

MEMORANDUM TO CABINET BY THE HON MINISTER OF PUBLIC BUILDING AND
WORKSRemoval of B.P. tank from Mistra

His Excellency the Governor General has initiated action for the removal of the B.P. Shore Installation on the high ground overlooking Mistra Bay. This installation with its several metal tanks sticking above the plateau are a blot in the landscape, rendered all the more conspicuous because of the natural beauty of the area.

The British Petroleum Company seem quite ready to play but given the expense involved and the possible difficulties in effecting the move, they ask for Government help. In so far as this Ministry is concerned the Government assistance asked is two-fold:-

- 1) Government to help the B.P. Company to find and acquire a suitable alternative site on which to put up their storage tanks; and
- 11) Government to allow development of the Mistra site which B.P. would sell to offset some of the costs of establishing a new installation elsewhere.

It appears possible that B.P. might reach agreement with the Shell Company to make use of the latter's installation at Birzebbugia. If this happens, then Government would not be called upon to help the Company find a new site. As land close to the sea in a sheltered harbour is extremely scarce-in fact B.P. were only allowed to put up the installation at Mistra after it was shown that there were no other possible alternatives in the Grand Harbour and at M'Xlokk - it is felt that the B.P. Company should try their utmost to make use of the existing shell Depot.

It is suggested, therefore, that Government should only consider the "site" question if it is clearly demonstrated that B.P. have been unable to reach agreement with Shell.

The second point refers to permission by the Government to develop the Mistra Site.

The Town Planning Board considers that no development should be allowed but that the area should be planted with trees. The United Nations Physical Planner Adviser on the contrary is of the opinion that the area has a high potential for tourist development and could be released for this use with proper safeguards regarding site coverage, height, dimension of individual blocks, use of materials and treatment of outer elevation etc.

Perhaps the best solution here would be for Government to acquire the land from the B.P. Company at the same price at which it was acquired some 12/13 years ago. In this way Government would ensure maximum control on development. In fairness however, it must be stated that land values have increased tremendously since B.P. bought the site and they stand to lose the considerable profit they would make if they were to sell the land themselves.

Hon Ministers are requested to decide:-

- 1) whether Government should make available another site for the installation of tanks if no agreement with Shell is reached and
- 11) whether the site at Mistra should be given for development.

8th January, 1969.