

January 2016

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GRTU NEWSTRING



GRTU successfully holds its 67th Annual General Meeting

The 2015 AGM was held on Sunday the 17th of January at the GRTU Headquarters in Valletta.

During the meeting GRTU CEO Abigail Psaila Mamo provided a detailed overview of GRTU's 2015 Administrative Report.

The Administrative Report showcases the work carried out by GRTU during 2015. Amongst others it outlines the top achievements of the organization during the year, the multitude of issues that GRTU has touched with and work with specific sections.

The achievements of the organization during 2015 were many, ranging from the long awaited abolition of eco contribution, a step forward with regards to bank interest rates and charges, successfully winning and completing an ESF project amongst others.

A more detailed overview of GRTU's achievements for 2015 can be found on page 3 or on GRTU's website.



'GRTU is going through a phase of renewal' – Paul Abela, GRTU President

GRTU 67th Annual General Meeting

During 2015 GRTU has also spearheaded a number of important issues for businesses placing them on the national agenda.

Amongst the most prominent for 2015 was GRTU's request to reduce electricity prices for SMEs. This was one of GRTU's main proposals for Budget 2016 where GRTU boldly requested a reduction of 30% in the cost of electricity for SMEs, and this was over and above the 25% that was given by the Government earlier on in the year.

GRTU's claim gathered significant support from the other leading social partners as well as the opposition. GRTU intends to continue



with its claim and representations on the issue in 2016 with the aim of winning a better deal for businesses when it comes to the cost of electricity.

Other important issues GRTU dealt with in 2015 were the Maternity Leave Trust Fund that led to GRTU being on the Board that would distribute the funds to the private sector, this we believe will ensure timely disbursements. GRTU was also very vociferous in its objection to the relocation of the Valletta Market and took concrete and constructive action on the issue of traffic in Malta through the creation of a new lobby group that brought together the main stakeholders in the industry.

GRTU President Paul Abela closed the meeting saying that GRTU is today the main stakeholder representing SMEs in Malta and the GRTU is going through a phase of renewal where we are reinforcing the principles and mission of the organization while at the same time looking ahead and exploring new avenues that can enhance the service GRTU provides to its members.

Mr Abela thanked the GRTU Council for the time they invest in the organization to improve the working environment for the sectors they represent and the GRTU staff for their relentless efforts and dedication.

GRTU reaches agreement with Enemed on a wider distribution of Super Unleaded Petrol – RON98



Following a meeting held with Enemed Chairman Kevin Chircop, GRTU presented its arguments as to why the Unleaded Super Fuel should be distributed widely amongst fuel stations and therefore the stations interested should be given the opportunity to sell the new product.

Following this meeting an agreement was reached whereby all fuel stations that express their interest in selling the Super Unleaded Petrol will be supplied as soon as the necessary preparations are completed from the fuel stations' end.

A list of the fuel stations that would like to be supplied with the Super Unleaded Petrol has already been passed on to Enemed. GRTU and its members have the same interest of Enemed, of pushing the new product and have it effectively penetrate the Maltese market. GRTU would like to thank Enemed for accepting GRTU's arguments and providing equal access to all fuel stations. GRTU also thanks Minister Konrad Mizzi for his intervention in the matter that was instrumental in facilitating discussions and finding an amicable solution.

GRTU's main achievements in 2015

One of the biggest achievements of the organization during 2015 was the **initiation of the abolition of Eco Contribution**. After years of GRTU representation and complaining about the inadequacy of the law and its lack of logic, 2015 marked the year that started its abolition. GRTU has spearheaded this change and the journey was not an easy one as we faced significant impositions from Government due to the income Government derived from this contribution/tax. GRTU has been following the removal of this unjust tax very closely and there is an understanding that Eco-Contribution will be totally abolished in the coming years.



Another major win for the GRTU concerned its long standing crusade **against excessive bank interest rates and charges**. GRTU's efforts have led to more affordable means of financing also through alternative sources that work independently of the banks as well as the Micro Guarantee scheme, another product that was developed by Malta Enterprise thanks to the efforts of the GRTU.

Following insistence pressure by GRTU an investigation was carried by the MFSA as the regulator and the MCCA as the competition authority that confirmed what GRTU has been arguing against for many years. The investigation focused on the bank's level of profits, risk rating policies, financial lit-

eracy, interest rates and charges.

In 2015 GRTU has won **EU funds to the tune of Eur 90,000.00**, concluding its first ever European Social Funds project. The funds gave GRTU the opportunity to carry out a vast number of activities and reach beyond its usual capacity, increasing the exposure of the organization.

Thanks to this financing GRTU held two very successful conferences, one related to helping SMEs in reaching their online potential and another related to learning about and implementing the Budget measures. GRTU's work and what it stands for were showcased through audiovisual tools, write-ups in popular magazines as well as tailor

made publications. In addition GRTU also developed its first guidebook and online learning facility.

2015 was also a year where Government started taking concrete action against **unfair competition**. What has been achieved this year is far from being enough however it constituted an important first step because through intense pressure placed by the GRTU, Government's policy shifted from one where it was arguing that goods coming from Sicily should be treated in the same manner as those coming from Gozo to one that involved a stronger regulatory framework and a degree of enforcement.



GRTU SEMINAR - How does Budget 2016 effect your business?

Monday 2nd November 2015
Corinthia San Gorg, San Giljan
8am - 7pm

Find out more & Register on:
www.grtu.eu/Registration

Hands-on Workshops with Key Government Officials featuring topics such as:

- Transport & Traffic
- Access to Finance and Financial Incentives
- Eco-Contribution Reform and Introduction of Excise Duties
- Property Market Measures
- Labour Market: Skills, Migrant Workers, Dealing with Disabilities and much more.

Q & A Time with Finance Minister Prof Scicluna
This is a unique opportunity for self-employed and SME owners to find out more on how they can best benefit from Budget 2016 whilst voicing their concerns directly to the decision-makers.

GRTU's main achievements in 2015

In addition, following GRTU's campaign against the sporadic licensing of 'occasional sellers' Government abolished the exemption threshold of Eur 7,000. This will place the authorities in a position to be able to carry out checks that were impossible with the exemption.

GRTU's sections have also been very active during 2015 and one of the most active and dynamic sections was the Renewable Energy Section. GRTU has successfully reached an agreement with Government in relation to the allocation of land for **PV investments** by the private sector. This will help Malta reach its EU 2020 targets and will help the sector through the supply of additional work that is not related to the schemes issued by Government. GRTU will be coordinating the project through a Public Private Partnership.

Apart from working relentlessly for the betterment of its members GRTU has also worked to improve the organization itself. In 2015 GRTU was awarded the **Equality Mark** by the National Council for the Promotion of Equality. This award is testament that GRTU is an equal opportunities employer and that its employment and working practices are gender neutral and fair.

The application process involved the development of an equality and sexual harassment policy, appointing an employee as an equality representative and implementing family friendly measures and work life balance options.

GRTU has this year also returned to printed media through its collaboration with the business journal - **The Executive**. This helped GRTU in widening its reach through an already established distribution network and a professional publication. The feedback received on the publication is very positive.

The GRTU Executive Council took the bold decision to **relocate its headquarters**, for the first time placing the GRTU in a position of directly owning the property it operates from. This we believe will drastically increase the value of the organization.



GRTU Executive Council for the year 2016

Position in Council	Name	Sectors of expertise
President	Paul Abela	Cargo handling, importation and Hotel Industry
Vice President Policy and Strategy	Philip Fenech	Tourism, Hospitality and Leisure & Business Consultancy Services
Vice president Finance and Administration	Marcel Mizzi	E-Commerce, Web & Software Developer
Vice President Sections	Christian Vassallo	Construction, Real Estate, Elderly Care, Furniture, Hospitality & Catering
Vice President Districts and Localities	Joseph Zerafa	Brown goods & electronics.
Vice President International Relations	Michael Galea	Auto Dealer, Importer & Repairs, Auto Service Station, Marketing Advisor & Real Estate
Vice President Training and Development	Mario Debono	Pharmacy Owner, Pharmaceutical Importer, Healthcare IT Provider & Property Developer
Member	Azzopardi Emanuel	Laundry & Dry Clean, Upholstery & Carpet Cleaning
Member	Camilleri Sergio	Petrol Station owner, Auto Parts, Auto Dealer, Rent a Car & Panel Beater
Member	Cutajar Patrick	IT Consultancy
Member	Fenech Alfred	Jewellery Importer, Manufacturer, Retailer & Restaurateur
Member	Fenech Azzopardi Therese	Retailer & Manufacturer of Furs & Leather Wear, Importer & Retailer of Swimwear
Member	Galea Stephen	President Socjeta` Vitikultura, Agriculture, Farmer & Vine Grower
Member	Gauci Noel	Renewable Energy, Culinary Products
Member	Haber Joan	Manufacturer of Artistic Crafts & Ceramic Goods, Event Organizer, Crafts Council Representative
Member	Vella Josette	Importer & Retailer of Quality Giftware, Furniture and Fine Arts
Member	Vella Salvu	Cargo Haulier (Burdnar), Customs Clearance Agent & Forwarder, Shipping & Travel Agent & VRT
Member	Zammit Carmel	Cargo Haulier (Burdnar)

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SEPA – IBAN only rule from 1st February 2016

As competent authority of the SEPA Regulation (EU) No 260/2012 (establishing the technical and business requirements for credit transfers and direct debits in euro), the Central Bank of Malta would like to draw your attention to the fact that as from 1st February 2016 the IBAN only rule will apply.

In the implementation of the SEPA Regulation, which came into force on 14 March 2012, Malta decided to use a waiver whereby the use of the BIC (Business Identifier Code which is locally also referred to the SWIFT Code) would continue to be used for domestic payment transactions. With this waiver payers were obliged to provide both the IBAN and the BIC of the payee to make a payment both on domestic and cross-border levels.



As from 1 February 2016, the IBAN only rule will start to apply. This effectively means that a payer would no longer be required to provide the BIC of the payee for both domestic and cross-border payments. Although the BIC can still be provided, this will not be mandatory and payers will only be required to provide the IBAN of the payee for the purpose of making a payment. This applies for both SEPA credit transfers and direct debits.

Service providers which support and/or use payment generating software are to ensure that printed and on-line forms used in the collection of data for payment processing are amended accordingly, so that the provision of the BIC does not remain mandatory.

GRTU sets up Transport Lobby Group



GRTU has over the past years represented various sectors of trade which are directly or indirectly related or affected by issues of transport and logistics. Rather than complaining, GRTU has in 2015 taken an active stance by bringing together the various types of operators involved. Over the past months this has proven to provide hands-on expertise from those who are constantly operating on the road – knowing the ins and outs of the situation, and ultimately being able to provide solutions.

GRTU is bridging the concerns to find common solutions that can be brought forward and implemented both for the short-term and the long-term approach – something which will not only benefit business but our economy and society as a whole.

Our representation includes, amongst others:

- Chauffeur-Driven
- White Taxi Service
- Coaches (Unscheduled Bus Service)
- Cargo Hauliers
- Express Freight (such as Courier Delivery Service)
- Airfreight Forwarders
- (Essential) Goods Distributors (such as Gas, Milk, Bread)

Through this Lobby group GRTU has presented a comprehensive set of proposals during 2015 to the Ministry for Transport. Below is a summary of what was presented:

1. Stronger consultation and planning to mitigate unnecessary burdens such as closing off periphery projects, widespread awareness of closures and diversion routes, and devising acceptable diversion routes for the duration of projects.
2. Traffic has to be channeled to secondary roads to reduce clogging where possible.
3. An ongoing stock-take of possible improvements and suggestions in various localities, including Paceville, Swieqi, San Gwann/Kappara, Qormi, Marsa, St Venera, Zebbug, Luqa.
4. Authorities that close roads need to communicate and coordinate together in practice.
5. A Driver on Delivery Card similar to the Doctor on Call concept needs to be considered.
6. 24/7 Use of Roads and Off-Peak Times (Road works, landscaping works, waste collection and other)

7. Widespread Educational Campaign
8. Enforcement that ensures Loading bays are not left occupied, buses use the appropriate bus-stop stations and upgrading subways
9. Clearer understanding of the use of the newly installed Priority Lanes so as to ensure full usage by chauffeur-driven cars, white taxis, buses, coaches, motorcycles and even private vehicles carrying three or more passengers.
10. Increase of Boarding / Loading Bays in key areas such as business hubs (Valletta, Sliema, Paola, B'Kara, etc.).
11. Unused parking facilities and private parking facilities need to be put into use. It no longer makes sense to have development getting away with not planning adequate parking facilities.
12. In view of the previously announced logistics hub concept, one may even consider organized local combined logistics as applicable.
13. Incentivizing other methods of transportation rather than using one's private vehicle needs to be taken from policy to action. This would include for instance increase of sea transport.
14. Smart Technology Systems would smart parking sensor to advise drivers if parking is available or not to avoid unnecessary traffic and time wasted looking for parking; adaptive traffic signals technology would improve efficiency.
15. Encourage employers to invest in parking facilities and joint traffic solutions
16. The CVA system in Valletta has clearly failed and needs a complete overhaul. All stakeholders involved need to be brought together to steer a holistic revamp of the entire system to address the evident inefficiencies which are definitely not within the original spirit within which it was established.





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GRTU welcomes progress achieved in employment of people with disability, calls for closer cooperation with employers

GRTU – Malta Chamber for SMEs supports all calls and initiatives towards social integration of persons with disability and it is pleased to note an increased uptake of employment of persons with disability by the private sector.

Announced in the Budget 2015 Speech, the re-ignition of a dormant legislation of having a minimum of 2% of employees being persons with disability for businesses with at least 20 employees, has led to an encouraging increase in employment of registered disabled persons (RDPs). Data made available during an MCESD meeting by the ETC Chairman shows that the private sector, above the 20 employee threshold, is employing over 350 RDPs.

GRTU believes that the private sector is showing its willingness to support this initiative not just because it is legally obliged to do so but because it also values its return. There are in fact 700 enterprises that even though not obliged by law, still employ people with disability and this does not include the employment of people with disabilities that are not registered in official national registers and are therefore not taken into consideration by the law.

The employment of persons with disability should not be seen as a mere statistical exercise or push employers into an easy way out of paying a contribution instead. It should be a hand-in-hand approach with employers to look into the needs of the specific business operation and how those persons with disability who are looking at participating in the labour market are matched through a process.

with social partners before reactivating a law that was introduced in 1969 and never implemented. GRTU expected ETC to place greater emphasis on the several incentives already available to positively encourage employment and assist them directly in finding an individual that matched their employment needs.

Sending out of invoices to employers without proper consultation and hand-holding for implementation would only result in counter-productive exercise to the message of social inclusion. This would portray the need to integrate persons with disability as a burden or a form of bill whereas the spirit should be one of understanding business needs and matching the capabilities and potential of persons with disability with specific job roles, just as in any other case.

Having said this, GRTU feels that ETC has now recognised its pitfalls in the

implementation process and looks forward towards a renewed approach which recognises issues faced by the private sector and which has fine-tuned its methods to better support employers. As a result GRTU welcomes ETC's decision to waive the contributions due by employers should they become compliant with the law.

GRTU believes that much more can be done in terms of close cooperation and partnership between the public and private sector when it comes to inclusion of persons with disability. Employing a person with disability should never become a burden on the enterprise and the Government should do its utmost through a tailor-made approach, hand-holding and the use of support schemes to facilitate the process.



Public Consultation on the Protection of Public Health and Safety

Following the 'Paqпали għall-Istrina' incident, Dr. Mark Gauci, Chief Executive Officer of the Occupational Health and Safety Authority was commissioned to review the legislation governing 'public health and safety'. The report titled "Saħħa u sigurtà waqt attivitajiet pubbliċi – analiżi tal-qafas regolatorju, u suġġerimenti għal titjib fejn meħtieġ" provides an analysis and evaluation of the current situation concerning the protection of public health and safety. In this regard, it is important to point out that the report in question was carried out without prejudice to any on-going investigations.

The report sets out a number of recommendations intended to improve and enhancing the protection of public health and safety which are collected together in the concluding section of the said report. Key recommendations include:

- The fundamental principle that the protection of public health and safety must be given priority over all other areas;
- The need to develop a systematic legislative framework addressing the protection of public health and safety in a specific manner;
- The importance of having clear procedures concerning the requirements of licenses and permits founded on the One Stop Shop concept;

- The need to identify a single, independent, regulatory body which will be responsible for the governance of public health and safety;
- The need to review, update and repeal conflicting and outdated legal provisions;
- The necessity of having a Fire Safety Act which will address important and specific aspects concerning among others the provision of fire and other emergency risk assessments, fire prevention and the establishment of the competency criteria of fire risk assessors; and
- The importance of establishing appropriate conditions based on the level of risk for the purposes of obtaining of license or permit.

In order to ensure an open and transparent approach to decision-making, a period of public consultation has been launched through which interested parties may submit their views on the above-mentioned report and any other proposals concerning the protection of public health and safety.

Interested parties are being encouraged to submit their comments through an online process by accessing the 'Public Consultations Online' platform on www.konsultazzjoni.gov.mt by not later than 13th February 2016. Alternatively, one may access the Facebook page (www.facebook.com/sahhausigurta) set up for this purpose, and leave a comment.

GRTU working on ameliorating health and safety standards for entertainment establishments

There is no question of whether improvements in the safety standards of entertainment establishments across the islands are necessary or urgent.

The current scenario that we have on our hands today was created by a number of contributing factors emanating from the industry, the authorities and also, to a certain extent, the individuals that frequent these areas of entertainment.

Most of what we know today is no news but realizations about the real underlying issues were brought about by an unfortunate incident that shook the country and placed everyone in a sudden state of urgency. The reactions have been immediate and in certain cases rash, but everyone needs to take his own responsibilities with regards to the current state of affairs. Pointing fingers will only cause further deterioration and will not contribute to the vision we collectively aspire to.

What is of paramount importance is that the areas that are mostly frequented by our youths are safe. But let us not fool

ourselves into thinking that this starts and ends with stricter compliance on the establishments. The security issues that exist require a wider approach that necessitates that all the stakeholders work tightly together.

GRTU has brought the main parties together to initiate dialogue and consultation. This we believe will address both the immediate issues and also help us reach the medium to longer-term goals we should aspire for in the future.

The reality is that tourism is a main contributor to Malta's GDP and while safety can never come second to anything, a sudden aggressive and blanket approach can harm the industry that is significantly a main tourist attraction.

The goal must never change but there are different ways how to get there. The quick and rash can be short-sighted.

In a dialogue session organized by GRTU with Minister for Home Affairs and National Security Carmelo Abela, the >>



<< Minister for Home Affairs and National Security Carmelo Abela, the Minister stated that while we need to send a serious enforcement message on Paceville, to succeed all stakeholders involved including the private sector must act in unity. This followed another meeting organized by the GRTU between the MTA and the private operators related to compliance issues and licensing.

From the sessions held it became evident that both the industry needed a better understanding of the laws they are subject to and how they can comply and also that the regulatory framework needs clarifying and strengthening.

Through these meetings, GRTU is enhancing the effectiveness of a platform which sees policy makers and the people that work on the ground, working together to understand each other's realities and devise a way forward.

Underage youths

GRTU feels that Government has so far only tackled the easiest way out by drastically increasing the fine on the establishment when underage youths are found inside. GRTU once again believes that the responsibility must be a shared one.

From a regulatory aspect, the licensing regime is in need of an overhaul because, for instance, while underage youths cannot enter a nightclub, they can enter a bar as long as they are not served alcohol.

There is also an issue of controlling demand. A deterrent needs to be placed at both ends, not just on the establishments that are trying to keep underage youths out but also

on the underage youths themselves that are trying to get in. Both need to have something at stake and made to carry the responsibility of their actions. This we believe will be much more effective.

Self-regulation

The industry has not been indifferent. The incident itself served as a wake-up call for many entrepreneurs in the leisure industry, lending to a new wave of self-regulation. Self-regulation does not mean doing away with neither regulation nor inspections but it focuses on empowering those that need to comply with the laws with the necessary knowledge, skills and resources to be successful in their daily business activity.

GRTU believes that, even though important, enforcement is both difficult and costly. A self-regulatory approach would lead to fewer requirements for enforcement and the industry and the authorities would work closer together.

Upgrading security measures

GRTU is helping the industry explore new avenues that would help them in their compliance and minimize human involvement and error through the automation of systems. This would not only greatly help the industry in coping with the influx of people and being better able to control the numbers more effectively but also help the authorities with issues such as headcounts, etc...

**For more information on business related issues kindly contact
GRTU Malta Chamber of SME on 21232881/3 or e-mail info@grtu.eu**



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