



## **Circular No. 17 @ Jan 08**

# **Definition of EU Single Market and EU Territory**

When promoting Gibraltar as an Offshore Business Centre, it is always very important to consider what Countries are within the EU and which Countries are given EU rights.

The Protocol signed in Brussels on 17th March 1993 on the European Economic Area extends to EFTA countries most of the Single Market “Acquis Communautaire”.

“Acquis Communautaire” is defined as all secondary legislation - directives regulations and decisions which have already been taken under the Treaties. New members to the Community are required to accept not only the provisions of treaties, but also the entire the entire acquis.

In the instance of EFTA countries Single Market “acquis” is limited to existing secondary legislation covering the free movement of goods, services, capital and people.

The British Government on signing the said Protocol of 17th March 1993 secured in Article 126 the inclusion of the new definition of European Economic Area to Gibraltar. Such definition includes EFTA countries as from 1st January 1993.

Such changes were incorporated into Gibraltar Law by Section 2 of the European Communities (Amendment) Act 1993. This Section incorporates the Brussels Protocol of 17th March 1993 into our legislation.

Please note that under the said section 2(b) (4) Liechtenstein is specifically excluded from the list of EFTA countries. When this is read in conjunction with the Protocol, we see that Liechtenstein is excluded from the list of EFTA countries as Liechtenstein has agreed to join the EU contrary to Switzerland and it will join by 1st January 1996, it is therefore already accorded EU rights.

For this premise, one has to look at the European Communities (Amendment) Act 1995. This Act incorporates into our law the Decision of the Council of European Union of 1st January 1995 adjusting the instruments concerning the accession of New



Member States to the European Union.

The practical result of this is that not only companies incorporated in EU but also EFTA Countries can be re-domiciled in Gibraltar. Since 17th March 1993, both Companies and Foundations from such countries, including Liechtenstein, can be re-domiciled in Gibraltar

When we consider Trade Marks and talk of EU Trade Marks, these also now include Trade Marks registered in EFTA Countries.

To Register a ship or yacht in Gibraltar, a National of the EU who is established (in accordance with Article 52 of the EEC Treaty) in Gibraltar qualifies to register such a vessel in his name. This qualification now extends to Nationals of EFTA countries.

These are only some example of the importance of recognizing the extent of the definition of EU Territory and Single Market.