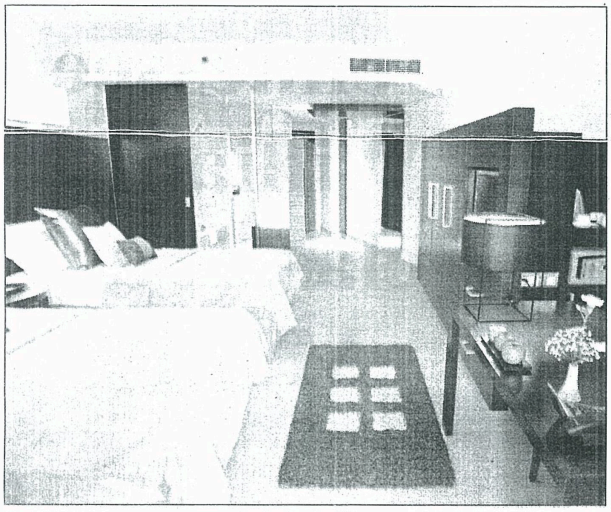
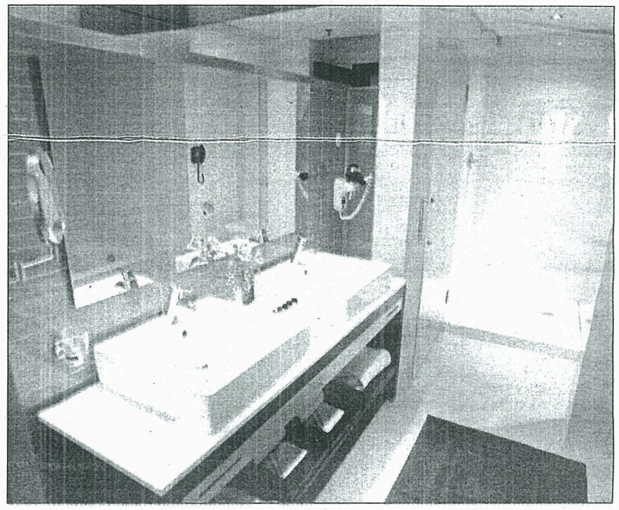

An exhibition room at The Palace Hotel, a Lm9 million property in the heart of Sliema aimed at the corporate market, which is expected to welcome its first guests next summer.
Photos: Darrin Zammit Lupi

Hotel bed stock to rise by 5,000 in three years

Cynthia Busuttil

New hotels or extensions to existing hotels are expected to increase the bed stock by more than 5,000 by 2009, Tourism Minister Francis Zammit Dimech said.

Only this year the number of available beds increased by more than 600.

He said the 37 projects currently underway will entail a cumulative investment of over Lm100 million.

One of the projects is the building of The Palace Hotel, in Sliema, which Dr Zammit Dimech visited yesterday. The 155-room, five-star hotel in High Street, which will target corporate tourists, will be part of a complex that includes The Victoria Hotel and Palazzo Capua.

General manager Claire Xuereb said the new hotel would represent "the ultimate in individuality and contemporary architecture without sacrificing luxury and finesse". The Lm9 million project is expected to open just before next summer, equipped with a state-of-the-art business and conference centre.

AX Holdings chairman Anġlu Xuereb said the group was initially planning to extend The Victoria Hotel, which it also owns. However, it decided to offer better quality and invest in a five-star property.

Speaking about the importance of air travel for the island, the minister mentioned the role of low-cost airlines, which are expected to bring about 115,000 passengers to Malta next year. He pointed out that the figures could increase once the six new routes – Spain, Portugal, Sweden, Norway and Denmark – are taken up.

Malta's plans for EU money under Commission microscope

Ivan Camilleri in Brussels

Malta has presented the European Commission with its plan on how to spend the €855 million in EU funds granted to the island for the budgetary period 2007-2013.

The plan spells out the needs of the Maltese economy in order to close the gap, as far as possible, with the economy of the EU.

A spokesman for the Regional Policy Directorate General of the European Commission confirmed that Malta's National Strategic Reference Framework (NSRF), as the plan is technically referred to, arrived in Brussels on Tuesday and the Commission services have now started analysing it. Malta officially had until March 6, 2007, to present its plan.

"The fact that Malta sent its plan much earlier than envisaged means that EU money will start flowing into the Maltese economy earlier. We will now continue the discussions with the Maltese authorities and hope that the plan will be approved in the coming weeks," he said.

Following the EU's approval of the strategic guidelines last month, specifying which sectors according to Brussels should be given priority, member states are obliged to submit to the Commission a seven-year programme.

Malta's plan was finalised a few weeks ago following months of internal consultation and a series of meeting with NGOs, constituted bodies and the public at large following the publication of two sets of draft plans in March and at the end of summer. According to the plan presented to Brussels, Malta's projects will be focusing on five strategic needs:

The need to improve Malta's international competitiveness in its key economic sectors, particularly with the promotion of indigenous investment and the attraction and consolidation of foreign direct investment.

The need to address existing deficiencies in Malta's physical infrastructure particularly those related to the environment, energy, transport and ICT.

The need to ensure quality education and training for all and provide a knowledge and skill development environment that targets the responsive identification of future labour market requirements.

The need to raise the employment rate.

The need to address Gozo's regional distinctiveness, bolster its economic activity and address the negative impact of the island's double insularity on its socio-economic development.

The Commission spokesman said that, when approved, the NSRF will specify how much money is needed to be spent for each specific strategic priority. However, it is up to the national authorities to devise the particular projects needed.

Complementing the millions of euros pouring in from the EU, the government will also have to co-finance all the projects to the tune of 15 per cent of the envisaged costs.