

Attention: Fabio De Masi MEP

Fabio De Masi MEP European Parliament Bât. Willy Brandt 03M031 60, rue Wiertz Bruxelles

BY EMAIL:

fabio.demasi@europarl.europa.eu

AND BY HAND

09 September 2015

Dear Mr de Masi,

Re: EP TAXE Committee Meeting of 7 September 2015 - Gibraltar

I refer to a statement that you made during the EP TAXE Committee meeting of 7 September 2015 in which you referred specifically to Gibraltar. For ease of reference, you stated the following at the end of your address to the Committee:

"I fully share in this regard what Michael Theurer stated about the conduct of Ikea and other companies. I do not want to be invited to eat meatballs and see some PowerPoint presentation and play in a pool with little balls. I want to have a serious discussion with Ikea. I want to see them here. If they are not coming then we clearly need to state that. The same holds true in relation to some jurisdictions like Gibraltar who extended wonderful invitations to our assistants to visit their islands and so on. I think we really have to be more courageous in naming and shaming these practices and I look forward to our common work here on the report and to improve it considerably."

In stating the above, I find that you inexplicably and very unfortunately misled the general public into believing that Her Majesty's Government of Gibraltar has not cooperated at all with the work of the TAXE Committee and has instead tried to surreptitiously influence the Committee through lobbying activities of the type that you allege Ikea engage in.

Let me remind you, that you, along with the Chairman of the Committee, the co-rapporteurs, the group coordinators and other members of the Committee had an extensive, "serious discussion" about Gibraltar's tax status with the Chief Minister of Gibraltar here in Brussels at the European Parliament on 27 May 2015. Moreover, as recognised and applauded by the Chairman of the Committee, the Chief Minister of Gibraltar attended such meeting not after receipt of an invitation from the Committee but at the Gibraltar Government's own initiative.



Let me also remind you that during that meeting you made various statements and asked four questions, all of which were answered on the spot by our Chief Minister. As you know, other questions raised by other members of the Committee were also answered instantaneously.

The answers provided by the Chief Minister at the time were then supplemented in a Memorandum extending to 32 pages sent by the Gibraltar Government to the TAXE Committee on 11 August 2015 in response to a letter raising further questions sent by the Chairman of the Committee following the meeting of 27 May. A copy of the dossier sent by the Gibraltar Government to the Committee is enclosed with this letter for ease of reference.

In fact, Gibraltar's assistance to the work of the Committee sharply contrasts with that of the 14 out of 18 multinational corporations (including Ikea) that allegedly declined to attend committee meetings or the 7 Member States that have apparently not even responded to the Committee's inquiries. It was therefore extremely disappointing to note that you decided specifically to mention Gibraltar when discussing the lack of cooperation received from various Member States and multinationals.

Taking all of the above into account, and in circumstances where the level of cooperation and support afforded by the Gibraltar Government to the work of the TAXE Committee has been exemplary, I trust that you will agree to publically retract the statements that you made during the meeting on 7 September which were inaccurate, unjustified and wholly damaging to Gibraltar's reputation.

Finally, in relation to your comments concerning the Gibraltar Government's invitation to parliamentary assistants to visit Gibraltar let me say the following:

- During the meeting of the 27 May, the Chief Minister of Gibraltar invited all of those present, including you, to visit Gibraltar. None of you have to date decided to take up that invitation which, I am instructed, remains open.
- 2. A similar invitation was, for example, recently taken up by the Chairwoman of the PETI Committee, Cecilia Wikström, in June this year.
- 3. The invitation of the Gibraltar Government, extended to many parliamentary assistants to visit Gibraltar, is part of a long-standing programme of familiarisation visits to Gibraltar sponsored by the Gibraltar Government and is similar to those operated by the governments of many other Member States. The trip is designed to give those attending an opportunity to see Gibraltar for themselves, raise general awareness about Gibraltar and its status as an EU territory to which the EU Treaties apply. Moreover, the trip inter alia affords the Gibraltar Government an opportunity to continue with its work to dispel certain myths and misconceptions which constantly permeate in Europe concerning Gibraltar such as the one that you yourself hold of Gibraltar being an island, or, in your case, even worse, an archipelago.
- 4. The invitation to some parliamentary assistants of members of the TAXE Committee coincided with other invitations sent to members of other Committees such as, for example the LIBE and TRAN Committees. The focus of the trip was not specifically to discuss Gibraltar's tax status but to give those attending a Gibraltarian perspective on a variety of issues concerning Gibraltar and the EU.



After clarifying the above, and on the assumption that you are not able to accept the Chief Minister's invitation to visit Gibraltar, I am instructed to include your assistant or assistants in the next set of invitations that will be sent to MEP assistants.

Yours sincerely

Sir Graham Watson

EU Counsel to HM Government of Gibraltar

cc. Alain Lamassoure MEP