

URGENT RESCUE MEASURES NEEDED WITHOUT FURTHER DELAYS FOR SMES

Months have now passed since the first signs of the pandemic brought the economy to a halt and things have not improved. Weeks into the relaxation of measures SMEs tell us they are in a worse situation than they were before because business is either slow or non-existent while costs have continued to increase, threatening their existence.

Much more help is necessary and the EU is giving Member States a carte-blanc to help businesses. In an aggressive stance that has never been seen before, the EU is giving out grants to Member States and asking them to save business with them. So far unfortunately as an SME Chamber we have no information that any such direct EU funds are being used to help businesses.

What is available today is not enough. Employees are being made and will continue to be made redundant as the economy is stagnant and businesses perish. This damage will take many years and hard work to recuperate. More must be done to rescue and preserve businesses in this delicate phase.

The Malta Chamber of SMEs has been waiting for weeks for a scheme that will address the burden of commercial rental payments.

ABOUT MALTA CHAMBER OF SMES

Malta Chamber of SMEs (Formerly known as GRTU) is the largest social partner in Malta representing over 7,000 SMEs from over 90 different sectors. The SME Chamber has been established for over 70 years and its aim is of safeguarding the interest of businesses at large.

SPOKESPERSONS

Paul Abela | President
Abigail Mamo | CEO

HEAD OF COMMUNICATION

Mr. Fabian Demicoli

CONTACT

E fabian.demicoli@smechamber.mt

Other EU countries have recognised the importance of addressing the current problem with commercial rents. These countries have understood that re-opening businesses as part of the relaxation of measures cannot happen without reducing the burden of rental payments because business will be very slow for the time being.

Weeks ago the SME Chamber had proposed a rent subsidy scheme that is based on the principle of burden sharing. The scheme we have proposed is very similar to other schemes implemented by other member states and ensures that rents adapt to current market realities while also adopting a system of burden sharing between the landlord, the government and the tenant. Such a scheme can be implemented, as non-repayable grants, under the recent state-aid rule possibilities.

Rent is one major concern and other areas also require intervention. EU state aid grants can also be used to help sectors that have been left out of the wage supplement, help businesses with the necessary investments to become compliant with new health regulations, help to cover utility bills, and all other running costs that businesses will take years to recuperate. These, together with positive economic campaigns and economic stimuli will help preserve our economy and restart much earlier with less harm.

ABOUT MALTA CHAMBER OF SMES

Malta Chamber of SMEs (Formerly known as GRTU) is the largest social partner in Malta representing over 7,000 SMEs from over 90 different sectors. The SME Chamber has been established for over 70 years and its aim is of safeguarding the interest of businesses at large.

SPOKESPERSONS

Paul Abela | President
Abigail Mamo | CEO

HEAD OF COMMUNICATION

Mr. Fabian Demicoli

CONTACT

E fabian.demicoli@smechamber.mt