

## *MDB*

# MDB University Campus Residence

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### THE AD HOC FACILITY

The Malta Development Bank (MDB) jointly with local commercial banks, has provided a co-financed loan facility to Campus Residence Malta Ltd for the construction and completion in finished form of a campus residence complex.

Campus Residence Malta Ltd has entered into a concession agreement with the University of Malta for the design, construction and operation of a campus residence complex. The project will be built on circa 11,000 square metres of land within the premises of University of Malta, in Tal-Qroqq, Msida. It will comprise of 4 residential blocks, covering over 600 beds in different types of accommodation, an office block to be utilised by the University of Malta, a medical school block, a number of retail outlets, including a food court, and other amenities such as an underground car park, child-care facilities, gym and an indoor swimming pool.

*The objectives of this project are:*

- i) to offer students modern residential facilities close to the University campus, which at the moment are lacking.*
- ii) to extend the parking facilities next to the campus; and*
- iii) to provide a mix of administrative offices, educational facilities, commercial facilities and a community complex.*

### THE AID MEASURE AND LEGAL BASIS

The ad hoc aid measure by the MDB is in the form of a loan with a repayment period of 25 years, granted for the construction and completion in finished form of two of the four residential blocks.

In terms of the Malta Development Act (CAP 574 of the laws of Malta), the MDB is empowered to provide such lending facilities provided that the aid is in accordance with the parameters and criteria as stipulated in Article 56 - "Investment aid for local Infrastructure" and other applicable provisions of Commission Regulation (EU) no. 651/2014 of 17 June 2014 declaring certain

categories of aid compatible with the internal market application of Articles 107 and 108 of the Treaty (The General Block Exemption Regulation).

#### **RATIONALE**

At present the University of Malta offers residential facilities in areas which are not close the University. In 2015 the University of Malta had issued a concession for the design, building and operation of the University Residence and Community complex. This is part of the Master Plan as set out by the University of Malta.

The financing by the MDB shall be utilised to cover two of the residential blocks. Campus Residence Malta Limited will be operating and managing the residential area. While it is expected that the residential units will be mainly used by University students, they will not be restricted only to University students. The Residence will also be available for students and possibly academics of other Institutes.

***MDB's role vis-à-vis the nature of this project.*** Education and the development of human capital is a priority area for the MDB. In pursuit of its mission, the MDB complements commercial banks to bridge financial gaps in bankable investments and enhances investors' access to bank financing.

The University of Malta traces its origins to the founding of Collegium Malitense which was set up through direct papal intervention on 12 November 1592, hence it has today a history of over 400 years. It is considered a hub for international academic exchange. It is the leading higher education institution in Malta and its structures are in line with the Bologna Process and the European Higher Education area.

During the years the number of students coming to Malta to study at the University has increased exponentially. Well over 3,500 students graduate in various disciplines annually. The University is composed of fourteen faculties, a number of interdisciplinary institutes and centres, three schools and a junior college, besides the main campus which is situated at Msida. It also has three other smaller campuses in Valletta, Marsaxlokk and in Gozo.

Having its own on campus residences complex will definitely enhance the benefits to students. Various large European Universities offer such service to their students. It is a known fact that students living on campus normally feel more supported, get better academic results, save money and feel safer.

This project shall contribute towards the enhancement of the quality of life of students who wish to live on campus while conducting their studies. It shall also contribute towards sustainable economic development that not only provides benefits for Maltese students, but also to students from other countries who wish to come to Malta and study in a safe environment.

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