



'An airstrip for Gozo would be of tremendous benefit to the property market'

Frank Salt on what real estate's waiting for INTERVIEW ■ PAGE 10



Vodafone accuses Go Mobile

Misleading ads, says mobile giant ■ PAGE 7

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UK firm first to propose fixed-wing for Gozo

Karl Stagno-Navarra

UK-based Synergy Aviation are the first to have formally presented a detailed proposal to government to service the Malta-Gozo fixed-wing airlink.

At a meeting held last week at the Ministry for Gozo, Ministers Giovanna Debono and Censu Galea heard submissions from Synergy Aviation executives in the presence of representatives from the Gozo Business Chamber and the Gozo Tourism Association.

Synergy are based in Surrey and is owned by Glen Heavens and Fiona Britton.

While government has so far expressed caution in committing itself over the issue of fixed-winged airlink service from Malta to Gozo, spokesmen for both the ministry for Gozo and the ministry for transport insisted on commenting that "all options are being considered".

The discussions into operating a fixed-wing airlink service between Malta and Gozo were triggered following the surprise pull-out of Spanish helicopter operators Helisureste, which ceased their operations earlier this month after a mere six months.

Though Gozo Minister Giovanna Debono stated in Parliament last week that Helisureste have recently proposed a wet lease agreement, leaving an open door for reconsideration as the company still have ground-handling machinery at the Xewkija heliport, the Gozo Business Community is avidly pushing for a fixed-wing service.

The presentation by Synergy Aviation is reported to have enthused the Gozitan business

community, as they demonstrated the aircraft models they could operate to service the island.

The issue is due for discussion at Prime Minister level in the coming days, particularly regarding the decision to extend the existing Xewkija heliport landing pad into an airstrip.

The decision will have to compliment another decision – that of what size of fixed-wing aircraft would be allowed to land at the site.

Informed sources have told Business Today that the idea is to service Gozo with a five to seven-seat two or single propelled fixed-wing aircraft.

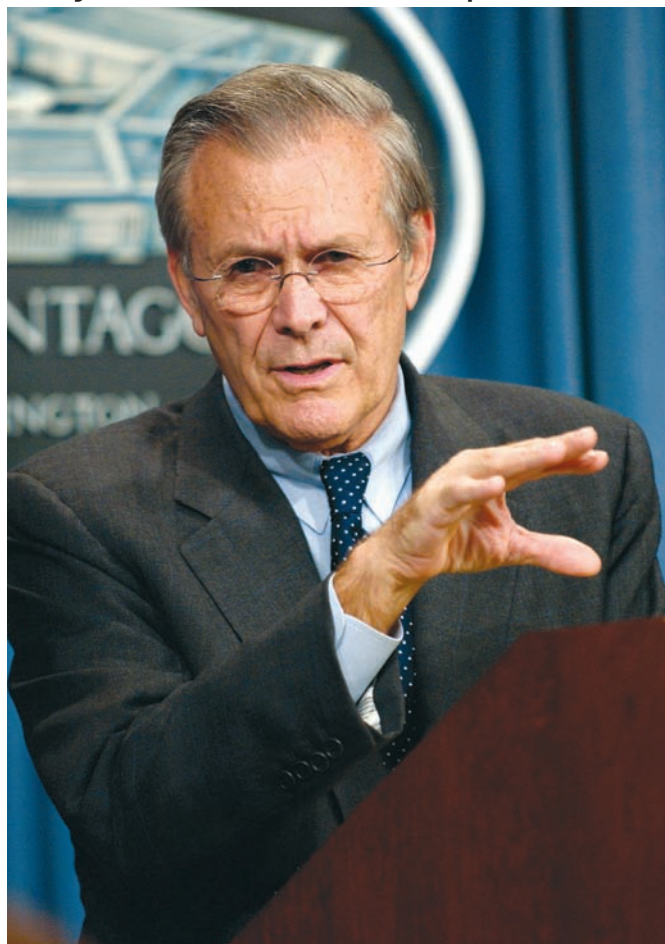
"We envisage a low-profile beginning," said a Gozitan businessman who chose not to be quoted, adding that the business community is cautious not to upset environmental activists over the matter.

Government meanwhile is reported to be adamant in its position that should it decide to go for an airstrip in Gozo, the service would not be limited to just one exclusive operator, but to anyone who would like to fly and land there, provided the aircraft dimensions are those set by the regulations.

Moreover, the idea being touted by both government and Gozo businessmen alike, is that should the airstrip be done, then Gozo would be accessible for light fixed-wing aircraft to commute to other Mediterranean destinations, like Sicily, Cyprus, Libya and Tunisia.

The concept would boost the Gozitan tourist economy that is set to see a major overhaul with the upcoming development of

Lawyers call for Rumsfeld's prosecution



A lawyers' group has asked Germany to sue former US defence secretary Donald Rumsfeld over alleged prisoner abuse in Iraq and Guantanamo Bay. The complaint was filed by US-based Center for Constitutional Rights on behalf of a Saudi man held in Cuba and 11 Iraqis held in Baghdad. German law allows the pursuit of cases originating anywhere in the world but an earlier request for a case in 2004 was dropped. The group of international lawyers alleges that Mr Rumsfeld personally approved the use of torture to extract information from the prisoners.

luxury properties and hotels on the island. But the airstrip also has a sizeable group of critics, including environmental activists, who back in 1996 managed to convince Prime Minister Alfred Sant to shelve the airstrip proposal upon Labour's election to government.

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MEPA local plan to give blessing to Smart City

James Debono

The Malta Environment and Planning Authority intends to give its green light to the Smart City project without setting clear guidelines on building heights and land use in the area identified for the project.

MEPA is also giving its blessing to the use of the area for residential and hotel development in the area earmarked for the ICT City. The amendments to the Grand Harbour Plan, originally approved in 2002, are now set to pave the way for Smart City. The amendments were presented for public consultation on Monday and the public has until 27 December to send in its comments.

The amendments state that MEPA will be supporting the location of an ICT and Media Development City which will transform the present Ricasoli industrial estate and its surroundings in to a "mixed use development" providing "specialist facilities for information and communication technology industries."

Yet MEPA also considers residential, hotel and commercial development as acceptable land uses – effectively endorsing what was considered to be the most controversial part of the Smart City project. ▶ page 3

No sugar shock - Malta claims Lm600,000 in savings

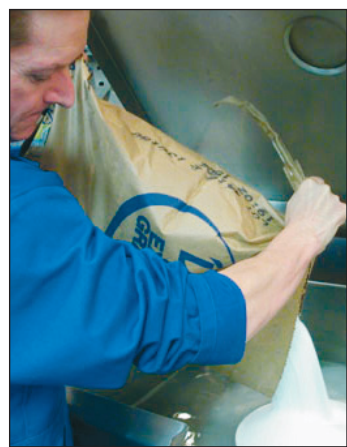
Matthew Vella

The Maltese government has effectively saved some Lm600,000 after it was expected to grant some Lm1 million in subsidies to sugar importers, because pre-accession stockpiling led to no new sugar imports.

On Monday, the European Commission stamped a EUR1.2 million (Lm515,000) charge on Malta for failing to prevent the build-up of surplus sugar stocks prior to accession in May 2004. Malta will retain 25% of these charges and a payment of Lm400,000 will be made in four instalments up to 2009.

But the government saved hundreds of thousands it would have had to pay to subsidise the higher EU sugar price, because no new sugar imports occurred after membership because of the stockpiling.

Malta was fined for failing to prevent the build-up of 2,400 tonnes in pre-membership sugar stocks – a figure well beneath the 20,400 tonnes Brussels claimed Malta had back in September



2004, which would have meant a payment of over EUR11 million, a spokesperson for the rural affairs secretariat confirmed.

"The government, through the permanent representation in Brussels, subsequently embarked on an intensive programme of meetings and discussions in which the various aspects of this issue were tackled, resulting in the figure being revised and lowered by

about 90%."

Whatever the real amount of pre-membership sugar imported, it was certainly enough to keep prices and quantities stable since no new sugar imports were registered in the three months after membership – saving the government from paying out subsidies.

Sugar is in fact the most heavily-subsidised of agricultural products, a deal secured in the accession negotiations between Malta and the EU. Due to the high price differential between EU sugar prices and world market sugar, a subsidy scheme for the importation of sugar allows the gradual phasing-in of the price increase – while also giving time for the EU sugar reform to lower prices to more rational levels.

In the first year of the subsidies, Malta could have subsidised up to 100% of the price differential between EU and world prices.

Together with four other countries – Estonia, Cyprus, Latvia, and Slovakia – Brussels fixed charges of EUR57 million (Lm24.4m) over the next four years. ▶ page 5

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