

MEMORANDUM FOR CABINET BY THE
MINISTER OF JUSTICE AND PARLIAMENTARY AFFAIRS

Qawra Point Project

The project submitted by Messrs. Shaw (Malta) Ltd for the development of Qawra Point was duly recommended by the Malta Government Tourist Board and approved by Hon. Minister for Tourism, and on the 18th June, 1965, Messrs. Shaw (Malta) Ltd were informed by Chairman, Malta Government Tourist Board that financial assistance of 33 1/3 of the Company's capital outlay (or £580 per hotel bed whichever will be the lower amount) was approved up to a maximum of £278,334. This approval was however subject to:-

1. The Company producing evidence by July 24, 1965, that it had the necessary funds or access to funds for the expenditure on the project.

2. Building operations on the hotel project were to start within three months from 18th June, 1965.

Messrs. Shaw (Malta) Ltd failed to produce evidence of finance and by letter dated 8th August, 1966, the Chairman Malta Government Tourist Board informed the Company that Government no longer considered itself committed by its offer of grant of assistance.

At a meeting of the Malta Government Tourist Board on the 2nd May, 1967, it was agreed that the Shaws project should be taken over by Mediterranean Airways (Malta) Ltd on condition:-

- a) that the lease of the land should be on a commercial rent basis
- b) that the area of land to be granted to the Company would be limited to that required by the hotel
- c) that the Company should offer at least 20% Maltese participation in the project.

These recommendations of the Malta Government Tourist Board were agreed to by the Hon. Minister of Education, Culture and Tourism on 8th July, 1967, who also approved that ground rent was to be non commercial for an initial period of ten years, but that commercial rent would be charged thereafter.

Both/.....

Both Commissioner of Land and Director of Public Works stressed that the application by Mediterranean Airways (Malta) Ltd was to be considered a new application, and that any previous terms and conditions discussed with or offered to Messrs. Shaws (Malta) Ltd were not necessarily to apply to this new project.

On the 21st August, 1968, Cabinet has approved my recommendations that for the future sites for hotels should be allocated after a call for applications.

Messrs. Mediterranean Airways (Malta) Ltd are now requesting that they should be allowed to go ahead with their project, approved - as stated - on the 8th July, 1967, and in respect which the United Kingdom Ministry of Overseas Development had approved a financial grant of up to £278,334 on the 25th August, 1967.

In the opinion of both Chairman, Malta Government Tourist Board and Commissioner of Land, the Cabinet decision referred to above would not apply to the project proposed by Mediterranean Airways (Malta) Ltd for the land at Qawra which project was approved before that Cabinet decision was taken.

Under the circumstances, Hon. Ministers are kindly requested to decide whether Messrs. Mediterranean Airways (Malta) limited should be allowed to go ahead with the project subject to the conditions referred to above.

24 MAR 1970

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