



WINSTON J ZAHRA
INTERVIEWED
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Cruise liner tourism seriously threatened by EU tax protocol

- 180,000 cancellations already for 2004

By David Lindsay

The sight of cruise liners along Valletta's Sea Passenger Terminal has these days become a very familiar one, with the lucrative sector adding substantial value to the tourism sector as well as to the pockets of Valletta shopkeepers and other cottage industries that service the booming tourism segment.

But this is all set to change come 1 May, if cancellations being reported by the Malta Federation of Associations of Travel and Tourism Agents

(FATTA) are not reversed.

The cancellations are the result of a European Union tax protocol, which allows cruise liners to operate their duty-free concessions only if their itinerary includes a port of call outside the EU.

This major advantage was a key aspect in cruise operators' choice to make Malta a port of call and was enough to offset Malta's competitive drawbacks in the sphere, such as the high port charges and passenger taxes.

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Product Malta must be brought up to scratch - Zahra

In today's *Malta Financial and Business Times* interview (see pages 10-11), Malta Hotels and Restaurants Association president Winston J Zahra says how the ill-ports of hotel unsustainability are coming to light following warnings issued by the MHRA.

"When a certain number of properties leave the market, due to unsustainability or to grab other opportunities in other sectors to make money, it is not a good sign. The positive spin would be that this is a reduction of bed stock, but that is not the right way to justify the hotel closures. The closures are indicative of a problem that we forecasted and warned about, and one that we have to sit down and address. When a hotel closes and turns into real estate, the jobs that are lost are not replaced."

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Maltese Parmalat companies to report to MFSA by today

By Julian Manduca

The Malta Financial and Services Authority has written to "all Maltese companies holding a warrant or licensed to act as nominees," to ask them to report any connection with Parmalat related companies and top ranking officials.

The MFSA has said that it started investigating any possible Malta connections from the first day that Parmalat's troubles became known.

On 8 January the MFSA Director General Andre Camilleri wrote to the mostly audit and legal firms and other companies that act as nominees and asked for "any information, transaction or connection whatsoever, in whatever form, whether direct or indirect, relating to the companies, entities and individuals in question and to communicate...findings (including a nil return) to the MFSA by not later than close of business on Wednesday 14 January, 2004."

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Maltacom's interim financial statement bolstered by Vodafone sale

- earnings per share nearly double to 12c3

By a staff reporter

National telecom provider Maltacom's financial statement for the first three quarters of the year, which was released yesterday by the company, shows surging profit levels for the January-September period - at close to double those of 2002.

Profit for the period, before tax, amounted to Lm19.381 million, as compared to Lm9.842 million for the same period in 2002. In fact, results for the first nine months of the year were also well over those for the whole of 2002, which had reached Lm13.5 million).

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MSE Index: 2,136.338
no trading yesterday
see page 23

Rates of exchange

EURO	2.3238
US DOLLAR	2.9657
UK STERLING	1.6045
SWISS FRANC	3.6329
JAPANESE YEN	315.9525
CANADIAN DOLLAR	3.7847
GOLD US Dollars	426.1250
SILVER US Cents	659.0000

World indices

Index	Value	Change
S&P	1118.65	-0.76%
DJIA	10406.52	-0.75%
NASDAQ	2086.67	-1.19%
FTSE	4440.1	-0.21%
CAC 40	3576.18	0.45%
DAX	3996.22	0.01%
H. SENG	13396.65	0.33%
NIKKEI	10849.68	-1.05%

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