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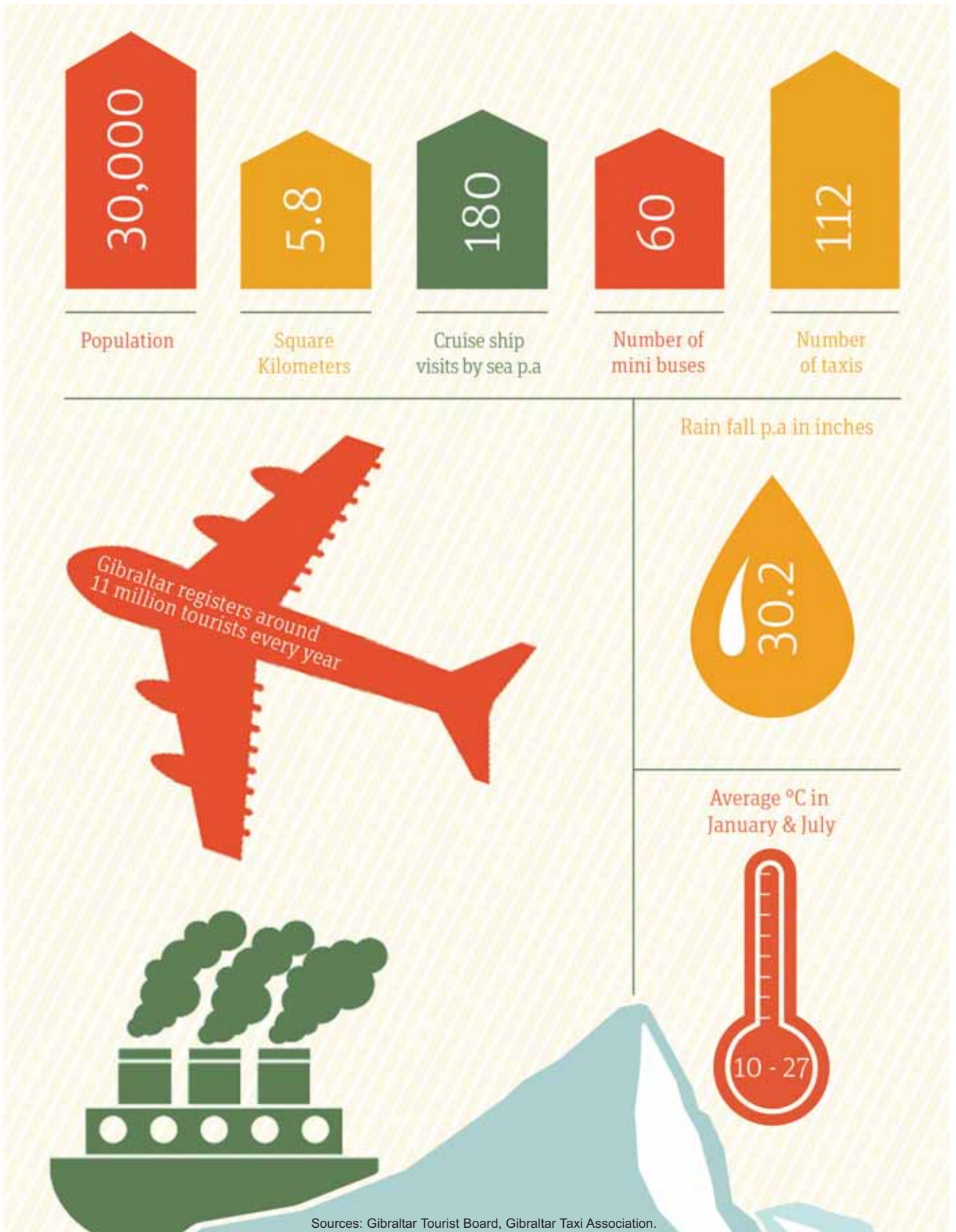
Rock solid investment

Gibraltar: tourism, property, travel



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New Statesman
7th Floor
John Carpenter House
John Carpenter Street
London EC4Y 0AN
Tel 020 7936 6400
Fax 020 7936 6501
info@newstatesman.co.uk
Subscription enquiries,
reprints and
syndication rights:
Stephen Brasher
sbrasher@
newstatesman.co.uk
0800 731 8496

Supplement Editor
Guy Clapperton
Design & Production
Leon Parks
Graphics
Naomi Ashworth

Commercial Director
Peter Coombs
020 7936 6753
Account Director
Eleanor Ng
020 7936 6417



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More than a day break

Gibraltar is a great place for a day trip. That's how a lot of people treat the peninsula; they visit Spain or Morocco and travel there during daylight hours.

Inevitably, they bring a heavy footfall to the jurisdiction and the Gibraltar Tourist Board is happy to see them – but it's keen to make people stay on for everything else that's going on.

There is architecture, history and culture. There is an opportunity to buy property, and the longest-established estate agent on the Rock explores that market. There are specific event-led opportunities to visit and, if you're

an entrepreneur in the leisure industry, to make some hard cash. Themes have so far included chess, jazz, literature and much else.

Infrastructure is certainly an issue, but the territory is making progress with government support, as Neil Costa MP explains. There is nightlife, accommodation, a new luxury floating hotel, and of course the luxury shopping is well known.

Gibraltar is still a great place to go and have your picture taken with an ape. But there is a lot more happening, though – as we hope readers will understand. ●

This supplement, and other policy reports, can be downloaded from the NS website at newstatesman.com/supplements

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Tourist Gibraltar: works in progress

by Guy Clapperton

Tourism in Gibraltar is growing but not fast enough for the Gibraltar Tourist Board. They want people to come for more than a day and stay for the heritage and culture

Neil Costa is a man with things on his mind. He is tourism and transport minister in Gibraltar – to give him his full title he is the Hon. Neil Costa MP (one of his predecessors was named Holiday, and yes of course they’ve heard all the gags); youthful, energetic and liaising closely with the jurisdiction’s Tourist Board. The board’s chief executive, Nicky Guerrero, is equally occupied.

It’s a tiny peninsula so nobody works that far from anybody else. But, along with a lot of other officials, the two men work from Europort, the large concrete and arguably faceless building towards the south of the Rock. It is, of course, their job to persuade incoming tourists that the territory itself is anything but faceless. In fact, Costa has a particular subset of this aim in mind; he wants to turn people away from simply staying one night (if they stay that long, the Rock’s well known for attracting day trippers) and encourage them to take a longer stay. He is also determined to attract visitors from territories who haven’t previously been in the habit of sending many tourists over. The opportunity for the right entrepreneurs will be clear – if he

succeeds, there will be many pickings for people with the right business ideas.

“We have to develop our visitor profile,” confirms Guerrero. “The majority of our visitors come for the day across the border. A lot of them will be people who are already holidaying in the areas around Gib, and we also have people from ships. There are 180 visits scheduled to Gibraltar from cruise ships, and the ships are getting bigger,” he adds. Some ships will have up

A shipful of visitors can mean a 10 per cent boost to the population

to 3,000 passengers on board. That’s effectively a 10 per cent boost to the population, in a single day – except one day this year they had four ships in one day.

As well as people visiting Gib as a destination in its own right, a large number use it as a transit point, says Guerrero. “They come to us and use our airports because they prefer it to the ones in the surrounding areas,” he says. “So we have

quite a mixed profile of visitor and they each require a different strategy and different marketing.”

So if there are that many visitors on a Rock some six square kilometres in area, why does the profile need building? “We are trying to attract more people to stay overnight, from the UK market and other markets in Europe,” says Guerrero. “The UK remains a core market and will do so for the foreseeable future. This isn’t just because of the obvious connection of Gib being British by history, but air connections are well established. Brits can be there in two or three hours, which adds to the ‘day trip’ nature of the destination. This is something the Gibraltar Tourist Board, along with the chief minister, Fabien Picardo, find frustrating.

This doesn’t mean the day trippers aren’t welcome, stresses Costa. “We’re not dismissing those at all, they do provide sound economic activity. But what we’d prefer for Gibraltar is a weekenders’ break.” This happens already, but the inhabitants would clearly like to see more. Guerrero concedes that the typical image of a visit is of a trip that lasts a couple of



Neil Costa MP

hours, a bit of shopping, see the apes and out. “Whereas in the past, people might have come for a day to shop, what we’re aiming to do, once they’re here, is to entice them again,” explains Costa. “So while we’re continuing to promote Gibraltar internationally, through trade fairs or one-to-one meetings with cruise line executives, airline executives, tour operators in the UK and so on, there has been less work in the past on converting the day tripper into a tourist.”

Naturally they’re biased, but the minister and the chief executive believe there is a lot more to see if they stay than many people realise. The heritage and the culture are notable, and a lot has been achieved through event-led tourism. The previous administration began this and Costa is happy to give them credit; it’s a ball the current government has been keen to pick up and run with (for more on event-led tourism, see page 12). The idea is to get people visiting and staying when there is no sun – not as infrequent in Gibraltar as it is in the UK, but there *are* colder months. Also, there is a difficulty in selling the Rock as a sun destination; the

weather is fine, but the beaches are small and the locals tend to descend on them, reasonably enough, and fill them up when they get the chance. “Of course, there’s space for tourists, but if 3,000 of them descended on the beaches, there wouldn’t be for long,” comments Costa.

The current administration has continued its predecessor’s work in developing infrastructure for overnighters. A leisure development called Ocean Village

Stand on a peak and
see three countries
on two continents

is now up and running. This includes bars, restaurants and nightlife, as does the nearby Casemates, a square at the end of the main street. “There’s a lively night life to complement the heritage and the history, so we’re actively promoting Gibraltar as that,” says Costa.

Another area in which the jurisdiction is developing is the extension of the classic tour. There are more of them but more

importantly they have different themes. “There’s your standard Rock tour,” says Guerrero, “but there are other sights. There’s very beautiful architecture; you’re tempted to look at eye level and see the shops when you walk down the streets, but you miss a lot if you don’t look up.”

Ironically, for a place that has been under UK jurisdiction for 300 years, the tourism people are now starting to market the place as “undiscovered”. Guerrero says that when the government hosts meetings, and attendees spend the night, they end up finding themselves enjoying it perhaps more than they had expected and agreeing it’s a great destination. “You mustn’t ignore our unique geographical location,” he adds. “There aren’t many places where you can stand on a 400ft peak and look out at three countries spanning two continents.” Of course, you can see Spain, but on a clear day you can make out the African coast as well. People wanting to explore it further will find it’s a ferry ride away.

If it all sounds a little too convenient to be true, then it probably is – at the moment. Costa concedes that as well as marketing the Rock, which has many benefits, there is a need to improve connectivity, infrastructure and links with other territories. “We are working daily on sustainable connectivity to Spain,” he says. “Unfortunately there were two airlines, Iberia and British Airways, which had aircraft that were just too big so they were only ever half full. Had they had a smaller aircraft they would have been full, but because they used the 320 and 390 it just wasn’t sustainable.” The timing of the flights wasn’t right either, he suggests: “It should have been a huge success story for Gibraltar, but it wasn’t properly analysed.” The government now believes it has worked out the right formula in terms of aircraft size and times of day for travel, but as the earlier experiment failed, it has been difficult to persuade a new operator to come in.

Sustainable connectivity to Spain remains a goal – even as conflict on the border flares up every few years – as does connection to Morocco. “If people can fly from Madrid or Morocco to Gibraltar, they will come either as tourists or business travellers. There was an occasion recently when I flew from London to Gibraltar and the front of the bus, the business class seats, were up to row 13.” Replicating ▶

COMING SOON

Buena Vista Park Villas launches the final phase of its outstanding luxury private gated development in the South district of Gibraltar

Buena Vista Barracks, the unique and stunning stone block building that sits proudly on the top of the cliff with unrivalled views across the bay and straits of Gibraltar, is being renovated and converted into a Luxury Residence with extensive grounds. There will also be a further six plots for large Bespoke Villas. Completed Villas in the second phase will start from around £4.5 million.



The first phase has been a huge success due to custom design and unique position. The views across the Bay and Straits of Gibraltar are unrivalled and the location of Buena Vista Park Villas in the South District of Gibraltar means that it benefits from blue sky and sunshine virtually every day, even when the Levante cloud covers the middle of the Rock.

The second phase consists of one large stone block building that was previously the Buena Vista Barracks and dates back to the 18th Century and 6 large bespoke villas.

The stone block will be restored to its former glory externally and completely renovated and modernised internally with approximately 2,000 m² of internal space. Unlike virtually any other property in Gibraltar, the building is situated in an

acre of land which provides for an extensive private garden. The ceilings are approx 5 metres high, the stone walls are a metre thick and provide the framework and structure for a truly magnificent mansion. Work will start on the building at the beginning of 2014 and any purchaser will be encouraged to liaise with the developer's architects to create an internal design and landscape gardens worthy of such an impressive property.

The six large bespoke villas will be custom designed and will be approx 450 m² internally, with gardens and pools on 500 square metre plots. All the Villas, as with Phase 1, will be equipped with sophisticated home automation systems which control lighting scenes, audio, video, room temperature, hot water, window blinds, security cameras, alarm, gates and

house entry – all to the owner's specific requirements.

Gibraltar is a seriously good "low tax jurisdiction", arguably the most attractive within the EU. There are now extremely attractive properties in Gibraltar at significantly lower prices than Singapore, Switzerland, Hong Kong and Monaco for example. There is, however, much more to Gibraltar than just low tax and stunning properties: it is a safe place to live and the economy is booming. Local schools, restaurants and bars are flourishing and the playgrounds of Andalusia's golf courses and the cosmopolitan Puerto Banus are just over the border in Spain. If you need or want to travel further afield then Gibraltar's new International airport provides an increasing number of direct flight destinations.



For more information on
Buena Vista Park Villas contact:

ROBERT MARTIN

robert@bvhomes.gi

+350 200 65825





Incoming cruise ships can contain 3,000 people

► this to Madrid would link another major hub to Gib, he believes. “Any properly sized aircraft at the right time would be full.” Conversations with operators in Spain and Morocco are ongoing.

There has been legislative change under the current administration to help. Around Easter this year, Moroccans were allowed to apply for tourist visas to allow them to come to Gibraltar for up to 14 days, and 1,200 had visited by September. These were Costa’s idea of proper tourists, people who come to stay and spend money rather than have a snapshot taken with a Barbary ape (not that he wants people to miss this, either). There are affluent people in Morocco who want to spend money on luxury European goods, he says, and Gibraltar wants to welcome them. There is another advantage of marketing to Morocco of course: Gibraltar doesn’t get involved in territorial disputes with Morocco, whereas relations with Spain tell a different story.

Morocco isn’t the only country to find its people increasingly welcome in Gibraltar. The government has introduced a visa-waiver scheme for Russian nationals. “Russian nationals love Marbella, it’s a prime spot for a holiday and second-home buying,” explains Costa. “So we’ve

sanctioned tour operators under stringent conditions, and they can bring in Russian nationals for a day under a visa-waiver scheme. We’ve had thousands of Russians who’ve spent thousands of euros in Spain, coming to Gibraltar just for a day.” The aim is ultimately to enact the same travel rights to Russians as Moroccans are currently enjoying, he says. “That is in the pipeline. Some of these things take a while because we have to talk to the UK about foreign affairs issues, but it’s only a matter of time.”

Thousands of Russians spending thousands in Spain visit for a day

The welcome and the effort to get people into the country is beyond doubt; if they all turn up, though, the infrastructure (Ocean Village and Casemates notwithstanding) will need to be reconsidered. There are enough hotels for the moment, Costa believes. “The statistics can give a very misleading impression. I go to one hotel every weekend to hide, a sort of second office to do work where nobody will come and see me, and it’s always full.

When you look at the statistics, though, it doesn’t seem to be doing as well.” This is because the stats compiled by the hoteliers offer a general, average figure of occupancy while the individual establishments can do spectacularly well.

There will be a need for increased capacity and it’s on the way. A new luxury yacht hotel, the Sunborn, has opened at Ocean Village with 189 rooms; these are VVIP rooms, five star-plus luxury, aiming at a particularly affluent market. The Gibraltar Tourist Board is also in discussion with one hotel operator for additional premises; it can’t name the operator at the moment, but you get the feeling there’s another hotel on the way. “We are working to have another four-star business hotel,” confirms Costa.

It is clear that the Rock needs more beds if the push for more overnight tourists is a success. It will also need to give some thought to the environment – 3,000 people traipsing about the Rock from a ship is one thing; amplify that if they start to stay overnight, overlap with each other and get augmented by Moroccans, Russians and others and you could have a serious issue. Costa has been working with Dr John Cortes, the minister for the environment, on a sustainable transport plan for the upper rock.

“Right now, taxis and tour operators take tourists who arrive by sea, air or land to the upper rock and at times there is congestion,” he says. “We’re looking at how we can decongest the area first for reasons that are environmental, but also because we want tourists who go there to have a great time.” Add the possible queue to get in at the border, depending on relations with Spain at the time, and the disincentive to return could be substantial. The ministers are working with the various interest groups in the territory to arrive at a mutually acceptable solution.

None of this should be taken to mean that the day trippers are unwelcome. Costa, Guerrero and their team want to expand, not replace the existing tourist industry. If they succeed, then the chances are very good that the existing underpinnings will become unsustainable quite quickly. Clearly the administration hopes to address the infrastructure before it becomes an issue. There are a lot of balls in the air at the moment; if they all come down in the right order and soon, the results should be very positive.

Property on the Rock

by Solomon Levy FRICS

Gibraltar has been largely unaffected by the world economic slump – and this is reflected in property prices. The Rock's longest-established estate agent takes a hard look at the market realities for incoming residents

Gibraltar has long been a favourite spot for people, mainly from the UK, to purchase properties to reside in, for tax purposes, or as a holiday home. Flats normally start at ; houses are priced at around £3.5m.

Gibraltarians themselves normally pay between £175,000-£300,000. Those who want to buy here for tax purposes are willing to pay up to £500,000; in some cases, the flat is not inhabited but simply provides an address, although by law they are supposed to be lived in for 90 days a year.

Prices are high in Gibraltar because it is a secure investment. Furthermore, when you purchase a flat in Gibraltar, you know what taxes and rates you are going to pay from the very beginning and are not, all of a sudden, asked to pay an extra tax as is commonly done sometimes in Spain – although there has been a world economic crisis, Gibraltar has not been much affected.

Flats on the market normally consist of two bedrooms, two bathrooms, a living room and kitchen with balconies, and parking spaces. They are situated in different parts of Gibraltar. Normally, they are sold on a 99- or 150-year lease. Freehold property for sale is likely to be a block of flats or flats with commercial premises.

In Gibraltar, there is a big demand for rental properties and these cost from between £850-£3,500 per month, inclusive of rates but exclusive of electricity and water. When flats are let, this is for a



Property: investment in Gibraltar is robust due to a consistent economy

minimum of six months; a longer lease can be given with a rent review either every year or every three years.

On the Rock, there are several building societies such as Newcastle Building Society and the Leeds Building Society and they offer mortgages at the same rates as they do in the UK. Now and then, detached houses come on the market consisting of four bedrooms, three bathrooms, a large living room with balconies, study and kitchen, with two or three spare rooms,

and the price can go up to £3.5m. There aren't many of these, but when one comes to the market, it is sold without difficulty. At present, there is a plan to build around 12 villas of a very high standard. But in terms of development, there are no plans for new blocks of flats.

Of course, another reason people are attracted to Gibraltar is the weather. The climate is temperate all the year round because of the Mediterranean setting. While flats have central heating and air conditioning, it is the air conditioning that tends to get more exercise. Electricity and water charges are high in Gibraltar in comparison to the UK, and normal monthly accounts can vary between £200-£350 for both. The rates are low, unlike the rates for commercial premises which are high.

Reaching Gibraltar from the UK remains easy, as British Airways, Monarch Airlines and easyJet come here. We have around three flights coming in every day from London and also flights from Manchester. The normal London flight to Gibraltar is around 2 1/2 hours.

Because there aren't any new blocks of flats being built, flats tend to maintain their value, although with the present economic crunch, prices may come down. As the longest-serving estate agent in Gibraltar for 53 years, we have found it interesting to note how prices have risen and yet the demand has been sustained.

You could, in fact, say that buying a property here is an investment as secure as the Rock of Gibraltar.

Getting around Gibraltar

by Bob Pugh

Gibraltar, situated at the southern tip of the Iberian peninsula, is home to 30,000 Gibraltarians. It is also one of the most popular destinations for tourists coming over from Andalusia and has unique transport challenges

Anybody travelling to Gibraltar needs transport of some sort to see the Rock in all its glory.

Being in Gibraltar as a tourist, one needs to be able to visit the sites that are offered by the Gibraltar Tourist Board. These include all the sites on the upper Rock such as St Michael's Cave, the Galleries, the World War Two Tunnels, O'Hara's Battery and, of course, the famous Gibraltar apes. On the lower part of the rock, there are sites such as Europa Point of Gibraltar (directly opposite the northern coast of Africa) and the 100-ton gun, and points of interest within the town such as the museum and the cathedrals.

Although Gibraltar is only approximately six square kilometres, there are several ways one can travel around the peninsula. There is an excellent public bus service covering the lower area of the Rock which gives tourists and local people a very easy system of getting from A to B at very reasonable prices. One of the reasons these buses don't service the upper Rock is that they are too big for the small winding roads there. Thus this is where the taxi and

minibus tour operators come into the picture. With 112 taxi licenses and some 60 mini coaches on the Rock, there is ample transport to carry tourists and visitors to the upper Rock

The taxi service in Gibraltar has come under some criticism in recent years, with travellers arriving at Gibraltar airport and finding no taxis to take them to their destination. Some of the local residents, too, have been unable to find a taxi to take

A taxi meter system with GPS ensures the drivers are working

them home. Behind this is the idea that some drivers have only been interested in hiring their taxi to tourists who want a tour – thus instead of being a taxi service, they become a mini tour bus. An agreement between the Gibraltar Taxi Association and its drivers brought in a system in which a certain number of taxis would be put only on city service each week. These

drivers would cover the city and airport area, taking it in turns to do a week at a time. This, unfortunately, still did not work properly, as some of the taxi drivers who were on city service would not show up for work and use the week of city service as a week off.

The taxi association, with government help, introduced a new kind of meter with a GPS system on it allowing the association a much faster response system for radio calls; it also allowed the association to monitor the vehicles, enabling them to see if those that were being used for the city service were, in fact, working or not.

With the new meter and the introduction of transport inspectors by the government to check the system, the taxi association were able to monitor their taxis better. This made the improvement to the taxi service a huge success, and there are taxis now servicing both the airport and the city on a regular basis.

Gibraltar is a very popular destination for tourists arriving from the surrounding areas of the Costa del Sol and Costa de la



Gibraltar: efforts are ongoing to improve the infrastructure

Luz. With excursions arriving daily, Gibraltar's tour operators ferry the tourists to their destinations whether it be a transfer from A to B or a tour of the Rock.

As one can imagine, with the arrival of a cruise liner or two into the port of Gibraltar carrying around 3,000 passengers, plus around 60 large tour coaches in the coach park, it can be quite a difficult job to move all these passengers around, but it does get done. Many companies operating in Gibraltar have done so for many generations, so the expertise is well established.

Gibraltar has an elaborate system of pre-booking for groups arriving on a daily basis so the firm know how many clients will arrive on the day in question. This enables the companies to prepare enough mini-coaches to carry those clients on their tours.

However, one obstacle drivers encounter on the upper Rock, on regular basis, during the summer months are traffic jams on the roads and the lack of parking spaces. This can be a big problem for drivers trying to navigate their coaches to the different sites. This also affects the super-

visors who oversee the tours leaving the coach park or the cruise terminal as most coaches, once they drop their passengers, then go back to the coach park or cruise terminal and load up for the next trip. Thus any delays cause a huge backlog for the next group of passengers.

With the increase of tourism in Gibraltar, the local government is looking for a solution to congestion in the upper Rock during peak season, and is discussing ways forward with local operators. Several ideas have been considered, but as yet, no agreement has been reached. It is hoped that in the very near future a solution will be found

One problem Gibraltar suffers from is supplying its day-to-day needs for retail businesses. Gibraltar imports most of its goods from other countries, which come overland to this southern destination. This means that all the lorries arriving here have to pass through the Spanish customs of La Linea.

With the situation with Spain as it is today, this can sometimes cause difficulties in executing these operations. Just

recently Spain stopped the import of rocks and sand needed in Gibraltar for the reclamation of land and beaches, so Gibraltar had to arrange for these items to be brought in by sea from Portugal. This is just one of the problems that the commercial transporters have to face with the Spanish authorities at the frontier. Gibraltar hopes these problems will disappear and normality will return in the future.

Overall, transport in Gibraltar, whether it is for the tourist, the local community or commercial businessman, is adequate for today and into the near future.

One thing the government of Gibraltar needs to look at, however, is the state of the road surfaces, particularly in the south. There has been a lot work carried out on underground cables and water piping, which always leaves the road surfaces open to damage due the quantity of vehicles passing to Europa Point. This makes the road very uncomfortable to travel over time, so resurfacing the area would be a great asset.

Bob Pugh is general manager, SGML

The Next Event: from chess to jazz

by **F Oliva**, *Press Officer, Gibraltar Tourist Board*

So how do you get people to visit your country in the low months for tourism? You launch a chess festival, a jazz festival, a literary festival, and they come...

Event-led tourism is the new buzzword. Rock concerts, food festivals, book fairs, outdoor military parades, sporting competitions – all have been spoken about in Gibraltar and have been a part of the strategies adopted by local tourism planners for decades. However, in the past two years, the Rock has collectively embraced the concept with a renewed energy and enthusiasm that has exceeded all prior expectations. This has marked a quantum leap in terms of what has been achieved, the money invested, and the efforts undertaken to date.

The change of mindset has been put into motion by the new administration's conscious decision to revamp and develop an existing policy, taking it to an altogether grander and more ambitious level. This move has been applauded by many and eagerly greeted by the youth of Gibraltar which has been at the forefront with their keen support and participation in the many exciting initiatives and projects that have come to fruition in this period.

The dual rationale behind this is quite simple: organise a first-class event that will appeal to the general public who can always be relied upon to respond positively to quality entertainment right on their doorstep, and by so doing, be assured that visitors to Gibraltar will find the experience engaging enough to want to start booking a return to the Rock as soon as they arrive back home.

In recent times, we have seen a glitter-

ing constellation of big-name chart-topping artists and musicians from Britain and Spain descend upon Gibraltar, to the wholehearted appreciation of jubilant crowds at the annual government sponsored Mega Concert; celebrations of local cuisine, where natives and visitors alike have mingled indiscriminately in a hotch-potch of interaction and exotic flavours at the Calentita Night; and an international chess competition, the Tradewise Gibraltar Chess Festival, which has grown exponentially in the past decade to become one of the top events of its nature attracting some of the leading grandmasters of this exacting game.

Event-led tourism caters for a broad range of tastes

Not only is Gibraltar providing much appreciated leisure opportunities for the community at large, but at the same time it is promoting itself as an attractive tourist destination through the successful marketing of these events and increasing tourist visits and hotel occupancy rates by healthy percentages year on year.

The beauty of the concept is that event-led tourism is a flexible, one-size-fits-all construct which also caters for a broad range of tastes and sensitivities – from the popular, mainstream acts to the more

discerning musical tastes. For instance, as witnessed with the Gib Telecom-sponsored Gibraltar Jazz Festival, a labour of love of a small group of dedicated local musicians, now in its second year, this has attracted an array of talented performers. Some are home-grown, but others are from further afield, including “Gibraltar in Brooklyn” Elie Massias and the critically acclaimed Juan Galiardo from neighbouring San Roque. Both are repeating the experience of the inaugural year, joining the headliner and musical guru Jools Holland and his Rhythm and Blues Orchestra on the bill.

Without forgetting the regular programme of classical music concerts organised by the Gibraltar Philharmonic Society which recently included a breathtaking performance by the Halberg String Quartet in the stately setting of The Convent Ballroom – the historical residence of the military governor for three centuries – one of the Rock's truly impressive artistic venues worthy of admiration in its own right.

The next top-tier highlight coming up and aptly described as the flagship of the event-led tourism concept, is the first ever Gibraltar International Literary Festival from 25-27 October, which will bring together some of the most distinguished authors of the literary world to share their innermost thoughts, talk about their work and lives, alongside eminent historians and celebrity chefs who have earned a



Themed events: delivering steady business for Gibraltar

solid professional reputation in the gastronomic scene. The packed, varied programme of public conferences will be centralised at the famous Garrison Library, an immaculately preserved remnant of a bygone era and an architectural jewel of the British colonial period.

The literary festival, testament to the community's truly cosmopolitan essence, will be the culmination of the Rock's cultural calendar for 2013, but its appeal transcends the purely local appetite for an event of this magnitude. Great interest has been shown in the UK press, which is an invaluable ally in providing key exposure for Gibraltar and in the promotion of the tourist products that the Rock has to offer.

It is the intention that this becomes a well-established annual gathering for book lovers from Gibraltar and further afield, serving a twin purpose: providing a prestigious and culturally enriching platform that at the same time enhances our international reputation by association with the type of events and activities we wish to be related to.

The Gibraltar Tourist Board, with the invaluable partnership of the Ministry for

Culture, endeavours on a daily basis, to create and coordinate an idiosyncratic tourist offering which is a reflection of the Rock's extraordinary appeal. A cocktail of history and heritage, sprinkled with a dash of sunshine and combined with a heterogeneous catalogue of premier and popular events encompassing all of the above, plus beer festivals, backgammon, international darts with the presence of the legendary Phil Taylor, and a spectacular European strongman championships. The result is a viable tourism model that provides a credible, affordable yet wholly productive blueprint for territories with similar characteristics.

Gibraltar's extraordinary potential as a destination with a unique tourist product has been shrewdly harnessed in a manner that maximises our natural resources, to offer an integrated range of services and facilities. Against this background, the concept of event-led tourism has fitted in perfectly and now constitutes a generator of value-added wealth in a key area of the local economy.

Neil Costa MP, Gibraltar's minister for tourism, stated that Gibraltar is already reaping the benefits of event-led tourism:

Gib chess comes of age

Competitive chess has become an integral part of the Gibraltar government's event-led tourism policy which has yielded positive results by way of an influx of visitors to the territory and extraordinary publicity in the international specialised press.

In recent years, the Gibraltar Trade-wise Open Chess Festival, which attracts some of the leading grandmasters of this exacting sport, has gone from strength to strength to become one of the most important chess tournaments of its type in the world.

Some of the greatest names in chess have competed in Gibraltar including legendary figures like Victor Korchnoi, who unsuccessfully challenged Anatoly Karpov for the world title twice, and Judit Polgar, the best female player in history. Among the British contingent are Nigel Short, who took the title on three occasions, and Michael Adams.

The tournament was the brainchild of Brian Callaghan of the Caleta Hotel which has hosted the event since the first such event in 2003 and seen the tournament develop from humble beginnings into a true international chess classic.

The telecommunications company Gibtelecom has supported the chess festival since its inception and is responsible for developing the technological support and online live streaming that enabled the official tournament website to receive over a million hits last year.

"We have chess set at home, and my son frequently wants to play," said Dr Joseph Garcia, Gibraltar's deputy chief minister. "In this electronic age, it is difficult to get children to play chess. In my family, we play occasionally. I am a very low-level chess player, but I would encourage them and encourage others. It is a game of skill and strategy and forward thinking, very much like politics."

"The Culture Agency has prepared an extraordinary package of events over the past 12 months, and tourism has extensively benefited from this; it is the Gibraltar government's intention to provide even more exciting plans next year. We just have to continue building on what we have achieved to date."

Accommodation Ahoy!

by Guy Clapperton

The opportunity for an upmarket hotel in Gibraltar seemed too good to miss – so Sunborn floated an idea

So, what do you do if you have an idea and a location for a hotel, the market opportunity appears clear and your demographic is hungry for it, but the territory is too small and there may be environmental considerations? The answer from Sunborn, a private company in Finland owned by the Niemi family, is simple – put it on a luxury yacht.

It's this model that has led to the presence of the Sunborn Yacht Hotel, which will open in early 2014. Entrepreneurs will recognise a number of the business drivers behind setting up in this way. The company's research suggested there were around a million hotels in the world, and although quality can be very high, only a handful of them could be described as "unique"; target a high-end customer base and add the notion of a luxury yacht and you automatically have a good fit.

You also have the benefit of a totally movable asset. "We're completely committed to mooring off Gibraltar and working there," says Hans Niemi, executive director of Sunborn. "But it's reassuring that if any of the territories in which we operate, from St Petersburg to London, had a changing requirement, we could change to a different yacht." He stresses that his market research suggests this won't be necessary.

Movable feasts like this have other advantages as well. They can be put up when land would otherwise be unaffordable. It's no small expense to put a luxury

yacht in place next to Gibraltar's Ocean Village, but it would cost considerably more to try to buy the land for a hotel of similar stature. Not that buying the land would be possible: "Gibraltar is six square kilometres in size, so the land to build a facility like this simply wouldn't be available," says Niemi. This is also useful when it wouldn't be possible to build a fixed structure for other reasons: in Venice, for example, it would have been difficult if not impossible to build a hotel next to some of the major heritage buildings, and in St Petersburg, a modern building next to the Hermitage would

"We're committed to Gibraltar, but the yacht is movable"

have been difficult – if not downright undesirable. Substantial luxury yachts overcome these objections and make the investment that bit more solid. On leaving a territory, once the electricity and other service supplies are unplugged and unplumbed, there is no residual environmental footprint.

Incoming

Sunborn believes the yacht hotel will appeal to a demographic that's already visiting Gibraltar but which isn't staying there as much as the Tourist Board would like.

There are four flights into and out of the Rock per day, but a lot of travellers, particularly in the business market, end up crossing the border into a Spanish hotel – spending their money on Spanish entertainment in the evening. The Gib economy is robust, but nobody can afford to turn business over to the neighbours in quite this cavalier way. "According to official figures, on arrival in Gibraltar, 61 per cent of visitors cross the border and sleep somewhere else," says Niemi. "We're aiming to do something about that."

The owners will be pitching the yacht towards the event market – weddings and bar mitzvahs, of course, but primarily to conferences. It will prosper if it is just the UK that takes advantage of it; obviously the owners hope nationals of other countries will follow, but the UK's direct travel links offer an obvious advantage.

This is why there has been such interest from the MICE (Meeting Incentives Conferences Exhibitions) industry, which in the UK alone is worth £20m. "The challenge had been that there was nowhere for the MICE industry to hold its events," says Niemi. "Sunborn Gibraltar will fulfil that. Almost purely as a result of last July's Meetings Show UK, we attracted several million pounds-worth of corporate inquiries in just five weeks, which bodes very well for Gibraltar plc." There will, of course, be corporate deals on offer – the headline price will be more expensive than local hotels, but the managers

maintain value will be at least equivalent.

The financials should add up not only for conferences requiring accommodation, but for day-tripping conferences as well – you leave the UK in the early morning, have a conference on the Med, come back in the evening and the investors will be pleased enough. This is why, whereas most hotels budget their business plans on 20 per cent income coming from conferences, Sunborn's dedication to MICE is going to be significantly higher. Zero VAT makes the pricing structure simple and the mooted return of ferries to North Africa will improve the appeal of the peninsula as a destination overall.

No matter what the Gibraltar Tourist Board and tourism minister manage by way of appealing to visitors to stop longer than a day, Gibraltar currently has an in-built ceiling. Fill 650 beds and you have no hotel space left. Sunborn will not only add the first five-star accommodation to the territory, but it will increase the total accommodation available by 31 per cent. It is to be hoped that changes to transport and other logistics discussed elsewhere in this supplement will keep pace.



Beds on board: accommodation in Gibraltar will be increased by 31 per cent

The UK Gibraltar Tourism Association

by **Albert Poggio OBE**

Anyone wanting to do business with another country with a culture different from their own needs access to someone with local expertise. If the territory is occasionally disputed in ways that even your locals don't understand – how many residents of mainland Britain could name the treaty that binds Gibraltar to us rather than to the Spanish? – then you need this even more. Hence the emergence of the UK Gibraltar Tourism Association (UKGTA).

Given that Gibraltar has been a British territory for some 300 years (initially through the Treaty of Utrecht, but there have been many since which are somewhat less exclusive), it is perhaps surprising that the UKGTA was founded only in 1991. The initial support came from the then minister for tourism, Joseph Pilcher, and its membership

comprised the Gibraltar Information Bureau and two leading tour operators of the time: Gibraltar Travel and Cadogan Travel. Gary David, managing director of Cadogan Travel was the chair, and the permanent secretary, who is still involved, was Albert Poggio OBE as head of the London office of the Government of Gibraltar. A few hotels also became members: the Caleta, the Rock and the Holiday Inn, Gibraltar; and three airlines: Air UK, GB Airways and Dan Air. Membership has changed over the years, but the initial impetus remains.

The initial set-up was due to a particular moment in history. The Gulf war had happened very recently and sales of holidays to Mediterranean countries had dropped severely – but it soon proved its usefulness in more routine times. The principle was to bring together suppliers and tour operators to streamline the advertising needed to revive the tourist industry. So the association's first concrete step was to approve a brochure, which is remembered as "iconic". Taking advantage of both government and private

finance, it had as its brief to become a one-stop shop to sell everything Gibraltarian to a wider public. "It was racked in over 10,000 of the UK's travel agents and was widely applauded by agents and public," says Poggio. The brochure was overtaken by electronic publishing in 2008.

Independent travel agents interested in Gibraltar may want to contact the UKGTA. Its initiatives have included Project 250, instigated by Brian Callaghan at the Caleta Hotel, who was chairman at the time. Working with Monarch Airlines, the association brought 250 travel agents to Gibraltar in one year to explore the opportunities the Rock presented.

Anyone setting up in Gibraltar or wanting an "in" into the tourist industry as a partner still needs that man or woman on the spot. From our office in the Strand, the UKGTA has been operating for over two decades and should be everyone's first port of call.

Albert Poggio is the UK representative of HM Government, Gibraltar



Source: Sunborn