



PRESS RELEASE

## **Discrimination against Maltese and Gozitan developers**

In its last meeting the Council of the Malta Developers Association (MDA) discussed recent reports in the press saying that parcels of land within the Smart City site are being offered for sale to individual developers.

MDA has received a large number of complaints from its members, who insisted that this news goes to show that, despite foreign investors being given very advantageous conditions to the detriment of Maltese developers, the realisation of projects, originally intended to be financed totally with foreign money, ends up depending on the input of the local investor. This can only be considered as undervaluing of public property with no justified and proportional input benefiting the country. This had already happened in other cases, such as the Chambray project.

MDA realises that a project like that of Smart City needed a prestigious international developer to succeed and appreciates the positive spirit in which the project was launched in Malta. The prevalent negative international economic situation, however, does not impinge only on projects originally destined to provide foreign investment and users of developments, but also on the efforts of the small Maltese developer.

Once again, MDA insists that it cannot but express its serious disagreement with a system whereby Government gives advantageous conditions to foreigners to develop public land while individual developers of private land are hassled by the Malta Environment and Planning Authority (MEPA), and by excessive bureaucracy from practically all government departments and entities, besides the prevalent system of taxation on sale of property and the way it is applied.

Moreover, this contrasts with current Government policy that is intended to eke out the maximum possible income from its property, raising rents and ground rents to exorbitant

levels. This has been happening in the case of renewal of all leases or ground rents. Meanwhile the property market remains depressed.

Only two weeks ago, an MDA delegation had the opportunity to discuss these problems in the property market with the Minister of Finance, Tonio Fenech, presenting him with a number of proposals intended to help the country overcome these difficulties without any substantial loss in Government revenue and without encouraging new development on virgin land.

In these circumstances, MDA appeals to Government to accept and adopt its requests and recommendations without any further delay.

30 July, 2012  
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PRESS RELEASE

## **Żviluppaturi Maltin u Ghawdxin iddiskriminati**

Fl-aħħar laqgħa li kellu, l-Kunsill tal-*Malta Developers Association* (MDA) iddiskuta rapporti li dehru dan l-aħħar fl-istampa li kienu jgħidu li medded ta' art fis-sit tal-proġett ta' Smart City qed ikunu offerti għal bejgħ lil żviluppaturi individwali.

L-MDA irċeviet numru kbir ta' ilmenti mingħand il-membri tagħha li nsistew li din l-aħbar tkompli turi li, minkejja li investituri barranin jingħataw kondizzjonijiet vantaġġjuzi għad-detriment ta' żviluppaturi Maltin, it-twettiq ta' proġetti oriġinarjament intenzjonati li jkunu finanzjati minn flus barranin, jispiċċa jiddependi mill-flus tal-investitur Malti. Dan jista' biss ikun ikkonsidrat bħala s-sottovalutar ta' proprjetà pubblika mingħajr dħul proporzjonat u ġustifikat li jibbenefika lill-pajjiz. Dan diġa ġara f'każi oħra bħall-proġett ta' Chambray.

L-MDA tirrealizza li proġett bhal dak ta' Smart City kien jinħtiegħ żviluppatur internazzjonali ta' prestiġju biex jirnexxi u tapprezza l-ispirtu pożittiv li bih il-proġett ġie inniedi f'Malta. Is-sitwazzjoni negattiva ekonomika internazzjonali, madankollu, ma

teffettwax biss proġetti ta' żvilupp oriġinarjament destinati biex jipprovdu investment u klijenti barranin, imma teffettwa wkoll l-isforzi tal-iżviluppatur żgħir Malti.

Għal darba oħra, l-MDA tinsisti li ma tistax ma tesprimix in-nuqqas serju ta' qbil ma' sistema li biha l-Gvern jagħti kondizzjonijiet vantaġġużi lil barranin biex jiżviluppaw art pubblika filwaqt li żviluppaturi individwali ta' art privata jsibu diffikultajiet bla bżonn min-naħa tal-MEPA u permezz ta' burokrazija eċċessiva tista' tgħid mid-dipartimenti u l-entitajiet kollha tal-gvern, apparti s-sistema attwali ta' tassazzjoni fuq bejgħ ta' proprjetà u l-mod kif din hi applikata. Barra minn hekk, dan jikkontrasta mal-politika kurrenti tal-Gvern li hi intenzjonata li tagħsar d-dhul massimu possibli mill-proprjetà tiegħu, b'żidiet f'kirjiet u ċnus għal livelli eżorbitanti. Sadanittant, is-suq tal-proprjetà jibqa' wieħed dipressat.

Ġimghatejn ilu, delegazzjoni tal-MDA kella l-opportunità li tiddiskuti dawn il-problemi mal-Ministru tal-Finanzi, Tonio Fenech, u pprezentatlu numru ta' proposti immirati biex jgħinu l-pajjiż jegħleb dawn id-diffikultajiet mingħajr mal-Gvern ma jkollu nuqqas sosanzjali mid-dhul tiegħu u mingħajr ma jkun inkoraġġit żvilupp fuq art verġni.

F'dawn iċ-ċirkostanzi, l-MDA tappella lill-Gvern biex jaċċetta u jaddotta t-talbiet u r-rakkomandazzjonijiet tagħha mingħajr aktar dewmien.

30 ta' Lulju, 2012

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