you are seeking to achieve."

Getting systems and people to work better, taking personal responsibility and achieving results have defined Brear's life from the time he decided to join the police in 1973 aged 17 to go to police cadet college in Lancashire, through to when he retired in 2005 as Deputy Chief Constable of West Yorkshire Constabulary.

Rising star

In between, the "seemingly ambitious" Brear was identified as: "a bright young thing", including getting top marks in the country in the Inspector's exam aged 22: as "having high potential" by being amongst a couple of dozen officers sent in 1982 to the National Police College; and "a rising star" when at 30 he emerged from full-time secondment to Manchester University with a 1st Class Honours Degree in Management Sciences – a combination of psychology, sociology, accountancy, HR Management – "all the things that help you to run an organisation".

He stayed in West Yorkshire for seven years moving from Assistant to Deputy Chief Constable and a short period as Acting Chief Constable. "Most police 'chief's were earning the same or less than me - I was

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Having close relationships key to former cop's successful Gibraltar gambling regulation *Continued from p16*

amongst the 15 or 20 best-paid police officer in the country – deputies get 85% of the chief's salary and Yorkshire was the fourth biggest force in the country; promotion would have been a pay cut."

No more greasy pole

Able to retire with 30 years police service, he was 49 years old and ready to break out. "Forget chasing the next job up the greasy pole; I was ready to go onto something else. By that stage, it massively appealed to me to do something else."

However, Brear's transition to civvy street wasn't smooth. His head initially had been turned by an offer to become national lead officer for a project to get the best, or more, out of all police forces working for the UK Home Office, as part of a government performance improvement strategy.



There's no denying gambling can be entertaining: Phill Brear on casinos

Instead, he felt becoming deputy chief at the UK Gambling Commission offered longer-term security. "With gambling, you could see that it offered 5-10 years, rather than 2-3 years at the Home Office."

In two years he helped transform the Gaming Board into the Gambling Commission, moved offices from London to Birmingham, adopt new legislation and quadruple staff to over 200 with more responsibilities that included bringing the betting industry into formal regulation for the first time. But things did not go smoothly.

He explains: "I have long said that the head and deputy must be two sides of the same coin, but we didn't see things the same way and much as I tried to adjust my approach – to trim my sails or change my view - I realised it wasn't working and I found it extremely difficult to fit into that culture,

that style of management."

A chance meeting at the 2007 European Regulator's conference in Croatia led to him applying for the No 2 post on The Rock with no guarantee that he'd be any happier – "it was just a feeling; I was apprehensive, but I knew after 30 something years that I've never had a job I've failed in."

Can close relationships with those being regulated be misinterpreted? "No-one ever says that I am a soft touch – at times people dodge me; they know I ask difficult questions. You can't have a cozy relationship with

you can't have a cozy relationship with somebody who is as prickly as I can be

somebody who is as prickly as I can be, and I'm very well known for being prepared to ask direct questions whenever I see fit."

Brear recalls: "We lost somebody last year – Digibet; a Malta company bought them and said they wanted the firm to do things in a certain way, but we said they could not, so they left. Yes, it's 12-15 jobs, yes it is £½m in taxes; we are not compromising the model just for a single company."

Softly spoken, Brear declares: "I tell people if they want to go, go. Don't tell me you are thinking of leaving in the hope I change something, just go. It's not my job to convince them to stay."

On having disappointments in Gibraltar, Brear suggests: "Things have happened where we wished they hadn't and it's always very easy to get into the blame game, and that's what we are seeing some regulators do now. The reality is that bugs in systems do happen, they get hacked, staff and managers make mistakes, but we have to keep these in perspective. What we have always looked for is whether it was done with bad intent or through neglect."

He went on: "The cops have a phrase that doesn't transfer directly, but it is called policing by consent. It just means that the police have to have some sympathy and understanding about the day-to-day life and activities of their community, so the police are allowed to apply a level of discretion.

Yellow cards

"Here in Gibraltar, we sometimes refer to yellow cards. I've had discussions with operators and said this is a yellow card – if this happens again, then we are looking at taking action." (He declined to discuss

red cards!)

Along the way Brear has also gained a Cambridge University diploma in Criminology in 1997 and the Queen's Police Medal for distinguished police service in 2006.

He rails against anti-gambling UK media and politicians who "have lost their sense of perspective". A recent UK survey shows 60% of adults gamble, but mostly on the National Lottery, with a relatively small proportion visiting casinos and betting shops, or playing bingo, and "a very small proportion

gamble on-line – something around 8-10% of the population".

Albert Isola, Gibraltar minister responsible for gambling, says Brear has overseen a transformation of the gambling industry, much as he did in the police. Brear is quietly immodest: "I have always found myself able to both deliver, and innovate and improve. Anything I have ever been given professionally; it has always been my wish to get it done better, in public service that means more efficient delivery of things, a better outcome at a lower cost."

Brear considers the UK legislation setting out to require new licences and company tax on bets placed by UK residents was wrongly predicated on the basis that what existed was not working, given that Gibraltar-based companies accounted for 60% of UK business and much of the rest was with the so-called White Listed jurisdictions.

The real issue, he maintains is that the UK wanted to tax operators and to have a better view of the remote world just as every State in Europe was doing, "but the way they have done it...we think there is a better way of finding out those things, of getting a clearer, better, stronger industry. If I can put it this way – they are learning some of those lessons the hard way."

Brear is not a gambling man: "I go to a casino 5-6 times a year. Whilst I enjoy watching people play, I rarely put my money on the table, but there is no denying that generally, gambling can be great entertainment."

He reflects: "You do find that Gibraltar gets in your blood. I came here expecting to do three to five years; I've done ten and I'm not actually leaving!"



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Higher costs fail to deter company formation and use of trusts

Updating company and trust laws this year has given a new lease of life and potential new business lines for Gibraltar's trust and company service providers against the background of rising costs, greater transparency and increasing regulation, discovers *Ray Spencer*

It has been 20 years since the jurisdiction's reputation in this area of financial services was based around the setting up of hundreds of brass plate companies and secretive trusts to hide ownership of assets offshore. For the past 15 years, however, Gibraltar has been at the forefront of implementation of international initiatives to ensure transparency, compliance and security.

"The industry may to some extent have been tarnished by certain bad practices, whereby some operators aggressively promoted the establishment of structures whose benefit was predicated on a failure by the client to report the structure in his home jurisdiction. Taken at its worst, this could amount to facilitating the sheltering of assets" said Adrian Pilcher, who is part of the private client tax team within the commercial department at law firm ISOLAS, where he is a partner.

Pilcher was candid. "Service providers could in the past hide behind the fact that ultimately the reporting obligation was on the client. Today the rules have changed, and it is now up to the service provider, as well as the client, to report."

Today, providers generally have fewer clients; fees have risen significantly. At the height in early 2000's, there were 30,000 companies in Gibraltar; today there is less than half that number.

The Gibraltar Financial Services Commission confirmed: "There are just over 60 licensees authorised to provide Fiduciary services and there continues to be rationalisation and consolidation in fiduciary groups. The trend within the industry continues to be focused on a move towards a higher quality offering and product, which is reducing client numbers, although not profits."

Pilcher maintained: "Reporting effectively cleans up the playing field, so at the end of the process the good, legitimate operators are in a great position to do business. The other side of the coin, however, is that for some operators the cost of doing business may have gone up by as much as 50%. Although some cost can be passed on to the client, some smaller operators are finding that their business model is no longer viable."

Mark Bridge, director and legal counsel at Europa Trust, was formed 33 years ago and licensed both as a company manager and as professional trustee, has seen the firm's client base decline numerically in recent years, but the amount of work increase.



FACTA can lead to "over-reporting": Adrian Pilcher, ISOLAS

He suggested: "The nature of our business has changed and there's been a general shift from establishing holding companies for single assets, to setting up trading and operational companies.

"This has been because Gibraltar's much-improved image from being an off-shore jurisdiction to a successful, stable and compliant finance centre in the forefront of EU locations where people of substance are comfortable in setting up their businesses."

Joey Immosi, Fiduciary Wealth's business development director, noted: "Some 20 years ago, there were lots of brass plate companies, but that has changed with the emphasis on due diligence and KYC (Know Your Customer) processes, and Gibraltar government was an early adopter of OECD tax information exchange agreements, which has been good for the jurisdiction's reputation.

"We need to know from our clients today exactly what is going on and

technology has helped drive this." That had also meant investment in "a team to meet regulatory requirements, to check that clients are who they say they are and living where they say. Our compliance section began 12 years ago rising from one part-time person to three now".

Compliance costs up

Higher compliance costs have also reduced the volume of companies being incorporated, but has resulted in better quality and more services being provided. "Overall business remaining strong", said Gibraltar's Association of Trust and Company Managers (ATCOM), which has 56 member firms [representing 90% of the sector] four more than five years ago and, it claims, the number of people employed has remained steady at around 1,000.

Marc X Ellul, managing partner of law firm Ellul & Co, and managing director of its associated company management business, became ATCOM chairman in June, and insisted: "The cost of compliance, as with any other reputable jurisdiction, has pushed up fees, but clients understand and accept those costs".

"There is a lot of company business for sure; less volume, but a lot more work", Ellul emphasised. Structures were more complicated, with tax advice and a clear understanding of an individual's tax position being required, "so higher fees are being paid for that. It is not an industry like it was 20 years ago – it's not the volume sector."

In addition to the near 160 various Gibraltar tax exchange agreements with other nations, the 4th EU Anti Money Laundering Directive (AMLD) and Exchange of Notes between the UK, Crown Dependencies and Overseas Territories (such as Gibraltar) required the private register of beneficial ownership, identifying anyone having more than a 25% beneficial interest in a company, by end-June.

The UK's Companies House information is public, but in other jurisdictions only tax, security and law enforcement agencies can look at Registers' portals. Trusts have traditionally maintained

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Higher costs fail to deter company formation and use of trusts *Continued from p20*

anonymity and these are included only if they have a tax consequence within Gibraltar. Imossi reasoned: "Nobody really wants

everything about them out there, no matter if it's a very wealthy client, or someone less so; it's a private matter."

The Ultimate Beneficial Ownership Register at Gibraltar Finance was created in June and firms are encouraged to add details when creating new structures, with historic information being required by end-

January.

Fiduciary's website states: "It is usual for an underlying company to be utilised as a vehicle to hold assets of the Gibraltar trust.

The company acquires assets such as real estate, marketable securities, pleasure yachts or any other investments or businesses, and it is the shares in the company that are entirely

owned by the Gibraltar trust. Normal practice is to have a number of companies owned by a trust, each of which holds one asset type."

Non-residents do not pay tax locally, even when trustees may be Gibraltar residents and it is fully managed from The Rock. Gibraltar has no capital gains tax, gift tax, wealth tax, estate duty, inheritance or death tax, "so it is possible to accumulate income and realise capital gains without a tax liability arising", Fiduciary states.

Imossi revealed the threshold investment for establishing a structure had risen. "For example, unless the value of the assets to be held in a trust are worth at least £750,000, it doesn't generally make financial sense, whereas in the old days the value could have been just £200,000," he held. In a smaller market, "the fee structuring has increased so that, perhaps, for every three clients lost, we onboard a new client with much larger business."

Significant wealth

Paul Astengo, senior executive at Gibraltar Finance, responsible for growing the private client proposition, including trust and

company management, concurred: "It's costing more to stand still. There are still very good reasons to place wealth in a structure, but it has to be significant wealth rather than a one-off property, for example." Special purpose trusts might be used for an educational donation to guarantee payment of a child's university education, for example and for a set period of time.

ATCOM's Ellul is looking to create a two-year Gibraltar company law and administration course in 2019, in conjunction with Gibraltar University, rather than having to teach the differences with English Law as now. He estimated that conservatively more than 50 people will be attracted initially, and declared: "You have the alternative of studying English law academic courses, but then you have a huge learning curve on the many Gibraltar law differences.

"At present, people in trust and company management learn through experience – [Gibraltar lawyers have a separate compulsory law course] – so I expect there to be three modules covering Gibraltar

Continued overleaf



ATCOM chairman Marc X. Ellul plans course to overcome "many Gibraltar law differences"

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Higher costs fail to deter company formation and use of trusts *Continued from p22*

company law, company administration and regulation/compliance focusing on our particular laws, procedures and practices,” Ellul said.

Gibraltar company law has recently been overhauled with significant input from the Gibraltar Society of Trust and Estate Practitioners (STEP), whose chairman, Peter Isola, the senior partner at ISOLAS, set up a committee to look at bolstering Gibraltar’s private client / family office legislative offering.



Threshold for new trust up from £200,00 to £750,000: Joey Imossi, Fiduciary Group

Fire-walls added

“We identified a number of areas,” Pilcher noted, including “foundations legislation (that is particularly attractive to clients from civil law jurisdictions, who are not as familiar or comfortable with trusts), purpose trust

legislation, legislation increasing the perpetuity period for private trusts, and ‘fire-wall’ legislation applying Gibraltar law to Gibraltar trusts to the exclusion of any other law.”

Fintech (financial technology) start-ups are showing interest in Foundations, although none are thought to have been registered since being permitted from April. The UK has no foundation legislation; Guernsey and Jersey have, as well as traditional civil law jurisdictions such as Lichtenstein.

“A foundation offers some of the advantages of both a company and a trust. Assets held under a trust are held in the personal name of the trustees subject to the principles of equity and the common law which operate to ring fence the assets from the trustee’s own estate. A foundation, on the other hand, is a separate legal entity in the same way as a company, and therefore holds assets in its own name. Like a trust, however, a foundation can be extremely flexible, and can also legitimately help maintain privacy,” Pilcher explained.

Conceptually, US FATCA was a smart, revolutionary piece of legislation”, Pilcher

felt, but questioned how it was possible to implement “something so ground-breaking” and be able to anticipate all of its potential effects and consequences. “When applied to certain scenarios, the legislation seems unclear, which of course, is the last thing you want. With trusts in particular it has not always been clear exactly who has to report, what is to be reported, or on whom.”

Pilcher pointed to government and industry guidance, but that was “not always in alignment, and often varies significantly from jurisdiction to jurisdiction.” The consequences of failing to report something reportable are such that service providers quite understandably err on the side of caution and opt for over reporting in cases of doubt, (although legislation discouraged it), “which creates a tremendous amount of unnecessary duplication, often at significant cost.”

This lead Pilcher to reflect: “Eventually, they will need to rein some of it back in.” It’s a situation made worse by a proliferation of other reporting regulations with a great deal of overlap, yet with no consolidated reporting framework.”



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Planning for your retirement

By Daniel Pitaluga, Senior Associate at Abacus Financial Services Ltd

Gibraltar offers pensions to both the local and international market, including a Gibraltar and Malta QROPS and a QNUPS, which, although, still in its early stages of development, is well on its way.

A QROPS is a Qualified Recognised Overseas Pension Scheme; simply, this means that it is an overseas scheme that meets certain HMRC requirements. A QROPS offers an efficient and effective solution for British expatriates who have worked in the UK and wish to transfer their pension overseas.

Gibraltar is one of the most highly regulated and respected financial centres in the world and together with Malta, is a leading jurisdiction for international pensions. Providing QROPS since 2012, it is also one of the few jurisdictions that has in

the past received formal notification from HMRC to confirm that its QROPS meet the UK requirements.

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People often underestimate the importance of saving into a pension scheme early on in life and the power of compound interest is often overlooked. A simple example can be used to highlight this. John is 25 and Jane is 35 and both want to start their pension today with the aim of retiring at age 65. They both save £250 per month and invest their money into a medium risk portfolio, because of compound interest, John will receive much more in investment growth than Jane.

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Gibraltar Federation of Small Businesses (GFSB)

With twenty-one years of experience the GFSB is set to face the biggest challenges of the modern world

Established in 1996, the GFSB's main purpose is to provide support to local small businesses and to campaign for the promotion and protection of Small & Medium-Enterprises (SMEs) in Gibraltar. Small businesses lie at the very heart of the jurisdiction's economy. They vary in size from single, self-employed individuals to larger enterprises with healthy turnovers and a higher number of employees. It is through this multiplicity of SMEs that the wheels of Gibraltar's economy turn and generate prosperity. Working closely with the Federation of Small Businesses in the UK and the European Small Business Alliance, the GFSB is a non-party political group which works to represent the interests of SMEs in a variety of ways, not least in representing these interests to government and regulatory bodies.

Promoting and Campaigning

Managed by a board of elected volunteers, who are experienced business people, the GFSB has grown over the years into a significant voice representing the needs and concerns of SMEs. The GFSB's membership as the Business Licensing Authority, and the Tourism Advisory Board, to name just two examples, are instrumental to the organisation's role in promoting and representing small business interests. Involvement in consultation exercises with government, lobbying and attending meetings are just some of the ways in which the organisation can take the voice of small businesses into the decision-making sphere, influencing policy and interpreting and commenting on pertinent legislation and regulation.

In recent years, the GFSB's former Chairman, Gemma Vasquez, ensured that the concerns and needs of SMEs were at the forefront of the Brexit referendum discussions

and led, in Gibraltar at least, a successful Remain campaign. This campaign gave clarity to the potential effects on small businesses of Brexit and highlighted the importance of SMEs to Gibraltar's economy. In recent months, the GFSB has been instrumental in continuing to work with government to highlight SMEs concerns regarding the effects of the Fair Trading Act, as well as ensuring that government continues to focus on pertinent issues such as the need for greater eGovernment and private sector pensions. Communicating regularly with members via meetings, surveys and numerous events, keeps the organisation up to date, and the GFSB provides a useful forum to campaign for improvements in the business environment and the legislative framework within which it is set.

Networking

An important part of the GFSB's portfolio of activities is that of providing members with opportunities to network and to share up to

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date information. The GFSB's Breakfast Club, has been a means of facilitating networking opportunities for members. Usually themed and often with speakers in attendance, Breakfast Club events are relaxed briefings, packed with information and opportunities for analysis and discussion over coffee; a combination of meeting, greeting and learning in a convivial, relaxed atmosphere. Having recently covered the thorny subject of traffic, transport and parking, with an address by the Minister responsible.

The Breakfast Club events lined up for the next few months are likely to cover issues as varied as the new on-line Customs system (ASYCUDA), eProcurement, data protection regulations and quality management among others. Always alert to the needs and interests of members, the organisation is responsive and aims to set up events that reflect the issues that most concern Gibraltar's business community. In addition to the Breakfast Club events, the GFSB provides other networking opportunities, such as speed networking and a number of social events included in its busy schedule.

Training

A major role for the GFSB is that of providing opportunities for training and skills development. The organisation's annual calendar includes numerous training events which are aimed at providing small businesses with useful opportunities to enhance organisational skills. These range from First Aid at work, health and safety and basic IT courses, through to management, marketing and leadership training. Members are able to benefit from discounts for attendance on courses and find this a useful means of enhancing team skills, motivating and retaining staff. The GFSB's role in helping small businesses assimilate the various principles of quality management through its support of the ISO certification process has enhanced performance for many businesses over the years.

There is widespread recognition of the vital role of small businesses to Gibraltar's economy and community, in no small part due to the tireless work of the organisation over the past twenty-one years, and the GFSB continues to look ahead, anticipating challenges and helping businesses create



new opportunities. The recent Brexit Brainstorming Session, was just one way in which the organisation facilitates creative thinking, providing a forum for discussion which aims at generating innovative solutions to what is a tough, but not necessarily insurmountable, challenge. Looking to the future is something the organisation encourages at all levels, not least with its sponsorship of an annual Innovation Award. Creativity, innovation and entrepreneurship, these are all essential ingredients of successful business, and it is the business of the GFSB to facilitate these for small businesses in Gibraltar.

www.gfsb.gi

GFSB

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BUSINESS ROUND UP

GYBDA at the Monaco Yacht Show

The Gibraltar Yachting Business Development Association (GYBDA) held an event on board the 45-meter M/Y Pride yacht at the prestigious Monaco Yacht Show, and was joined by Gilbert Licudi QC, Minister for Tourism, Commercial Aviation and the Port.



Other representatives from Gibraltar at the show, included the Gibraltar Port Authority, Gibraltar Shipping Registry, Gibraltar Port Operators Association and the Gibraltar Tourist Board.

Minister Licudi spoke to the guests about the assets that Gibraltar has to offer the yachting world and about the unique qualities of Gibraltar as a maritime and tourism destination.



Commenting at the event, Minister Licudi said: "I must thank the GYBDA for taking this initiative and the owners of the M/Y Pride for hosting such a great event, as part of the Monaco Yacht Show. Gibraltar is a very attractive proposition from a yachting and shipping perspective. We are able to provide a full range of maritime services from surveyors to local agents, to supply of stores and spares, crew changes, as well as financial and legal maritime expertise. We are a Cat 1 member of the Red Ensign Group and have

well serviced quality private marinas".

The Monaco Yacht Show is the most important premier event of its kind, playing host to over 125 super yachts each year.

Gibraltar Chamber joins COBCOE

The Council of British Chambers of Commerce in Europe (COBCOE) is delighted to announce that the Gibraltar Chamber of Commerce agreed to become a member in October and will now join the 37 other British Chamber of Commerce member organizations around Europe.

COBCOE, a non profit, membership owned organization that provides an international network for the 12,000 businesses

that the members represent, ranging from major multinationals to Small and Medium-sized Enterprises (SMEs).

Commenting on the membership, Chief Executive of the Gibraltar Chamber of Commerce, Edward Macquisten said: "The Gibraltar Chamber decided to join COBCOE to expand and develop the chamber's own network. Following the result of the EU referendum in June last year, the Gibraltar Chamber has been liaising



closely with its members as well as with the Gibraltar Government to ensure that Gibraltar's business community will be able to take full advantage of any opportunities

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which may emerge from the UK and Gibraltar leaving the EU”.

COBCOE Chief Executive, Anne-Marie Martin commented: “We are absolutely delighted to welcome the Gibraltar Chamber of Commerce as new members and we are very much looking forward to working with them as part of our mission to promote international trade and business.”

GibFibreSpeed launches GibFibre

Privately owned GibFibreSpeed, an offshoot of the A. J. Sheriff Group,

dynamic Gibraltar based internet service provider.

With an existing deployment of over 100km of fibre and an investment to date of £10m+, GibFibre aims to become a leading telecommunications supplier in Gibraltar by providing the first 100% fibre ISP network on the Rock, and by providing tailor-made telecoms solutions to local and international companies.

GibFibre will specialise in providing bandwidth and network solutions, which will include IP Access & Transit, Local &

International Leased Lines and Media & Voice Services. Their

International PoPs (Points of Presence) will provide companies and organizations a gateway for global reach – essential in today’s

connected world.

Julian Sheriff, at GibFibre remarked: “Our network architecture has been designed to offer geographic redundancy, reliability and security. Our adherence to stringent SLAs ensures the highest customer demands can be met.”

Chief Minister and Deputy in New York

The Chief Minister, Fabian Picardo and Deputy Chief Minister, Dr Joseph Garcia were in New York in October to address meetings at the United Nations and Gibraltar-American Council.

In Mr Picardo’s speech to the United Nations, he said: “The people of Gibraltar voted fifty years ago in a referendum organised by the Administering Power, the United Kingdom. Five decades ago

we made our choice abundantly clear, by 99% to 1% we chose to remain British”.

In 2002 there was second referendum and the result was once again 99% in favour of remaining entirely British. The Chief Minister made it clear that Gibraltar was a nation that is proud to be part of the British family of nations and the nation of Gibraltar that we proudly call home.

Deputy Chief Minister, Dr Joseph Garcia addressed a meeting at the Gibraltar-American Council the following day, in which he told the council, that the core of the issue surrounding Gibraltar is that a people, however small, must have the right to determine their own future.



that was founded in Gibraltar in 1927 have now launched GibFibre, which has been described by the company as a new stand alone

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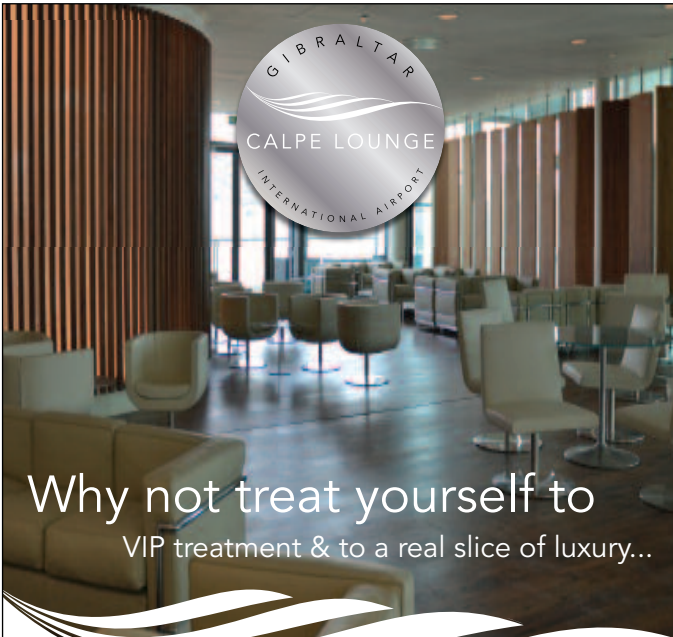
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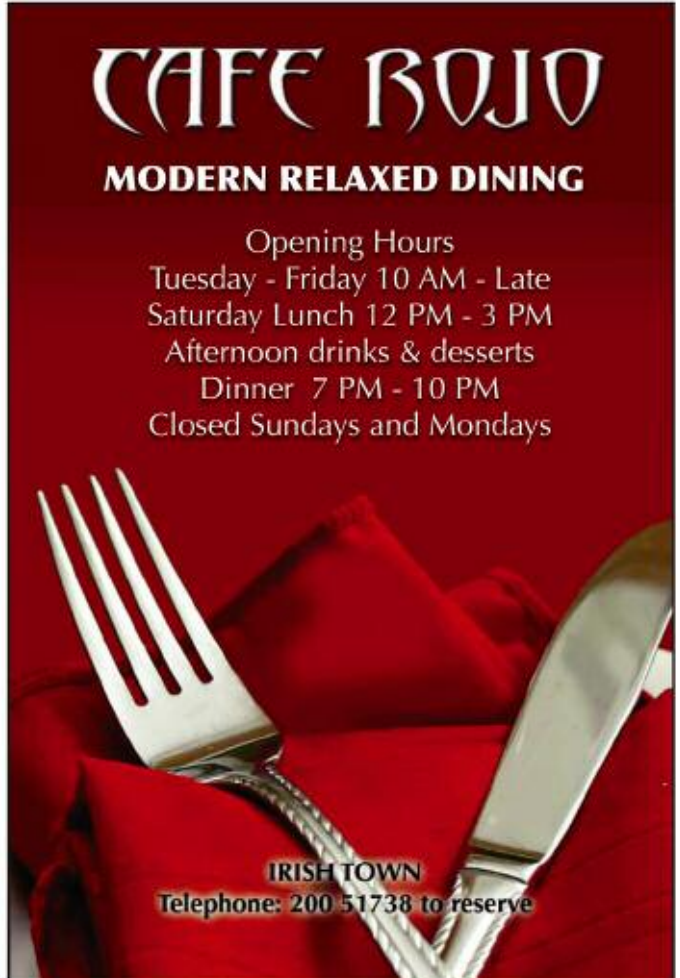



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