

GRTU NEWSTRING



GRTU's crusade against the new Billboards and Advertising law

The new Billboards and Advertisements Regulations, 2016 came into force on 29th March 2016. The law brought together two older laws, one related to Billboards and the other related to any other Advertisement into one law and also introduced a number of significant changes.

The law regulates any kind of advertisement that can be seen from the road, including a shop sign, additional adverts both related to goods and services sold by an establishment and commercial adverts of third parties placed on the roads, including billboards.

GRTU immediately protested publicly and heavily against this law because it was introduced without any kind of prior consultation with GRTU as a social partner whose members would have been directly and gravely hit by this hurried law.

GRTU took it upon itself to clarify a number of misunderstandings in relation to what kind of adverts were in fact exempt from the law. Ultimately it became clear that even a simple shop sign falls well within the remit of the law.



'The signage sector experienced an immediate drop that amounted to 90% of its sales'

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An urgent meeting was held by GRTU for its members to discuss its concerns, iron out misunderstandings and establishing a way forward. A wide range of sectors reached out to GRTU and expressed their grave concern with the law.

The signage sector experienced an immediate drop that amounted to 90% of its sales. This sector was overnight practically stalled with its clients holding back orders fearing that their brand new signs would not be compliant with the law and subjected to the yearly Eur1500 fee.

Billboard operators were also thrown into turmoil being given an impossible deadline to register their billboards and comply with the requirements of the new law. Government unfortunately decided to address a problem that had been accumulating for over 10 years overnight and pointed its finger at billboard operators when the Government had significantly contributed in providing the right conditions to the situation we have on our hands today.

Following this public outcry GRTU held two meetings with the Parliamentary Secretary, meetings that GRTU



itself had requested.

After lengthy discussions, GRTU succeeded in negotiating a 6 week long consultation period in order to come up with a set of proposals that would solve the issues that are embedded in the law.

GRTU's consultation process is currently underway and will close on the 6th of June. The sectors that are being consulted are the sign writing operators, the billboards operators, as well as businesses in general, including retail shops.

GRTU Signage Association being formed – Billboard Operators

GRTU's incessant work on LN103/2016 has led to a six-week consultation period which shall be putting forward constructive proposals as to how the advertising, signage and billboard sectors ought to be regulated in a fair and logical manner which makes sense for the regulator but which is practical on the ground.

Members from the signage and sign-writing sector within GRTU have been actively meeting throughout these weeks to tackle the core issues of the law and propose a system which would regulate efficiently and effectively without harming business. With an increasing number of members from the sector joining GRTU, the need has been felt to set up a fully-fledged association for the signage and sign-writing sector within the structures of GRTU.

In parallel to the sector's work on the proposals for the new law meetings are being held to draft a statute and devise a work-plan for the new association. The association's main aims shall be to promote and widen the sector, to set standards and guidelines for the sector, and to raise the quality of service within the sector as a whole.

In addition to the signage and sign-writing sector, GRTU has also welcomed billboard operators as a separate new sector. GRTU already represented operators within the billboard sector but with more members joining a new section has been set up specifically for this sector. These GRTU members are working well hand-in-hand to respect the agreement reached with the Government regarding billboards as well as commencing discussions to set proposals for the new law from the perspective of billboard owners.





The problems introduced by LN 103/2016 are multiple and serious

1. One size fits all

The law that may have had scope to perhaps orderly organise the billboards that we see scattered around our roads has stretched to cover any form of advertisement. Advertisement is defined as any word, letter, model, sign, placard, board, notice, device or representation, whether illuminated or not for the purposes of advertisement, including any boarding or similar used for the display of advertisements, including a billboard.

The Regulations go on to state that no advertisement shall be displayed or be illuminated in any place that is visible from the road without the permission of the Authority. This in practice literally means that all advertisements that are visible from a road will be regarded in the same manner, irrelevant if these are done within one's private property or on public land and if these are advertising the goods sold within the shop or if the advert is a commercial one, and will require a Planning Authority permit at a fee and will also pay a yearly license of Eur 1,500 every year to Transport Malta.

2. A misleading and irrelevant exemption

GRTU was shocked to realise that the law goes as far as including shop signs and other advertisements that might be affixed to the façade. This with the exception of signs not more than 0.5 square meters in area that are fitted flat against the façade or fascia and is not a projecting sign and as long as there are no more than two such advertisements per shop.

The 0.5m² exemptions was introduced in the 1993 law because this was the standard practice in the 1980s and the sign and advertising industry has since then significantly advanced. In practice any sign today falls outside this size and therefore is subject to the law.

3. Reinforcing an outdated and never before enforced law

GRTU was disappointed to see that a new law released by the Parliamentary Secretary for Simplification of Administrative Bur-

dens was in no way simplified and elements that should have clearly been removed because they are outdated and not enforceable have been renewed in the new law.

Just to give one example, a disturbing requirement is that any advertisement, including a shop sign, must bear the Authority's reference number for its permission and this must be included as an integral part of the advertisement design in a permanent, clear and legible manner. This negatively impacts the design of logos and signage both future and even more so those existing and overlooks the fact that this goes against the branding rules of franchises.

4. Conceived, introduced and enforced overnight

GRTU is aggravated by the fact that the Legal Notice has overnight placed great strain on the sector that is now faced with a situation where it is not able to honor advertisement commitments made before the law was published. Operators were put under pressure to resubmit the paperwork of their permits with the Planning Authority by Monday 11th April after Planning Authority officials reportedly called the clients of billboards operators informing them that if the billboard is not regulated a fine of between Eur 1000 and Eur 5000 will be applied.

GRTU condemns the method in which this law came into force in total disrespect of the principles of transparency and consultation. The law has hastily attempted to address an issue that has been in existence for a lengthy amount of years in the most incorrect of manners. Moreover, the Planning Authority has been sitting on the permit applications for over two years without giving any form of feedback.

The law has not assessed the significant impact it will be having on enterprises across Malta and has induced a money making mechanism that will throw enterprises in an even more precarious situation.

Opportunity for Web Developers - New e-commerce scheme



GRTU has been informed that a new scheme that will part finance the setting up of a e-commerce websites by companies will be launched shortly.

A significant pot of money will be available that will open up a healthy amount of opportunities both for those seeking to set up their website or include an e-commerce facility in their existing one, as well as those that provide the web development service.

Selling online is a phenomenon that has changed the world of commerce and sales. This has come to great benefit to those enterprises that have sought to explore the opportunities of foreign markets. Foreign companies have succeeded tremendously in this area, with some basing their entire business plan on their online presence.

Unfortunately, due to a number of reasons, Maltese enterprises are still lagging behind significantly and a grant will certainly help them in finding the necessary willingness to move forward in setting up an online presence and ultimately selling online. GRTU has already submitted its feedback on how we believe the

scheme could improve and a consultation meeting was held for web developers in order to discuss the access criteria to be enlisted in the scheme that will enable them to provide the service.

The only way enterprises can benefit from the scheme is if they use a service provider that is listed and to be listed service providers need to apply and comply with a set of criteria.

The suggestions put forward by web developers were multiple and GRTU is currently in discussions with the Government to ameliorate the conditions in order to increase access to the largest number of service providers possible.

The e-commerce scheme will be launched shortly and GRTU will be hosting information sessions for enterprises interested in the scheme and a separate one for service providers in order to help them enlist in the scheme.



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GRTU Transport Lobby Group progresses on Kappara Junction Project Proposals

GRTU's Transport Lobby Group has been focusing its work on proposals related to the Kappara Junction Project. The Kappara flyover is a necessary national project which is planned to stretch over a 77-week period. For the duration of the project, traffic management will be effected given that this junction is a crucial one for Malta's infrastructure and connectivity for traffic flows.

The Lobby Group of GRTU represents various major stakeholders in the transport and logistics industry, such as chauffeur-driven cabs, coaches, transport for disabled persons, goods distributors, couriers, freight forwarders and cargo hauliers, amongst others. Following the preparation of a 30-strong proposal document which was presented to the Ministry for Transport and to Transport Malta, the Lobby Group has been pushing forward its proposals for the betterment of the traffic management plan during the project.

It is inevitable that such major project would have impact on traffic flows, but with GRTU's expertise from operators in the industry, mitigation of unnecessary stress of traffic on the area and better flows of traffic can be achieved. The Lobby Group has been meeting every week to monitor developments and provide further input to its proposals. Meetings with Ministry and TM officials have continued over the past weeks with GRTU Transport Lobby Group members giving further suggestions and tweaking towards improvements.

It is clear that Minister Joe Mizzi is understanding the reasoning behind the proposals put forward by the GRTU Transport Lobby Group. Recently Minister Mizzi has expressed that road closures because of village feasts and placement of cranes may not be allowed in cases that would disrupt to already strenuous situation during the peak points of the project.

GRTU had in fact insisted that permits for any form of full or partial road closures need to be approved by Transport Malta through a centralized unit which is overseeing impact on the surrounding areas and the traffic management plan when national projects such as this are ongoing. The Minister's statements reflect this line of thought.

GRTU has also proposed a park-and-ride system through alternatives which would alleviate commuters and residents in cases where it is necessary to reduce parking spaces due to the project in order to allow smoother traffic flows. This is due to side-roads or main roads being now switched to main roads or traffic arteries respectively. The Transport Minister has also announced that such considerations are being made and in fact GRTU is indeed informed that contact with site owners has been made as per GRTU's recommendations.

GRTU's Transport Lobby Group is also advocating a strong communication system to inform the public of road closures and alternative routes. The Lobby Group's most recent meeting was in fact with Transport Malta's PR office in order to establish a fast-track communication channel for GRTU members to inform TM of on-the-ground traffic developments and



for GRTU to inform its members of any road closures or developments to the traffic management plan.

GRTU's Transport Lobby Group is indeed working actively to find solutions to the exigencies of the project and foresee possible issues that may arise. It shall continue to monitor developments to constructively provide alternatives that would ease off the pressure on the area as it is every business operator's interest to ensure smoother traffic flows for the project duration.

Excise Duty on Plastic Bags, Sacks, Cones, Films, Sheets or Tubes



Budget 2016 announced the move of plastic bags and sacks from Eco-Tax to Excise Duty. This decision was taken as part of the phasing out of the heavily criticized Eco-Contribution and the replacement with Excise.

The Customs Department Director General Joseph Chetcuti explained that the Government considers this as a more just and enforceable tax. The mechanism is also markedly different.

The process to pay Eco-Tax was instigated by the individual once the product is sold and it was heavily abused because it was easier for an individual not to declare sale of the product. With Excise the product is not released until the duties are paid.

With Excise, the point at which the tax is paid is at point of entry into the market or at point of being released from a tax warehouse. With Eco-Tax, the tax was due at point of sale.

When it comes to how the tax is calculated, Eco Tax is calculated per unit, irrespective of the size or weight. Excise is calculated by weight and there is a maximum cap as to how much one can pay.

In most cases the same amount of money is due, however the law is now clearer and covers in a fairer manner bags of different sorts.

The following is a description of how the new duty has been introduced:

1. DESCRIPTION: Bags of plastic of HS Codes 3923 21 and 3923 29, for the conveyance of goods, with a handle, loop, slot or any other feature that facilitates the use of the bag for the conveyance of goods;

€1,700 per 100 kgs (€17 per kg) but not less than €1,500 per 10,000 units (€0.15c per bag)

2. DESCRIPTION: Bags of plastic of HS Codes 3923 21 and 3923 29, whether for the conveyance of goods or not, with or without a handle, loop, slot or any other feature that facilitates the use of the bag for the conveyance of goods, having a dimension of 28cm x 38cm or less and having a thickness of 15 microns or less, inclusive of gussets and handle;

€15 per 100kgs (€0.15 per kg) up to a maximum of €45 per 10,000 units (€0.0045c per bag)

3. DESCRIPTION: All other plastic sacks and bags (including cones) of HS Codes 3923 21 and 3923 29 and films, sheets or tubes of plastic of HS Headings 3917 and 3920 intended for the conversion into plastic sacks and bags; but

- excluding bags of plastic of HS Codes 3923 21 and 3923 29 and films, sheets or tubes of plastic of HS Headings 3917 and 3920 which constitute or form an integral part of the packaging in which food stuff is sealed prior to retail or transfer ; and
- excluding bio-degradable sacks and bags in accordance with MSA EN 13432:2000, MSA EN 14046:2003. MSA EN 14047:2003 and MSA EN 14048:2003;
- excluding printed sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of recycled waste by the authorised waste management schemes;

€250 per 100kgs (€2.50 per kg) up to a maximum of €170 per 10,000 units (€0.017c per bag)

4. DESCRIPTION: Bags of plastic of HS Codes 3923 21 and 3923 29 and films, sheets or tubes of plastic of HS Headings 3917 and 3920 which constitute or form an integral part of the packaging in which food stuff is sealed prior to retail or transfer;

€0

5. DESCRIPTION: Bio-degradable sacks and bags in accordance with MSA EN 13432:2000, MSA EN 14046:2003. MSA EN 14047:2003 and MSA EN 14048:2003;

€0

6. DESCRIPTION: Printed sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of recycled waste by the authorised waste management schemes;

€0

In addition to above, a clarification was made whereby plastic bags that outers and/or wrappers used by industry as part of the packaging process shall not pay excise duty. Customs are presently working on clear guidelines to facilitate implementation.



Operations at Malta Freeport Terminals Limited

GRTU will be representing its cargo haulier members during a meeting being held in the coming days to address various issues being caused by repeated delays brought about by inefficiencies caused by the clearance offices at the freeport.

GRTU's main concern is that one of the two clearance offices is being closed during peak-hours and which, according to statistics presented by Freeport officers during a meeting held recently, needs to be extended immediately.

Another concern that must be discussed is the overnight stay (ONS) situation at present. GRTU proposes that an alternative place will need to be found with the aim that containers would be more organised. This procedure has always worked efficiently in previous years.

Due to these issues and other that GRTU has been made aware of, GRTU will seek to improve the level of dialogue for the benefit of its members and smoother operations.

Information Session CE Marking



The Malta-EU Steering and Action Committee (MEUSAC) and the Malta Competitiveness and Consumer Affairs Authority (MCCAA) will be organising an information session on 'CE Marking'.

Two presentations will be delivered during the session. One will cover the practical aspects of MCCAA's operations in relation to CE Marking, (inspections and some simple testing which can be done on toys), whilst the second presentation

will be covering MCCAA's operations in general and aspects of conformance procedure, (CE marking etc).

The aim of this session is to clarify the need for CE Marking and to better explain the minimum legal requirements products have to meet before being allowed on the market in any EU Member State.

The information session will be held on Tuesday, May 17, 2016 at 10am, at Europe House, 254, St Paul's Street, Valletta.

Should you be interested in attending kindly reply on info.meusac@gov.mt by not later than Monday, May 16, 2016 end of business.

GRTU representing Mriehel small businesses within the Mriehel Enterprise Zone Foundation



The Mriehel Industrial Foundation is a private-public organization for public benefit. The long-term objective of the Foundation is to draw up a vision for Mriehel that ensures a development which can embrace both private and public investment in a common goal of economic and urban growth responsive to international business and investment potential whilst respecting traditional urban and environmental qualities.

In the immediate term, the Foundation will seek to manage Mriehel on a day-to-day basis addressing current and practical challenges to better support business operations. It will be a one-stop-shop for landlords and tenants within the area and will be a direct link to competent authorities and the local councils.

Entrepreneurs operating from Mriehel industrial estate have joined forces with the government and set up a foundation tasked to embellish the area and turn it to a modern business park. The biggest 16 private operators in Mriehel have come together and elected 6 amongst them as their representatives to form part of the Foundation. The Government has elected 6 representatives from its side to contribute to the Foundation that include MEPA, Transport Malta, GRTU and B'Kara Local Council.

The foundation will receive up to €400,000 from the state, which will be complemented by an equal amount from the members, as well as any planning authority fees related to development in this industrial zone. The Industrial Zone has a multitude of priorities. These include access to commercial services, construction of roads, health and safety in the area, parking facilities, catering for floods, improvement of accessibility and traffic congestion issues and addressing the general unkept environment.

In addition, the Foundation will ensure that Mriehel will gradually change in a designated zone for manufacturing and international commerce. The area has great potential to compete with foreign international commercial zones.

The Foundation will act as the voice of the different stakeholders and GRTU will be representing the interest of small businesses through GRTU's President Paul Abela who is a member of the Foundation.

GRTU will shortly be calling a meeting for small businesses in the area and will be electing a committee that it will consult on developments.

GRTU's latest initiative: Malta as a Wedding Destination



GRTU has recently invited various wedding service providers to attend a meeting that focused on the promotion of this sector within foreign markets.

The scope of this meeting was for GRTU to announce that it will be starting an initiative to promote 'Malta as a Wedding Destination'. The reason being, that Malta is considered as an ideal destination to get married. As an island surrounded with inspiring churches, idyllic beaches and exceptional wedding spots it is a beautiful location to enjoy one's wedding day.

The first action brought to the table was the concept of boosting weddings in Malta amongst the Irish community by participating in two of the wedding fairs organised by the renowned 'Wedding Journal Show' that will be held in the coming months.

Although GRTU has selected these fairs as the stepping stone to build this initiative, it was also made clear that the organisation needs the assistance of the wedding professionals to determine what needs to be done to efficiently implement this action as they are the experts.

GRTU also expressed that representative from this industry should pool their resources to obtain mutual benefits and with the assistance of GRTU they will be able to prosper and continue to grow within this sector.

Interested participants in this initiative have been invited to attend another meeting on Monday 9th May 2016 at 5:30pm – GRTU. Kindly register your participation by sending an email to eudesk@grtu.eu



PM VUCIC - 'I am grateful to Malta for the support provided to Serbia in view of European Integration

Early in January 2016 the Prime Minister of Republic of Malta Joseph Muscat visited the Prime Minister of Serbia Aleksandar Vucic. Three months after there have been important meetings and signing of agreements between business entities.

The Prime Minister of Serbia, Aleksandar Vucic, said that he is grateful to Malta for the supporting Serbia in the European integration process and announced that the meeting of the working group for enlargement of the European Union will be held in Belgrade in the beginning of 2017, when Malta will take over the EU presidency.

On that occasion the Maltese Prime Minister said that Malta truly believes and advocates for EU enlargement for those countries that are eligible for membership.

"We are supporting Serbian membership in the EU, and we look forward to the meeting of the working group for enlargement to be held at this time next year in Belgrade. We look forward to the improvement of bilateral relations between Malta and Serbia," Maltese PM said.

Maltese Prime Minister added that the trade relations between Serbia and Malta are very limited at the moment and he continued by saying that the two countries can have better friendship.

The meeting between Prime Ministers gave businessmen a clear confirmation that Serbia is the State to cooperate with. GRTU has therefore officially visited the country to explore business

opportunities for its members both at local and regional level.

GRTU President Mr. Paul Abela and GRTU Vice President Mr. Marcel Mizzi signed a Memorandum of Understanding with Mr. George Radinovic, the Mayor of Stara Pazova.

During the a presentation of the investment potentials within municipalities the GRTU President stated that GRTU will engage in motivating investors, as the projects have great potential and the infrastructure is at the highest level.

The delegation also visited southern Serbia and they have been guests of Mr. Goran Jovic president of in Leskovac city.

Two important cooperation agreements were signed. One with the Regional Chamber of Commerce and Industry in Leskovac city and the other with the Serbian Information and cultural center EURO SERBIA in Malta. The Centre and the Chamber made a commitment to open an office that will promote products and potentials of Malta. The presidents of the respective organisations stated that the agreement will help Serbia on its path to Europe.

The director of Serbian information and cultural center EURO SERBIA Mr. Boban Jovanovic was organizer of this visit to Republic of Serbia.



Contact GRTU Malta Chamber of SME on **21232881/3** or e-mail **admin@grtu.eu**



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