

THE MALTA CHAMBER Commercial Courier

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Brave but not bold

PRESIDENT MARISA XUEREB AND CEO DR MARTHESE PORTELLI, THE MALTA CHAMBER

The annual Budget is an important annual appointment because it lays down Government's programme of action for the coming year and hence the economic direction of the country. We have been facing an onslaught of economic challenges since Covid struck in the first quarter of 2019. Since then, Government has been pumping millions into the economy, largely to preserve our current economic model, which is very consumption driven and reliant on a growing imported supply of labour.

The budget for 2023 is very much a continuation of the policy prescription adopted since the outbreak of the war in Ukraine. Ten percent of Government expenditure is earmarked for mitigating the effects of the war, with the biggest cost outlay being the continued subsidisation of energy. The economic reasoning is clear: energy impacts everyone from consumers to businesses irrespective of their size. By maintaining stable energy prices, inflationary pressures are mitigated and the economy is at least partially insulated from the adverse effects of persistently high inflation. Businesses who are exporting can be more competitive and the purchasing power of consumers is safeguarded. In this respect, the budget for 2023 goes a step further by introducing additional Government assistance in the form of a second cost of living adjustment for low income earners, and substantial increases in pension and social assistance for persons with disability.

There is not much beyond energy subsidisation and support for low income earners that is locally funded. Government is putting all the funds it can raise through the issue of Government stocks, more efficient tax collection and some cuts in superfluous public sector expenditure, into this. Planned investments and other initiatives related to the electrification of vehicles and support for businesses to undertake digital and green investments are largely EU-funded.

The attainment of the fiscal targets for the

coming years depends greatly on maintaining a real economic growth rate above 3 percent, which in the present international economic landscape is pretty ambitious. Europe is slated to go into recession, and this is likely to impact our exporting industries. The prospects for tourism in 2023 are somewhat muted by the expected contraction in discretionary spending by European households as they grapple with hefty energy bills this winter.

There are important questions on how our economy is operating beyond full employment. It will manage to secure the required human resources to increase output, and whether it can actually handle more growth in third country national employment considering the impact that this has on our infrastructure and the provision of public services. The latter considerations were acknowledged in the National Employment Policy published in August 2021, but there seems to be some reluctance in changing strategy on this front.

While our economy has grown steady in the years preceding Covid and recovered quickly from the economic dip triggered by the pandemic, sustainability issues are emerging. Traffic congestion seems to be getting worse in spite of substantial investment in the road network and the uptake of remote working. The number of new vehicles that are placed on the road increases every year, and traffic accidents are on the rise as well. Bicycles and motorcycles are particularly susceptible to serious accidents on our busy roads. Mass

"The economic reasoning is clear: energy impacts everyone from consumers to businesses irrespective of their size. By maintaining stable energy prices, inflationary pressures are mitigated and the economy is at least partially insulated from the adverse effects of persistently high inflation."



PRESIDENT MARISA XUEREB

transport systems seem unfeasible due to space limitations and critical mass shortfalls. And free public transport sounds good but is not reliable and will not do the trick unless the number of cars on the road is significantly reduced and the number of buses is increased to meet rush hour demand.

The economic cost of having a large portion of those who hold employment sitting in traffic jams for a couple of hours every day to commute to work 10km away from home, and back, is huge. The picture on our roads during rush hours is insane. Everybody is sitting in a car, the vast majority unaccompanied, waiting for the car in front of them to advance a couple of meters. The only relief that the budget contemplates is delaying delivery of certain services to after 9am. While every little bit helps, what we really need is fewer cars on the road and that can only be achieved if commuting by private car becomes more expensive through the introduction of parking fees in urban centres, road licence renewal fees that are based on distance travelled, and a gradual tapering of subsidisation of vehicle fuels. Such measures will incentivise people to look for alternatives to travelling by private car. Teachers might actually opt to make use of school transport. Office and factory workers might make the effort to share rides. And those working in urban centres might find shared taxis cheaper when they factor in parking costs.

The Malta Chamber has proposed the introduction of an e-wallet that would enable people to get back what they spend on parking in urban centres by making it available as credit that can be used for shared taxis to incentivise the switch. We need bold measures to encourage people to make the required lifestyle changes.

Similarly, we need bold policies to future-proof our economy. Preserving what we have is a good short-term strategy, but a longer-term vision is required to elevate the quality of our human resources and to have a more diversified economy that is not dependent on population growth. The pursuit of economic growth needs to be complemented by greater ambition for high value added jobs and tangible improvement in quality of life.

We also need to do much more to preserve what we have in terms of both our urban and rural environment. The overexploitation of land and the complete disregard of social impact and aesthetics in development has already scarred many residential areas. The budget promises to start addressing this by

“The Malta Chamber has proposed the introduction of an e-wallet that would enable people to get back what they spend on parking in urban centres by making it available as credit that can be used for shared taxis to incentivise the switch. We need bold measures to encourage people to make the required lifestyle changes.”

establishing a board that assesses the aesthetic and qualitative features of new developments. This was a recommendation of the Malta Chamber. We hope that this is implemented with the necessary rigour, objectivity and transparency to make a positive difference to our built environment.

Finally, the subsidisation of fuel should not render us indifferent to the energy crisis. Like every other EU country, we are meant to be on a journey of decarbonisation of our economy. This means more investment in renewables and higher energy efficiency. The latter requires a big leap in the quality of our buildings to improve their energy performance. Increasing the share of renewables in our energy mix requires more private investment.

The budget makes a mention of the prospect of investment in floating wind and solar energy generation in our recently designated offshore economic zones. This is an initiative that holds promise and an opportunity for the country to prove that it can be at the forefront of a solution that requires massive private investment, cutting edge technology, and a public procurement model that must necessarily be robust, managed according to highest standards of governance, and viable over the long-term. ■



CEO DR MARTHESE PORTELLI

“Preserving what we have is a good short-term strategy, but a longer term vision is required to elevate the quality of our human resources and to have a more diversified economy that is not dependent on population growth.”

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There is no time to waste

RACHEL ATTARD – HEAD OF MEDIA AND COMMUNICATION STRATEGIST, THE MALTA CHAMBER

The unjust war in Ukraine and the Covid-19 pandemic are leaving their impact globally on energy prices and food supplies. This is now a known fact! Everyone in the world is in the same boat facing the same currents and Malta's economy is affected by all this. The International Monetary Fund (IMF) has raised a red flag to all countries that the months ahead are going to be difficult. The IMF also stated that global economic growth is expected to be 3.2 percent this year, while going down to 2.7 percent the following year. This is a 6 percent decline from 2021. Further predictions by the IMF include an 8.8 percent increase in inflation this year and a further 6.5 percent in 2023.

The Malta Chamber, through its various conferences, press releases, media coverage and meetings with various ministers, Government entities and the Opposition, has in the past months flagged the above issues and warned that the two major challenges in our economy will be inflation and human resource shortages, particularly in the private sector. Following a number of consultation sessions with various stakeholders, The Malta Chamber published more than 120 recommendations in its Pre-Budget document. In our proposals, which we are highlighting in this edition, we suggested measures that the Government should implement in its Budget for 2023 so as to help the business community and the public at large, cushion the impact on their businesses and quality of life.

A growing concern that the local private sector is facing, is the lack of human resources and skilled labour. Although technology and investment in digitalisation helps alleviate the problem in some sectors, there are various sectors that are highly dependent on labour, such as the health sector and the tourism industry. The number of Maltese nationals working in the tourism industry has declined steadily over the last 10 years. Today less than a

third are Maltese nationals. Any increases in the number of tourists coming to Malta will have to be met by further increases in third country nationals working in our tourism industry. The same applies to the health and care industry. On top of the already daunting task of recruiting employees, employers are facing another major challenge, that of retaining foreign workers. These workers are constantly being poached by the public sector or leaving for more attractive offers in other European countries such as the UK and Ireland. Unless our country manages to attract workers and retain them, the future growth of the private sector will be severely hindered.

Inflation is the other major concern that our business community is facing. The geopolitical disruptions and volatility in international markets are set to remain for the coming months and are leaving a number of casualties. Europe is trying to walk the tightrope to balance energy and supply chain limitations with climate change concerns, and has not been very successful so far.

There is no magic formula for Malta to avoid this global disruption but as The Malta Chamber President said in the 18th edition of the Malta Attractiveness Survey (MAS) organised by EY Malta, "Our competitiveness has always rested on a combination of investment-friendly government policies and diligent human resources. Legitimate business is about hard work and smart ideas. It requires capable people."

As this edition of the Commercial Courier shows, there is no room for waste of resources in this current challenging economic climate. While entrepreneurs try their best to mitigate the rising global costs, so must the Government and its entities to be more responsible when it comes to public funds. This is certainly no time for waste and there is clearly no time to waste. ■



"Europe is trying to walk the tightrope to balance energy and supply chain limitations with climate change concerns, and has not been very successful so far."

 THE MALTA CHAMBER

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SCAN TO REGISTER



BUILDING a new prosperity

PRIME MINISTER ROBERT ABELA

The current economic environment makes it all the more important that we invest to provide certainty and stability. This is mostly because geopolitical tensions have led to a constantly changing environment which is making both families and businesses uncertain about which economic decisions to take.

Coupled with rising prices, particularly of essential goods and services, and the policy response of monetary authorities around the world, these tensions have changed the economic climate substantially.

Against this background, our priority and focus for Budget 2023 revolve around the principles of certainty and stability. Through our commitment to continue to ensure stability in energy and fuel prices, we shielded and will continue to protect families and businesses from shocks that are bringing many in other countries to their knees. Suffice it to say, that through this measure, we have managed to halve our country's inflation rate, and make it one of the lowest in Europe.

This year's Budget also reflects our economic policy beliefs. Instead of tightening our expenditure and introducing austerity measures, this administration has announced the most ambitious investment programme ever. Capital expenditure is projected to exceed €920 million, with substantial investments to digitalise our public sector and to facilitate the green transition. We are determined to make the best possible use of public funds, including the 2.27 billion euro in EU money to aid these two transitions.

These decisions are ones we attribute a lot of importance to. Because, lest we forget, during the last global and economic recessions, we had an administration that cut back on public investment, which led our economy to become stagnant. On the contrary, we have made the conscious decision to instead increase investment as we believe that postponing digitalisation and decarbonisation would undermine our competitiveness in the long run.

Our Budget 2023 does not stop there. Beyond measures in the energy sector and public sector investment, it includes several measures intended to incentivise and encourage private investment. We will be doubling, to up to €100,000, the cash grant that firms can be granted if they invest in digital or environmentally sustainable projects. Firms operating in Gozo, together with start-ups, will also benefit from an additional tax credit of 10 percent, which rises to 20 percent in cases where the investment decreases their carbon footprint. We will also encourage, through a tax incentive, investment in R&D from the private sector.

The Government will also help companies to successfully make the digital and green transitions. It will be setting up new ESG guidelines, with a view to provide technical support for SMEs to conform to them.

Other measures to support business include the aid measures for those who have been badly affected by the rising prices of international transport for instance. In this regard we announced that we will be doubling both the maximum amount of aid as well as the amount of time for which it will be granted to those firms who have been worst hit by rising international transport prices.

Similarly, we extended the scheme through which firms can utilise capital allowances that they were not able to utilise because of the pandemic, while we are doubling the tax credits for those firms who reinvest their earnings.

Ease of doing business is another

“Instead of tightening our expenditure and introducing austerity measures, this administration has announced the most ambitious investment programme ever.”

important priority for us. This administration is very much aware of the challenges faced by businesses to access financial services. In this regard, we committed to continue our work with the banking community to make progress on our promise to ensure access to a basic





business account to all, while also establishing a credit review office to help facilitate access to financing.

At the same time, work is ongoing on the centralisation of due diligence processes through the creation of a repository for public sector entities. Access to this repository will be gradually extended to private sector entities, such as notaries and financial services operators.

All of this while continuing to reduce the fiscal deficit and maintaining the public debt ratio below 60 percent, and ensuring our economy remains resilient. In fact, in 2023 our economic growth is projected to be six times that of the rest of the euro area, while our unemployment rate will become the lowest in this zone. This is what makes our economic and fiscal policies sustainable.

Our vision is to continue building a new prosperity where our economy becomes more digital, dynamic, socially inclusive, and environmentally sustainable. This will require substantial changes over the coming years, which will require all stakeholders to act together in synergy.

I am sure our business community will be instrumental in achieving this successfully. ■



BUDGET IN THE RED

DR BERNARD GRECH, LEADER OF THE OPPOSITION

On Monday 24th October we all followed closely the Government's supposed plan for our country. An economic plan, awaited with much anticipation, which did not meet any of the bombastic expectations laid out by the Finance Minister himself.

The latter had to provide Maltese businesses with a reassuring model, capable enough to prevent the collapse of our economy, at a point where the world is facing heart-wrenching turmoil. Unfortunately, what was proposed by the Minister is nothing more than a mere continuation of a failed economic plan which has led the country to the brink of an infrastructural catastrophe. Caruana's economic policy, described as a blunder by himself, has been solely based on the erratic augmentation of the population. However, Clyde Caruana has yet again missed the opportunity to provide us with a more sustainable model.

This Government's lack of execution and action has led to a haemorrhage, which is showing no signs of stopping, of younger generations who are seeking fresher ventures and opportunities beyond our shores. Inflation has hit hard on commerce, and while it continues to grow, the Government is not doing much to alleviate the burden. Instead it has continued to waste and fork out money on useless propaganda and corrupt contracts. This means that businesses have been once again left alone to deal with the hefty prices. At least, Minister Clyde Caruana did rise to the occasion to realise that having a red briefcase was more fitting to contain a document which is indeed putting us all in the red. To make matters worse, this Socialist Government has shown that they are hesitant to diminish bureaucracy, thus making the situation increasingly stagnant at a time of crisis.

Their only solution lies in increasing debt without providing any solutions on how to control it. As the Opposition, we do welcome the subsidies which will cushion the effects of a persistent energy crisis. However the government is still engaged in nauseous populism in order to try and score some political points by taking advantage of Europe's wary situation, not to mention the doubtful

figures issued by the Government denoting the deficit and recurring expenditure. The Opposition has been highlighting the fact for months on end that our nation as a whole is experiencing a degeneration in the quality of life. This degeneration has led to an increase in crime and, to make matters worse, this administration has decided to implement budget cuts to the bodies who are responsible for the maintaining of public order. It is a well known fact that investment gets deterred when governments become lenient in the face of crime and injustice. A Government which leaves its citizens in the red.

On the matter of poor strategies and solutions, or lack thereof, this Budget has seen more budget cuts and a lack of capital investment in vital sectors such as health and tourism. As an Opposition, we find it highly appalling to have a Government who splurges €80 million to Vitals, rather than properly investing in today's and tomorrow's doctors, nurses and caregivers. The tourism sector, which proves to be a substantial chunk of Malta's GDP, has seen some budget cuts, while no direction or at least a plan was provided on one of the most important channels of the industry, Air Malta. Air Malta has been left in the red. Other issues which continue to weigh down on the population, and its quality of life, such as the everlasting traffic jams, the suffocating pollution and skyrocketing property prices are there to stay, with no imminent or long-term solutions. Our quality of life has been put in the red.

Times of instability and unrest create a domino effect which contribute to recessions and downturns. It is therefore imperative to have a government which can operate on scale and speed, and to be able to gestate on both the macro and the micro level while looking for short, mid and long-term solutions. This Budget was truly a missed opportunity for the Government to transform its studies and talk into concrete action. ■

"On the matter of poor strategies and solutions, or lack thereof, this Budget has seen more budget cuts and a lack of capital investment in vital sectors such as health and tourism."

Failing to plan is planning to fail

Have you thought about the next in line?

Family Businesses can range from micro businesses to large successful multinational companies. The keyword is successful, and the degree of success is largely tied into the continuity of the business.

DR JOSEPH GERADA, REGULATOR, FAMILY BUSINESS UNIT

Are you ready to continue your business and see it flourish under the NextGen of Family members?

Business growth is dependent on a number of diverse elements, some of them within the control of the family behind the business. One of these elements is the mechanism of succession planning and a proactive approach towards it. The Family Business Office, Malta works tirelessly to put forward the message that there are several incentives in place to facilitate the transition of business from one leading Family Business Leader to the chosen heir.

Does your Family Business benefit from an effective and structured succession plan? Are realistic time frames in place to ensure that this is actioned? Is the current Family Business leader ready to hand over the reins or is he/she reluctant to realise that the time is ripe for the necessary fresh injection of ideas? At the Family Business Office, Malta we can assist in this process, in collaboration with a number of other governmental entities.

The main motivation to ease the process of succession planning is the family business transfer incentive. This is an incentive which family businesses wishing to transfer the business to the next generation can avail of by applying for the reduction in stamp duty offered by the Commissioner for Inland Revenue, whereby parents choosing to transfer the family business to their children (subject to meeting the selection criteria) may benefit from reduced stamp duty from 5 percent to 1.5

percent with no capping on the amount to be transferred. This incentive is currently effective until the end of 2022, but as has been the trend over the past years, it was expected that the Government will be announcing its renewal for a further period during this year's budget.

Family businesses also need to be open to the possibility of passing on the ownership and management of their family business to professionals, whether members of their family or even others outside the family, where there are no family members who can offer the business the same level of leadership or expertise. Being open to recruiting new talent from outside the family itself, and to collaborating with third parties, will help ensure that the family business is better equipped to face new realities.

The Covid-19 pandemic showed up on Malta's doorstep as well as the rest of the world and allowed us to pause and have a rethink about our priorities. No one is here forever. We are not immortal and, sooner than we know it, our time could be up.

Every Family Business needs to strive towards holistically looking at an efficient succession plan which will ensure that its legacy will live on. The plan should not be hatched on a

"Being open to recruiting new talent from outside the family itself, and to collaborating with third parties, will help ensure that the family business is better equipped to face new realities."





“The increased benefit over previously launched schemes will see registered Family Businesses potentially avail themselves of a maximum support of €15,000 per Family Business in any rolling three-year period.”

whim, but should be conducted, quite possibly, at a professional level. Furthermore, the implementation of precautionary measures should be put in place, whereby a constant re-evaluation of the succession plan through the years is performed.

Are we on track with our objectives of the succession plan? Do we need to fine tune / adjust it? Is/are the chosen candidate/s still worthy and is he/she living up to expectations?

Over the past year, the Family Business Office launched a new Family Businesses Grant Scheme focusing on mediation and advisory assistance for registered family businesses which wish to obtain professional assistance in planning the business succession or transfer of their family enterprise. The increased benefit over previously launched schemes will see registered Family Businesses potentially avail themselves of a maximum support of €15,000 per Family Business in any rolling three-year period. The main aim of this scheme is to help family businesses address transitional issues by facilitating access to advisory and mediation services.

Over the past two years of the pandemic, many family businesses realised the importance of putting the wheels in motion for an effective succession plan and, as such, the Family Business Office Malta has recently experienced an uptake of incentive applications. We do encourage further family businesses to stay abreast of incentives that can be updated or introduced from time to time. ■

For further information we invite all interested parties to visit our website at www.familybusiness.org.mt or simply call us on 21497970.

This advertorial was prepared by the Family Business Office. The Office provides support to family businesses in relation to the regulation and governance of their business.

BUDGET 2023 HIGHLIGHTS

€600 million in subsidies for the **energy and grain** market. This makes up 10% of the total government expenditure.

The reduction in **stamp duty** from 5% to 1.5% on family business transfers will be extended.

An ongoing national **skills audit** will continue in order to give an objective snapshot of the skills present in the labour market.





A committee has been appointed to ensure **the right of a basic bank account** for businesses and start-ups to enhance the ease of doing business in Malta.



A one-stop shop for start-ups will be launched to offer assistance and advisory support to start-ups managed by Malta Enterprise.



Tax Rebate for Sports, Arts and Culture related extracurricular activities increasing from €100 to €300.

COLA increase for all employees and people on social benefits will be of €9.90 per week.

COLA increase for pensioners will be of €12.50 per week.



€26 million in **tax refunds**. €25,000 people to benefit from a tax refund of between €60 and €140.



€43 million dedicated to affordable housing. **First time buyers** benefiting from a €10,000 grant over a period of 10 years.



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THE MALTA CHAMBER

Pre-BUDGET proposals

The Malta Chamber of Commerce, Enterprise and Industry presented its 125 recommendations to the MCESD, Government and Opposition. This document should be read in the context of The Malta Chamber's pre-election document 'Time to Step Up'.

KEVIN MIZZI – HEAD OF POLICY, THE MALTA CHAMBER

Chapter 1: INFLATION

1. Employers should only be obliged to contribute difference between the COLA increment for 2023 and any increments already given during 2022

Chapter 2: ENERGY

Chapter 2.1: Electricity

2. Excessive energy consumption should not be subsidized.
3. A Long-Term Energy Resilience Plan focused on significantly boosting renewable energy generation would enable the country to gradually ease off energy subsidies on the back of a more diverse energy mix that requires substantial investment in offshore wind & solar energy
4. Significant investment in the distribution network to reliably provide for the energy needs of the country

Chapter 2.2: Fuel

5. Petrol and diesel subsidies should be gradually phased out and replaced with incentives for alternate modes of transport by promoting a behavioural change through an e-mobility wallet concept
6. Revise vehicle road licence fees such that people pay according to how much they use their vehicle
7. Introduce parking fees in congested areas through parking meters as part of e-mobility wallet scheme to encourage a modal shift in commuter transport

Chapter 2.3: Energy Saving Systems

8. A more business-oriented Energy Efficient Machinery scheme based on (a) power saving as a pre-requisite qualifier; and (b) calculation percentage of the remaining useful life of the old machine when compared to the years of the new machine

Chapter 2.4: Mobility

9. Electrification of the vehicle fleet should be paired with underground charging infrastructure, encouraging Public-private partnerships to provide walking and cycling infrastructure including sharing platforms for people to move around.
10. Training infrastructure must be reinforced to upskill the workforce from dealing with combustion engine vehicles to also work with EVs.
11. Lower Customs & Anti-Dumping Fees for imported EVs to make them more advantageous than internal combustion vehicles.
12. Company Green Travel Plans mentioned in the Transport Master Plan should be reviewed based on an experience and uptake assessment.



Chapter 3: LABOUR MARKET

Chapter 3.1: Work Incentives

13. Introduce tax breaks for the first 5 years to encourage highly qualified Maltese nationals working and living abroad to return to Malta
14. Introduce a scheme whereby households can claim a tax deduction on fiscal receipts related to services rendered for home renovations, repairs, cleaning and maintenance work.
15. A faster transition to tax exempt pensions to encourage persons over the retirement age to stay in or return to the labour force, providing a tax-exempt pensionable income over the next 5 years, at an incremental rate which is higher than 20% per year
16. Those workers who qualify for a pension before retirement age and choose to take it should be given the possibility to work on a part-time basis.
17. Address pension adequacy by revising current capping on pensionable income, as salaries have been increasing for many years and the cap on pensionable income has remained stagnant
18. Government should implement an auto enrolment with opt-out system for employees to incentivise the take-up of supplementary pensions particularly by younger employees.

Chapter 3.2: Third Country Nationals

19. Widen the scope of the Key Employment Initiative scheme to attract individuals in possession of certain critical skills and qualifications that are running short in the labour market.
20. Address the issue of visa delays with relevant service providers to ensure that appointments are granted within a reasonable time frame.



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21. A 3-month interim work permit should be granted under the same criteria as the approval in principle from Identity Malta.
22. Once a TCN is approved to work in Malta, he or she should have access to a free labour market without any derived ownership rights of the original employer when changing job.
23. The average duration of family relocation administrative approvals should be reduced from the current 8 months to 2 months
24. Identity Malta should ensure that queries are resolved in a transparent and consistent manner through proper digitalisation of processes
25. All operators providing recruitment services need to be rigorously regulated by DIER to ensure a level playing field and to curb abuses.
26. A better enforcement and sanctioning regime, particularly in relation to foreign workers to curb blatant abuses.

Chapter 3.3: Public Sector Employment

27. Government should commission an independent audit exercise to take stock of the skills and output of the human resources currently employed by Government, with surplus staff redeployment or seconded to the private sector through incentive schemes
28. Summer half-days should be abolished

Chapter 4: TRANSPORTATION COSTS & CONNECTIVITY ISSUES

Chapter 4.1: Sea & Road Transport

29. Targeted Government support schemes on specific business actions to (a) rethink global supply chains and (b) to facilitate night and shift operations for freight forwarders, manufacturers, importers and distributors
30. Provide Direct Support for Transportation of Goods for a level playing field with other EU Member States.

Chapter 4.2: Air Transport

31. Call for an EU corrective mechanism to address countries like Malta and Cyprus since tax on aviation fuel

Chapter 5: RESEARCH & DEVELOPMENT

32. Increase public spending on R&I to reach 2% of GDP by 2024 and 3% of GDP by 2026, providing incentive programmes and support mechanisms for (a) Separating industry led projects with high commercialisation potential from 'blue sky' academic research

- (b) Promote knowledge transfer between industry and academia through schemes such as the Post-Doc Fellowship Scheme (c) Helping companies mitigate the high legal and registration costs of Intellectual Property Rights and (d) Increasing the proposed 150% tax deduction of R&I expenditure to companies to 200%

Chapter 6: REFORMS

Chapter 6.1: Public Procurement

33. Government should implement the proposals from The Malta Chamber Public Procurement Report dated 2021, during 2023, to ensure that both entities – business operators and contracting authorities - benefit from improved public procurement practices
34. Business operators are finding it increasingly difficult to commit to prices due to the shortage of raw materials, an increase in inflation and supply chain disruptions.

Chapter 6.2: Customs

35. Customs operating hours should be 24/7,
36. NIES should be upgraded
37. Customs should share information with BCRS, VAT, Income Tax and NSO to facilitate communication with business and enforcement.

Chapter 6.3: Sustainability & Planning

Chapter 6.3.1: New Builds

38. A National Architecture Policy which incorporates aesthetics and landscape will incentivize good spatial planning in Malta.
39. A Point System should be introduced at the Planning Authority with a minimum passing mark without which applications cannot be processed further.
40. A Carrying Capacity Study of Malta's land environment should be undertaken

Chapter 6.3.2: Renovation

41. Introduce a 'Planning Gain for locality projects scheme' to promote the urban improvement
42. Introduction of minimum energy performance criteria for buildings to be rented or sold and a renovation scheme targeting less efficient buildings with potential for a good energy efficiency rating
43. Compliance certificates should be replaced by a building logbook reflecting the structural and fabric history of the building

Chapter 6.3.3: Waste

44. Improved Waste Management should address a change in culture which should be partially addressed through (a) Mandatory garbage collection solutions for all new developments of multiple units (b) Introduction of a Garbage Bag Barcode system and (c) adequate landfill gate fees

Chapter 6.3.4: Excavation & Demolition

45. Implement New Regulatory Framework for C&D Waste to properly manage construction and demolition waste while promote a transition to a more circular economy
46. Licensing of Building and Road Contractors should be complemented by minimum skill requirements for the construction workers (mandatory skill card or equivalent)
47. Rudimentary site practices that are currently adopted need to be addressed

Chapter 6.3.5: Rating Materials Being Used

48. Sustainable building fiscal Incentives targeted to (a) Property buyers or renovators through 'Green Loan' to align with energy performance obligations in buildings (b) Developers to invest in sustainable construction materials and operations by reducing final withholding tax and (c) Building contractors through a tax credit at development phase

Chapter 6.3.6: Agriculture

49. Piloting Agricultural Technology to partially solve the challenges the country has in terms of availability of arable land, water scarcity and degradation and an ever-declining agricultural community.
50. Rather than convert organic waste into digestate, it should be turned into compost which can be used to regenerate Malta's soils.

Chapter 6.4: Judicial Report

51. A decisive push towards accelerating the digitalisation of Law Courts
52. Reform the legal process to speed up the compilation of evidence phase and establishing a procedural timeframe for cases to be resolved.

Chapter 6.5: Education

53. Introduce social emotional learning and service-learning programme by extending school hours
54. Give vouchers to students based on success with the faculty to choose where and what to study at post-secondary level
55. Set up special interest state schools for trades and STEM from a certain stage onwards.

Chapter 7: SECTOR SPECIFIC RECOMMENDATIONS

Chapter 7.1: Financial Services

56. AML obligations must be more risk-based, proportionate to the volume of the business processed
57. Government must focus on enforcement across the board to grow a "compliant culture"

Chapter 7.2: Manufacturing

58. EU state aid rules are currently being reviewed. Malta is well-placed to benefit from such rethinking to harness the full potential.
59. Reduce the administrative burden on the applicants of Assistance Schemes and make such schemes more tailored for industry requirements
60. Incentivise businesses to invest in PV systems on their industrial roofs by removing rental charges for installing PVs on roof space of INDIS tenants
61. Government should share the cost of electrical infrastructure absorbed by private industry such as in the case of substations and related trenching costs

Chapter 7.3: Logistics

62. A Public-Private Partnership should be tasked to set up a Centralised Logistics Hub to minimise warehousing and distribution costs
63. Reform to the way how Maltese ports operate.

Chapter 7.4: Maritime

64. A holistic vision for the Maritime industry in Malta with a mission implementable over a 5-to-10-year timeframe

Chapter 7.4.1: Yachting

65. Berthing and visiting yachts in Malta's marinas would be subjected to 7% VAT instead of 18%

Chapter 7.5: Aviation

66. The aviation industry requires space to grow.
67. Facilitating access to finance should address (a) business growth and expansion, (b) Green initiatives and development of new technology (c) research and development and (d) skills development.
68. Malta must invest to attract new aviation inspectors and explore options on how to retain existing ones.

Chapter 7.6: Tourism

69. Retaining and investing further in established niches such as English Language Teaching, diving, yachting and Meetings, Incentives, Conferences and Exhibitions (MICE)
70. Malta Tourism Authority needs to revisit and reposition its role within the industry to stop competing against local operators.
71. Whilst attracting foreign filmmakers is a bonus for the sector; the Government should launch incentives that are targeted towards the Maltese operators to support local talent and elevate product to international standards
72. Address situation of restaurants which are not in hotels and do not fall within Wage Regulation Order (WRO) for hotels, which create an unlevel playing field

Chapter 7.7: Digitalisation & Tech

73. Local technology operations can be assisted by business incentives to companies investing in their employees to undergo specialised IT related courses, providing reductions in enrolment fees / tax incentives, particularly in E-Health, Manufacturing, Fintech, and Gaming.

Chapter 7.8: Gaming

74. Nurture a strong local ecosystem for video games and Esports, helping local talents to grow while attracting international competitions. ■



Pre-Budget RECOMMENDATIONS

ENERGY

- ▶ Invest in **renewable energy** generation and infrastructure
- ▶ **Distinctive waste** with a view to **easing off subsidies in the medium term**
- ▶ **Change culture** on energy efficiency and multimodal transportation (e-wallet)

INFLATION

- ▶ Maintain **the purchasing power** of the real lower-income groups
- ▶ Limit **wage inflation** to slow down wage-price inflation spiral
- ▶ Mitigate **transport cost increases**

- ▶ Attract and retain **skilled foreign workers**
- ▶ Shift human resources from the **public sector to the private sector**
- ▶ Commit to **productivity gains through investment, upskilling and work ethic**

LABOUR MARKET

- ▶ **Reasonable implementation time frames** that allow for recruitment and training
- ▶ Reduce **cost of administration** on business by minimising bureaucracy
- ▶ Better **coordinated and digitally-aligned Government departmental systems**

EASE OF DOING BUSINESS

- ▶ **Rationalisation** of limited **private and public resources** towards **productivity**
- ▶ Invest in **Future Skills**
- ▶ Island state permanent insularity and peripherality disadvantages at **EU level**

COMPETITIVENESS

We need to address the glaring limitations of our tourism supply chain

The Malta Chamber, 27th September 2022

This is the time for the authorities to rediscover their vision of tourism and implement the necessary changes for a better Malta.

The Malta Chamber of Commerce Enterprise and Industry hosted its first Tourism conference titled Rediscover, to mark the occasion of World Tourism Day.

During this event the regulator, the tourism operators and the government discussed ways on how they can work together to achieve the common good for this industry.

During her opening speech the President of The Malta Chamber Ms Marisa Xuereb said that, "this is the time for the authorities to Rediscover their vision of Tourism and implement the necessary changes for a better Malta. President Xuereb highlighted the need to shift focus away from that potentially tantalising figure of five million tourists per year. She stated that, "in August 2019 Malta saw record numbers of tourists - an average of around 100,000 per day. That's equivalent to around 20 percent of our official population." President Xuereb continued by questioning whether Malta can envisage 200,000 tourists roaming around on a typical day in August quite irrespective of all the investment in infrastructure. President Xuereb said that, "we need to address the glaring limitations of our tourism supply chain, particularly in terms of human resources and sourcing of food."



The conference continued with two other speeches from the Minister for Tourism Clayton Bartolo and the Opposition Spokesperson for Tourism Robert Arrigo.

Minister Bartolo outlined that "A key factor for the sustainable development of tourism is the need to avoid complacency. This is an industry where one can never stop thinking about tomorrow's opportunities and challenges. Thankfully, our country incorporates social partners like The Malta Chamber that continuously spark a healthy and widespread tourism debate by encompassing government, direct stakeholders and the wider community."

PN Spokesperson Mr Arrigo outlined various challenging circumstances that are currently happening in Malta. However, he encouraged all parties within the tourism chain to come together towards one vision for the benefit of the hospitality industry.

The conference continued with two keynote addresses by the Malta Tourism Authority CEO, Mr Carlo Micallef and The Malta Chamber CEO Dr Marthese Portelli.

Mr Micallef compared Malta's Tourism Performance through statistical comparativeness with other competing destinations and their strategy to achieve success. "Rethinking tourism," Mr Micallef said, "recognises not only that the world continues to change, but that it is changing fast. Ours today is a world where generations of globalised travellers, accustomed to unrestrained and affordable travel opportunities and to an ever-increasing choice of destinations with competitive offers are facing the pressures and forces of change as our world adapts to new realities."

Dr Marthese Portelli highlighted the challenges being faced by various stakeholders

within the tourism industry. She also outlined seven key points which require commitment and immediate tangible action from Government, which included:

1. Acknowledging that as a country we need to work towards a quality experience offering and the importance of identifying niches which compliment one another
2. Revisiting the classification regime
3. Addressing the country's aesthetics in the built environment whilst preserving our natural landscape and promoting our history, arts and culture to encourage authentic and unique experiences
4. Proper and thorough enforcement to weave out abusive operators
5. Stopping direct competition from the regulator.

Chairperson of the Tourism Operators Business Section within The Malta Chamber, Mr Alan Arrigo concluded the conference by stating a need to weed out mediocrity. He continued by stating "that this can be achieved collectively when every part of the ecosystem delivers on its promise of a quality experience and keeps adapting to the many needs of tourists and stakeholders alike in a delicate balancing act."

The conference included three panel discussions which included speakers both from the private industries as well as MTA and the Ministry for Tourism. The intention was to focus our energies to improve upon the existing standards. The discussions included:

1. Valletta as a Destination
2. Malta's Competitiveness in Tourism
3. The Right Balance for Niche Tourism ■



CERTAINTY AND STABILITY FOR ENTERPRISES, FOR THE ENVIRONMENT, FOR YOU

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Government's commitment is for Malta and Gozo to move towards a decarbonised economy. The Ministry of the Environment, Energy and Enterprise remains committed to incentivise investments in clean energy, water infrastructure, urban greening, sustainable enterprises and waste management, amongst others.

Faced by an international crisis in the energy sector, this Government is giving the necessary support, pledging a further €600 million during 2023. Meanwhile, we will continue to encourage households and businesses to be energy efficient.

A growing economy

The Ministry is focused on safeguarding those industries that are delivering growth while cultivating a culture of innovation for new niches and economic sectors that contribute to sustainable growth.

Over the past year, Malta Enterprise has assisted in 35 Start-up projects, with a total investment of €22 million. Under the Start-In-Malta cap, Malta Enterprise is set to launch a one-stop-shop offering the necessary assistance to startups.

Through Malta Enterprise, Budget 2023 offers:

- A new Business Incubation Centre that will serve as a top-quality touch down facility for innovative start-ups
- The allocation of €40 million in grants for small and medium-sized enterprises
- Double the financial assistance in the form of cash grants for all Maltese companies investing in digital and sustainable projects
- Gozitan businesses as well as start-ups will continue to benefit from additional financial assistance of 10% in the form of a tax credit, which could double to 20% if companies invest in projects that reduce their carbon footprint
- Develop guidelines for companies to obtain ESG credentials
- The MicroInvest scheme will be extended to social enterprises

To mitigate increases in international transport prices to businesses, as of next year, Maltese businesses will be able to benefit from a €50,000 financial assistance for the first three years of the rent subsidy incentive. Malta Enterprise will also double the period in which businesses will be able to benefit from this scheme.

A neutral, carbon-free economy

Amongst others, Budget 2023 provides for the allocation of 16.5MW to medium to large renewable energy systems, the generation of which is equivalent to 6,050 households in one year.

This, in addition to the capacity allocation for projects beyond 1MW.

We will continue to encourage private companies and businesses to switch their fleet to electric by benefiting from interest-free loans in order to complement their investment in electric vehicles and charging stations

Waste management

Work is underway on the largest ever investment in the waste management sector to date: the EcoHive Project. Additionally, the Multi-Material Recovery Facility in Hal Far is set to become operational by next year. This will help to recycle various materials that would otherwise end up in the landfill.

Next year will also see the launch of the €50 million plant for the efficient processing of organic waste. This plant will transform waste into an energy resource.

WasteServ has opened several Reuse Centres in civic amenity sites and led several educational campaigns through which the country has seen an increase in the recycling rate. The opening of Material Recovery Facility in Maghtab will continue to support this vision. To help reduce around 47,000 tonnes of bulky waste which is usually disposed of at the landfill, a Skip Management Facility will also be developed in the coming years.



GOVERNMENT OF MALTA
MINISTRY FOR THE ENVIRONMENT,
ENERGY AND ENTERPRISE

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HARNESSING THE POWER of Technology

BMIT is a leader in providing technological solutions to help businesses advance towards their goals. The company provides products such as data centre services, co-location, cloud management, cybersecurity, compliance and AI-based solutions to address customer support requirements. Critically, BMIT also offers tech advice at a strategic business level, making it the trusted IT advisor to numerous businesses looking to employ the right tech and human talent. Jack Mizzi, Chief Marketing Officer, explains how BMIT continues to break down obstacles and achieve new milestones in the field of technology.

BY CARLA ZAHRA

**WHAT LED YOU TO PURSUE A CAREER IN TECHNOLOGY?**

Having worked in tech for most of my life, I live in a reality of an ever-changing technology landscape that I believe is important to embrace and develop new skills and projects. From the beginning of my career, I have always seen technology as an enabler – it makes our lives easier, our businesses more productive and improves our general well-being. Liking technology helps too, of course, so it was natural for me to opt for tech-related career opportunities. I have been fortunate enough to be involved in projects that have left a nationwide impact.

WHAT CAREER MILESTONES ARE YOU MOST PROUD OF?

When I joined BMIT in 2011, the focus was exclusively on providing co-location services for online gaming companies. Together with my colleagues, we have transformed the company into a leading tech solutions provider for local and international clients in a wide spectrum of industries, while maintaining our market leadership in providing data centre services.

There are a few milestones which make me proud. The launch of the first public cloud platform in Malta, for which I was responsible from launch from a business perspective, is one of them.

“BMIT has become recognised as the go-to company for digital and tech.”





“At BMIT, we live and breathe a philosophy of uncomplicating an already complex industry, to provide simplicity in the way we solve our clients’ business challenges.”

Another one was the establishment of a high-speed, secure international private network linking BMIT sites in Malta, Germany and Italy and providing unparalleled connectivity to the Internet to our customers. Finally, BMIT’s transformation into a public company and our listing on the Malta Stock Exchange was a major milestone in the company’s journey towards further success and growth.

SINCE JOINING BMIT, HOW HAVE YOU WITNESSED THE COMPANY EVOLVE?

There have been several milestones that I have actively participated in which I am proud of, including the transformation from a co-lo provider to a full-suite tech provider. We have invested in IT infrastructure to enable us to offer world-class services to Malta-based businesses such as cloud platforms, international networks and multiple data centres. We have also become more customer-focused, with all our processes revolving around delivering excellent levels of solutions and support through sustained investment in our people.

During this time, we have established partnerships with leading global IT players and have become a trusted advisor on tech requirements beyond IT infrastructure to include tech compliance, productivity, data management and security. BMIT has become recognised as the go-to company for digital and tech.

HOW DOES BMIT AIM TO PROVIDE A SUPERIOR SERVICE TO ITS COMPETITORS?

Rather than focusing on outperforming competitors, our objective is to provide a truly superior service to our customers. We focus on helping and assisting clients to identify and address their requirements, and then adopt the right tech solution to ensure the fulfilment of customer requirements in a cost-effective yet comprehensive way. The key to all this remains the ability of an amazing team of humans who manage and coordinate these solutions and provide peace of mind to our clients while doing so. At BMIT, we live and breathe a philosophy of uncomplicating an already complex industry, to provide simplicity in the way we solve our clients’ business challenges.

WHAT IS THE CURRENT AND FUTURE TALENT SITUATION LIKE IN MALTA IN THE FIELD OF DIGITAL TECHNOLOGY?

Tech-related talent is a scarce resource in Malta, as in many other countries. This translates into a challenge to attract and retain good talent within the organisation. As specialisation intensifies, I expect this trend to sustain itself in the future. Remote and hybrid work has provided new opportunities for both employers and employees, but as with anything else, these also present new challenges that must be addressed.

WHAT ARE THE MOST IMPORTANT QUALITIES THAT BMIT RECOGNISES IN ITS TEAM?

It’s hard to summarise the attributes of our impressive team. In a few words, I would say that we attract people who are down-to-earth and informal while being extremely knowledgeable and technical. An attitude that is shared by all of us is our instinctive motivation to want to help our clients overcome their challenges.

WHAT CHALLENGES HAS THE COMPANY RECOGNISED IN RECENT TIMES?

By its very nature, technology serves to address and solve challenges that regularly arise. For example, the remote work drive at the beginning of the Covid-19 pandemic caught many companies off guard. We ensured that we were the first company to provide a simple-yet-secure solution to businesses to enable their employees to work from home. Another example relates to the increasing complexities for regulated customers, such as those operating in the financial services or online gaming industries. We have introduced new solutions, and are regularly adding others, aimed at addressing the tech compliance aspects of such businesses. These tech compliance solutions cater for mandatory regulatory requirements as well as best practices and address the data, security and infrastructure requirements of such businesses.

WHAT GOALS ARE YOU CURRENTLY FOCUSING ON ACHIEVING?

We are currently working on several strategic initiatives that require strong input from a marketing and product perspective. As we continue to evolve and reach new markets with new offerings, my team is focused on ensuring that we have the right solutions portfolio in place, backed up by an effective go-to-market approach, and sustained with a marketing activity that generates a result.

WHERE DO YOU SEE THE BMIT TEAM IN FIVE YEARS?

As a team, we are working intensely to further transform BMIT. We are building and investing in our legacy and expertise as a leading IT infrastructure solutions provider, while increasingly providing tech advice to our diverse customer base. We are already very active in cybersecurity, digital transformation and data management, and our objective is to keep building on this. We owe this to our customers, to our employees and to the thousands of shareholders who have invested in us. ■



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Adaptation Through Growth

The past few years have seen businesses, at both domestic and international levels, going through some stressful times indeed, probably as never seen before. Following the hard blow to economies dealt by the Covid-19 pandemic, as we started recovering slowly, Russia invaded Ukraine towards the end of February of this year. The ensuing war, sanctions and other effects meant that the situation took another turn for the worse. There does not seem to be an end in sight, although the latest signs are starting to indicate that there might still be a glimmer of hope for a diplomatic solution.

JOE SPITERI, CHIEF EXECUTIVE OFFICER, MAYPOLE GROUP

Since the onset of the pandemic, almost three years ago, the turbulence in the economy was exacerbated by the mushrooming costs of freight and transport, compounded by the unreliability of services already booked and paid for. Prices in that sector were changing from day to day, making purchasing at an international level impossible to plan from the perspective of both costs and delivery times. Keeping business operations going for an industrial operation such as ours became a battle against time and rising prices, and a constant cause of concern. Somehow, we managed, however the war in Ukraine created new scarcities, and exponential price hikes in such basics as fertilisers, wheat and ordinary cooking oil.

To take liberty with the oft-quoted saying; in the field of economic activity 'no island [man] is an island'. In fact, it's rather the contrary. A small economy in an island nation such as ours is almost totally dependent on importation of raw materials. Freight costs, in their own right, are yet another raw material, albeit an invisible one. The price escalations to purchase raw materials are complicated even further by the unpredictable and substantial

prices being charged for international road, rail and marine transport upon which we depend for our supplies. Only recently, a comparison of the final cost of an imported container load of cooking oil with the previous such importation just a few weeks earlier, showed a 150 percent increase.

Maypole too has been severely affected by this upward spiral in prices. The nature of our business, with an industrial bakery at the heart of our operations, and a complex supply-chain from primary production to retail, meant that we could control our prices to consumers to a certain extent, since we provide a relatively high local value-added to the materials we import. However, the exaggerated price-hikes in raw materials have been such that they are fast eclipsing all our efforts at cost-cutting and increased efficiency without price increases. We have stood strong by our loyal customers, seeing that what we provide are mainly the basic necessities, literally the bread and butter of the household.

Our corporate principles do not allow us to run the business by simply playing the numbers, and passing the increased burdens totally on to consumers. We therefore have courageously

"The exaggerated price-hikes in raw materials have been such that they are fast eclipsing all our efforts at cost-cutting and increased efficiency without price increases."





“We are also diversifying our activities in the catering sector, where our ‘Nenu The Artisan Baker’ restaurants will soon be flanked by other genres of restaurants and cafeterias.”

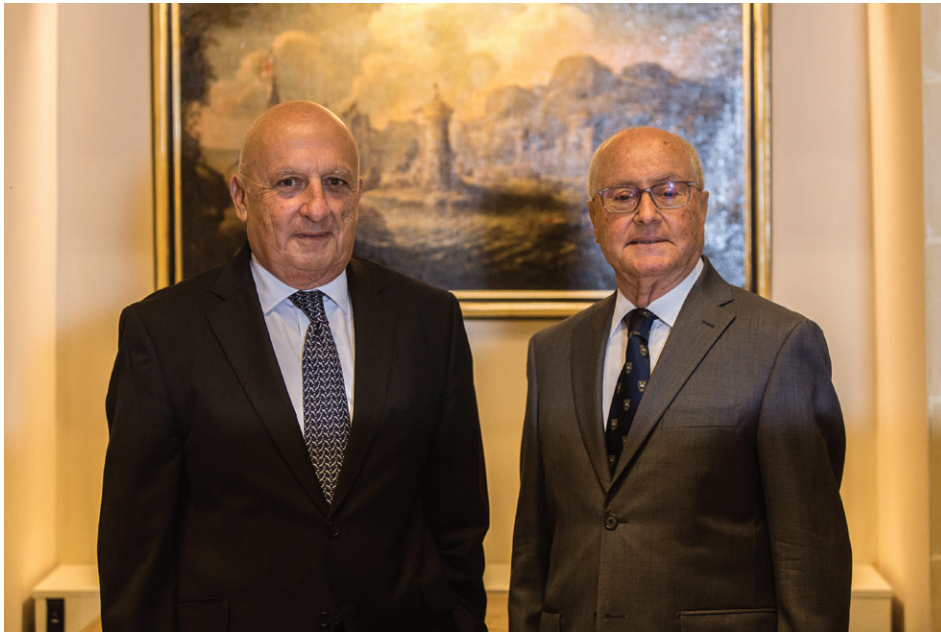
decided to adapt to these changing circumstances by increasing our efficiency and production, and hence our economies of scale, through growth. Primarily, our growth is infrastructural, and we have recently acquired ready-built property measuring 8,000 square metres to add to our existing 4,000 square metres, a 200 percent increase of floor space. In addition, we acquired an adjacent yard measuring another 3,000 square metres, and purchased 3,500 square metres of land fronting our factory, which, when developed vertically, could add up to an additional 14,500 square metres of operating/manufacturing space, and 1,500 of open space. Large cold-storage facilities will be a priority in these developments, thus helping us to address such issues as economies of scale and production planning for longer periods, resulting in cost-savings that will help to mitigate, even if only partially, the ever-increasing costs we are having to face. We are also continuously investing in our IT, while online order and delivery systems have been revamped to also contribute to an increased efficiency, and to adapt to new consumer purchasing patterns and habits developed during Covid.

Our growth also entails a qualitative expansion. We are reaching out to more communities with more of our distinctive ‘round-the-corner’ retail outlets, which are increasing at a constant rate, and providing our clients with a wider choice of products for a one-stop-shop for the basic necessities in households. We are also diversifying our activities in the catering sector, where our ‘Nenu The Artisan Baker’ restaurants will soon be flanked by other genres of restaurants and cafeterias.

The outlook is not bright yet, but if all the actors in the Maltese economy, public and private, pool resources and ideas to face the future together, we can present a much stronger common front, and come up with and adopt strategies that will tackle all aspects of this multi-faceted problem. Growth might seem to be far-fetched in these trying times, but we feel that it is the best way forward, so we took it. ■

BRINGING A PERSONALISED APPROACH TO BANKING

The Malta Chamber spoke to Michael Bonello, Chairman and Joseph Said, CEO of Lombard Bank Malta plc. Here is what they had to say about the past, present and future vision of one of Malta's core domestic banks.



ESTABLISHED IN 1955, LOMBARD BANK HAS BEEN IN OPERATION FOR ALMOST 70 YEARS. HOW HAS LOMBARD EVOLVED THROUGHOUT THE YEARS?

Indeed, the Lombard brand has been present in Malta since 1955 when its activity was limited to receiving deposits through agents. Since then, banking in Malta experienced a drastic transformation by way of mergers, takeovers and the entry of new operators.

Although Lombard has evolved, it has remained true to its origins and retained its identity as an indigenous Maltese bank bearing the hallmark of extending a personalised service. This ethos was not based on marketing clichés, but was, and remains, the very way the Bank conducts its business.

From one small office in St Paul's Street Valletta, the Bank has developed into one of Malta's core domestic banks. Over the years, the Bank experienced the purchase and eventual disposal of its shares by the Government, followed by an Initial Public Offering, with Lombard becoming the first entity to be listed on the Malta Stock Exchange. More recently, the National Development and Social Fund acquired 49.01% of the Bank's shareholding from Cyprus Popular Bank, with company announcements being issued explaining the transaction.

Apart from servicing retail customers, Lombard has also extended credit facilities to local start-up companies, many of which have developed into household names and highly successful businesses employing hundreds. Spurred on by this success and the continued demand for personalised services, the Bank now plans to grow further to meet the demand for its full range of banking services.





“Although Lombard has evolved, it has remained true to its origins and retained its identity as an indigenous Maltese bank bearing the hallmark of extending a personalised service.”

LOMBARD IS PROBABLY BEST KNOWN FOR ITS SERVICE OFFERING TO COMMERCIAL ENTITIES. WILL THIS STRATEGY CHANGE GOING FORWARD?

Our strategy will not change, though it stands to evolve. Over the last two decades, we did focus on lending to the commercial sector and being business-friendly. However, we never lost sight of our origins which are rooted in traditional retail deposit-taking. Our deposit accounts have always been among the more popular ones in the market and shall remain so.

What we are now planning is to further expand our reach to the retail lending sector, by raising our profile in investment services, cards and, perhaps more importantly, home loans where in the last couple of years we entered this market adopting, so far, a low-profile approach. The home-loan sector is highly competitive, therefore our offering needed to be attractive. We are encouraged by the response to our product which is proving increasingly popular, especially with first-time buyers. Lombard Bank is now set to become an all-around community bank exclusively dedicated to and driven by the needs and expectations of the Maltese market.

WHAT IS THE RATIONALE BEHIND EXPANDING THE BANK'S RETAIL NETWORK AT A TIME WHEN SOME LOCAL BANKS ARE DOWNSIZING THEIR RETAIL NETWORK?

The public at large still highly values the physical presence of a bank within its locality. We remain sensitive to the fact that human interaction is vital in developing a meaningful banking relationship. Providing a personalised service is a Lombard hallmark, where customer requests for assistance are responded to by a member of staff, rather than by a voice synthesizer. The presence of a physical branch facilitates the nurturing of strong customer relationships.

Until a few years ago, Lombard Bank branches stood few and far between. The expansion of our network is being undertaken selectively and in line with the demographics of the Islands. This should ensure a suitable and manageable degree of presence, also bearing in mind the responsibility that we have towards the community. The location of each planned branch is set to be within the inner core of the locality.

LOMBARD IS THE MAJOR SHAREHOLDER OF MALTAPOST PLC. WHAT ARE THE SYNERGIES THAT ARE CURRENTLY BEING ESTABLISHED AND THAT COULD BE TARGETED IN THE FUTURE?

As a company listed on the Malta Stock Exchange, MaltaPost is a stand-alone entity with its own corporate independent identity, vision, mission, structures, and processes. However, we keep in mind the fact that it is a Lombard Bank subsidiary and we therefore seek opportunities to maximise existing synergies or create new ones to the benefit of both entities. In terms of financial services, since our relationship started years ago, MaltaPost encashes Malta Government cheques, acts as payment services agent for the PostaPay&Save Account – which is a Lombard Bank account – and has made significant investments in Ivalife Insurance Ltd. as well as in PostInsure Agency Ltd. Such initiatives are set to provide MaltaPost with diverse sets of skills and income streams. As a member of the Lombard Bank Group, MaltaPost remains sensitive to its responsibilities to the community, also by selectively sharing premises with Lombard.

We have also sought to cooperate with MaltaPost on the respective ESG responsibilities. For example, MaltaPost, in cooperation with Jobs Plus and the Lino Spiteri Foundation, operates a state-of-the-art document management facility offering digitising and document storage services to leading Maltese entities, while also providing gainful job opportunities to several persons with special needs.

WILL THE BANK BE INVESTING IN DIGITAL DISTRIBUTION CHANNELS?

While we believe that customers appreciate the physical presence of a bank in the community, and this is in sync with our growth plans, we recognise the need to cater for those customers who prefer or need to interact with the Bank via digital channels.

Investment in digital banking services is therefore an important part of our strategy as such services complement our physical service offering. Physical presence does not exclude digital presence and we are quite happy to let our customers choose through which channel to interact with us. In the coming months, we will be proceeding to modernise our core banking and complementary systems.

WHAT ARE THE MAIN BUSINESS AREAS BEING TARGETED FOR GROWTH THROUGH THE BANK'S EXPANSION OF THE RETAIL NETWORK?

We will use the retail network to take the full range of our products and our banking ethos to a wider geographic area, thereby accessing a broader market. Undoubtedly there are lines of business typical of the retail banking sector that will benefit from a wider retail presence. We mentioned elsewhere home loans, cards and investment services. Our market analysis indicates that we have competitive offerings in these areas. The inroads we made so far

in these relatively new business lines are encouraging. A wider retail network will also assist us in strengthening present relationships due to increased physical access to in-branch services, where and as these are needed.

HOW IMPORTANT IS CONTINUOUS PROFESSIONAL DEVELOPMENT IN RETAINING EMPLOYEES?

The Bank currently employs about 220 staff members. The labour market remains very competitive – as recruitment even at the junior level is difficult, and this is more pronounced in the case of specialised skills such as IT, Compliance and Finance.

A career in banking, especially for new entrants to the job market, competes with what are considered to be more 'appealing' sectors. To overcome these challenges, we keep an open mind by recruiting people from diverse academic and professional backgrounds and work experiences. By investing both in the lecture room and on-the-job training, we then seek to equip recruits with the necessary skills and competencies for them to adopt our ethos and vision and align themselves with our plans. Apart from offering attractive remuneration packages, working conditions and career prospects, we seek to complement these with various intangible benefits, such as home loans at preferential rates, which help to ensure a high staff retention rate.

The continued contribution of our committed staff is key to the success of our business as well as that of our customers and all stakeholders.

THE BANK HAS RECENTLY ANNOUNCED THAT IT WOULD BE SEEKING TO ACCESS THE CAPITAL MARKETS, THROUGH THE ISSUE OF ADDITIONAL SHARES. COULD YOU ELABORATE ON THIS?

The business model of the Bank is traditional and straightforward. It is based on simple intermediation, while shying away from non-core activities, such as proprietary trading and derivatives. We transform our deposits into loans, always within the limits of regulatory parameters. Therefore, having in place a higher capital base would enable Lombard to increase its lending activity, stimulating further economic growth, which leads to the generation of wealth.

The EU's banking regulators continue to demand higher capital ratios for banks to sustain increased lending activity and overall growth. Raising additional capital will allow Lombard Bank to move to the next phase of its growth plans while reaffirming its position as a truly local credit institution, run with a clear and focused objective to be a key participant in the local economy not least a service provider to the community at large. ■

"The continued contribution of our committed staff is key to the success of our business as well as that of our customers and all stakeholders."



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Malta Enterprise

CONTINUES TO IMPROVE SUPPORT TO BUSINESS AND START-UPS

Budget 2023 looks exciting for Malta Enterprise, especially its constant efforts on start-ups and the leading ecosystem.

KURT FARRUGIA, CEO, MALTA ENTERPRISE

“The financial package that Malta Enterprise offers to start-ups is one of the most attractive in Europe, having the possibility to cater for financial costs in relation to operations, capital, relocation and salaries as well as non-dilutive equity elements.”

Start-ups have been at the centre of ME policy for the last years. The establishing of the startinmalta portal which serves as the one point of communication for start-up needs, has led to the Start-up Festival in 2021 and 2022, the constant updating of start-up schemes, the support towards the first edition of Sharktank Malta, and for the global accelerator Plug n Play to land in Sliema, as well as the most recent launch of the Start-up Residency Programme in collaboration with the Residency Malta Agency.

Reaping this fruit will surely not stop here and Budget 2023 brings on various proposal to continue addressing the needs of start-ups, both local and foreign.

The financial package that Malta Enterprise offers to start-ups is one of the most attractive in Europe, having the possibility to cater for financial costs in relation to operations, capital, relocation and salaries as well as non-dilutive equity elements. This makes the Unique Selling Proposition of Malta very attractive to start-ups whose needs are of specific nature and require special attention at the start of a business.

The Start-up Residency Programme offers the possibility to third country nationals such as UK, USA, Israel and beyond, to found their start-ups in Malta while applying for residency of three years in Malta which could be extended to an additional five years. This also applies to immediate family members.

Start-ups opting to relocate their key employees would also allow them to apply for the three-year residency programme which could then be extended by an additional three years.

“The Residency Programme is very much at heart for us at Malta Enterprise. We take this process seriously and the fact that we are doing this in collaboration with the Malta Residency Agency enhances our competences,” explains Malta Enterprise Chief Executive Officer Kurt Farrugia.

This paves the way to our next milestones starting with the Start-up Framework which is also a manifesto measure with full Government backing. The Framework reaffirms the attractiveness of our country to start-ups as it offers various different regimes through which highly skilled, technical, tech and knowledge-based start-ups could operate in a friendlier environment, in Malta.

Our aim is to create the best possible conditions for innovative companies to start and grow in Malta. This framework is advanced

stages and shall be launched in the coming months, again signalling our collaboration with other stakeholders within the start-up ecosystem in Malta led by Malta Enterprise.

As we have just held the second edition of Start-up Festival on the 13th and 14th October, we received amazing feedback from the attendees, the speakers, the foreign panellists and visitors. This shows that the Festival, as an event is itself leaves a mark. It marks the role of the ecosystem in our country, bringing efforts forward and reaching new heights.

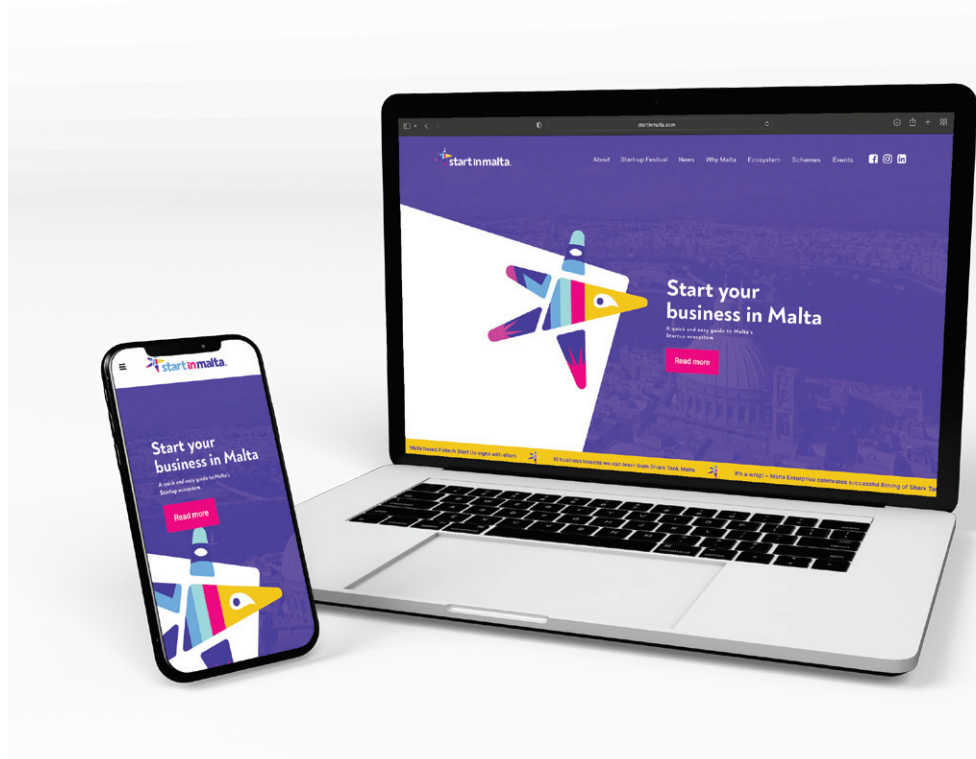
Malta Enterprise, which manages the Kordin Business Incubation Centre, will be developing a new Business Incubation Centre through European funds, equipped to be a top quality touch down facility for innovative Start-ups that are continuing to diversify the local economy.



SUPPORTING SMART AND SUSTAINABLE ENTERPRISES

Apart from start-ups, Malta Enterprise will not lose the focus on the already established businesses. Through this Budget announcement the scheme assisting family businesses when transferring ownership to next generations via the reduction in stamp duty from 5 percent to 1.5 percent has been extended.

“The Micro Invest scheme will be extended to social enterprises. Through this measure, social enterprises will be eligible for a tax credit that can reach €70,000 spread over three years.”



The Rent Subsidy Scheme will now be able to support the businesses with a 50,000 eur per year up to a maximum of 150,000 eur on a period of six years, whereas before it was confined to three years. This is also double the maximum caping per project avialbale currently. The scheme has also been widened in the sense of the different industrial sectors that are eligible within it. This is the result of constant open channels of communication with our partners such as the Malta Chamber as well the entrepreneurs themselves.

The Smart and Sustainable Investment grant will be improved by doubling the financial assistance for all Maltese companies that invest in digital and sustainable projects. In fact, the grant will now be covering 50 percent of the eligible investment, up to a maximum of €100,000. The tax credit will also be doubled up to a maximum of €40,000.

The Micro Invest scheme will be extended to social enterprises. Through this measure, social enterprises will be eligible for a tax credit that can reach €70,000 spread over three years.

Malta Enterprise will be also be developing guidelines for companies to obtain ESG (environmental, social and governance) credentials. This process will also be extended in the form of technical support for SME's in collaboration with European countries that want to spur their businesses to make this leap in quality.

Malta Enterprise will once again be coordinating Malta's participation in the World Expo which will be held in Osaka in 2025. Malta will be among 150 other countries showcasing their economy, technology and tourism. ■



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MICHAEL COLLIS, CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR, BNF BANK

BNF Bank has stood out and distinguished itself in recent years through its highly recognisable brand, strong personal relationships with customers, business agility and innovative products – with customers remaining at the heart of BNF's operations.

Boasting a robust group of customer care representatives, a network of 12 retail branches across the Maltese Islands, and dedicated corporate business banking relationship managers, the Bank's focus has always been

on offering a high-quality banking experience that adds value and meets the demand of its customers at each important life stage.

The team at BNF Bank continuously seeks to differentiate itself from the competition by providing top-quality tailor-made, personalised solutions. Through innovation and the dedication of its staff members, the Bank can continue to ensure a seamless, modern, and personalised banking experience.

Year after year, the Bank's efforts are recognised by organisations and industry publications of international repute, serving as a testament to its drive, dedication, commitment, and success. Winners of The Banker, Bank of the Year award in 2021 for the second consecutive year and retaining its position as one of the leading financial institutions in Malta, BNF Bank is an example of how a bank can connect with people at a local level.



BNF Bank Attard Branch

“The team at BNF Bank continuously seeks to differentiate itself from the competition by providing top-quality tailor-made, personalised solutions.”

THE IMPORTANCE OF COMMUNITY

Aside from the customer experience in financial services, BNF recognises that its success is inextricably tied to the progress of our communities, with its branch network serving as an important vehicle for social action and positive change.

The Bank operates its CSR programme across five major pillars which are essential building blocks for the development of communities and a prerequisite for economic growth. These are education, health, environment, philanthropy together with culture and heritage.

Mr Michael Collis, Chief Executive Officer and Managing Director at BNF Bank explained, “For us, being responsible means operating ethically, meeting our legal and regulatory requirements and considering our impact on the community, society and the environment.”

FUTURE-PROOF BANKING

In addition to its personal touch and participation in transformative community work, BNF’s intention is to continue working on the key pillars of its *Vision 2023* strategy of financial sustainable growth, internationalisation, and technology transformation. With technology playing a crucial role in delivering service excellence as more and more clients embrace the convenience of digitisation, BNF Bank is on track to continue to embrace the digital revolution. The Bank has selected the cutting-edge Temenos Transact and Infinity to spearhead the next phase of technological investment for its Core Banking Transformation.

Mr Collis says, “the idea is not to let technology take over but to facilitate our people doing their jobs, invest in their ability and give the customer a much better experience. Such innovations help the Bank establish a robust foundation and strong springboard for its digital-transformation journey.”

BUILDING ON THE CURRENT TRAJECTORY

Throughout the years, with the new shareholders taking over the Bank’s majority stake in 2016, BNF has delivered a resilient and robust financial performance across a highly valued and trusted brand, immediately associated with the personalised service and customer-centric approach that BNF Bank has become renowned for.

The Bank’s issue of its first unsecured subordinate bond (the ‘Bonds’) of €15.0m with an over-allotment option of €5.0 was fully subscribed one week in advance of its

closing date at €20.0m. This enabled the Bank’s continued growth plans, delivering high-quality service to its customers and supporting the community which it serves.

BNF Bank has remained on track and performed remarkably well in the first half of 2022, achieving further solid positive financial results. This is following suit on its strong financial performance for 2021. BNF has once again proven its capacity to enhance its brand while continuing to create value as the lending book grew by €52.3m and improved in credit quality, with non-performing exposure decreasing by €10.5m.

Mindful of the current global uncertainty and instability, BNF’s unique proposition, its strong brand portfolio, the agility of its teams and its financial strength will enable the Bank to pursue its profitable and sustainable growth strategy.

BNF Bank’s stance remains proactive to anticipate trends and remain a step ahead of change. Looking ahead, BNF embraces the future by continuously pursuing innovations that will ultimately boost the customer experience even further and continue its journey to become the leading Bank in Malta for Maltese families and businesses. ■



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The stability that delivers

The Labour Government delivers what matters, and what matters at this point in time is stability. This sense of stability and certainty is also shared by the stakeholders, the business community who, knowing too well the crises faced by companies abroad, crave nothing more than the certainty that this Government will stand by them, through thick and thin.

MIRIAM DALLI, MINISTER FOR ENVIRONMENT, ENERGY AND ENTERPRISE

By now, the confidence and trust in Government is strong, as a result of the conscious decisions taken to support businesses throughout the most challenging of times. Be it the Covid-19 pandemic, the subsequent war or the spiralling energy prices and inflation as a result of these chaotic events, businesses in Malta know that this is a progressive government, with social justice at its core, ready to be a shoulder to businesses and willing to step in for the most vulnerable.

Budget 2023 – the first for this legislature – delivers on what it can implement. It certainly is no pie in the sky, and most definitely does not bite off more than it can chew. It lays out however a clear vision of where we expect the country to go in the coming months, whilst laying the groundwork for more long-term projects.



As Minister responsible for the environment, energy and enterprise, it goes without saying that efficiency, innovation, green and sustainability are the four key principles that guide our work and planning throughout. Four principles that are applied in each sector – be it economic growth, increased open spaces, energy diversification, use of water resources, environmental protection or waste management. It is also encouraging to see that stakeholders – the Malta Chamber included – share this vision with us.

Over the course of the past few years, the cooperation between the two sides has strengthened, in the knowledge that both sides are working towards a common goal: a resilient Maltese economy that gives back to its community. Gone are the times when measures of austerity were considered as the way forward. And time and time again, this government side-lined austerity to increase its support across the spectrum: from energy aid, to education, to health and social policies.

Budget 2023 is a collection of new and innovative measures, some of which were extracted from the electoral manifesto, which will help us deliver on a number of projects. Projects that will also serve to incentivise the private sector.

Chief amongst these pledges is the implementation of the €700 million greening projects. As a new agency will be setup, some projects will offer opportunities to the private sector in terms of public-private partnerships. With sustainability and greening our environment remaining at the core of these projects, this will also be an opportunity to create much more.

As I look forward to seeing our Government, and my ministry, implementing these measures, I also look forward to seeing you take an active role in leading the way towards a more climate-neutral economy. Through Malta Enterprise, we are strengthening the schemes to support both start-ups and those industries who want to invest in efficiency and innovation.

Budget 2023 is a kaleidoscope of measures seeking to make the future of Malta better than yesterday's. Above all, we want to create the right career paths for our upcoming generations as our industries steer towards more innovative solutions. Budget 2023 is indeed a testament to the faith that this government has in its entrepreneurs to rise up to the challenges and grasp the emerging opportunities. For we know that our economic sectors seek improved quality – both in what is offered and what is delivered.

Whilst this government stands by you in trying international times, we hope that this trust is reciprocated by the delivery of quality work. This is what stability delivers. ■

“As Minister responsible for the environment, energy and enterprise, it goes without saying that efficiency, innovation, green and sustainability are the four key principles that guide our work and planning throughout.”

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Breaking the Glass Initiative

- AWE2022

DIANA MICELI, PROJECT MANAGER,
THE MALTA CHAMBER

The Academy for Women Entrepreneurs, launched at the U.S. Embassy in Malta in August 2022, is helping prospective female entrepreneurs and business owners turn their dreams into reality.

The Malta Chamber applied for funds from the U.S. Department of State and the U.S. Embassy in Malta to run the Academy for Women Entrepreneurs (AWE). The Malta Chamber won the Project aiming to support between 15 and 30 prospective women entrepreneurs and early-stage business owners using Dream Builder to build their dream while also attending lectures at The Malta Chamber on the Maltese Business Context. The Project was launched at the U.S. Embassy in Malta on 30 August 2022.

During the launch, U.S. Chargé d'Affaires Gwendolyn "Wendy" Greensaid, "I am incredibly proud to launch this global entrepreneurship programme in Malta for the second year running following the great success of last year's programme." She noted that this year's programme attracted an even larger cohort of women with a love of innovation and a dream to realise. Chargé Green said, "Women entrepreneurs like you are a growing market force and have a critical role to play in building dynamic, innovative economies. This is what the Academy for Women Entrepreneurs is all about."

In her remarks, Marisa Xuereb, President of The Malta Chamber of Commerce, Enterprise, and Industry, said, "We want to continue to empower women in the entrepreneurial world and give them the necessary tools to succeed and grow in their own right."

Ms Xuereb said, "The Malta Chamber partnered with the U.S. Embassy because we know the fundamental role that women in business can play for the growth of the economy and development of their wellbeing."



The response by women was overwhelming, with 86 women registered to be part of this Academy. Participants were encouraged to commit to the whole programme which included online sessions on Dream Builder which they could do in their own time to start, plan, market, price and sell, manage, profit and fund their dream into reality.

Malta-specific sessions covered:

1. Malta's Economic Context by Marisa Xuereb, President of The Malta Chamber
2. Malta's Policy Vision and its impact on running a Business in Malta, by Kevin Mizzi, Head of Policy, The Malta Chamber
3. Assistance available in Malta for Start-Ups by Dr Daniela Grech, Head EU Funds & Projects, The Malta Chamber
4. Intercultural Awareness & Business in Malta by Valerie Cabay, Founder Connect Across Cultures
5. Exploring the International Market from Malta by Lino Mintoff, Advisor International Affairs, The Malta Chamber
6. Aspects of Malta's Commercial Law for Entrepreneurs by Dr Marthese Portelli, CEO of The Malta Chamber

Following the physical sessions that also allowed for networking, the participants were provided with a one-to-one mentoring session with the following mentors:

- Mark Bajada, Bajada Group and Ing Nicholas Borg Calleja, Marine Hound on Business Concept
- Dean Micallef, First Bridge and JP Fabri, SEED on Business Strategy
- Valerie Cabay, Connect Across Cultures on Intercultural Awareness
- Chris Mifsud, MPS on Marketing
- Maurizio Mamo, 4Sight Group on Branding in Digitalisation
- Olaf Zahra, Toly on Management and Sustainability
- Dr Marthese Portelli, CEO of The Malta Chamber on Legal Aspects
- Dr Daniela Grech, Head of Funds & Projects, The Malta Chamber on Funds.
- Diana Miceli, Projects Manager, The Malta Chamber on How Enterprise Europe Network can support participants.

At the end of the programme, participants will be able to participate in a Pitching Competition with the possibility of winning seed money to fund their start-up or business amounting to USD 10,000 for the first prize and USD 5,000 for the second prize of the most successful business idea, product or service. The Judges will include Nicholas Xuereb, CPA, Toly, Rachel Attard, Head Communications, The Malta Chamber and Elizabeth Canellakis, U.S. Embassy Public Affairs Officer.

A graduation ceremony will be held at the residence of the American Ambassador, once the AWE Programme is completed by the participants. ■

Green walls and sustainability goals

The main vision of INDIS is to support investment through the continuous development and management of qualitative and sustainable industrial property solutions. INDIS CEO Joseph Attard takes us through the milestones that the largest operator of industrial parks in Malta and Gozo has reached during the past few years... and what is yet to come.

BY CORYSE BORG

INDIS manages over three million sq. metres of industrial space and is home to over 900 tenants in 16 main industrial estates. In keeping with its vision, INDIS launched a number of projects in 2020, and works have started on a sizeable number of these.

To name but a few, the Artisan Village in Ta' Qali is being upgraded with Incubation and Interpretation Centres to make space for more local artisans and keep Malta's rich heritage alive. Additionally, new roads in various areas, such as the Hal Far Industrial Estate, have been constructed to cater to new industries, and a new factory in the Mriehel Industrial Estate has also been built. In addition, various substations have been constructed and upgraded, future-proofed for the coming decade, as well as a fire hydrant system in Bulebel.

"This is only a small fraction of the long list of projects we currently have going on, and we have a lot more in the pipeline for the coming three years," Mr Attard explains, "In reality, the list of projects never ends. One large project is an SME Park in Hal Far - an investment which will create over 40 units for small and medium businesses and the light industry. The need for such a space is evident from the large number of applications we received following the

project announcement. In fact, we will also be working on other SME Parks around Malta."

Furthermore, the Luqa Industrial Estate is receiving a €5.5 million regeneration, including the upgrading of the road network, services, embellishment, and new infrastructure when required. Other notable projects in the pipeline include the creation of public open spaces in Mriehel and Bulebel, as well as a trailer park. More developments of new plots and roads are also a priority, Mr Attard adds.

Businesses are increasingly turning to Corporate Social Responsibility to make a difference. Has INDIS been incorporating CSR into its operations?

"At INDIS, we are very aware of the importance of CSR," he stresses, "Not only does it increase a positive brand image, but it gives companies a chance to do something for the community, outside of their rigid company work. Two of our past projects were a refurbishment of a war shelter in Mellieħa, and a restoration of a historic cross in Żejtun. This was something that aligned very well with our vision as a company since we greatly appreciate Malta's culture and history."

In the coming years, as part of their CSR, they will be working on new recreational

areas in Dingli and Siggiewi and regenerating another one in Qormi. These projects are a way to give back to our community and contribute to our sustainability goals, Mr Attard states.

Being environmentally friendly and finding sustainable industrial solutions is also integrated into INDIS' main vision as a company.

"We aim to achieve this vision through a number of ways," Mr Attard asserts, "One is by clustering and going vertical; this means to have multi-level facilities, thus increasing the efficiency in the use of space. Another way is by addressing long-term sustainability, by taking into consideration the environment and our communities, as well as future-proofing properties. In the coming weeks we'll be announcing details on a new scheme that allows tenants to use their roof to install photovoltaic (PV) panels."

Indeed, INDIS has been setting up green walls - vertical structures covered by vegetation - in or around some of their industrial sites, to make these areas more attractive.

The 2022 Budget had announced that the government would be investing €470 million, over an eight-year period, for the modernisation of various industrial areas, as well as the creation of new ones, due to new investment that Malta has been attracting.

"Undoubtedly, the 2023 Budget will give this investment the necessary focus it requires, to boost industry and the economy as a whole," Mr Attard says, "We strongly believe that for the industrial business to thrive, there needs to be long-term goals with sustainability and digitalisation in mind, and more funding opportunities for sustainability investments, in the face of the ongoing energy crisis. Things are already moving in the right direction, with Finance Minister Clyde Caruana pledging a €608 million war chest to combat price shocks in energy and food for 2023... yet more incentives to increase energy efficiency are needed." ■





“We strongly believe that for the industrial business to thrive, there needs to be long-term goals with sustainability and digitalisation in mind, and more funding opportunities for sustainability investments, in the face of the ongoing energy crisis.”

MITIGATING THE IMPACT

of another international crisis on Maltese families and businesses

Minister Silvio Schembri outlines a number of budgetary measures aimed at protecting families and safeguarding businesses during the turbulent times the world at large is experiencing, more specifically the turmoil emanating from the energy crisis. He also argues that the Maltese Government has over the past years, in spite of dire circumstances, stood its ground and never baulked at taking concrete decisions for the benefit of all.

SILVIO SCHEMBRI, MINISTER FOR THE ECONOMY, EUROPEAN FUNDS AND LANDS

The Covid-19 crisis and the Maltese government's significant and successful efforts to address its impact on our economy, our businesses and workforce marks a period in our history which is undoubtedly one for the books. But now we are faced with another saga: war has reared its ugly head on Europe's periphery, a war which has had an adverse impact on many countries including Malta.

Despite the challenges and at times numerous odds Government, as we have proven time and again, is always there to alleviate any hardships created during such testing times.

Throughout the Covid-19 pandemic, the Maltese Government fully recognised the catastrophic impact this event could have on families and businesses and rapidly deviated any unnecessary hardships by subsidising fuel expenses and utility bills along with the wage supplement. Now, the need for the government to shield the country has arisen once again and as announced in the Budget for 2023, some 600 million euro will be allocated to absorb energy and cereal price increases.

The string of budgetary measures which aim to help families and businesses survive and flourish through another gruelling period, will ensure that the onslaught emanating from the energy crisis beyond our shores is well minimised. We have delivered at least two consecutive Budgets which included a record number of measures to alleviate unnecessary suffering for our families and businesses, and despite the scepticism from some, we shall do so once again.

To say that certain decisions we have taken as a Government have been tough would be a gross understatement, but to govern successfully and to put the people's wellbeing first, one cannot sit on the fence. Today, we can boldly and proudly claim that the Maltese Government has stepped up its efforts, consistently, every time our country was going through a harrowing period.

Several countries, including our immediate neighbours are facing an economic crisis. All those who have been abroad in recent times, to Italy, to cite an example, know exactly that filling a car with fuel will cost you double if not triple the amount, when compared to what one would pay in Malta. Is Malta special? No. But the Maltese Government has taken the necessary measures to shield consumers from further hardship.

As part of our budgetary measures, we have launched a number of incentives for businesses, which we have always regarded as the backbone of our economy. It is now up to businesses to avail themselves of these opportunities in order to navigate both their business and Malta's economy through the turbulent waters ahead and continue to grow, thrive, and succeed.

But we cannot rely on budgetary measures alone. My Ministry was and is working relentlessly to attract new industries to operate in and from Malta. Thanks to our early intervention to introduce a regulatory



framework tied to virtual financial assets, for instance, we can boast of VFA companies that are operating in Malta. Most noteworthy is the fact that the EU is now in the process of implementing a regulatory framework that mirrors Malta's.

Being at the forefront of such a sector has given rise to another positive aspect; Maltese companies will be able to operate across the EU thanks to a Maltese licence, which is what is now referred to as passporting rights.

The gaming industry is also another sector which is flourishing while esports and video game development industries are still fledgling sectors, and this is only happening as a result of our holistic ecosystem which nurtures such niche industries.

As for the Aviation sector, INDIS Malta is reaching finalisation stage of works tied to Taxiway Lima, a 12-million-euro project. The project will enable aircraft maintenance companies to service wide-bodied aircraft. Next year, a strategic plan for the airport zone will be launched which will see great opportunities arising as a result.

Concluding, same as during the pandemic, it is vital everyone continues to pull the same rope which has shown that Malta is one of the few countries which, despite its diminutive size, has fought unprecedented crisis and emerged unscathed. ■



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Budget that lacks both economic vision and strategy

Leadership is about one's ability to take decisions based on where one aspires to be rather than on where one is. To walk this talk, one needs a vision, a strategy, and the will to continually move from good to great.

IVAN J. BARTOLO, PN SPOKESPERSON FOR THE ECONOMY

The Government's budget presented by the Minister for Finance Clyde Caruana on Monday 24th October is a budget that lacks both economic vision and strategy. At face value it is good but certainly not great.

While the budget offers sound tactical solutions, in other words, it gives the people today what they need today, the budget falls short of offering long term vision, strategy, and solutions. This means that today's challenges are being financed through increased national debt and the government is not strategically sowing the right seeds to secure future revenue that would be sufficient to service today's increased national debt. This borrowing trend has become this Government's comfort zone well masked behind the pandemic and the war in Ukraine. These two realities are part of Malta's reality. The other part of Malta's reality is a significant cost derived from corrupt practices, direct orders and excessive government spend on persons of trust.

Are we truly investing in the future of our youths? Are we inspiring to continue to witness our country create quality jobs delivering sound income to our young families? The government is fully aware of the shortcomings and failure of the current economic model.

Reading through the Budget document, namely chapter five, titled, "A growing Economy" one comes across several interesting paragraph titles. Given that all these paragraphs are a mere description of their respective title, one quickly concludes that this is in fact a wish list and not a list of goals and objectives.

If one reads through these paragraphs in this chapter, one finds titles such as "We strengthen the ecosystem of start-ups in our country." This title is unwrapped in nine sentences. It attempts to articulate the "What," but absolutely fails to articulate the "How," "When," "Why" and "Who." There are no targets, no key performance indicators, no return-on-investment statements to support any of these initiatives. In other words, we must simply rely on a promise made by a government that in the last nine years was not able to re-invent our current economic pillars or create new ones. All 26 budget items in this chapter follow this half-baked format.

A few months ago, leading to the last general election, the Nationalist Party, through its electoral manifesto proposed the creation of several new economic pillars. One of which was ESG (Environment, Social and Governance) framework. The Nationalist Party was and still is convinced that Malta can in fact create an industry in this space and deliver quality value-added jobs and in parallel contribute to Malta's attractiveness for foreign direct investment. A few months ago, the Labour Party, pre-election fever sucked out its ability to think straight and they quickly labelled ESG as a business overhead and accused the Nationalist Party of trying to load our businesses with more cost. ESG now finds itself on the budget document on page 56. The Government is now committing to create the necessary guidelines and provide aid to SMEs to embrace ESG. What was valid a few months ago is still valid now and the Nationalist Party welcomes the fact that the newly elected Labour Government saw the light and took its advice. What pains me is the hypocrisy of this government, a government that places its own interest ahead of national interest.



"While the budget offers sound tactical solutions, in other words, it gives the people today what they need today, the budget falls short of offering long term vision, strategy, and solutions."

Malta and the Maltese need a long-term Vision and Strategy. The Government must rise to the challenge and have the courage to let humility and common-sense guide it. Government must without further delay engage all stakeholders. The current external treats are a reality that requires our collective involvement. Together we must be creative, innovative and build our future on consensus. This is no longer about who will win the next election, this is about securing a future for our youths and generations that will follow. ■

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to register **20 aircraft** in the
Maltese Aviation Registry

More than **800 aircraft**
will be registered in the
Maltese Aviation Registry by **2023**

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three major players in the aviation sector
Wizzair, Flexjet and **Eurowings**
have joined **Malta's Civil Aviation Registry**

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THE CREATIVE & SOCIAL ENTREPRENEUR PROGRAMME



Arts Council Malta and In Place of War are collaborating to develop a new training and development programme for artists and creative practitioners. The Creative and Social Entrepreneur Programme is designed for the Maltese context. It is a bespoke programme tailored to the needs of creatives working in Malta, helping to build capacity, knowledge and skills that will enable opportunities for growth. IPOW are now recruiting participants for the first cycle of the programme, to take place in January/February 2023.

Visit www.artscouncil.mt for more information.

CERTAINTY AND STABILITY

Transport and infrastructure as enablers of sustainable development

AARON FARRUGIA, MINISTER FOR TRANSPORT, INFRASTRUCTURE AND CAPITAL PROJECTS

We live in challenging times. Economic planners around the world are dealing with multiple shocks emanating from the aftermath of the pandemic which was compounded by the energy crisis. Supply-side bottlenecks, disruptions in the transportation sector and increases in the price of energy products, particularly following Russia's invasion of Ukraine, led to widespread inflationary pressures that we had not witnessed for a generation or more.

In a context where the short term becomes complex to manage, one should not lose sight of the big changes on the horizon in the form of the digital and green transition. Indeed, sustainability is more than ever on the agenda of policymakers, regulators, and economic operators. It is against this context that Budget for 2023 needs to be framed.

Government took bold steps to shield households and economic operators from the increases in energy prices, clearly at a fiscal cost. Nevertheless, this has not lessened our ambition to contribute to the transformation of the country through the enactment of policies and the timely implementation of projects that improve the citizen's quality of life. In that regard, the Budget for 2023 will build on the gains of recent years while sowing the seeds to futureproof the country in transportation, the development of infrastructure and the implementation of capital projects.

The considerable improvement in the country's infrastructural stock in recent years is a reflection of an important legacy that needs to be sustained and improved. Projects that have made a significant impact on the Maltese road infrastructure, among many, are certainly the Central Link Project and the Marsa Junction Project, which were successfully completed by Infrastructure Malta.

The measures in this year's Budget will continue to enhance the country's infrastructure, road networks and other capital projects to the tune of approximately €100m worth of investment. We have identified and prioritised various projects which are of an infrastructural nature, such as Kirkop, Luqa Junction and Imriehel Bypass, which will successfully be inaugurated for public use in the coming months.

The most recent investment mentioned in this year's budget is that of €18 million which will be able to fund the Imsida Creek Project. Furthermore, projects shall be carried out also

in the maritime infrastructure, particularly the extension and works at Lascaris Wharf and Pinto Wharf as well as the ship-to-shore project which will contribute to reduce emissions in our ports and surrounding areas.

Infrastructure Malta, which plays an integral role in enhancing this Ministry's portfolio, bases its strategy around four main pillars: quality, security, sustainability, and accountability. Furthermore, IM is strengthening consultation with stakeholders and its coordination as an integral element in the management of projects. Last but not least, IM is committed to enhance the road network in the country with a view to reduce traffic congestion and emissions.

Connectivity is crucial for the economic development of the country and transportation, in its various forms, plays a critical role in that regard. Combating congestion remains a priority for Government. In that regard a number of measures are being considered including strengthening the enforcement arm, consultation on the delivery of specific services during the morning rush hour as well as investing in technological tools.

Transport Malta will continue to implement more measures that focus mainly on improving daily commuting, safety, and efficiency to the general public. Following the successful implementation of the free bus service for all residents this past October, TM is now focusing on slowly implementing the electrification of buses and encouraging households and businesses to opt for electric cars by providing grants of up to €12,000.

Government will also continue supporting sustainable mobility, including through measures supporting the uptake of electric scooters, pedelecs and mopeds. Government is also in talks with the European Commission with a view to supporting the route between Valletta and Mgarr, Gozo served by the fast ferry service through a public service obligation. Furthermore, Government will carry out studies to determine the economic and financial feasibility of introducing metro transportation in Malta.

Additionally, Transport Malta will be doubling down on the aviation and maritime sectors, two key growth sectors of the Maltese economy. In that regard, over the coming year, Malta will be seeing the addition of more airlines basing their operations on the island, consolidating success in the ship registry, and



"The measures in this year's Budget will continue to enhance the country's infrastructure, road networks and other capital projects to the tune of approximately €100m worth of investment."

enhancing Malta's presence within the area of super yachts and yachting on an international level.

Capital projects are also an important element of the Ministry's portfolio. Over the next 12 months, the Grand Harbour Regeneration Corporation will be implementing projects in Valletta whilst broadening the focus also on the regeneration of the Grand Harbour and of the Marsa town centre. During 2023, Government shall start commissioning the necessary technical studies.

Finally, work is also underway with regards to projects of land reclamation. A number of sites have been identified, and over the next year, Government shall commission the necessary technical studies focusing on the economic feasibility and subsequently the environmental studies.

Government's expenditure is key for economic growth. It forms aggregate demand, consolidates household consumption and business investment alike. Thus, it becomes a vital ingredient to achieve aggregate demand increases and interfere a strong economy.

We are able to continue prioritising transport and infrastructural projects because we have a strong economy, because we continue to focus on new economic niches and creating new jobs. Government's focus on maintaining this stability and certainty is precisely what will ensure that our country has a bright future. ■

BUDGET 2023

Lacking a much-needed economic safety net

REBEKAH BORG, PN SPOKESPERSON
FOR LANDS AND CONSUMER RIGHTS

Adversity breeds innovation and invention. The past few years were dominated by the pandemic, and more recently, the war which broke out between Russia and Ukraine.

The pandemic has taught us the real meaning of 'no man is an island', and how our everyday life can be challenged by circumstances beyond our shores. The comfort which we held, often subconsciously, was lost, and what followed was the stark realisation of reliance on outside sources when it comes to the energy and agricultural sectors. The war continued to reinforce these concerns.

As the energy crisis bites deeper, it is evident that the Government's plan for the 2023 Budget was to focus its expenditure on maintaining stable energy prices. Inflation, currently hitting all of Europe, purports to be another basis for the expenditure planned for 2023. The Government's focus on people's spending power seems to provide evidence for this.

While the government's decision to maintain stable energy prices is positive, it is clear that this is a short-term solution. This is the general sentiment for the Budget presented for 2023 by this Government. For how long can the Government maintain energy prices at the current rate?

The importance of renewable energy, thereby decreasing our reliance on outside energy sources, has become even more important. The percentage of consumption coming from renewable sources, however, remains alarmingly low. This leaves us exposed to the volatility of international energy prices. A long-term energy plan is needed.

This is not to mention the challenges of climate change which we continue to face regardless of the political situation. We need Government to seriously invest in renewable energy production and reduce energy demands, especially through improved energy efficiency by retrofitting existing residential and public buildings.

Buildings are the biggest culprits of energy consumption, globally accounting for 40 percent of all greenhouse gas emissions. That makes them both the largest contributor and the key solution to mitigating climate change.

Incentivising energy efficiency, especially by using cleaner modes of transport, did not go beyond an existing scheme. Electrifying our current fleet of vehicles is a step in the right direction but we cannot stop there. The current crisis provides us with the perfect opportunity to set a much-needed plan into motion.

Apart from a cushioning to the current economic problems, our quality of life - what impacts us on a day-to-day basis - was not addressed. For example, the Government's plans for the urban greening project seem to be off to a slow start with just 10 million euros allocated for the next year from the 700 million euros that were promised over the current five-year legislature.

Short-term planning has also been evident when it comes to road planning. Government seems to have come to terms with the fact that, despite the intensive investment made in the previous years to widen




"Buildings are the biggest culprits of energy consumption, globally accounting for 40 percent of all greenhouse gas emissions. That makes them both the largest contributor and the key solution to mitigating climate change."

our roads, this was not the solution. Traffic congestion is still a dominant issue and, while the proposal limiting certain vehicles before 9 am confirms this, it is not enough to alleviate the problem.

Short-term solutions are important to ease imminent pressures, but in the long term, short-sightedness is dangerous. This Budget lacks economic vision with no plan for sustainable growth, and no new economic niches presented. Innovation should have been the focus of this Budget thereby ensuring we can bear any economic turmoil thrown our way in the years to come.

Preservation and growth of a private sector that does not depend on public funds is necessary to instill economic resilience. A solution must be found to the lack of human resources plaguing the private sector, purported by many talented individuals leaving the country.

In the short-term, the Budget might have met 2023 expectations, but this Budget does not only impact 2023 but the years to follow. The future brings with it uncertainties, especially with a recession looming on the horizon. The recent adversities should have taught us how quickly things can change, and that long-term planning is key to overcoming such adversities, but instead, this Budget has only dealt with the here and now. ■



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MBR Striving to diminish bureaucratic procedures

As an entity, we are constantly in touch with businesses and practitioners, especially during the time when Malta was grey listed. We were impressed with the agility and fast-moving advantage when faced with such a challenging scenario which resulted in a total overhaul of the corporate services as we know them today.

DR GERALDINE SPITERI LUCAS, REGISTRAR, MBR

Following this, the Ministry for the Economy, EU Funds, and Lands unleashed a steering committee that has established an exercise to eliminate any duplicate processes and streamline them accordingly to reduce unnecessary bureaucratic procedures amongst existing companies and prospective investors. Hence, Budget 2023 will focus on putting in place mechanisms aimed at easing the way of doing business to retain Malta's competitiveness across all sectors.

In fact, in the coming months, the registry unit shall undergo a thorough restructuring process. MBR is a firm believer that education is the key to success and even more the importance of specialization. Hence, clusters will be established within the registry unit to ensure efficiency. Moreover, digitalization plays a key role and COVID-19 accelerated our process into the digital era. As an entity, we ensured to



adapt and introduce new digital methods of our own which are now being welcomed and requested, even despite the fact that initially these were met with some form of resistance.

Our priority remains that of supporting businesses in their endeavours. Works are well-underway to launch a fully-fledged online system whereby all processes will be made easier to handle. In fact, during this year, we have also launched a survey where we have received significant feedback from the general public about our services and how we can further enhance them. In view of this, around 100 practitioners were invited to be part of trial sessions and test the new features of the new system. This was important to gather feedback and act on them.

All in all, Budget 2023 will play an important part in elevating Malta back to being a respected jurisdiction. As an entity, we will ensure to build stronger bridges with our counterparts hence, the hosting of the Corporate Registers Forum Annual Conference in Malta next year. Over 60 registries will be in Malta for this event, during which we shall all be discussing the challenges encountered by registries across the globe as well as sharing our own FATF experience. This is undoubtedly a huge achievement that bestows trust in our jurisdiction. ■

Reading between the lines

CLAUDETTE BUTTIGIEG, PN SPOKESPERSON FOR CIVIL LIBERTIES, SOCIAL DIALOGUE AND DIABETES

I would like to start by thanking the Chamber for this opportunity. Sadly, it has become a rare occasion for members of the Opposition to be given an independent platform to voice their opinion and reflect the concern of those we represent.



The Budget speech for the year 2023, delivered by the Hon Minister Clyde Caruana on Monday 24th October 2022 in the Parliament of Malta, is a cleverly written document. Scant from facts and numbers, the document was purposely put together to leave room for wide open interpretation of what it should mean to those concerned. The overused cliché that the devil is in the details clearly applies to this document hands down.

In the sections of the speech related to the different areas I shadow, this lack of clarity is present and I will highlight it accordingly.

DIABETES

Diabetes (Type 1 & Type 2) affects over 10 percent of our population. Uncontrolled diabetes can result in morbid conditions with very serious consequences. These consequences end up in traumatic hospital interventions and may include debilitating conditions in the eyes, kidneys and limbs.

It is therefore paramount for the health authorities to work hard on preventing (where possible) the onset of diabetes and to educate and empower patients to be in control of their condition to avoid morbidity and poor quality of life.

Recently, this government introduced a technology to help patients control the level of glucose in their blood. Remote Patient Monitoring is a fantastic set-up where patients with Type 1 diabetes are given a Constant Glucose Monitor which reads the level of sugar in the blood in real-time. This reading is then sent to a number of mobile phone devices to close families but, above all, to a monitoring centre run by health care professionals. This system helps the patients, and their loved ones, have peace of mind that the levels of glucose are within the acceptable parameters.

Returning our focus to this year's Budget Speech, Minister Caruana mentioned this condition only twice. Firstly, to announce that new medicines will be introduced (without specifying which) and, secondly, to announce a new service in the primary sector. So far, so good. He then said the following, *"Permezz tal-proġett tar-Remote Patient Monitoring, pazjenti b'livell għoli ta' zokkor fid-demm ser ikomplu jiġu mmonitorjati."* This means that the service will continue... but does it mean that the service will be extended?

If, to date, the Remote Patient Monitoring system covers children (from birth) to young people aged 20, does this mean that the service will be extended to those aged 21 years and older? This is not clear, although many are interpreting this as a continuation of what there is at the moment and not an extension of the service as the Minister promised in reply to a parliamentary question on 9 May 2022.

To quantify what this means to the patients themselves and their families, the monthly consumables for a patient to maintain a basic constant glucose monitor is three hundred euros. Of course, few can afford this, and patients end up using less efficient methods to monitor the level of glucose in the blood. This could possibly result in uncontrolled diabetes, thereby leading to the consequences I mentioned earlier.

MCESD

Another mind-boggling point from the Minister's Budget 2023 speech is the reference to Malta Council for Economic and Social Development (MCESD). The first of two references to MCESD was related to the fact that social dialogue with the main stakeholders is going to continue and that the government will be using European funds for this purpose.

"It is therefore paramount for the health authorities to work hard on preventing (where possible) the onset of diabetes and to educate and empower patients to be in control of their condition to avoid morbidity and poor quality of life."

Why announce the continuity of such an important forum? Was there a possibility that this was going to be stopped? Were funds an issue and has someone now discovered that EU funds can be used for this important part of our democracy?

The lack of reference to the possibility of restructuring the way MCESD functions has left most stakeholders wondering if they could even hope of seeing such changes. Changes which could, and should, include the appointment of the chairperson and the quality of the discussion to ensure that the MCESD is not just a talking shop.

Of course, these are just two points which I chose to highlight but I am sure that there are many other ambiguous statements made in this year's Budget speech which definitely need clarifying. ■

MALTA ĊERTEZZA U STABBILTÀ

budget2023

Each generation, monument, artefact, language and celebration has a story to relate.

We are determined to see that these stories pass on the upcoming generation and we want to make them more accessible to everyone.

The year 2023 will be the year in which we will be consolidating and strengthening that which we obtained together as a country.

2023: A YEAR OF CONSOLIDATION IN CULTURE AND THE ARTS

kultura

More patrimonial spaces to the Maltese and Gozitan families

- During 2022 we completed 20 restoration projects and currently work is being undertaken on another 25 projects.
- Grand Master's Palace phased restoration in advanced stage of completion.
- We will complete the new galleries and the sculpture garden, amongst other works, as part of the exciting MICAS project in Floriana
- New impetus on the Tas-Silġ project
- We will invest, after obtaining EU funds, in the restoration of Villa Guardamangia which is the only house in which Queen Elizabeth II lived outside the UK.

Putting the artist and the audiences at the centre of what we do

- For the first time, we will be taking part in the London Design Biennale.
- We will be working towards Malta's participation in the Venice Biennale in 2024.
- €300 per year for parents who send their children to artistic or cultural events.
- We will strengthen schemes and opportunities so that more artists showcase their talents and give fruition to their creativity.

We will keep making a difference in the artistic and patrimonial sectors which we are so passionately proud of.



GOVERNMENT OF MALTA
MINISTRY FOR THE NATIONAL HERITAGE,
THE ARTS AND LOCAL GOVERNMENT

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FINANCIAL ALLOCATION THAT WILL CONTINUE STRENGTHENING LOCAL AND REGIONAL COUNCILS IN 2023

gvern lokali

Even though Covid19 brought with it extraordinary realities and new challenges, this year, the Government continued to invest in local and regional councils. Through time we have understood the importance of the roles that these authorities hold in Malta and Gozo. Hence our government wanted to ensure that local councils had the necessary support to address the localities' needs that change through time to improve residents' lives.

What are the Local Government's plans for 2023?

Next year, the Local Government will continue to complement and support the Central Government's work on a local basis, while strengthening local and regional councils' structures.

STRENGTHENING WHAT WE ACHIEVED IN 2022

- Revision of the Performance Benchmarks of local and regional councils and assisting in the appointment of an NAO Liaison Officer within regional councils to continue enforcing good and effective governance practices.
- A new mechanism will be implemented towards the financing of local and regional schemes.
- A revised process in the issuing of local council permits to facilitate the permits service for residents.
- An evaluation of Local Government legislation is underway to identify how local and regional councils can contribute more to national policies.
- A new digital system to enable residents to access the local councils' services from different localities.
- A common system that will facilitate residents to follow local council meetings on demand.

FINANCIAL INVESTMENT FOR LOCAL AND REGIONAL COUNCILS

- Support and maintenance of major infrastructural projects that have been implemented by the Government.
- Celebrating and supporting Maltese cultural heritage on a regional basis.
- Projects that guarantee cleaner localities.
- Campaigns promoting a better and healthy environment.

DEVELOPMENT OF A NEW AND SUSTAINABLE STRATEGY FOR LOCAL GOVERNMENT

- Good and effective governance on a legislative and administrative level.
- Strengthening regional councils' structures by implementing new systems and projects on a regional basis.
- Localities with a cleaner environment through financial schemes that assist local and regional councils in reaching their goals.
- Local councils closer to residents through several schemes, projects and services made easily accessible by everyone.



What are the results telling us?

Malta Attractiveness Survey 2022

SIMON BARBERI, EY DIRECTOR, EU ADVISORY AND MALTA ATTRACTIVENESS PROGRAMME LEAD

The 18th edition of the Malta Attractiveness Survey (MAS) is based on the feedback gathered from 120 foreign direct investment (FDI) companies operating in Malta. The interviews were carried out just after Malta was removed from the FATF greylist. The MAS results offer an in-depth view of Malta's attractiveness to foreign investors. It also looks at Malta's strongest sectors, and identifies those set to accelerate in the near future, whilst understanding what drives these preferences. The results were announced during EY's annual conference (called Future Realised) which brought together over 1000 participants from across the globe for a series of presentation and workshops.

This year's MAS report focuses on resilience in a time of disruption and shed light on the effects on Malta's FDI community of factors like the FATF grey-listing, Covid-19, inflation, and the war in Ukraine. This constant change in our surrounding world captured the growing need for adaptation and flexibility in today's business environment.

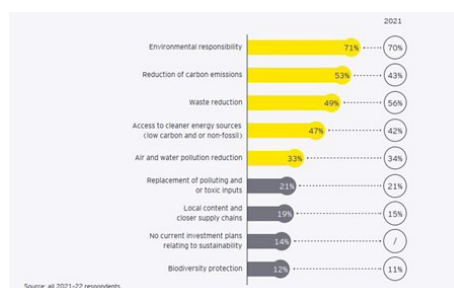
THE MAS HEADLINE RESULTS INCLUDE THE BELOW:

Malta's attractiveness for FDIs has increased from the 2021 MAS but is still not as high as pre-2020 levels. Corporate taxation (71 percent) remains Malta's top parameter to attract FDI, followed by the stability of social climate (69 percent), and telecommunications infrastructure (68 percent).

ATTRACTIVENESS INDEX

One-third of surveyed companies believe environmental sustainability is critical for their investment strategies, while half believe it is somewhat important.

Companies are continuing to place greater emphasis on mitigating their impact on the environment. This is being done through environmental responsibility related projects (71 percent), as well as initiatives that involve



“Companies are continuing to place greater emphasis on mitigating their impact on the environment.”

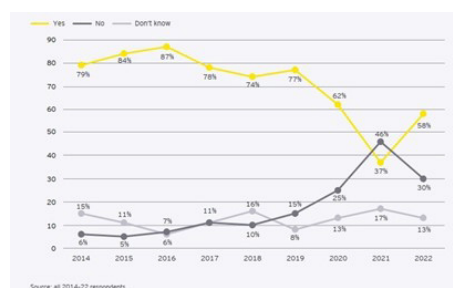
the reduction of carbon emissions (which at 53 percent has increased by 10 ppts), and waste reduction (49 percent).

ADOPTING SUSTAINABLE ACTIONS IN FUTURE INVESTMENT PROJECTS

Recruitment actions are on the increase but the skills available locally still fall short as 66 percent reported not being able to find the required specialized skills in the local labour market. In addition, the ability of companies to retain specialized personnel has remained relatively constant.

RETAINING SPECIALISED PERSONNEL

Investors have mixed views on whether Malta is as attractive as other European countries in terms of technology-related factors, with the most important factor for investment being the availability of a technology skilled workforce.



MOST IMPORTANT TECHNOLOGY-RELATED FACTORS WHEN CHOOSING A COUNTRY TO INVEST IN

A majority (69 percent) of companies still believe their long-term future is in Malta, although these have also been slowly declining over the last few years. Following a decrease in expansion plans during the pandemic (and reflected in the 2021 MAS), investors' appetite to expand is making a resurgence.

EXPANSION PLANS

Respondents believe that the top priority for Malta to remain globally competitive for FDI is education and skills, followed by ease of doing business and developing new economic sectors.

PRIORITIES TO REMAIN GLOBALLY COMPETITIVE

The insights into Malta's economic standing offered by the results of the survey are widely regarded by businessmen, politicians, the media, and major public stakeholders as the benchmark into what makes the country attractive for investment on both national and sectoral levels.

The full report can be found on https://www.ey.com/en_mt/events/malta-future-realised-2022

The Malta Chamber of Commerce, Enterprise and Industry was the main partner for this event. ■

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MISSING: A vision for Malta's future

When one of the local Big Four firms published a survey showing that more than 70 percent of Maltese young people would rather live elsewhere, many commentators took social media by storm. Truly, survey numbers need to be taken with the customary pinch of salt, but the extent of such numbers certainly calls for an in-depth understanding of what is wrong in Malta.

JEROME CARUANA CILIA, PN SPOKESPERSON FOR FINANCE

Corruption, lack of equal opportunities, traffic congestion, environmental degradation – all factors leading to our younger generation expressing a desire to be somewhere else. A true pity.

It is also against this background that the most disappointing element in this year's financial exercise is that once again, it does not plot the map of Malta's immediate economic growth.

Expectations that Budget 2023 would finally show government's economic vision were high for a number of reasons. We are hopefully at the tail end of a two-year pandemic. Countries across the globe seek rapid yet sustainable planned economic regeneration to regain lost ground and to take the opportunity to make the quantum leap towards the economy of the future. EU member states, including Malta, are also looking at the extensive opportunities offered by an unprecedented wave of funding, aimed particularly to support them in implementing a twin transition of going digital and sustainable.

Yet, sifting through the Finance Minister's marathon speech, there's no clarity as to where the country is heading. It seems that Government sole intent is to survive and live another day.

Let me be clear. There's no doubt that the increased subsidy to maintain stability in energy prices is a step in the right direction and will help businesses cushion the impact of other increases they are facing – some of which, but not all, are beyond our government's control.

At the same time though, the Finance Minister and Government in general, have failed to heed the call of the Opposition and of several constituted bodies not to burden entrepreneurs with the full impact of an unprecedented cost-of-living adjustment. This will very likely create a second-round inflationary impact, thereby exacerbating the cost-of-living increases for businesses and consumers alike. This vicious circle will grow tighter and continue to strangle our growth opportunities for a longer period.

The Finance Minister is on record admitting that the political and economic mantra of supporting economic growth through population increases has failed. In this context one would have expected Budget 2023 to reconsider this direction. We were looking forward to seeing roadmaps with plans to invest in new industry verticals and existing industries such as iGaming, Maritime, Aviation, Financial Services, Information Technology and Pharmaceuticals.

This country is crying for a solid plan highlighting how to strengthen its unique selling proposition with the clear objective to increase value added jobs, increase the average salary, and increase the net contribution to Government.

This last point brings us to what probably is the biggest concern which so far has enjoyed few headlines: our spiralling debt. Malta's debt levels reached a staggering €8.3 billion last year with government projecting a further €2 billion increase between 2022 and 2023.

While a strong growth rate is keeping debt levels at a moderate percentage level, such increases will eventually come back to haunt us during milder economic times. Strong and sustainable finances are a key selling point of any nation when investors consider their potential



"This country is crying for a solid plan highlighting how to strengthen its unique selling proposition with the clear objective to increase value added jobs, increase the average salary, and increase the net contribution to Government."

investment avenues and these increases do not bode well. This is not fiction, it is fact - we already have almost half of foreign investors based in Malta saying that they do not see the island as an ideal investment location.

The Maltese Government has a fundamental responsibility, a moral obligation, and a constitutional duty to look to the future with courage, invest where it truly matters, keep finances in check and champion a sustainable future for us all. On the counts vision and finances Budget 2023 failed to deliver and was truly a budget in the red. ■

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Gasanzammit celebrates 10th anniversary event of landmark merger

In October 2022, Gasanzammit Motors Ltd celebrated its 10-year merger anniversary with an elegant stand-up affair at Fort St Elmo in Valletta.

A decade ago, a new strategic business merger had been announced, following an amalgamation between the automotive interests of two legacy organisations, namely Gasan Group and Zammit Group.

Within a short period of time, the firm has consolidated the largest portfolio of vehicles, motorcycles and marine products on the island including names such as Ford, Honda, Volvo, Mazda, Isuzu, Yamaha, and more recently Maxus.

The event was attended by a host of local and international distinguished guests, amongst whom were representatives from some of the renowned international brands that the company represents.

The founding associates of Gasanzammit, Mr Joe Gasan and Mr Joe Zammit, Chairman and Director respectively, where among those who addressed the attendees during this celebratory event. Looking back on this 10-year strategic move, both founders agreed that this has been a considerable success, so much so that their only regret is “not having done this earlier”.

Mr Stefan Deguara, Chief Executive Officer of Gasanzammit, addressed the guests with a special thank you:

“It has been a long journey since 2012, and with the help of our amazing



100-strong team, franchisors, clients, shareholders, and partners, we managed to convert this vision into reality. Gasanzammit has since then seen consistent growth in all its lines of business and today manages a strong portfolio of world-renowned brands with all the related products and services, under one roof.”

The event included an impressive line-up of some of the latest models from each brand. All the models on display were an example of the significant leap towards full electrification as part of Gasanzammit’s drive towards delivering a fully sustainable and future-proof offering. ■

An economy that works for everyone

Sound economic policies and a resilient workforce are the recipe of Malta's success.

STEFAN ZRINZO AZZOPARDI, MINISTER FOR PUBLIC WORKS & PLANNING

We are living in unprecedented times. As the Covid-19 pandemic showed signs of abatement, Russian tanks rolled into downtown Kiev. The resulting increase in energy and food prices has crippled world economies, taking a significant human and economic toll.

Amidst this turmoil, the Maltese government was preparing Budget 2023. Given the huge amount of money that government forked out at the height of the pandemic, to save jobs and businesses, government was often advised to refrain from promising that the 2023 Budget would not introduce new taxes. That advice was brushed off, and no new taxes were introduced in the Budget.

Compare this bold decision with what is happening in Europe and beyond. Major world economies have had to impose new taxes, to make up for financial help, given during the pandemic. Malta did not go down that route. Sound economic policies, and a resilient workforce kept our economy growing at a satisfactory rate.

For 2023, Government is investing €600 million to cushion increases in energy and cereal prices. Instead of asking taxpayers to foot the bill, Government has stepped in - a decision which has, and shall continue to have, a huge positive impact on our families and businesses. Had we opted otherwise, thousands of jobs would have been put in jeopardy, and livelihoods threatened.

Here's a wrap up: this year's Cost of Living Adjustment will be of €9.90 per week for employees, or €514.80 over a year. Pensioners will receive an extra €650 next year, amounting to €12.50 weekly, while the taxable ceiling on pensions is being raised to €14,968, up from €14,318. Children's allowance will increase by €90. 80,000 low-income earners will receive cheques to compensate for rising prices. Parents of a disabled child are to receive a €200 tax credit, and the grant for parents who opt out of working to take care of a disabled child will increase to €4,500 yearly, up from €500. First-time buyers will receive a grant of €10,000, payable over 10 years.

Budget 2023 is a socially fair, sustainable and responsible budget, for despite the economic upheaval that the global economy is going through, government stepped in protecting not only the most vulnerable, but businesses too and, in so doing, safeguarded thousands of jobs.

Even more so, Budget 2023 invests in critical projects, and major investments, which



"Budget 2023 is a socially fair, sustainable and responsible budget, for despite the economic upheaval that the global economy is going through, government stepped in protecting not only the most vulnerable, but businesses too and, in so doing, safeguarded thousands of jobs."

are crucial to ensure further economic growth. €700 million will be invested, over seven years, to implement the government's greening projects - this in line with Government's vision to have a cleaner, sustainable economy, and, in the process, creating green jobs - an important, and growing, economic niche.

As the Minister responsible for Public Works and Planning, 2023 is set to be a busy year for my sector. Propped by the investment made through Budget 2023, it's all hands on deck to ensure further sustainability in planning, higher standards in the building and construction industry, further investment in energy efficient buildings, and stronger awareness on health and safety measures at the workplace.

In 2023, an important milestone will also be achieved: the problems and conflicts encountered by residents who live in apartment blocks shall be addressed through a review of the Condominium law. This review is necessary for the better management of common parts in condominia as part of an upgrade in standards of property management.

The process towards an updated Strategic Plan for Environment and Development (SPED) will be finalised. Our aim is to lay down strategic objectives related to the economy,

the environment, and social development in policies and planning decisions.

Despite their vital importance, and obvious benefits, economic growth and affluence alone are not enough. We need to up the game where the quality of our living environment is concerned. Better aesthetics in our built environment, and further investment in open spaces are at the forefront of Budget 2023: commencement of works for an improved Farmers' Market at Ta' Qali, further improvements at the Ta' Qali National Park which shall include a jogging and cycling track, and the creation of more open spaces in our towns and villages are on the agenda.

Being a sustainable Budget, the way forward is about further economic growth with further investment in the three key areas of our economy: health, education, and the environment. None of this would have been possible had we not had one of the lowest inflation rates and the lowest unemployment in Europe.

As Prime Minister Robert Abela rightly said, Budget 2023 puts the people at its centre. Malta remains one of the strongest in Europe, owing to government's sound economic policies and a resilient workforce. Budget 2023 ensures that Malta remains on the right track. ■

SHOWCASING SOME OF Malta's Best Architecture FROM OUR TIMES

Malta's architecture boasts a long-standing tradition. From prehistoric temples to imposing ancient bastions, medieval hamlets to walled cities, castles to fortresses, noble houses to many exquisite churches, we find remnants recalling, amongst others, Roman, Norman, the Knights of St John, and British times. While it is vital to appreciate our heritage, we must also recognise present-day architecture. To this effect, the Planning Authority annually recognises exemplary architectural works and distinguishes them as best practices. This feature presents a selection of such work from the past few years, which we believe should help inspire and motivate others to follow suit. Enjoy!



ASTER HOUSE, SLIEMA

The project comprised a sensitive restoration of a townhouse built during the first half of the 20th century in the Art Nouveau style. The architect retained the original elements of the townhouse whilst intervening in a minimalist manner that respected the historical syntax of the building. Special attention was given to the catchment of natural light through a central skylight and skilful use of compatible materials. The project is even more commendable when considering the current development pressures in Sliema to demolish and re-develop such terraced houses into apartment blocks.

Architectural firm: Model



ROOF GARDEN AND GREEN WALL AT THE VALLETTA DESIGN CLUSTER

A garden was built on the roof of the Valletta Design Cluster, a new green lung for the city, usable by everyone. It is a flagship example of what can be achieved with vision and resilience and is now a new public green space in Valletta. The roof garden has the effect of reducing the heat-island effect, it has ecological value, water regulation and environmental mitigation. Additionally, the soft landscaping was extensively researched to provide a sensory experience to the visitor, reflecting the typical colours, scents, and characteristics of the Mediterranean scrub.

*Architectural firm: Cluster – Restoration
Directorate and Tetsuo Kondo Architects*

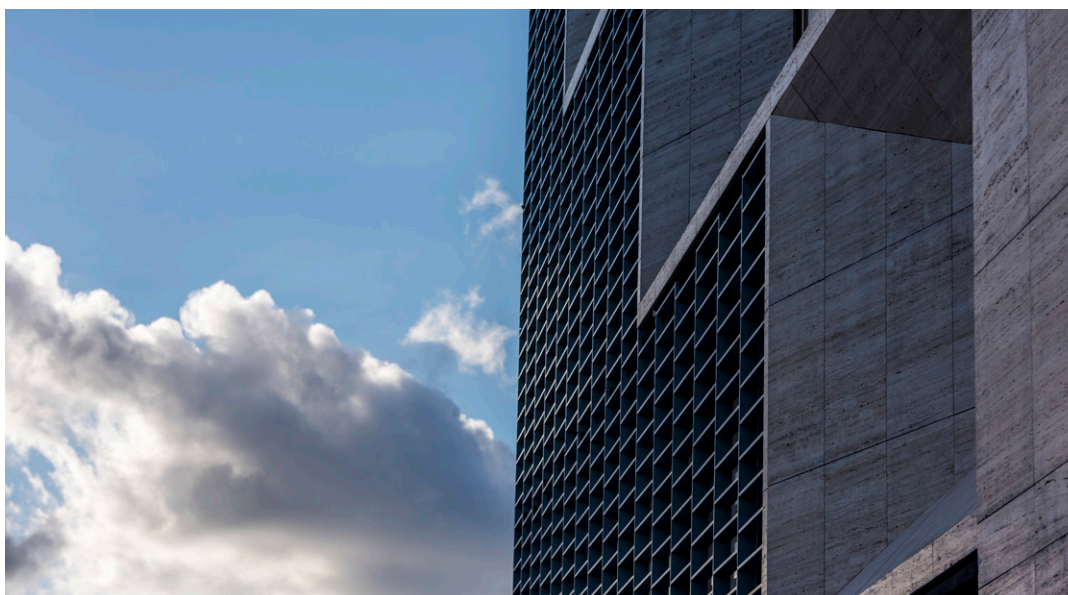




CASA BOTTEGA, VALLETTA

This project is a good case-study on how contemporary vertical extensions can be successfully integrated within the historic urban fabric of Valletta. The original façade of the building has been retained and restored to maintain the cohesiveness of the streetscape, while additional floors were added at roof level. The extension features a prefabricated textured concrete screen interpreted in a simple style that echoes the austere architecture of several buildings in the vicinity. Lighting, soft landscaping and colour all contribute to the high-level execution, implementation, and delivery of the project within its historic urban context.

Architectural firm: Chris Briffa Architects



STERLING HQ, SAN GWANN

Located in industrial estate, this high-quality contemporary building is an ambitious attempt to reverse the nondescript architecture that characterises such places. The design is a play on visual lightness and heaviness that required the solution of several design challenges through structural design acumen. Serving as a multifunctional space, the design has successfully addressed the client's requirement for warehousing, manufacturing, exhibition spaces and offices within the same building.

Architectural firm: Christian Spiteri Architects

For more examples visit www.maspawards.com.

Launched in 2019 by the Planning Authority, the Malta Architectural and Spatial Planning (MASP) Awards, under the Patronage of the President of Malta, have become highly regarded and a prestigious mark of excellence, recognising the best architecture, Periti, interior designers, research, and students. www.pa.org.mt

AGRICULTURAL LAND REFORM

Guaranteeing the sustainability of agriculture, food production, as well as the protection of the rural environment.

Safeguarding agricultural land.

The Ministry for Agriculture, Fisheries and Animal Rights is asking the general public to reflect on the proposals presented in this White Paper. The public consultation document may be accessed from konsultazzjoni.gov.mt

Submissions are to be sent through the following channels:

By email publicconsultation.mafa@gov.mt

By post Agriculture Land Reform White Paper,
Ministry for Agriculture, Fisheries and Animal Rights
Agriculture Directorate
Agriculture research and Innovation Hub
Ingiered Road, Marsa
MRS 3300

Submissions should be sent by the
8th of November 2022



GOVERNMENT OF MALTA
MINISTRY FOR AGRICULTURE,
FISHERIES AND ANIMAL RIGHTS



GUARANTEEING STABILITY in the agro-food sector

Giving certainty and guaranteeing stability to all Gozitan and Maltese is the main aim of the government's 2023 budget. A budget that contains measures aimed at sustaining economic growth in a post-pandemic environment against a volatile global economic and geopolitical backdrop. A budget that introduces various environmental and sustainability related measures.

ANTON REFALO, MINISTER FOR AGRICULTURE, FISHERIES, FOOD AND ANIMAL RIGHTS

We are not only looking into short term solutions but focusing on long term vision that recognises the needs of all our citizens.

This Government has been proactive in a time of need and will continue being so. When the war between Russia and Ukraine renewed the threat to the availability of essential supplies such as energy, iron and steel, basic agricultural commodities and animal feed, as well as increasing problems in transport and logistic networks, Government stepped in by issuing various schemes to support all the above-mentioned sectors.

These schemes have given stability to our country in moments of turmoil around Europe. One very important scheme that was issued by the Ministry for Agriculture, Fisheries and Animal Rights is the Price Stabilisation Subsidy Scheme, which was issued in May 2002 as an emergency measure to ensure food security and mitigate for price inflation. The Ministry for Finance and Employment and the Ministry for Agriculture, Fisheries, and Animal Rights launched a scheme open for business operators trading in cereals, flour, and animal feeds and who are registered with the Port Health Authorities and the Food Safety Commission or the Veterinary Regulations Directorate. Through this scheme, eligible business operators were offered financial assistance based on the price difference between the purchase prices of the commodity and the highest price in December 2021, taken as the base price.

Food safety and security are a top priority for the labour government, and this is why in 2023 my Ministry will be working on various measures included within the budget that will be crucial to the guaranteeing of sustainable agriculture and food production.

Government is working on the development of the first National Food Policy, which will also contain the Action Plan for Organic Production in Malta. Last June we opened the Surveillance

Unit within the Maltese Food Agency. A team of people were recruited and started working on the management and improvement of the farmers' market, the implementation of the common marketing standards for fresh fruit and vegetables, as well as the control and improvement of the quality of the fruit and vegetables that enter and are sold at the *Pitkalija*. This year the investment within the *Pitkalija* was ongoing while we increased the assistance to farmers to improve the quality of their products and obtain certification.

Work has also begun to launch an initiative for carbon farming. Earlier this year we carried out the first phase through a pilot project. This project will continue throughout the year 2023 where the effect of the pilot project will be analysed and a strategy, upon the results arising from the pilot project, will be created.

One very important milestone for the sector is a Legal Notice which was brought forward to Parliament that will lead to the amendments in the Act on the Renewal of Leases of Agricultural Land. Controlling the acquisition and ownership of land is fundamental to guaranteeing the sustainability of agriculture and food production, as well as the protection of the rural environment. For this reason, whenever there are issues in this area, these not only affect farmers but also have a strong impact on the supply and security of food and the quality of the environment that can be enjoyed by society. When the acquisition and possession of land are not controlled, there is a risk of farmers losing agricultural land, to the detriment of their livelihood, as well as to the country's ability to produce food and safeguard the rural environment.

Achieving the goals that we envisage requires a reform that is based on a long-term vision and offers direction to the necessary action. This is why we have launched a public consultation on the White Paper in relation to the Agricultural Land Reform. The Paper brings together a set of proposals designed to address



issues that may bring about the loss of crops, thus creating a legal framework and control systems that safeguard the social rights of all stakeholders, food safety, and environmental protection. The public is being invited to submit comments on the White Paper during the consultation period.

We will also be investing in the knowledge of our fishermen, with a new IT system that will reform the Fishing and Aquaculture sector by modernising the infrastructure in digital tools, and a more efficient service. During the next year, this sector will continue to benefit from grants and financial support, also through European Funds, in order to increase investment and improve operations.

We are also guaranteeing full support in relation to Animal Welfare. Here we shall be assisting and working hand in hand with all the relevant stakeholders and NGOs. We will be providing constant financial assistance and amendments in current legal frameworks in order to guarantee the well-being of all animals.

My commitment in the coming years is to make sure that the agricultural and fisheries communities have access to the adequate human resources to ensure adequate standards of production of fresh local food. Supporting these sectors has always been and will continue to be a priority for Government. ■

**"Achieving the goals
that we envisage
requires a reform
that is based on a
long-term vision and
offers direction to the
necessary action."**

MALTA
ĊERTEZZA
U STABBILTÀ

budget2023



ENCOURAGING BUY LOCAL, SOURCE LOCAL

Strengthening local food production



PROTECTING THE ANIMAL POPULATION

**Supporting micro-chipping
efforts for domestic cats**



GOVERNMENT OF MALTA
PARLIAMENTARY SECRETARIAT
FOR FISHERIES, AQUACULTURE
AND ANIMAL RIGHTS

sajd

budget.gov.mt

Future-proofing fishing safeguarding animal rights

In this year's Budget, we presented our aim to modernise and strengthen our operations in the fishing and animal welfare sectors. Through timely and necessary initiatives in both areas, this Government will be bringing heritage practices into the modern age, while underlying the importance of technological, administrative, and financial innovation.

ALICIA BUGEJA SAID, PARLIAMENTARY SECRETARY FOR FISHERIES, AQUACULTURE AND ANIMAL RIGHTS

During the past few months, we have worked hard to lay the groundwork for what is to come. Budget 2023 builds on ongoing efforts in both sectors, while recognising the importance of working towards a more sustainable economy, and a higher quality of life for us all. In this sense, it is imperative that we promote the fishing and animal welfare sectors as viable opportunities for employment and personal growth.

A new initiative included in this year's budget homes in on this and aims to attract persons interested in working in fishing, but who may still have doubts on its sustainability as a career. We aim to cultivate the transfer of knowledge from one generation to the next, while strengthening the educational programs already in place.

We are also intent on digitising the industry. Budget 2023 is allocating considerable resources to ensure a digital ecosystem for our fishers, which will leave a beneficial impact on how this industry, and the relative Government agencies, interact and sustain each other's efforts. This is complemented by our efforts to modernise our infrastructure on the ground, with fishers across the islands already making full use of the newly installed water and electricity pillars in key ports.

This Government also recognises the importance of engaging continuously with the Maltese consumer. I am convinced that there should be greater awareness of the sustainability and nutritional value which are to be gained from eating local, which is why we will be introducing a new information campaign on the wide variety of foods and products which originate from our seas.

Meanwhile, we have also concluded the preliminary plans for a new Animal Rehoming Centre, which addresses a need long felt by our community. In parallel, the imminent publication of a new National Animal Welfare Strategy will be guiding our work in the sector in a comprehensive, mainstreamed manner.

Through the Animal Welfare Fund, Budget 2023 continues to sustain different



infrastructural projects related to our animal sanctuaries, as well as the day-to-day running of several voluntary organisations. We recognise that such financial aid is essential for this sector to thrive, and hence we reiterated our commitment by extending said fund for another year.

We are also pushing further the micro-chipping of the local cat population, an incentive which will allow the Department of Animal Welfare to take note of the general numbers of our feline friends. Additionally,

it will be an invaluable tool in re-uniting cat owners with their beloved partners, should they be lost.

While the present global context presents a number of economic, environmental, and political challenges, our Budget radiated a welcome aura of financial sustainability. I remain convinced more than ever that the financial programme presented for the coming year will ensure a stronger fishing industry, and an animal welfare regime which reaches the local community's aspirations. ■

akkomodazzjoni



**A GRANT OF €10,000
OVER 10 YEARS**

for anyone who will buy or has bought a residential property through a loan from the 1st January 2022 onwards, the value of which does not exceed €500,000.



**EXTENDED
THE 10% DEPOSIT
SCHEME**

where now the maximum value of the property can be up to €225,000.



**A STRONGER
RENT BENEFIT**

to reflect today's realities.



**SOCIAL
SUBSIDIES**

given to people with disabilities will be removed from the means testing.

Prioritising Education and Sport

The Government has confirmed its commitment towards the education and sport sectors through the budget presented in Parliament on Monday 24th October. Education is a main pillar for economic growth, while sport and physical activity are main ingredients for society's well-being.

DR CLIFTON GRIMA, MINISTER FOR EDUCATION, SPORT, YOUTH, RESEARCH, AND INNOVATION

Overall, this budget focused on the immediate but also the long-term needs of our children, bettering their work prospects and their future.

This legislature is prioritising its investment in education, as this is a basic need for a society to thrive and work towards Malta's economic vision - in the long run, education leads us to a strong economy.

The budget for 2023 sees a vote of €846 million being directly invested in our children and educators, reflecting a Government who is committed to continue improving our educators' profession, in addition to giving our children the best possible in their education journey, hand in hand with all the right opportunities, while continuing with research and innovation programmes.

Come January 2023, we will see the start of diligent discussions and negotiations, leading to a new agreement by which all educators will benefit from work conditions, and better pay. This will build on the present agreement which had already drastically enhanced the teaching profession.

While improving our education strategies is an on-going commitment, this budget also focuses on investing in the education environment, with the continuation of ongoing projects and new ones on the cards.

Highlights of this budget are the increase in the allocation of financial help for vulnerable students, a €10 million vote dedicated to training programmes, improved scholarship programmes and tax credits for students. New laptops for all Year 7 students and the extension of the one-tablet-per-child scheme reflect our policy that digital technology is a must if we want our children to be prepared for the ever-changing needs of the employment sector.

This budget also continues with the unprecedented investment in the sport sector. We are committing ourselves to building and finishing the National Motorsport Centre in Hal Far in this legislature, as well as finalising the first indoor pool in the South of Malta, in Bormla, and the sports facilities earmarked for the Maria Assunta School.

Parents have applauded the increase in tax rebate, benefitting those who pay for their



“Parents have applauded the increase in tax rebate, benefitting those who pay for their children to practice sport – an increase from €100 to €300 annually.”

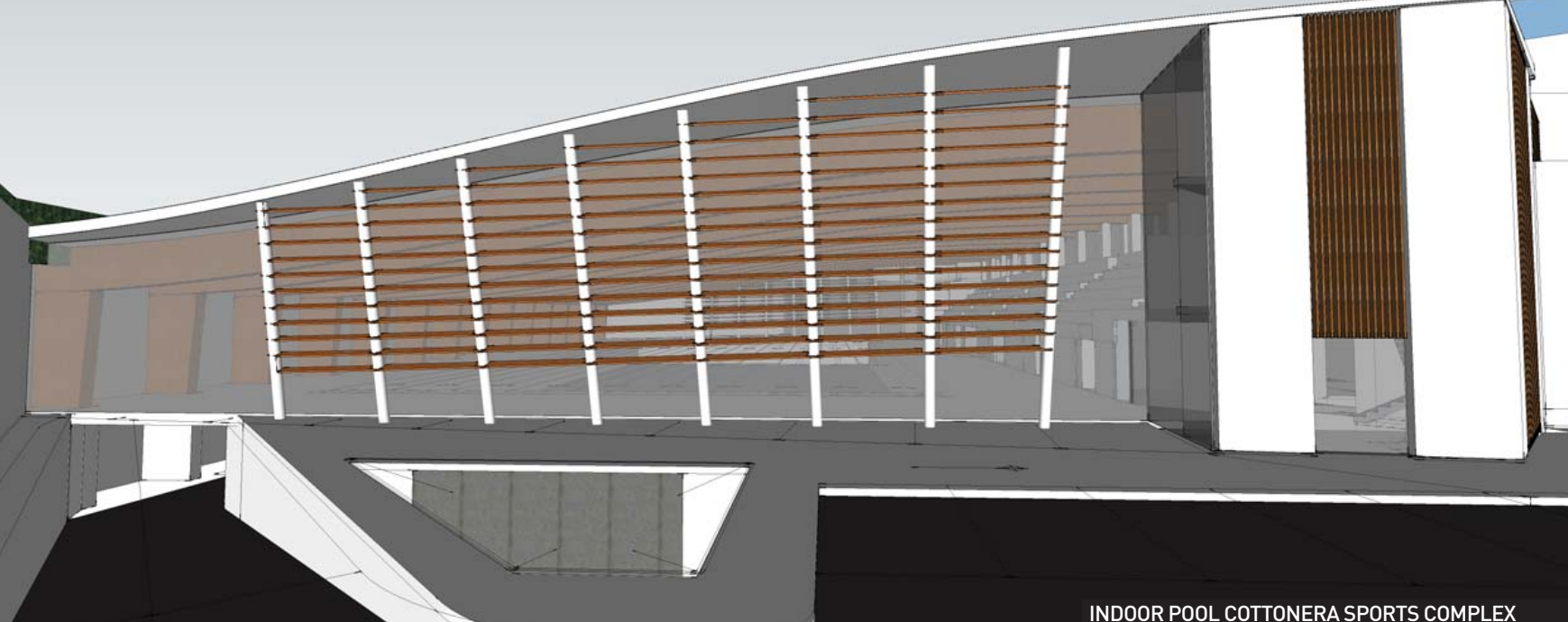
children to practice sport – an increase from €100 to €300 annually. The importance of physical activity is also an important measure announced in this budget, with more physical lessons in schools, as we are working to increase the time and the establishment of a minimum number of Physical Education lessons in schools.

With the Small States Games practically on the doorstep, €9 million have been allocated as an investment in the upgrading of the Marsa Sport Complex to an international level sports hub. €1 million is also being allocated to kickstart the necessary preparations to successfully host the Games of the Small States

2023. This budget also sees to the continuation of the preparations at hand to host the UEFA Under-19 European Championship 2023.

All these works will see better sport facilities to be enjoyed not only by our dedicated athletes and sport aficionados, but also the public in general.

A healthy society is a society which gives priority to its well-being. With education and sport on the top of the list, we are working hard and with determination to achieve results. As the Minister responsible, I again pledge my commitment to see that these sectors are given their due priority to benefit all, including our future generations. ■



INDOOR POOL COTTONERA SPORTS COMPLEX

BUILDING FACILITIES

to reach our strategic targets



HANDBALL COURT MARIA ASSUNTA SPORTS COMPLEX HAMRUN



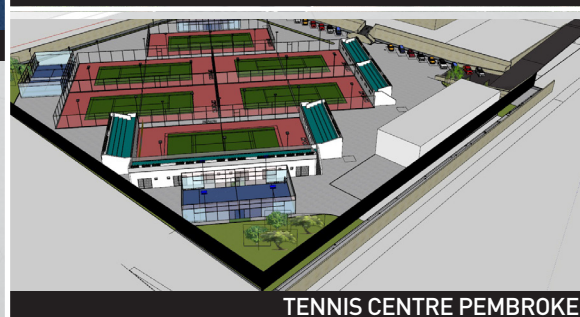
ATHLETICS STANDS MATTHEW
MICALLEF ST JOHN STADIUM MARSALA



SQUASH AND WEIGHTLIFTING CENTRE MARSALA SPORTS GROUNDS



GYMNASTICS CENTRE MARSALA SPORTS GROUNDS



TENNIS CENTRE PEMBROKE



GOVERNMENT OF MALTA
MINISTRY FOR EDUCATION,
SPORT, YOUTH, RESEARCH
AND INNOVATION

sportmalta.mt

Investing in people

The Budget 2023, as the Ministry for Finance Hon. Clyde Caruana has said, has been one of the most socialist budgets ever experienced so far, helping those who need it most and investing in people. With the difficult economic times we are experiencing globally, having many nations increasing costs and taxes, Malta has managed nonetheless to maintain a no-tax budget once again, subsidising economic growth, and investing in new economic opportunities.

KEITH AZZOPARDI TANTI, PARLIAMENTARY SECRETARY FOR YOUTH, RESEARCH AND INNOVATION

The €600 million budgeted for subsidies to keep prices in energy and grain stable is a clear example on its own. If the Budget consisted only of the latter, it would have been enough to ascertain Government's will to help all citizens during these difficult times. To support this belief, all employees will receive a Cost of Living Adjustment (COLA) of €9.90 per week, an unprecedented drastic increase from previous years. Pensioners will receive €12.50 per week; whilst students will get a pro-rata increase on their stipend. This clearly shows that this Budget caters for everyone.

Because youths are the pillars of our future, Government is continuously investing in our youths from a very young age by adopting various strategies. This year, being the European Year of Youth, we invested in various programmes, especially through Aġenzija Żgħażaġh, intended to promote quality work in youth by providing training and investing in various skills, not limited to the ones taught academically in schools. These programmes will be sustained by investing around €10 million through various schemes.

Assistance for youths also includes a €10,000 grant divided over 10 years for those buying their first property; an increase in children's allowance; and 10 paid days of paternity leave.

In a world driven by technology, the Budget reflects the importance of digitalisation nowadays. In view of this, Government is confirming once again the tablet-per-child scheme for primary students and giving for the first time a new laptop for all the students transitioning from primary to secondary school, starting Year 7.

Moreover, The Foundation for ICT Accessibility (FITA), responsible for helping vulnerable people and persons with disability to improve their quality of life, has been granted €850,000 to assist entities and private companies in providing better accessibility through their digital platforms, making them more accessible by everyone, the most vulnerable in particular, whilst promoting



"Because youths are the pillars of our future, Government is continuously investing in our youths from a very young age by adopting various strategies."

social inclusion in line with the EU Web Accessibility Directive 2016/2102.

Government's investment in Research and Innovation, which has been duly increased for the year 2023, will focus on STEM Subjects. For the very young ones, a pilot project will be introduced through Esplora, the interactive science centre in Kalkara, called the **National STEM Community Fund** which will allow the collaboration of various schools or NGOs with local researchers.

Other schemes intended for research and innovation will be supported by the Malta Council of Science and Technology (MCST), such as **Fusion** and **Technology Extension Support**, which will involve collaborations

between local researchers, the private sector, and local academic institutions.

EU programmes, such as Horizon Europe, will grant another €10 million invested in this industry, targeting mainly the health sector and the blue economy. This will open new opportunities for collaboration with foreign researchers.

Budget 2023 is a clear message that Government truly believes in the potential of our country and its people. As a nation, Malta is to be considered a country of continuous economic growth which supports local citizens and businesses; a country that attracts foreign investment from other countries; a country considered a clear example to follow. ■

Employers cannot ignore the mental health of the employees

The Malta Chamber, 12th October 2022

Work environments are greatly affected by the mental health of the people working in them and thus employers cannot ignore the mental health of their employees

The smoothness of the workflow of a business is dependent on the resilience of the weakest link," President of The Malta Chamber Ms Marisa Xuereb said during a conference titled Mental Wellbeing – a Priority for Your Business during World Mental Health Day. She stressed that work is such an important part of life, that it makes more sense to talk about work-life harmony rather than a balancing act between the two. President Xuereb said that, "work environments are greatly affected by the mental health of the people working in them and thus employers cannot ignore the mental health of their employees. It is their concern because it impacts not just the employee who needs help but everyone else in the organisation, including other employees, customers and even suppliers."

This position was also echoed by Ms Catherine Calleja, Chair of the Health and Wellness Committee and Director of Atlas Insurance, who supported this event. She acknowledged that employers are increasingly doing more to create positive flexible workplaces and hybrid options but that individuals still fall prey to serious levels of stress, anxiety, depression and worse and greatly affect the whole team's wellbeing and sense of purpose. She also touched upon the difficulties faced by foreign workers, and by men who find it much harder to ask for help.

During this event Dr Natasha Azzopardi Muscat, Director of the Division of Country Health Policies and Systems with WHO and Dr Denis Vella Baldacchino, Commissioner for



"Locally, 65 percent of involuntary admissions to Mount Carmel Hospital are people who are less than 45 years old, with 30 percent of them being under 30."

Mental Health, portrayed a sobering reality; around the world, 15 percent of working age adults suffer from a mental health disorder at any given time, at a cost of \$2.5 trillion in lost economic activity and in costs directly associated to care. Locally, 65 percent of involuntary admissions to Mount Carmel Hospital are people who are less than 45 years old, with 30 percent of them being under thirty. Furthermore, a 3 percent rise was seen in people who professed to have depressive symptoms between 2015 and 2020.

These worrying statistics were also mentioned by Frank Zammit, station manager of Vibe FM and mental health advocate who, in a pre-recorded interview, urged people in authority to really take note of the mental health crisis that seems to be underway, and to remove the stigma attached to mental health by acknowledging that going through a mental health struggle is normal and that wellbeing at the workplace should be prioritized consistently, and not through knee-jerk reactions.

During a panel discussion in this conference, Dr Stephanie Xuereb, CEO of Mental Health Services, reminded the audience that the statistics in hand are only the tip of the iceberg, and represent only those people who sought assistance through public health structures. She also confirmed that many workers who seek help are foreigners, partly due to the fact that they find themselves in Malta without the safety net made up of family and friends, but also acknowledged that environment problems and the war in Ukraine are currently strong triggers for millennials and younger, and that the rise in drug use is also a major contributing factor. Other triggers which were mentioned by Mireille Pellegrini Petit, Clinical and Coaching Psychologist specialized in wellbeing at work, were bullying at work,

autocratic leadership, as well as discrimination.

When asked whether there is a legal requirement for an employee to disclose any mental health disorders to their employer, Dr Marthese Portelli, CEO of The Malta Chamber, clarified that one should look at the legal framework holistically. While Data Protection Laws and the Mental Health Act provide for the right of confidentiality of the employee, the Health and Safety Act then places the responsibility of the health and safety of all the employees at workplace on the employer. Hence, the question of whether the employer should know or not is a pertinent one, as knowledge of an employee's mental condition means that the employer is then duty bound to ensure the safety of the employee in question, their colleagues, as well as the persons that they are obliged to serve.

This argument was sustained by Inspector Omar Zammit, who mentioned a case where an employee was fired for not performing at her place of work by an employer who was not aware that she was suffering from depression. The termination resulted in a failed attempt at suicide in which he had to intervene, with the person now receiving the care that they needed. He also added that the Police Force is also recognising the importance of mental health within its structure, and it is holding training sessions to help officers in recognising mental health issues amongst their colleagues.

Dr Portelli stressed that knowledge of an employee's mental health condition was not a matter of knowing just for the sake of wanting to know, or to use said knowledge as a gatekeeping exercise during the recruitment process. It is a matter of care and protection and a strive to eradicate the element of shame and to instil a culture of openness in an environment where no form of harassment will be tolerated. ■





Foundation for Information
Technology Accessibility

Making Technology Accessible



22768008 / 22768019



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**A GRANT OF €10,000
OVER 10 YEARS**

for anyone who will buy or has bought a residential property through a loan from the 1st January 2022 onwards, the value of which does not exceed €500,000.



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where now the maximum value of the property can be up to €225,000.



**A STRONGER
RENT BENEFIT**

to reflect today's realities.



**SOCIAL
SUBSIDIES**

given to people with disabilities will be removed from the means testing.

The boost YOUTHS NEED

The last time Roderick Galdes addressed Parliament, he reiterated that the principal aim of politics should be to create a country where future generations' aspirations may be met. The only way to renew ourselves as a nation is to make sure that the youths that are on their way up in society can dream of building their future here, among us, in this country, he says.

RODERICK GALDES, MINISTER FOR SOCIAL
AND AFFORDABLE ACCOMMODATION

While it is true that the desire to become a homeowner has its socio-cultural roots in specific circumstances that arose in the past couple of decades, it cannot nonetheless be denied that, in Malta, this desire to own a residence is very much alive and kicking. One can understand this desire since it represents the step that provides the greatest stability and certainty in the long term to whoever embarks upon it. Despite our best efforts in these past few years to regulate and financially incentivise players to create the conditions for a stable rental market which does not intimidate people who turn towards it, the main aim of Maltese families and young individuals remains that of acquiring their own property and becoming its owners.

The affordability of the property sector, therefore, is one of the main pillars, together with other essential matters, that will make or break the dream of the next generations building their future in this country.

Government has acknowledged this sentiment for a long time. It is a feeling that we've gauged throughout this past decade as the property market fast became one of the sectors which witnessed the sharpest increases in prices, a hike which was linked directly to the unprecedented growth in our economy.

Our challenge remains that of balancing the need of keeping the investment flowing in the property sector – since it is a vital component of our economic machinery – while simultaneously ensuring that substantial parts of this market remain accessible to those who are trying to enter the market for the first time, the so-called 'first-time buyers' cohort.

I've wasted no time since the commencement of my new tenure as Minister for Social and Affordable Accommodation to make it crystal clear that the main challenge ahead of us shall be tackling the affordability of housing. Our intentions were clarified further when we immediately started a wide-ranging consultation exercise that involved youths at the forefront of the discussion. We also had lengthy talks with commercial banks that occupy a central position in the property market since they finance most purchases through loan facilities available to private clients.

This process led us to announce a very strong measure in this legislature's first budget, a measure which shall impact virtually all first-time buyers. This measure shall alleviate a significant portion of the burden carried by individuals and young families, who have just started their independent lives and have finally succeeded in purchasing their first residential property after many months of sacrifices. Through this measure, Government will grant the sum of €10,000 to every first-time buyer in the first 10 years of the loan repayment period undertaken with the commercial bank of their choice. As promised in the electoral manifesto, this measure shall be open to all those who have finalised the



purchase of their first property from the beginning of the calendar year 2022 onwards.

This measure truly represents the boost that youths need to take the next step.

When one considers the fact that we have thousands of first-time buyers every year, one may appreciate that this substantial measure shall represent a significant financial outlay on the part of the Government. It is also testimony to Government's willingness to listen and understand the sentiment of future generations concerning these challenges, and its commitment to making all instruments at its disposal available to youths, so they may be able to transform their dream of growing and building their future in Malta, into a viable reality.

Announcing new measures is a positive thing, but it's even better when an existing measure is followed up, adapted, and optimized according to the needs of the day. That is what we've done with the 10 percent Deposit Payment scheme, which has already helped hundreds of young persons to become homeowners, is also open to first-time buyers and is now being strengthened through an extension that shall cover up to a maximum property value of €225,000 – an improvement of €50,000 from the scheme as announced in 2020.

We did not limit ourselves to the purchase of property. But, in line with our belief that the housing sector is a diverse and heterogeneous policy area, we have also intervened in the rental market and have been proactive in this regard during this year's budget. This budget strengthened the private rent housing benefit scheme. This benefit, which takes into consideration the income of a family unit and what it is spending on rent, has been strengthened to respond to the most recent developments in the local rental market, developments which we can now gauge with more precision than ever through the rental price indexes that we are measuring in real-time.

One must therefore recapitulate that these measures will continue to strengthen the social programme which the Housing Authority has undertaken since existing affordability measures, as well as adaptation and regeneration schemes, shall continue to operate and be sustained accordingly.

In the current global climate, which is rife with economic and social uncertainty, this budget has once again shown that the Government is in tune with the people's sentiments and preoccupations and that it wastes no time in acting decisively and effectively. In the housing sector, we have once again intervened strongly to make sure that everyone has an adequate and affordable array of choices to suit his or her housing needs. ■

Have you seized the opportunity in 2022?

The Young Chamber Network over 2022 set a series of events with a specific collective goal. Providing the younger members of The Malta Chamber access to knowledge, experts, and tools to understand and establish connections in this rapidly changing post covid world, which could be leveraged to seize the new opportunities and gaps emerging as a result of this market.

In April, Dr Mangion explained the importance of having creative minds not just within your marketing or product design teams, but within all departments. Participants were given tasks and scenarios, which illustrated how differently the brain works when one practices creative thinking and how simple and quick it is to do creative tasks. Dr Mangion illustrated how creativity is about fluidity in the thought process. The ability to switch between perspectives, while extracting as much as possible from the information available to you to come up with solutions that add value.

In June, 12 local and international business experts offered their time in a one to one business dating event for young entrepreneurs to gain knowledge and experience from individuals who have walked the walk. The list of mentors included: George Mantas (Aquabiotech Ltd.), Chris Busuttil Delbridge (Evolve Ltd.), Olaf Zahra (Toly Products Ltd.), Michael Siefert (Siefert Systems Ltd.), Dean Micallef (Firstbridge Services Ltd.), Nadia Pace (The Pace Company), Dr Jonna Delia (People & Skin), Dr Maria Bugeja (St. James Hospital), Mark Bajada (Bajada New Energy Ltd.), Noel Ellul (HWS-Technologies Ltd.), Gege Gatt (EBO.ai) Maurizio Mamo (4Sight Technologies Ltd.). The event, which was

attended by more than 40 mentees, provided the perfect atmosphere for young entrepreneurs to gain direction and guidance on several topics, including internationalisation, product development and wellbeing.

With Digitalisation being one of the five pillars of The Malta Chamber, the YCN Committee decided to focus September event on this particular subject. Once you have gained different perspectives, understood the possible hurdles and the areas on which to focus, having an efficient system to support you is key. Three local experts provided tangible examples on how one can enhance their businesses through digitalisation efforts. Stephanie Farrugia, Business Intelligence Consultant, highlighted the importance of collecting, connecting and using data. James Camilleri, from Fyorn spoke about automated banking and the importance of using automated systems to handle your day-to-day banking. The third area presented by Jack Mizzi from BMIT, focused on data security, showing how crucial and costly it can be not to have such safety setup, but at the same time how accessible this has become to businesses of all sizes.

Over the past 12 months, YCN events have focused on various aspects of leading a business, growing a business in the current market, making a business efficient. However, as of October a series of events has been launched focusing on the individuals' leading businesses. This series of events will be done in partnership with RSM Malta, a world leading consultant in business growth and development.

The first event will focus on the importance of communication across generations. We have all faced issues as business leaders, whether within the company or outside, where the message we are looking to get across seems to be crystal clear, and undeniable the best way forward, with an overwhelming amount of data that shows it to be so. However, business partners, colleagues and other stake holders seem to miss the point. Where we end up asking ourselves why can they not see it? This event seeks to investigate the aspects of communication, helping us to understand

What members had to say...



TYRON LLOYD BARON - INBOUNDMUSE LTD.

This YCN event has been extremely valuable; InboundMuse which has been around for seven years is just starting to get into internationalisation of its products and the number of very fruitful collaborations that this event allowed to foster couldn't have been done in a more meaningful way.



STEFAN DEBONO - STEP ENTERPRISES LTD.

My experience today was a very positive one; I spoke to my mentor about internationalisation and his 15 minutes of advice were super practical. I found at least four areas that I can work on to help structure our business and grow it further and, thanks to his connections and all the feedback that he gave me, I can really work on improving our business and improving our structure to take it to the next level.

our current short comings and how we can become more effective across all age groups, mentalities, and agendas.

The Young Chamber Network will also be participating in SME week, focusing on Re-skilling in the era of A.I. The event will take place at The Malta Chamber premises on the 17th November starting from 09:00 onwards. The focus will be on how to invest smartly in employees in the era of A.I.

We would like to thank S. Rausi Trading Ltd. for their constant support and all the speakers and mentors who have given their valuable time to help in fostering the next generation of leaders. ■



Christmas came early?

At least, that's what they want us to believe.

DARREN CARABOTT, PN SPOKESPERSON FOR PUBLIC ADMINISTRATION AND LOCAL GOVERNMENT
CHAIRPERSON OF THE PUBLIC ACCOUNTS COMMITTEE

It's the most wonderful time of the year, where people eagerly await the Minister for Finance to announce that it's another 'no new tax' budget and other cliché statements. It's as if Christmas came in October – or at least that's what the government thinks.

What we politicians need to understand is that there is a growing silent majority that is looking for something else: a change in attitude; in favouring private sector competition, transparency and accountability.

Let's not beat around the bush – we do not have unlimited resources, especially given the effects of the pandemic and war on the global economy. Our public debt has reached an all-time high and cost of living is on the rise at an ever-increasing rate.

Yet, the government missed the boat. It lost the opportunity to take long-awaited decisions.

It has become a known fact, that whilst most of our taxes go for the provision of public services and projects as expected – at the same time, millions of the taxpayer's money is being wastefully spent in measures which go against public interest, against boosting private investment and competition, and to fund nepotism, partisan favours and corruption.

That, is why I will take up this opportunity to pose a series of questions to the Minister for Finance, and ask him to quote chapter and verse from this year's Budget proposals on how these issues will be addressed:

Is the spending of thousands of Euros in salaries and wages to tactically chosen persons of interest or consultants, with no to low return of public benefit, beneficial to our economy? We've learned that we're financing salaries amounting to €65,000 or €163,000, per person annually, just because they are related to or are die-hard loyalists to the Ministers or party.

Is the awarding of billions of Euros to the chosen few via public procurement acceptable? This administration has awarded a €4 billion contract to a company, Vitals Global Healthcare, which should have been barred from winning the concession. This



"We need a change in attitude. Just like in business, taxpayers deserve the best expenditure policy and a good return on investment."

government has also bought shares in the Montenegro wind farm project for €10.3 million rather than €2.9 million, triple the original price, so that an offshore company pocketed the difference. This government awarded a €1 billion contract for the provision of gas to Electrogas via a tendering process fraught with irregularities.

Is the fact that the government is poaching workers from the private sector and inflating their wages healthy? It's become common knowledge that if you're in the inner circles, you'll get a high-earning-low-effort job sponsored by us, the taxpayers.

Is it acceptable that people are not comfortable or lack motivation to bid for public tenders because they believe that the awarding process is not transparent enough?

What about the fact that the taxpayers have paid more than €10.5 million in two and

a half years for compensation in human right violations by the government in Court?

The list goes on. And it's our money. The public sector has to be built on people's education, talent and skill – and not on their political affiliation.

We need a change in attitude. Just like in business, taxpayers deserve the best expenditure policy and a good return on investment. They expect their money to be allocated wisely and strategically – for the public interest.

Yet due to the above, we have no reason to believe that this administration is willing to change its course.

To conclude, the answer to the title is a resounding "Yes! (For some)". But don't worry, the rest of us will also get to participate: we will finance the wasteful money allocation and fattening of venerated pockets again. ■

Why should you pay for Health Insurance?

We understand that health insurance is not cheap, especially when you are already paying a premium on other insurance services such as home or motor. However, the unfortunate reality is that you can never truly foresee what medical treatment you might require and going without health insurance can end up costing you even more!

Learn more about why you should invest in your health:

1. **Privacy.** With health insurance, you will find that having your own room in a private hospital is the norm.
 2. **Choose your specialist.** We understand that for most medically related incidents, you would prefer to consult with a specialist of your own choosing, and so we promise to provide you with that flexibility.
 3. **Investment outweighs expense.** Even though health insurance is often seen as a bit of a gamble, it will still be your safety net safeguard in the event that you do find yourself needing it.
 4. **Financial protection and peace of mind.** The greatest wealth is your health. Although health insurance may seem pricey, the cost of injury or illness can even higher. Give yourself the peace of mind you deserve.
 5. **No waiting lists.** Despite the fact that public health care in Malta is both very effective and free of charge, it can still come with some long waiting times. By using private healthcare through health insurance, you can avoid these waiting times without having to expend your own savings.
 6. **Worldwide cover** varying according to the plan selected.
- Keep reading to see what else our health insurance policies have in store for you.



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- Our **Routine and Preventive Care Cover** which allows clients to undergo routine tests as well as monitor chronic conditions. After all, prevention is better than cure.
- A **Dental Benefit** which applies to all individuals with inpatient and outpatient policies.
- The **Waiver of Standard Exclusions Extension** which provides customers with the option to waive standard policy exclusions for vaccinations, allergies, and clinic fees.

It goes without saying that health insurance can help you bypass the mishap of paying for any costs out of your own pocket by directly settling your inpatient medical bills. ■

Going green at the office has never been this easy



Since around 100 B.C in China, paper as a material has always been at the forefront of being the medium for storing information, and even spreading it. The same can be said for now, in 2022. While its use is still favoured even now in the digital age, its environmental impact on sustainability is high. However, even if the use of paper is sometimes unavoidable, it can be done in a more sustainable way.

With Toshiba's hybrid technology, monochrome printing has never been so green. While many might look at their paper trail and feel guilty for contributing to so much waste, with Toshiba's Hybrid MFP, this can be avoided as it combines conventional printing with erasable printing, allowing its user to reuse paper over and over again.

The world's first MFP with erasable print function, it allows any business to operate efficiently, economically and ecologically as it saves resources by reusing paper on a day to day basis. The Toshiba Hybrid MFP printer helps its users reshape the idea of printing, as it gives them the possibility to reuse all of their temporary documents, deleting their already printed information and reusing the same sheet.

Equipped with state-of-the-art features, one single device can print both regular as well as reusable prints, providing its users with a modern document workflow.

Apart from helping its users save costs on paper usage, it helps them go a step further and actually makes an environmental difference by reducing the carbon emission and water consumption generated during paper production.

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IN A PERFECT STORM

A Social Budget for Growth

No one in his right senses can deny the fact that Europe, and indeed, the entire global trade system is being hit by a perfect storm. Almost three years of Covid-19 which battered the world's economies, as soon as it seemed that at last, the pandemic was receding, Russia invaded Ukraine and this war dealt a second blow to the global economy and as in all wars, inflation, sanctions, scarcity of energy and food supplies, brought the recovering economies on their knees.

DR IAN BORG, MINISTER FOR FOREIGN AND EUROPEAN AFFAIRS AND TRADE

We are seeing robust economies reeling and failing to meet successfully the challenge of rising inflationary prices of energy. If we take a look at the situation of energy prices in all our EU partners, we see that what their respective peoples expect from their government is that, at least, they reduce the back-breaking hikes on their energy bills. To mention, but one example, our neighbour Italy, the most urgent crisis that the new Meloni Government is expected to tackle is to reduce the utility bills, as not only these are the cause of all evils for Italian families, but are also closing down small enterprises which are the backbone of the industrialized regions of Milan, the Veneto, Friuli-Venezia Giulia and Toscana.

I am proud to be part of a government which since 2013, when it took over the reins of the country, has not only reduced taxes and desisted from imposing new ones, but practiced a policy of economic growth which has, in turn, created growth and trade, by creating wealth, annually increase a net of social security for every sector of our society and introducing every social measure possible to enable the wage earners to join an expanding middle-class.

Even this year of war, sanctions, energy crisis and failure of entire transport systems, the government continued to fork out billions of euros to keep energy prices and foodstuffs down; to help industries, commerce, businesses ride the storm; to hike extensively social services payments; to increase pensions; and to make life better for all sectors of our community. As Minister responsible for trade, I would never be able to assist Maltese exporters to find markets, if these same exporters are nailed by rising energy prices and an uncompetitive environment.

My responsibility for trade and commerce is a heavy load to carry in an Island-State like ours. Besides the other difficulties which continental economies have to face, insularity is to be taken also in consideration. Imports and exports depended almost totally on marine transport. For this reason, the government is also introducing aid initiatives to balance the ever-rising sea-transport systems.

Up to now, I have served in the Trade Ministry for less than eight months, but all the same, we have already carried the flag in the Gulf States, Saudi Arabia, Japan, Brazil and other states to negotiate ways and means to increase reciprocal trade.

I have always believed in the individual and that free enterprise creates wealth. And wealth fosters trade and trade creates even more wealth and good jobs. The state's duty is to use its power to assist industry and to promote trade through its activities. So, it is obvious that as soon as I was given the political portfolio for this sector, I gave top priority to the promotion of the export trade sector. As in every human activity, we have to commit ourselves wholly to our task so diligently and take good care of the field. It is only thus that we can wait convinced that we will reap a rich and plentiful harvest. And we will. ■



"I have always believed in the individual and that free enterprise creates wealth. And wealth fosters trade and trade creates even more wealth and good jobs."



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BUDGET 2023 and Renewables

Now that we are seeing the end of the pandemic tunnel, Malta is facing a new obstacle to growth, as oil and gas prices plus imported inflation are again at a high peak. This is another obstacle for a fast recovery and balancing our national deficit.

GEORGE MANGION, SENIOR PARTNER, PKF MALTA

As regards renewables, this topic has garnered more importance to achieve a de-carbonisation status. A lower investment in oil exploration had a spillover effect on the production of natural gas, which is often a by-product of drilling for crude. Added to that is a dearth of liquefied natural gas terminals for shipping gas from places where it remains relatively easy to access.

This has pushed the price for LNG to record highs. Look to Germany, and we augur its national hydrogen policy, which highlights the potential and the opportunities of green hydrogen. The core mission is to replace fossil fuels particularly gaseous and liquid energy sources, which are an integral part of Germany's energy supply.

Our 2023 budget may help if it attracts foreign investors to set up infrastructure in the exclusive economic zone (particularly Hurd's bank) installing sophisticated production facilities. Green hydrogen is created by using electricity to split water into hydrogen and oxygen through a process known as electrolysis. The hydrogen is collected and used,

primarily in industry, electricity generation, while oxygen is released as a by-product.

This is captured for use by others. The good news is if the Transport Minister is successful to convert fleets and visiting cruise liners replacing internal combustion engines by a technology called a hydrogen fuel cell that uses hydrogen as its power source.

Powering these vehicles with renewable hydrogen makes them truly zero-carbon. There are many reasons that speak for hydrogen: such as meeting climate targets for 2030, and greenhouse gas neutrality targets for 2050. ■

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PROVIDING SUPPORT to vulnerable people and persons with disabilities through ICT

The Foundation for Technology Accessibility (FITA) helps persons with disabilities and vulnerable people to improve their lifestyles through ICT.

FITA is the principal advocate for making information communications technology (ICT) accessible for people with disability and vulnerable people in the Maltese Islands. Our services assist individuals with disability in the selection, acquisition, or use of an assistive technology that is intended to maintain or improve the individual's quality of life.

FITA was set up in 2000 by the Malta Information Technology Agency (MITA) and the National Commission of Disabled Persons (KNPD) with the aim of addressing the digital divide and empowering disabled persons to make the most effective use of information communications technology. The Board of Administrators presents a balanced combination of stakeholders, volunteers and non-executive, business and professional individuals. Together they ensure FITA continues to fulfil the ICT and disability related goals it was set up to address.

FITA has five departments – Help desk department, Projects department, Outreach, Research department, and Training department. All these departments help each other in one way or another.

“Our services assist individuals with disability in the selection, acquisition, or use of an assistive technology that is intended to maintain or improve the individual’s quality of life.”



- The **Help desk department** aids clients by promptly responding to phone requests through our help desk section. Our staff are highly qualified to handle enquiries about ICT issues.
- The **Outreach department** is composed of professional staff members who are trained to assist clients on-site through one-to-one mentoring.
- The **Training department** holds training courses which are held mostly onsite at our office. In the near future courses will be held online as well. The main reason for these courses is that to make the lives of vulnerable people or a person with a disability more accessible with technology which will help them in their day-to-day life and make it easier. The subjects in our courses include basic computer, social media and accessing online shops, booking travel and taxis online and so much more. The training course schedules can be found on our social media pages and on our website.



- The **Projects department** specialises in the accessibility of websites and apps. There are many private entities and companies that are unaware that their websites and apps are not accessible to all users. There are EU regulations explaining that websites and apps need to be checked, amended and certified accordingly for accessibility. As a government entity, FITA advises and supports clients to make modifications or amendments to make their sites accessible to everyone. A certification is given to those sites which are fully accessible and that follow FITA's guidelines.
- The **Research Department** emphasises that its employees are kept up to date through ongoing research that guarantees assistance to other departments that need to keep updated on evolving technologies, electronic equipment and software. This can be passed on to answer the various queries that FITA receives and can eventually recommend the best way to improve the lives of our customers.

FITA's main aim is to provide support to persons with disabilities and vulnerable people in removing or overcoming barriers to education and employment through ICT. FITA is supporting and promotes inclusivity through empowerment and social inclusion. In ensuring that due steps are taken to reduce the digital divide, we aim to enable individuals to contribute productively to society and the economy. ■

FITA's contact numbers are 22768008/22768019 and email is info@fitamalta.eu.



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