



THE MALTA CHAMBER

## PRESS RELEASE

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### **The Malta Chamber presents Pre-Budget proposals to Prime Minister**

*Good Governance, Structural reforms, Competitiveness, Productivity, Sustainable Growth, and improved Quality of Life featuring on top*

“Given the structural issues Malta is currently facing, it is evident that we need a budget that goes beyond rhetoric—a budget that addresses Malta’s immediate problems, which have been left ineffectively tackled for far too long. These issues are now grinding the country to a halt.” This message was conveyed by The Malta Chamber President Chris Vassallo Cesareo during a meeting held at The Malta Chamber in Valletta earlier today with Prime Minister Robert Abela, emphasising the critical need for reforms that have been overlooked for years.

The Malta Chamber delegation highlighted its 12 key strategic priorities that it would like to see Government focus on in the upcoming budget. These are:

1. Competitiveness
2. Fiscal Discipline
3. Utilities
4. Renewables
5. Traffic Congestion
6. Sustainable Tourism
7. Planning and Upkeep of Public Areas
8. Value-Added Employment
9. Third Country Nationals (TCNs)
10. Low Income Earners and Pensioners
11. Public Procurement
12. Proper Enforcement of Laws and Regulations

The Malta Chamber said that for ethical business to keep investing, they need to be confident that they are operating in a country that has a responsive administration, and expressed its concern that only 1.8% of the 219 proposals that it put forward last year have been

implemented by government. 18.7% are partially implemented, whereas there are another 74.9% which have not been refused but nothing has been heard yet about their implementation. The country's economy needs to change its direction – from a labour-intensive economy to one which is based on high-value added.

The Malta Chamber CEO, Dr Marthese Portelli described this shift as “essential to enhance the quality of Malta's offerings while reducing the strain on the country's infrastructure, which is now clearly at breaking point”. The Malta Chamber urges government to change its current course, and take the decisions that need to be taken, even if they might be unpopular.

Stressing that the forthcoming budget must be a pivotal moment for tangible, long-term change, Portelli added that this economic shift must be complemented by robust measures to tackle governance failures that have compromised Malta's security, stability and international reputation. The Malta Chamber delegation openly discussed opportunities and concerns being faced by the business industry in Malta, highlighting key areas requiring urgent interventions and possible solutions. These included:

- Good governance across the board and carrying out the required reforms, including the public procurement reform
- Planning well the necessary investment required to enhance Malta's productivity and competitiveness
- Rationalising public procurement to avoid unnecessary expenditure and to ensure that all public spending gives good return on investment (R&I)
- Simplification of business processes and making better use of technology across government agencies, authorities, and departments, to improve operational efficiency, reduce unnecessary costs and delays for businesses, as well as to ensure better enforcement
- The necessary and speedy investment to ensure a stable and adequate supply of electricity, water and sewage services that meet the demand
- Finetuning measures to encourage more businesses to adopt green technologies, offering schemes and tariffs that provide a better return on investment than the current ones
- Implementation of a number of measures aimed at addressing Malta's traffic congestion rather than merely expanding road networks or adopting sporadic measures which in the absence of others end up futile
- Urban planning issues and the importance of embarking on a wider planning reform to ensure a holistic approach which is coherent and respects aesthetics, as opposed to pick-and-choose policy approaches
- The upkeep of public spaces, which should be a priority to enhance the well-being of residents and the country's attractiveness to tourists.
- Addressing the human resource issue and moving towards more value-added employment.

In response to the Malta Chamber's proposals, Prime Minister Robert Abela acknowledged the significance of the above concerns and expressed his commitment to considering The Malta Chamber's recommendations in the formulation of the upcoming budget. He affirmed the government's intention to foster a more resilient economy, while also ensuring a fair level playing field for business and a good quality of life for all citizens. The Prime Minister highlighted the need for collaborative efforts between the public and private sectors to drive the necessary reforms and achieve sustainable development. The Prime Minister was accompanied by Minister Ian Borg, Minister Clyde Caruana, Minister Miriam Dalli, Minister Silvio Schembri, Minister Chris Bonnett, Minister Clifton Grima, Parliamentary Secretary Andy Ellul, MP Cressida Galea and OPM Chief of Staff Col. Mark Mallia.

Steadfast in its belief that the 2025 budget must be a catalyst for meaningful change, The Malta Chamber looks forward to much more effective dialogue with the government, together with other stakeholders in the ambit of MCESD.

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