

NEWSTRING



What are the real sustainability issues facing our economy?

The Maltese economy is doing exceptionally well. We have surpassed the EU average by none less than 4% growth. There is not better word to describe it than 'phenomenal'.

Part of this success is due to the intelligent and attractive tax system adopted by our government. Another part is that Maltese businesses have rose to the challenge and delivered what the economy required of them.

Malta has also been successful in attracting an amount of tourists that surpasses by 65% the numbers we had visiting our islands 5 years ago. This increased consumption, together with the 68K foreign workers that will be working on our little island in 2019, has greatly increased the need for accommodation, goods and services – ultimately generating growth.

But where does this leave us?

We are riding a wave but what are we leaving behind? It is high time we start thinking in terms of quality.

Bettering our standard of living is key. We need to talk about residential attractiveness. If we just focus on selling ourselves and cashing in without taking care of ameliorating our product and our standard of living we are in for much harm. Whilst everyone is happy with increased cash, people will start tiring out if the environment supporting their daily lives



starts crumbling down.

What is the effect of the increased numbers?

- A more claustrophobic island – Should we focus on attracting fewer numbers of higher quality?
- Traffic – The situation is serious and delays are making us less efficient. The additional people living in Malta need to find their places on our roads and commute, a good number will choose to get a car - can our roads take any more cars? Others will choose to commute via public transport but can the public transport infrastructure sustain them?
- Schools and Hospitals – Another case of overcrowding. Our facilities were simply not built to accommodate so many people. Being caught between a rock and a hard place, between catering for the increased demand and building. It begs the question - what will happen if the demand slows, what will we do with the extra buildings? As a result the government is getting creative but it's a difficult patch to live through.
- Environment – Our dear environment, of which we have so little left. How are we caring for the areas we need to take our children out in the weekends to and run away from it all. A country of our level should have enough public areas of a high standard to give us some respite of it all. The truth is that we don't have enough.

The good news we were given is that pensions are not at risk with all the foreigners contributing and not getting a pension in return. But going again towards quality, is this enough? Are our pensions adequate? Our pensions, when compared to the average wage, compare to 15% less of what they used to get back in 2004. Our pensioners are getting poorer. It's a real shame for a country having so much wealth.

Apart from this our public service spending has increased dramatically. This is all well and good with the high taxation income that is balancing our debts but are our increases easy to shrink if our growth becomes more moderate. Again sustainability is key.

Let's make the most of this time, but really make the most of it!

E-Invoicing on the way!

In 2014 the European Commission published Directive 2014/55/EU which has the objective of promoting the uptake of electronic invoicing in public procurement. The directive also aims to ensure interoperability and legal certainty between member states on this subject. Electronic invoicing has the benefit of allowing the automated generation, transmission, reception and processing of an invoice. The implementation of a common European Standard on electronic invoicing is a guarantee that these benefits are reached in the context of the European internal market.

On 28 June 2017, the European Committee for Standardization (CEN) published the semantic data model for the European standard on eInvoicing. A study on the practical application and implementation of the European e-Invoicing standard was also carried out, which confirmed the suitability of the newly created standard. The Directive stipulates an implementation deadline of 18 months at the national level and 30 months at the regional and local level. The creation of a European standard for eInvoicing in public procurement prevents Member States from creating their own different standards which would lead to increased complexity in terms of cross-border interoperability.

The European Multi-Stakeholder Forum on Electronic Invoicing (EMSFEI) was created for this purpose and Malta is represented by employees from MEIB (Ministry for the Economy, Investment and Small Business). In March 2018 MEIB called a meeting and invited Maltese Social Partners such as GRTU, MEA, MBB, COC and others. During this meeting, background about the directive and its implementation was given and attendees were informed that a National Forum on eInvoicing would be created shortly. It was also

announced that a new member on the EMSFEI must be nominated from amongst the stakeholders to join in the EMSFEI meetings in Brussels. It was noted that ideally this new member would have a technical background as the representatives from MEIB did not have this knowledge. The new member must also be from an organization which is listed in the Transparency Index. The only organizations around the table that are listed were GRTU and MBB. Both organizations nominated a member and Marcel Mizzi from GRTU was selected to join the EMSFEI. Mizzi's job will be to report details from the EMSFEI to the Maltese National eInvoicing Forum which has just been created and to relay the concerns of the Maltese Forum to the EMSFEI. Mr. Mizzi attended the second EMSFEI meeting.

Electronic invoicing will at first only pertain to Government procurement and at the start it will be voluntary only and only on high value procurement, later on becoming obligatory. Eventually all business to business invoicing will be done electronically but this is still some years away and only envisaged to happen after the successful implementation of the B2G and G2B phases.

Some member states are lagging behind while others have progressed ahead. Some do not even have the political backing and a Government entity that owns the eInvoicing initiative. The EMSFEI and its components are chasing these countries. CEF (Connecting Europe Facility), which is part of the EMSFEI forum is also organizing training sessions in the Member states themselves and webinars that may be accessed from anywhere. These are all free except for the cost of hosting the presenters. One will be organized shortly in Malta.

On a quest to reinventing GRTU

Last year GRTU turned 70 years old. The organisation I have been heading as President, for fifteen years now, has a very colourful history. It was always at the forefront to protect the interest of businesses and we are well known not to shy away from challenges.

A few years ago we have appointed a new, young, female, CEO – Ms Abigail Mamo - and that was the first step for GRTU in reinventing itself.



This does not mean that we are changing all that we are but we are certainly taking stock of whom we are and balancing that with whom we want to be. In simple words we are keeping the good and bringing in more new good because we want to stand out and excel.

GRTU is made up of its traditional sectors, which are Retail, Pharmacies, Petrol Stations, Gas Distributors, VRT Stations, Cargo Hauliers, Pharmacies and more. We have however quite recently also welcomed sectors but that we are also very proud to represent, amongst which are Childcare Centers, Milk Distributors, Web Developers, Gaming and Consultancy firms.

Amongst the benefits GRTU has provided to its members recently are advancements in conditions and rates of return for petrol stations, child care centres and milk distributors. We have worked on securing the livelihood of businesses hit hard by the Satabank crises, who have managed to remain afloat and stayed in Malta to continue their business here. We have established the true one-stop-shop for business in Malta – Business 1st - in collaboration with Malta Enterprise. GRTU has at the end of 2018 also held the biggest Black Friday show yet seen in Malta so that consumers are encouraged to focus on the Maltese retail businesses. This year's Black Friday was the best day of business recorded.

GRTU is also a wealth of information for businesses, wherein we hold weekly sessions to educate, consult or inform businesses on a wide variety of topics of interest to business. These focus on new laws that will be introduced, existing regulation as well as collaboration with the private sector that encourage B2B collaboration.

GRTU has also worked and will continue working on the biggest challenge facing all businesses today – scarcity in human resources. Finding people, and here we are not talking

about specific sectors or people with the right skills, any post that needs to be filled in, from the lowest to the highest level is a headache. Businesses are spending tremendous amount of funds in recruitment and training. A fast growing economy as we have, coupled with full employment is leading to high staff turnover and wage inflations, both at the expense of productivity. Work with Identity Malta and Jobsplus have ameliorated the system of employment of non-EU nationals, a necessary resource our country needs to tap into, but much more is needed.

At GRTU there is never a dull moment. We are always kept busy with our routine work of supplying information, holding events and carrying out studies but also the day to day issues that come up and need urgent attention. In business every day is an important day, because the employees` wages need to be guaranteed on a daily basis and one day of not operating can cost a business a number of its clients. At GRTU we are aware of this and we are fast to act.

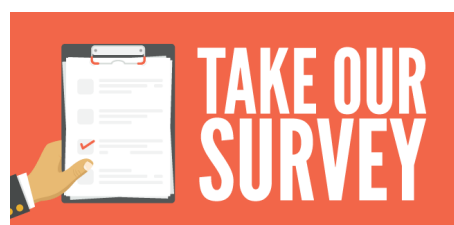
We are a vibrant organisation and in 2019 we will be undergoing rebranding of our organisation. Internally GRTU has gone through many changes and we want an exterior that reflects that and a brand that our clients will naturally relate to and identify with. A studied approach will determine the best course of action. This will be followed by the actual rebranding, done by professionals in the field, and a marketing campaign to get our brand out there.

This is a project that we all are very excited about that will continue strengthening our organisation and launching it into the future.

Survey

The Women4IT project, a project by the Malta Communications Authority, is a 3 years project funded by the EEA and Norway Grants Fund for Youth Employment. It aims to develop digital competences and promote the employability of young women who are at risk of exclusion from the labour market as well as provide innovative training solutions to increase the number of young women with ICT careers and women participating in the digital economy.

Click [here](#) to start the survey.



Do you have a great business idea but need a little help to see it through?

Business Enhance has been set up to help you achieve just that and they have a selection of EU grants which are available to help you and your business grow, diversify and even expand beyond our shores.

Venue: **Dar Europa, 254, St. Paul's Street, Valletta**

Date: **27th March 2019**

Time: **15:00 - 17:00**

Would you like more information?

Join GRTU next Wednesday to find out how you can benefit from the funds available.

Email msd.meae@gov.mt for more information.

The First Step to e-Invoicing!

GRTU, together with Ministry for the Economy, Investment and Small Businesses (MEIB) is holding an important information session to inform you of these changes. The information will include the projected target dates and where you can obtain the e-Invoice standard and structure which has been adopted for Malta as well as the method of data exchange that will be used.

If you offer or develop business software solutions this session is very important and will likely be the first of other sessions in the future.

A short presentation will be given by a representative from MEIB, who will also be available to answer any questions you may have.

Venue: **GRTU, 43/45, Capuchins' Street, Floriana**

Date: **28th March 2019**

Time: **13:00 - 14:30**

Please email julia.aquilina@grtu.eu or call **21232881**

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