



**GOVERNMENT OF GIBRALTAR  
PRESS OFFICE  
No.6 Convent Place  
Gibraltar  
Tel:20070071; Fax: 20043057**

<b>PRESS RELEASE</b>
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**OEM companies claim £7 million from the Government**

The liquidators of OEM and the GSD Government appear to have agreed that the taxpayer would pay nearly £7 million to OEM as full and final settlement of all claims. Even though this position was arrived at before the general election, nothing has been said in public until now.

The claim against the Government was made by several companies in the OEM group, OEM Rosia Developments Ltd, OEM Cumberland Developments Ltd and The Tower Building Ltd, in respect of the various low cost housing projects for which they acted as developer. It is in respect of the work done on the sites before the previous Government took them over.

The new Government has been told that the decision to pay was arrived at over a period of time and prior to the elections in December when a position was arrived at which was agreeable to both parties. The previous Government was proposing to make a payment of £6,977,738.

This is the latest development in the OEM saga which started way back with the decision taken by the GSD Government to award the company the tender for the construction of the so-called affordable homes in the south district in the first place. The new Government recently announced that a forensic audit into payments made to OEM and Haymills had been given the go-ahead.