



Deputy Chief Minister

## PRESS RELEASE

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### **£60 million inward investment with potential for new economic activity**

The Government welcomes the establishment of a project to create a unique wine storage facility inside the Rock. The facility is expected to house over £60 million worth of investment wines in the first phase alone.

The natural limestone of Gibraltar provides the perfect environment for investment grade wine to mature. Within the miles of tunnels created by Royal Engineers pre WW2, the state-of-the-art wine storage facility will offer every conceivable innovation and technology, including military grade security.

The wine storage complex will be located at the old WT Station which is at the base of the Rock off Devil's Tower Road opposite Beach View Terraces. The North Front WT Station was in use primarily to facilitate crucial wireless communications both internally with other signal stations around Gibraltar and also externally with Royal Navy and Allied ships operating at sea as well as Navy installations in the UK. The communications were enabled by the use of transmitter towers situated in the old 'aerial farm', now the site of the new Beach View Terraces housing development. As communications technology progressed, installations such as these gradually became obsolete.

The multi-million pound conversion, in the region of £6 million, will be carried out in phases. It is being conducted in close collaboration with the Heritage Trust and local historians, and will feature an interpretation centre. This one-of-a-kind facility is expected to attract significant interest from the rapidly growing wine tourism industry, introducing a huge potential for Gibraltar tourism to develop and evolve in this crucial sector of our economy.

Tracy Lee, CEO and founder of Gibraltar Wine Vaults said:

'These are exciting times in the global wine storage sector with Gibraltar destined to be the hub of Western wine. Ideally positioned at the gateway of both the Mediterranean and the Atlantic, Gibraltar Wine Vaults is also able to offer competitive pricing, no Capital Gains Tax, no Inheritance Tax or VAT liability as well as superlative wine storage facilities.'

The Deputy Chief Minister Dr Joseph Garcia, who has led the detailed negotiations with the investors in his capacity as Minister for Lands, said:

'It is well known that there is an extensive network of tunnels and vaults inside Gibraltar. These were dedicated almost entirely for military use and were owned by the Ministry of Defence. A large part of that tunnel network has been handed over by the MOD to the Government of Gibraltar over the years and this has led to different uses for different parts of the complex. Some vaults, for example, have been developed and used for storage and others have been used for car parking. The Government welcomes the project to convert part of that network into a facility for wine storage as this represents a new area of economic activity for Gibraltar. It is entirely a private sector commercial project.

Gibraltar Wine Vaults is therefore a welcome addition to the local economy bringing revenue here but also creating jobs for managing the wine storage facility as well as the interpretation centre. This is a great example of our commitment to the preservation, promotion and sustainable management of Gibraltar's heritage, working in tandem with local entrepreneurialism to promote a sound business operating on a global stage.'