



INTERVIEW  
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Joseph F.X. Zahra

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## Holiday Inn Lm23.3 million sale almost concluded

Matthew Vella

The prospective developer for the former Holiday Inn and Fort Cambridge area is George Muscat, one of the Bay Street Holdings shareholders, whose Lm23.3 million offer for the Fort Cambridge development brief has been confirmed with a letter of intent from the Ministry for Investments.

On 28 June, Muscat applied with MEPA for the demolition of the Crowne Plaza Hotel, and is now seeking permission for the construction of six apartment blocks containing 386 flats and a four-level underground car park.

His company Imperial Point was the highest bidder out of seven tenders received by the government for the purchase of Tigné Development Company, a subsidiary of Air Malta.

Imperial Point has an authorised



share capital of Lm10,000, of which Lm2,000 are issued.

Muscat is a major entrepreneur whose company interests straddle a myriad of development companies, amongst them Bay Street Holdings, Legend Real Estate, and Tigné Estates, whose controlling interests are G Muscat Holdings and Tumas Group's Easysell.

Muscat will also have to restore the Cambridge Battery and provide alternative employment for the former employees of the Holiday Inn.

"We have reached a very satisfactory agreement with the General Workers Union. To us it seems that everybody is satisfied," Muscat told Business Today yesterday.

This newspaper is informed brokers are already at work searching for prospective investors to finance the Fort Cambridge development, through placements from private individuals and a public bond issue apart from bank loans.

Muscat said that following a letter of intent sent to him by the

investments ministry, the two sides are currently discussing the formal handover of the land.

"It's a process that normally takes time, but it is expected to be concluded within some months," Muscat said.

In Tigné, the Fort Cambridge development brief foresees a 16-storey tower which is set to accompany high-rise development in the MIDI project, where the maximum height allowed is 22 floors.

The six other companies which submitted tenders for the purchase of Tigné Development Company Ltd were Fort Cambridge Company Ltd (Lm23 million); NYSIR Malta Ltd (Lm22.1 million); Hilli Property Development Ltd (Lm13 million); Schembri & Sons Ltd (Lm12.8 million); Cambridge Construction Ltd (Lm11.5 million); and Cambridge Pace Ltd (Lm11.1 million).

## Tourism Authority CEO selected



Dominic Attard

The Malta Tourism Authority may soon get its new chief executive officer in the likes of former Air Malta chief officer strategic planning, Dominic Attard, Business Today can reveal.

Attard is expected to replace outgoing executive chairman Romwald Lungaro-Mifsud, who will be relinquishing his post shortly.

The post of CEO was a hotly contested position but Attard's choice, barely a day after last Monday's 2pm deadline for the closure of vacancy submissions, was approved by the Prime Minister and the tourism minister.

News of Attard's selection comes days after the appointment of Sam Mifsud as chairman of the authority.

## Low cost negotiations "at critical stage"

As the summer season is slipping by, tourism operators are anxiously awaiting the results of government's negotiations with low cost airlines on a new set of routes announced late last week.

According to industry sources, negotiations are "at a critical stage"

although it remains unclear on how interested Ryanair will remain with the latest list of routes offered to Luton airport (UK), Northern Ireland, the Republic of Ireland, Pisa (Italy) and Mulhouse-Basel.

On the other hand Easyjet are said to be the most interested in

the offers, although government gave until 25 August for airlines to make their offers.

The government's scheme would provide for startup costs, route marketing and promotion of the route.

GRTU Deputy President Philip

Fenech said that if taken, the routes would be "a start".

"They will be taken up probably, but it would only be one step," Fenech said. "It would still not generate enough volumes to get tourism and the rest of the economy going." ▶ page 3

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## Government should shoulder political responsibility on VOM fiasco – Mangion

As new witnesses were called to testify yesterday evening about the Voice of the Mediterranean (VOM) fiasco, the Chairman of the Parliamentary Accounts Committee Charles Mangion called on the government to "assume political responsibility" for the extravagant spending of public funds at the defunct radio station.

The Opposition MP said that while the Attorney General's opinion was that VOM did not fall under government procurement procedures, the government still had to answer for bad governance and negligence that led to the squandering of public funds.

"The Public Accounts Committee can only scrutinise the National Audit Office's report into the operations of VOM, it has no



Charles Mangion

executive powers," Mangion said, as the hearings are drawing to a close. "We'll need another couple of sessions to conclude, but it will

be up to the government to take the measures it has to take once all the sessions are over."

Mangion said that even if government procurement regulations did not strictly apply, the funds issued by the Maltese side remained public money.

"Ultimately it's about bad governance and negligence and if the government wants to be accountable it knows exactly what it has to do," Mangion said, adding that even Richard Muscat's position as ambassador had to be reviewed.

Indeed, the star testimony at the committee hearings was the main protagonist, Richard Muscat, the former managing director of the radio station and now Ambassador to Ireland. ▶ page 5

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## Smartcity land in new building schemes

James Debono

Living up to the promise of putting the Smartcity project on a fast track, Minister Austin Gatt proposed the inclusion of land in Kalkara, earmarked for the hi-tech village, in the new development schemes during

a meeting of the parliamentary committee scrutinising the new boundaries.

During a meeting of the permanent committee on planning and development held on 14 July, Gatt presented a motion to include the land in the new schemes. Currently the

area lies outside development boundaries.

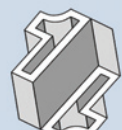
Both Nationalist and Labour members of the committee unanimously approved Gatt's motion but MEPA was asked by the committee to indicate any constraints on the proposed land. ▶ page 6

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**FIMBank p.l.c.**  
7th Floor, The Plaza Commercial Centre,  
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www.fimbank.com info@fimbank.com  
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