

# The Golf War

ANGLU XUEREB is not a happy man. His long-drawn battle to develop a golf course in land-scarce Malta at Tal-Virtù, in Rabat, took 10 years for him to be told 'no, sorry, this golf course is not on.' One year later, a government decides to shortlist its own site – forget the Malta Environment and Planning Authority – offers to pay for the environment impact assessment, and hey, presto! One upcoming golf course at Hal-Ferh, bang in the middle of a government investment that needs ridding of, and right on the doorstep of the Ghajn Tuffieha hotel.

Given the state of affairs, having to watch a stubborn government hell-bent on tearing up garigue to make way for fairways is already another frustrating campaign for the environmental lobby which triumphed over Xuereb's golf course plan. But Xuereb is perplexed – how did he get to wait 10 years for a yes or a no?

"I am surprised. The site was never shortlisted by MEPA. I am disappointed. I am irked when I had to draw up study after study to satisfy MEPA's conditions for the development of a golf course, spending 10 years putting in all that capital, with all the opportunity cost I lost with all my property and tourist capital tied up elsewhere, and then the government just comes by and presents its own site. And it also offers to make the EIA. I spent millions trying to get my project going."

Millions. No details. Just millions, Xuereb says, as he runs his figures over dozens of reports, files, studies and dossiers he has taken out on his office table at his Lija headquarters, hundreds of thousands of liri in man hours and expertise lying there as a confirmation of his assiduous campaign to 'give Malta golf' as one of his schmalzy battlecries went.

You have to give it to Xuereb. The businessman is bloody-minded – faced with considerable hurdles, waiting years on end to get a proper golf course application through, starting studies all over again on request by MEPA, waiting for policy plans to be approved and winning a tender competition, reflects the state of mind of somebody who must have really been convinced that a golf course was in the offing at Tal-Virtù.

In 1973, a study was carried out by Golf Services International Limited that identified the Verdala site as the most suitable for an 18-hole. Years later, in 1988, Hawtree & Son were asked by the National Tourism Organisation to prepare sketches for two golf courses at the Verdala. At MIMCOL's request, another British firm, Quantum Associates, commissioned Peter Allis Clive Clark Golf Designs to carry out a preliminary survey for an 18-hole championship golf course.

All along, there were favourable indications from the government that a golf course would eventually be allowed to be developed on the island. At least, that is what Xuereb has been convinced of all the time.

"When I purchased the Verdala Hotel, I knew that the structure had already outlined Rabat as the best place to host a golf course. The government had already issued a tender three times, and four previous studies had confirmed this was the best place. With government and MIMCOL encouraging the pro-

## Interview



**Matthew Vella**

**ANGLU XUEREB has just one question for the government – why did it take him 10 years and millions of liri to be told he couldn't have a golf course at Tal-Virtù?**

ject, I reckoned that if I purchased the hotel, an application for a golf course would have certainly passed through. And that's what I did in 1994," Xuereb says.

AX Holdings acquired the Grand Hotel Verdala after the MDC made a call for offers. "A white elephant," Xuereb calls the hotel which the Labour government purchased in 1984 during a depression in the tourism market, "full of political appointees" which Xuereb took on. Two weeks later, he applied for a 9-hole golf course.

Earlier on, his first venture into the golf course development had already proved futile. In October 1990, Xuereb had agreed to purchase land at I-Ghallis, next to Maghtab, from the Augustinian Fathers of Malta for the sum of Lm410,000 to develop a golf course. The agreement was a yearly payment of Lm50,000 with an interest rate of six per cent, with a Lm160,000 payment on final deed.

"Of course, the Church knew there was agricultural land there but they never pointed out to me that it could never developed," Xuereb laments. "They took the convenium money and chased me to sign the contract. I said I would only sign it once I got a permit to develop the golf course."

But Xuereb's foray would prove unsuccessful. Despite being armed with a letter of intent from the MDC, the planning authority refused his application in a 20-page report. The money he paid in the promise-of-sale agreement was for-gone to the Church.

When he purchased the Verdala Hotel believing the government endorsement of the golf course studies and plans would mean a sure pass mark for his application. "I knew that if I bought the hotel it would have obviously led to the golf course. I applied for a 9-hole two weeks after taking on the hotel, warts and all, a loss-making operation with 57 employees and a decaying interior. I took the hotel as soon as I signed the convenium. It was a sign of my serious intentions. MEPA assured me it would haven't been long until I get the permit for the course, maybe some six months.

"After all, government had already made its plans for a golf course, and I would have never purchased a hotel in the middle of nowhere without having such a facility attached to it. The indications from MEPA was that I should carry on furnishing them with the required studies. They never said anything, whether it would have been favourable or not. I was never given any impression."

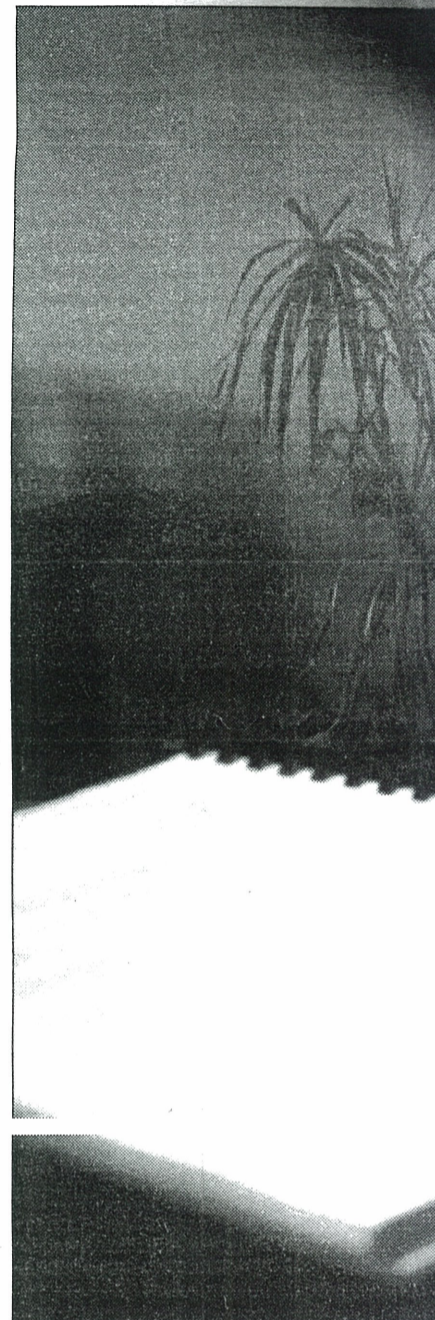
Xuereb finalised studies for the 9-hole. But not long after, MEPA came back to him, this time saying they would only consider an 18-hole – Malta's national environment agency wanted to go the whole hog or nothing. "They said once I was applying for a golf course, a 9-hole was neither here nor there, so in 1995 I applied for the 18-hole. I started my studies once again."

After applying in 1995, the planning authority informed Xuereb they would not consider the application because it did not have a golf course policy. "I asked, what had I been waiting all this time for if there has never been a golf course policy with all those government studies in the bag and the structure plan identifying an area for the golf course."

Xuereb wrote to Alfred Sant soon

## ON BUYING

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after, then Prime Minister, complaining about his pending application, and Sant accommodated him, getting the authority to draw up the policy paper. In 1997 the Golf Course Development Policy Paper was completed by the NTOM's golf steering committee.

"And then I had to face another hurdle, since the government now wanted to issue a call for tenders," Xuereb says, whose bid – maybe unsurprisingly after taking on all that investment – would be the successful one out of 13, pipping the Ta' Cenc application in the final round.

In 1999, the authority ordered Xuereb to furnish an EIA. "Their terms of reference were exhaustive, a whole list of items that the international experts who had to conduct it had never seen before either. I spent hundreds of thousands on it, until it was finally completed in 2000."

Xuereb was also getting his first taste of concerted opposition from the *Front Kontra l-Golf Kors*, a united front of over 20 organisations, farmers, the Church and the Green party rallying against the golf course application. In 2000 he held a first hearing for farmers and Rabat locals to explain the proposal, taking his exhibition to the St James Cavalier, printing thousands of leaflets to promote his 'cause', aptly named 'Give Malta Golf'.

The incredible wave of protest sur-



**BELIEVING HIM**

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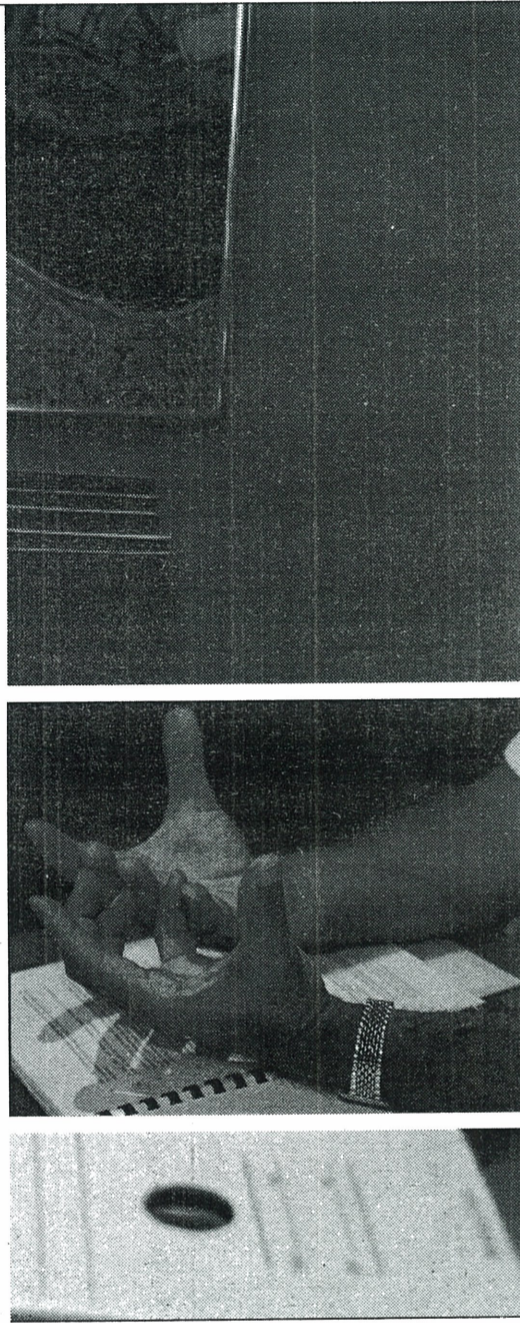


PHOTO BY PIPPA ZAMMIT CUTAJAR

prised Xuereb. He could see somehow that his application was not being favoured. When he presented his EIA, the MEPA ordered him to remove a final paragraph that said the positive benefits of the project outweighed the negative impact. "I can't understand why after spending millions in this project I had to remove the paragraph where the EIA determined the benefits of this project."

Added to that was the Church-State agreement on the land at Tal-Virtù that prevented the land from being sold unless for agricultural, social or educational purposes. In this there were 92 tenant farmers on the land, which Xuereb contended did not depend on the land for their livelihood.

"Even when I had already had the support of the farmers," he contends, "if a farmer spoke against the project everyone would believe him, and if I said anything I would be attacked. If a farmer lied, everyone would believe him."

All along however, the *Ghaqda Bdiewa Progressivi* joined the Front to protest the course. The Church also joined the fray. But when Xuereb went to speak to the Archbishop, Joseph Mercieca simply told him he knew nothing.

"That's what he said. He said he didn't understand, and that he does as he was told," Xuereb says. "I wish the opposition came to speak to us, because I am an open man,

whoever wanted could have come to discuss the matter with me."

Xuereb says he already had an idea that the protests were influencing the decision-making process. "I knew the MEPA board was divided on the issue, that they were waiting for the decision from above. I knew that for days before they did not know what the decision would be. At the final hearing I arrived with some 15 consultants who were not even given access altogether but had to take it in turns to enter the building. My architect was only given five minutes to explain the project, as much as Tom, Dick and Harry got.

"The MEPA board had also had an informal meeting for four hours before, so I knew the decision had been taken. They were uninterested throughout our presentation, and the verdict had already been decided upon."

Now Xuereb has to contend with the millions he tied up in Rabat, not counting the opportunity cost of shifting all his emphasis on the Verdala project other than his other tourism interests in Qawra. And when he looks at government's latest "initiative", he does it with contempt.

"So before we had government getting rid of a white elephant at Verdala. Now it wants to get rid of its Hal-Ferh investment by taking it up on itself to create a golf course and spend money on an EIA. And

that's what I am angry about because after throwing in so much money in the EIA, which is publicly available, the government can just work on my previous assessment. And I expect them to make a serious EIA, built over four seasons.

"Apart from that, I didn't even develop my investment in my other hotel. With all the expenses poured into the project, we have had to scale down the hotel with part of it changed into apartments. And that is why I am angry. If there were any doubts from government's side because of more church involvement or the environmental lobby, why wasn't I told earlier on? MEPA never discouraged me, they just asked me for more studies."

Xuereb still doesn't believe it's an actual triumph for the environmental lobby. For in his mind, it's the economic benefit of a golf course, one which he is convinced of blindly, that takes priority. He remains convinced that Malta can compete with other countries in the field of conference incentive travel with the help of a golf course facility.

He doesn't comment on the environment demerits of golf courses. That is something left to the EIA, he says. The loss of land, ecologically or otherwise, is not really a question he ponders about compared to the economic benefits of such a project. "Malta can never be a golf destination but we can compete in the area of tourism with the help of a golf

course." Since the decision was taken by government to have a golf course at Hal-Ferh, there has been no discussion with Xuereb. He applied with MEPA for a reconsideration of their decision on the golf course, before actually appealing the decision.

"My message to the government? Stop playing around with people. I speak to other developers who feel irked about why some applications pass and others not, and it bothers me because I know that next time around I will not be involving myself in any project without getting a permit first.

"And it is government that really has the power over MEPA, and maybe that's the way it should be, at least in large-scale national projects. Of course the MEPA process should be carried out without interference."

If Xuereb would like this state of affairs, he knows he has it already. Government's decision to declare Hal-Ferh a golf course already puts in jeopardy MEPA's role as a consultative body that takes in the general views of the public as a whole and co-ordinates its own policies.

"Of course, I would be ready to meet the government on the matter. I had a meeting scheduled with environment minister George Pullicino, but it was cancelled twice and then I just lost heart. How long can you keep on waiting in this country?"