

## **SME CHAMBER WELCOMES REACTIVATION OF BANK MORATORIUM POSSIBILITY**

### **FURTHER EXTENSIONS WILL BE NECESSARY**

The Malta Chamber of SMEs greatly welcomes the extension granted through the Central Bank of Malta's Directive due to the exceptional circumstances the country is experiencing. In effect, there is therefore once again the possibility to apply for a fresh moratorium or extend an existing one.

This extension was necessary since business in Malta has been heavily impacted by Covid and some were already, and others are now, not in a position to carry out monthly re-payments to their banks due to the economic impact of Covid.

The general economic downturn is due to lack of tourists, lower confidence in spending and the increase in cases. These have led to very low economic activity in many businesses at the moment. Other business are impacted even worse due to direct closure requirements or heavy restrictions on their activity.

The SME Chamber has already advised the Central Bank of Malta during recent direct discussions that some businesses will continue needing this assistance beyond March. Now that Malta should be on the doorstep to restarting economic recovery businesses should be helped until they can get back on their feet and re-start repayments. Businesses currently closed have reported their inability to continue repaying interest

#### **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](mailto:fabian.demicoli@smechamber.mt)

with the Covid impact stretching now to close to a year, pushing their business to its very limits.

The SME Chamber has already advised the Central Bank of Malta during recent direct discussions that some businesses will continue needing this assistance beyond March. Now that Malta should be on the doorstep to restarting economic recovery businesses should be helped until they can get back on their feet and re-start repayments.

Malta should therefore initiate heavy lobbying at EU level to push for a further extension and not let the EU adopt a one-size-fits-all approach and let itself be led by the needs of large countries. Malta's economy, its economic dependencies and vulnerabilities are markedly different to that of other countries and therefore Malta should be able to cater for its requirements.

The SME Chamber also wishes for the Central Bank of Malta and the Ministry for Finance to also enter into discussions with the individual banks and their representative association in order to address the transitioning between the moratorium situation and returning back to normality in terms of repayment. Banks need to provide the adequate support necessary for businesses needing some more time with moratoria and paced repayment of deferred loan repayments.

Covid has been hard on businesses and we ask for the cooperation and support of all stakeholders in order to reduce business closures as much as possible.

#### 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](mailto:fabian.demicoli@smechamber.mt)

The Malta Chamber of SMEs takes this opportunity to thank Mr Mario Vella for his support as Central Bank Governor on the matter and to welcome his successor Prof Edward Scicluna, with whom the SME Chamber has worked closely along the years in his previous role as finance Minister.

#### 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](mailto:fabian.demicoli@smechamber.mt)