

# SME Chamber

# ANNUAL REPORT.

# 2024

## President Forward



2024 has been a year of relentless activity for the Malta Chamber of SMEs. Our focus remained on equipping members with the tools and support needed to navigate economic shifts, adapt to emerging challenges, and seize new growth opportunities.

Through a series of positions, Networking events, Studies and Information Sessions, we have continued to champion the interests of small and medium-sized enterprises nationally.

In a year marked by ongoing global uncertainty, the SME Chamber has stood at the forefront, representing businesses with a human touch and ensuring their concerns are heard at every level.

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# Advocacy and Policy Work



Throughout 2024, the Chamber has remained actively involved with policymakers, ensuring that SME perspectives are represented at the highest levels. Furthermore, multiple roundtable discussions were organized with government officials to tackle ongoing issues and promote a business-friendly environment.

The Malta Chamber of SMEs' reports and initiatives have been widely covered by both traditional media and social media platforms. The SME Chambers' advocacy efforts for small and medium-sized enterprises in Malta have gained significant attention and recognition.

To further engage with its audience, the SME Chamber presented key statistics, dedicated studies, visual summaries, and notable statements from its reports. These materials encouraged discussions on both the obstacles and prospects facing SMEs in Malta.

## Banking

### I. Banking Services

During 2024 the Malta Chamber of SMEs continued to assist members and pressuring authorities to tackle the various banking issues encountered by members.

Members on various occasions encountered issues related to banking particularly when accessing services and on the level of information required. Members have continued to report added bureaucracy, checks, excessive charges when dealing with banks.

During 2024, the Malta Chamber of SMEs also directed micro companies to seek the assistance of the Arbiter for Financial Service in order to assist them with individual cases encountered.

The Arbiter can assist Individuals and Micro companies (till 9 employees and less than 2M turnover).

The issues with banking and regulatory, was also featured in the SME Barometer conducted each quarter, whereby 27% of businesses reported the bank charges and Interest rates as the primary cause for price increase in their business. a further 9% of members also believed that Banking Information and Compliance Requirements are a burden on their businesses.

In 2024, the Malta Chamber of SMEs continued its periodic meetings with the Malta Bankers Association whereby Malta Chamber of SMEs officials and member representatives met the Malta Bankers Association to discuss banking services and issues which are currently impacting SMEs on a regular basis.

The SME Chamber highlighted and discussed several issues such as bank's attitudes, charges, opening of bank accounts, bureaucracy and other issues impacting SMEs.



*A delegation from the Malta Chamber of met the Malta Bankers' Association new Chair Mr Kenneth Farrugia, Vice Chair, Mr. Henry Schmeltzer and Secretary General Mr Karol Gabarretta*

Apart from this, as has been done in the past, the SME Chamber also asked the government to introduce stick to its electoral manifesto of making corporate bank accounts a minimum requirement for businesses.

Moreover, a bigger effort was done to enter directly into discussions with the respective banks. In fact, during 2024 the SME Chamber organised and facilitated individual meetings for members with Bank of Valletta and APS Bank PLC to assist with banking issues.

During 2024, the SME Chamber aims to continue enhancing its collaboration with the local banks and also explore other possibilities with other banks in order offer other alternatives to our members.

## II. Access to Finance

The Malta Chamber of SMEs also worked closely with MDB to ensure that access to finance products remain available for SMEs. The SME Chamber maintained its positions that access to finance products go hand in hand with the possibility of opening bank accounts as one cannot have access to finance without primarily having a bank account with the particular bank.

The Malta Chamber of SMEs also looked into other different financial tools such as the use of equity sharing. Additionally, the SME Chamber also noted that more awareness and education is needed, together with having the right legal framework in place to offer the safeguards needed.

The Malta Chamber of SMEs during 2025 plans to launch its dedicated advisory service focused on access to finance and to continue to work closely with the Malta Development Bank to develop tools that help businesses to finance projects and investments through favourable interest rates and guarantees.





*A meeting between SME Chamber President Mr. Paul Abela, MDB CEO Mr. Paul Azzopardi and MDB Chairman Dr. Leo Brincat.*

### III. Assisting Individual / Group Issues

During 2024, The SME Chamber has also assisted a number of members with specific and individual issues related with opening of bank accounts, delays with communication, delays with transferring funds and also excessive charges that our members could not avoid, which threatened their livelihoods.

Notably the SME Chamber continued to assist cash intensive business operations when it comes to electronic payments and epos machines. Specifically, the SME Chamber assisted Fuel Stations with benefiting from better conditions when it comes to operating epos machines.

The Malta Chamber of SMEs continued to voice its concern over the account maintenance fees increase announced by Bank of Valletta in December 2022. Maintenance fees increase to Euro 30.00 monthly per account, something which the SME Chamber believe was unjustified and un-proportionate.

This continues to remain a burden on businesses and the SME Chamber is seeking remedies in order to remove this unjustified fee and the SME Chamber continues its calls on authorities to intervene and remove this unjustified fee.

## CUSTOMS - AN PN TS System

Following a number of information sessions and meetings with the customs office on the implementation of the new EU wide AN PN TP System, the Malta Chamber of SMEs submitted its feedback on the implementation process and the issues members highlighted during various meeting related to its implementation.

The Malta Chamber of SMEs requested for an extension on the initial deadline set for the 4th of November, following feedback from members. Based on the feedback and discussions during the session, the SME Chamber requested extending the deadline to the first quarter of 2025 to allow for a smoother transition and readiness level of users. This additional time aimed to help ensure that all businesses are adequately prepared and able to fully comply with the new system, without disrupting their operations.

In response to our concerns regarding the timing of system implementation, the customs department convened a meeting with

the European Commission to address these challenges and agreed on a new set of deadlines.

- **Advanced Notification, Presentation Notification, Temporary Storage:** End of January 2025
- **Automated Import System:** End of January 2025
- **Automated Export System:** 11th February 2025
- **New Computerised Transit System P5:** 21st January 2025

The new deadlines facilitated the implementation of the system for members. During 2025 the SME Chamber aims to work hand in hand with the Customs department to communicate updates and facilitate training sessions for users.



*One of the Information sessions organised on the AN PN TP System organised on collaboration with Customs*

## Customs Reform

The Malta Chamber of SMEs was one of the stakeholders consulted on the customs reform, part of which held a meeting with the Tax Commissioner and other tax officials. The discussion focused on the ongoing customs reform and the various issues businesses have encountered.

These dialogues play a crucial role in fostering mutual understanding and addressing the concerns of the business community.



*A consultative meeting held with the Tax commissioner together with members of the SME Chamber on the proposed customs reform.*

## Twin Transition

The interests of SMEs on the Digital and green Transformation were adequately represented in numerous fora in Malta throughout last year. The SME Chamber is always striving to make SMEs aware of the competitive advantage that can be gained through the correct use of today's digital tools. Besides organising dedicated workshops and also providing guidance on funding possibilities, the SME

Chamber continued its efforts to bring more awareness on the new modalities available and also the risks associated, including cyber security.

In 2024, as part of the CareerScope Emerging Careers Business Brunch organized by the National Skills Council, Malta Chamber of SMEs Officer Mr. Marcel Mizzi chaired the Retail roundtable discussion. He also participated in a panel discussion titled *'Emerging Careers and Twin Transition.'*



*SME Chamber officer, Mr. Marcel Mizzi, during the CareerScope Emerging Careers Business Brunch organized by the National Skills Council.*

The Malta Chamber of SMEs also participated in a number of expert groups on AI Strategy and Vision Expert Group organised by the Malta Digital Innovation Authority which focused on the implementation Malta's AI strategy.

## Digital Education Strategy

In collaboration with the Directorate for Digital Literacy and Transversal Skills, the Malta Chamber of SMEs organized an Informal Stakeholders Meeting on 29th July 2024 to discuss the Digital Education Strategy 2024-2030. The meeting, held online via Zoom, provided an opportunity for businesses to engage in discussions on the strategy's impact and contribute their perspectives.

The Digital Education Strategy 2024-2030 is a key initiative aimed at transforming Malta's education system to meet the evolving demands of the digital era. It emphasizes the importance of ethical awareness in online activities and outlines a structured approach built on four key pillars:

- Nurturing digital global citizens by aligning with European educational cooperation.
- Empowering educators with essential digital competencies to ensure that 80% of European citizens attain basic digital skills by 2030.
- Engaging the community by involving parents and fostering collaborations with digital education experts.
- Enriching digital resources by enhancing hardware provision, digital skills development, online resources, and e-assessment processes.

## Research and Innovation

During 2024, the Malta Chamber of SMEs worked closely with Xjenza Malta (former MCST), MCAST and the Parliamentary Secretary for Youth, Research, and Innovation, Keith Azzopardi Tanti in order to encourage further R&I efforts within SMEs.

Earlier in 2024, Malta Chamber of SMEs President, Mr. Paul Abela, and Head of Policy, Mr. Andrew Aquilina, met with the Parliamentary Secretary for Youth, Research, and Innovation, Hon. Keith Azzopardi Tanti, along with MCAST Principal, Mr. Joachim James Calleja. The meeting focused on exploring potential collaboration opportunities for a future project.



*An exploratory meeting held between the SME Chamber, MCAST and the Parliamentary Secretary for Youth, Research, and Innovation*

As part of its efforts, the SME Chamber focused on making Xjenza Malta R&I schemes more appealing and attractive to SMEs in order to encourage uptake.

Additionally, the SME Chamber in collaboration with MCAST and the Parliamentary Secretary for Youth, Research, and Innovation, launched a research fellowship scheme with a grant of up to Euro 30,000



*SME President Mr. Paul Abela, during the presentation of the Awarded projects under the Research Fellowship scheme.*



## Employment matters

### I. Third Country Nationals (TCNs)

The SME Chamber has in the past year continued its efforts to ensure that the bottlenecks in place with regards to TCNs application process are addressed.

During the past year members encountered a number of issues specifically focused on the lengthy waiting time, when it comes to VISA Interviews and the bottlenecks in place.

Throughout this year one must note that Identita' have altered the process of VISA processing to reduce abuse particularly related to falsified contracts and on the number of persons living in residences. This led to the introduction of new requirements in a bid to clamp down abuse, particularly on the introduction of an Attestation form.

The SME Chamber voiced its concern on the way this was implemented. The SME Chamber expressed its disappointment over the recent procedure introduced by Identita', which required a legal professional to witness the signatures of both landlords and tenants on the attestation form. While the SME Chamber supported increased controls aimed at curbing abuses to protect national interests and security, the new procedure did not adequately address the practical needs of the industry.

The Malta Chamber of SMEs has put forward proposals that aim to ensure compliance while adopting a more efficient, streamlined approach.

## Malta Chamber of SMEs opposes new attestation form requirement for landlords and tenants

Wednesday, 18 September 2024, 06:57 [Last updated about 8 months ago](#)



*A news article on the Malta Independent, reporting on the press release issued in response to the introduction of the attestation form.*

A number of members were also assisted individually through a dedicated line of communication with Identita'. Additionally, throughout the past year, the SME Chamber also focused its efforts on acquainting members with the overall process to apply for a single work permit. This included an information session in collaboration with a number of different entities including Identity Malta and Jobs Plus. The information session mainly focused on attracting and sourcing the right TCNs and also applying for Student VISAS.



*Workshop focused on sourcing the right TCNs organised in collaboration with Identita.*

During 2025, the SME Chamber remains committed to working with authorities to find solutions that promote regulatory compliance without disproportionate burdens for those impacted by this measure. Additionally, the SME Chamber also aims to continue working hand in hand with Identita to facilitate the process of applying for TCNs.

The SME Chamber also aims to continue building a strong relationship with these entities, continue to organise a number of informative meetings and ensuring a facilitated method of processing of single permits and VISA applications.

## II. Labour Migration Policy

The SME Chamber also participated in the initial drafting of the Labour Migration Policy planned to be launched in 2025. As part of

its participation, the SME Chamber held a meeting with Hon. Byron Camilleri



*A Meeting with Hon. Dr. Byron Camilleri on the proposed launch of the Labour Migration Policy.*

The Malta Chamber of SMEs shared its views on the current situation and its aspirations on what Policy planned to be launched during 2025. As part of its participation, the SME Chamber also highlighted some issues encountered with the current process.

The SME Chamber plans to participate fully in the labour migration policy also aim to organise information and consultation sessions for members in line with the proposed policy.

### III. Work Life Balance Directive

Following the implementation of the Work Life Balance Directive. The Malta Chamber of SMEs worked on ensuring that, employers

were able to claim back funds in relation to the new employee benefits.

Thus, the Maternity Trust Fund was being adjusted to Work Life Balance Fund to include reimbursement of wages during the paternity and parental paid leave in cases of birth and adoption and in the case of parental the benefits are extended to fostering too.

A new measure as announced in the 2025 Budget also covers certain leave entitlements such as IVF leave that are now being extended to self-employed individuals.

During 2025, the SME Chamber will continue to monitor new legislative measures being proposed and discussed including the Urgent Family Leave Review.

#### IV. New Skills Pass System

The Malta Chamber of SMEs has in 2024 consulted with members on the introduction of the new skills pass required for those working within the hospitality sector. While understanding the need to focus on quality, the SME Chamber emphasised on the need to ensure that the system is not shocked and that the new process does not delay further the recruitment of TCNs.

As part of its initiative to raise awareness the SME Chamber also organised a Webinar for its members in collaboration with the Institute of Tourism Studies (ITS), focusing on the new Skills Pass system. During the session, members had the opportunity to ask questions and gain a thorough understanding of the system, helping them prepare adequately for its implementation.



*Webinar for members organised in collaboration with ITS*

The session was held on Thursday, 11th April, at 10:00 AM, and saw a strong turnout, with 171 registered participants. This reflects the keen interest among businesses in understanding the implications of the Skills Pass and ensuring compliance with the new regulations.

In addition to the session, the SME Chamber also published an article to inform its members about the launch of the Skills Pass Support Scheme, which offers up to a 50% subsidy to assist businesses in adapting to this new requirement.

## V. Skilling and Re-Skilling

The Malta Chamber of SMEs has in 2024 become part of the Malta Education Foresight Forum First Steering Committee which aims to bring together a number of different stakeholders. This came after the SME Chamber was consulted on the National Education Strategy, bringing together a number of Further and Higher Education Entities.

The Malta Chamber of SMEs also worked closely with the National Skills Council in its effort to bring the industry closer to the academia. Through a number of meetings, the SME Chamber met with



*A workshop held in collaboration with the national skills council on the industry needs and gaps identified.*

education officers, the DQSE and the Vinfil department in order to better explain the needs of the industry and how these can be addressed.

The SME Chamber extended its commitment to also assist in creating more awareness with its members.

During 2025 the SME Chamber aims to continue following contributing in different FORAs in order to continue working towards bringing the industry closer to academia.

## VI. Individual Learning Accounts (ILAs)

The SME Chamber participated in the Mutual Learning Programme which involved a number of different stakeholders in Malta to evaluate the possibility of implementing Individual Learning Accounts in Malta. This comes following a Council Recommendation encouraging Members States to implement this concept.

Individual Learning Accounts (ILAs) are personal funding schemes that provide individuals with financial support to invest in their own education and skills development. The goal is to encourage continuous learning by giving people direct control over their training choices, helping them upskill or reskill to stay competitive in the job market. ILAs are often supported by government or employer contributions and can be used for a wide range of accredited courses. This system promotes lifelong learning, boosts workforce adaptability, and helps bridge skill gaps, ultimately benefiting both individuals and the economy.

The Malta Chamber of SMEs organised focus groups with Licenced Educational Institutions and also Employers to understand the benefits of ILAs for Malta. Additionally, the SME Chamber also participated in a Learning Experience in Brussels to understand what other EU and non-EU countries are doing.





*A Meeting exchange in Brussels held in relation to ILAs*

Out of the focus groups organised, the SME Chambers notes that Employers reacted positively to this concept and that ILAs would at large if implemented correctly beneficial. Members noted that:

**Alignment with Industry Needs:** Training must be tied to skills required by businesses to prevent skill gaps.

**Flexible Funding:** A “top-up” option should be available for employees pursuing advanced courses, rather than equal fund distribution.

**Career Development:** Training should connect to career pathways, with career guidance integrated to support growth.

Productivity Focus: Employers shouldn't bear costs for training that doesn't enhance workplace productivity.

Educational Institutions' Feedback:

Reimbursement Barriers: Long reimbursement processes discourage participation. Schemes should avoid upfront payments to improve accessibility.

Completion Rates: Measures are needed to ensure employees finish courses, including support systems and progress benchmarks.

Both groups welcomed the ILA concept but stressed the need for a well-structured system that balances individual growth, business needs, and financial realities.

During 2025 the SME Chamber aims to continue to develop this concept further with the aim of ensuring the right implementation for Malta.

## VII. Low Wage Commission

The increase of Malta's minimum wage - which stood at €213.54 per week, equivalent to €4.81, plus the COLA given in 2024, amounting to €218.00. At an hourly rate, the new increase is equivalent to €5.45 per hour.

The Low Wage Commission (LWC) was established in 21 March of 2023 through a Legal Notice, so that it could give recommendations to government as to what the national minimum pay should be.

A lot of hard work was involved by all parties to reach a balance, in favour of more productivity, a decent pay for workers, and transparency over minimum wage increases up until the end of 2027.

Prior to this, another agreement was reached in 2017, which entailed that those on minimum wage would receive an increment of €3 per week after they've been working with the same employer for a year.

While during 2024, the low wage commission was unactive, during 2025, discussions will restart in order to start discussing the new terms of reference and the new increase post 2027. The Malta Chamber of SMEs aims to continue its representation on this commission, to ensure that a fair balance is found between ensuring a decent work for all, while maintaining sustainability.

## I. Malta Business Disability Forum

2024 saw the continuation of the Malta Business Disability Forum. The SME Chamber, being a founding member of the forum ensured that proposals brought forward make sense for businesses while ensuring inclusion for all.

During this year the forum brought forward a number of recommendations which mainly relate to making the best possible use of funds available. The forum proposed the need to revamp the 2% quota and allocate these funds to improve accessibility within businesses.

As part of its presence on the business disability forum, the SME Chamber also participated in a number of events organised by the Commission for the rights of persons with disability.

## VIII. Apprenticeships

The Malta Chamber of SMEs worked hand in hand with MCAST to promote apprenticeships with its members. In 2024, as part of the ongoing collaboration with MCAST, former SME Chamber CEO Ms. Abigail Agius Mamo participated in a panel discussion focusing on the importance of apprenticeships for both students and the industry. The discussion highlighted how both parties can complement each other in fostering skills development. The panel discussion also saw the participation of SME Chamber Council member Mr. Michael Galea, representing the Gozo Business Chamber.



*A panel discussion organised by MCAST focusing on the challenges with regards to apprenticeships.*

The Malta Chamber of SMEs also facilitated communication and apprentice onboarding, through the collection of members interested in welcoming apprentices in their workplace, promoting the main benefits and the long term positive impact for the industry.

## IX. Malta Diversity & Inclusion Charter

The Malta Chamber of SMEs, in 2024 became a signatory and endorsed the Malta Diversity & Inclusion (D&I) Charter by marks a significant milestone in advancing equality in the business sector.

By committing to this Charter, the SME Chamber emphasized the importance of nurturing a culture where diverse perspectives are valued and embraced. This proactive stance is expected to inspire businesses across Malta to adopt similar practices, enhancing workplace environments and driving innovation.



*Mr. Philip Fenech, Deputy President signing the Charter.*

The CORE Platform's initiative aligns with global trends focusing on inclusive growth, ensuring that companies remain competitive while meeting the evolving needs of a diverse workforce and customer base, ultimately boosting economic progress. The SME Chamber continues to commit towards ensuring a more diverse and inclusive workforce.

## Reviewing of Postal Tariffs & Rates

Following the public consultation issued, the SME Chamber issued a position paper titled 'Ensuring the Competitiveness of SMEs in the Context of Postal Tariff Revisions'. The Malta Chamber of SMEs has consistently highlighted the need to balance the sustainability of the Universal Postal Service (UPS) with the competitiveness of small and medium-sized enterprises (SMEs).

Recognising that SMEs are a key pillar of Malta's economy, the SME Chamber stressed the importance of keeping postal tariffs affordable, especially given their impact on e-commerce and international trade.

The SME Chamber outlined key challenges faced by SMEs, including cost sensitivity, operational efficiency, and Malta's geographic insularity, all of which are exacerbated by rising postal fees. To address these issues, the SME Chamber recommended a gradual implementation of tariff increases, the introduction of tiered postal rates for SMEs, and government subsidies to offset higher costs.

The SME Chamber also advocated for continuous consultation with SMEs, robust monitoring of tariff impacts, and exploring state aid options in line with EU practices.

## EU and International Affairs

### I. EU Affairs

SME Chamber president Mr. Paul Abela was once again re-confirmed Vice-President of the SME United Board of Directors. As part of his function Mr. Abela attended the general assembly meeting discussing high level matters concerning SMEs.



The SME United General Assembly adopted its recommendations for the 2024–2029 mandate of the European Institutions, building on the "SMEs driving the transition" political memorandum for the European Elections. These recommendations outline concrete policy

proposals aimed at enhancing SMEs' competitiveness, supporting their recovery, and equipping them to successfully navigate the green and digital transition.

The Malta Chamber of SMEs remains committed to aligning its efforts with SME United's vision, ensuring that the voice of Maltese SMEs is represented at the European level.



*SME United General Assembly held in June 2024*

During 2024, the SME Chamber also continued to take an active role when it comes to EU affairs, particularly with regards to SME United. Throughout the year the SME Chamber participated in a number of committee and consultation meeting, particularly those related to the Social Affairs Committee. Mr. Jamie Tanti and Mr. Andrew Aquilina participated actively in this committee with the main agenda revolving around. The Social Affairs Committee plays a crucial role in shaping EU policies by:



- Engaging in social dialogue with European institutions, trade unions, and other stakeholders.
- Addressing issues such as skills development, working conditions, social security, and occupational health and safety.
- Ensuring that legislation considers the unique needs and realities of SMEs, promoting flexibility and reducing unnecessary administrative burdens.
- Contributing to discussions on labour market reforms, youth employment, and inclusive growth strategies.

For the Malta Chamber of SMEs, participation in this committee provides a platform to voice the concerns of Maltese SMEs, influence EU policies, and stay informed about upcoming social and employment regulations.



*Mr. Jamie Tanti during the SME United Social Affairs Committee held in February 2024*

## II. International Affairs

### Meeting with Ambassador of the State of the African Diaspora

In 2024, Mr. Paul Abela, President of the Malta Chamber of SMEs, met with H.E. CT. Chev. Anthony C. Coleiro, Ambassador for Malta, representing the Government of the State of the African Diaspora (SOAD), along with his delegation. SOAD is a Pan-African government focused on enhancing relationships between Africa and its Diaspora.

During the meeting, Ambassador Coleiro provided insights into SOAD's mission within the African Union, and both parties explored potential collaborative opportunities that align with their mutual objectives.



*Mr. Paul Abela, Mr. Fabian Demicoli & Mr. Jamie Tanti during a meeting with the Maltese Ambassador of the State of the African Diaspora.*

### Meeting with H.E. Ambassador of the Republic of Tunisia

The Malta Chamber of SMEs was honored to host H.E. Ambassador Zouheir Bouras of the Republic of Tunisia at its offices. The delegation from the SME Chamber, led by President Mr. Paul Abela, included Deputy President Mr. Philip Fenech, Council Member Mr.

Noel Gauci, and EU Affairs and Funding Executive (now Head of Policy) Mr. Jamie Tanti.

During the meeting, discussions centered around exploring the significant potential for business collaboration between Malta and Tunisia. Both parties highlighted various opportunities to strengthen and enhance trade relations, which are already underpinned by strong bilateral ties. The conversation also delved into specific sectors where mutual interests could align, fostering economic growth for both nations.

Moreover, the SME Chamber announced plans for a Council Delegation visit to Tunisia scheduled for 2025. This visit aims to further solidify connections, facilitate partnerships, and explore new avenues of cooperation between the two countries, contributing to the ongoing development of a robust economic relationship.



*Mr. Paul Abela, Mr. Philip Fenech, Mr. Noel Gauci & Mr. Jamie Tanti during a meeting with the Maltese Ambassador for Tunisia. H.E Zouheir Bouras.*

## MEP 2024 Elections

2024 marked the MEP and Local Council Elections in Malta. The Malta Chamber of SMEs sought to take the opportunity to present and discuss its ideas with forthcoming MEP candidates and Political Parties.

The Malta Chamber of SMEs in collaboration with the European Parliament in Malta organised the MEP Business Dialogue. European Parliament President Roberta Metsola participated during this event and members had the opportunity to ask her questions. Among other topics, European Parliament President Roberta Metsola responded to questions related to businesses, Brexit, shipping, EU environmental tax on shipping, and the EU market and SMEs.

MEP Josianne Cutajar also participated virtually during a panel discussion with business people. The panellists, Mr. Marcel Mizzi, Dr. Claire Shoemake, and Mr. Michael Galea, along with MEP Josianne Cutajar, discussed the impact of EU legislation on businesses in Malta, the effect of Brexit, and other issues such as EU Funds.



*Meetings with MEP Candidates Dr. Josianne Cutajar (Left) and questions asked during a fireside chat with EP President Dr. Roberta Metsola (Right).*

During his opening speech, SME Chamber President Mr. Paul Abela highlighted the importance of the European Parliament elections and how EU legislation impacts Maltese businesses, especially SMEs. Mr. Abela thanked President Metsola for her open dialogue throughout this term and encouraged Malta's MEPs, who will be elected in June's election, to support small businesses within European fora.

In the run up to the elections, the SME Chamber also held individual meetings with a number of MEP Election candidates namely, Peter Agius, Steve Ellul, Maria Sara Vella Gafa and the Leader of the Opposition.



*Meetings with MEP Candidates Ms. Maria Sara Vella Gafa (Left) and MEP Peter Agius (Right)*



*Meeting with MEP Candidate Mr. Steve Ellul*



In 2024, the Malta Chamber of SMEs welcomed Opposition Leader Dr. Bernard Grech, Members of Parliament Jerome Caruana Cilia and Robert Cutajar, and MEP candidate Peter Agius to its offices in

Floriana. The discussion centered on current issues affecting the members of the Malta Chamber of SMEs also in light of the upcoming MEP Elections.

Representing the Chamber, Deputy President Mr. Philip Fenech, CEO Ms. Abigail Agius Mamo, and Council Members Mr. Joseph Zerafa and Ms. Joan Haber participated in the meeting.

## Budget 2025

The Malta Chamber of SMEs during 2024 has outlined its Budget proposals for 2025, this was done as part of the SME Chambers' annual workplan. Focusing on key priorities to address national challenges. The priorities included;

- 1. Investment & Business Support:** Advocated reducing corporate tax from 35% to 25%, with turnaround aid and a tax arrears financing scheme via the Malta Development Bank. Recommended reviewing the COLA mechanism and a VAT reverse charge to ease cash flow and administrative burdens.

2. **Energy & Infrastructure:** Proposed pro-rata grid connection costs, support for commercial energy storage, and incentives for renewable energy adoption.
3. **Self-Employed & Micro-Enterprises:** Suggested creating a Parliamentary Secretary for micro-businesses, enhancing training grants, and expanding MicroInvest's aid and eligibility.
4. **Future of Work:** Encouraged business digitalization with grants, introduced Making Tax Digital (MTD) for tax simplicity, and funded SME attendance at international conferences.



*A news article featuring SME Chamber's Proposal.*

## I. Presentation of the Pre-Budget Document

Initially the Chamber launched these budget proposals through a press conference on the 13th of September at the SME Chamber offices in Floriana.



*Press conference, presenting the Pre-Budget document.*

## II. Meeting with the Prime Minister

The Malta Chamber of SMEs met with Prime Minister Robert Abela, along with other Cabinet Ministers and Parliamentary Secretaries, as part of the pre-budget discussions. During the meeting, SME Chamber President Mr. Paul Abela presented the Chamber's Budget 2025 proposals, which had been published earlier.

The meeting took place at the NM Group premises, a member of the SME Chamber that employs over 60 people.



*Delegation led by President, Mr. Paul Abela presenting the SME Chamber Pre-Budget document.*



### III. Meeting with the Opposition

As part of its ongoing advocacy efforts, the Malta Chamber of SMEs also held a meeting with Opposition Leader Dr. Bernard Grech and Members of Parliament Robert Cutajar, Jerome Caruana Cilia, Ivan Castillo, and Graham Bencini to present its Budget 2025 proposals.

During the meeting, the SME Chamber outlined the key pillars of its proposals, focused on strengthening the business environment and supporting sustainable growth

The SME Chamber delegation was represented by Deputy President Mr. Philip Fenech and Council Members Mr. Marcel Mizzi, Mr. Joseph Zerafa, Mr. Beppe Muscat, and Mr. Fabian Demicoli.

This meeting reinforced the Chamber's commitment to ensuring that the voices of SMEs are heard at all levels of policymaking, advocating for concrete measures that address the sector's most pressing needs.



*Presentation of the SME Chamber Pre-Budget document  
to the leader of the Opposition*

## IV. Budget Reaction

Following the 2024 Budget speech, the Malta Chamber of SMEs acknowledged it as a Budget of continuity, with the extension of key measures such as energy subsidies—an essential support for business sustainability—and the work-life balance measures for the self-employed, which mark a positive step forward.

However, the SME Chamber expressed disappointment that none of its proposals were adopted and that businesses were barely mentioned in the Budget document.

While the widening of tax brackets for lower-income earners was welcomed, the Chamber highlighted the ongoing failure to deliver on the electoral promise to reduce corporate tax for businesses from 35% to 25%. This continued inaction places local businesses at a clear disadvantage compared to foreign-owned companies, which benefit from an effective tax rate of just 5%.

Crucially, the Budget fell short of addressing pressing business challenges, such as job-skill mismatches, recruitment struggles, excessive bureaucracy, and weaknesses in national infrastructure. The Chamber stressed that these unresolved issues directly impact productivity and require more decisive action at the implementation stage.

## Budget 2025 reactions: Praise for slashed taxes, yet 'not enough for businesses'

Employers, businesses and educators react to Clyde Caruana's budget speech

8 April 2025 - Newsday

30 October 2024 | [Go to Page 1 of 1](#)

17 min read



*A news article featuring the Budget reactions.*

During 2025, the SME Chamber aims to continue advocating on the economy SMEs play and the need for more assistance.

### Environment, Sustainability & ESG

The Malta Chamber of SMEs has during the past year continued its efforts when it comes to the environment, sustainability and ESGs. This is being conducted both in terms of the number of collaborations launched but also in terms of the level of awareness raised with members.

ESG reporting, although not directly impacting SMEs, has become a requirement for a number services SMEs use, including access to finance and banking services which ESGs are being taken into consideration when such services are requested.

## ii. ESG Advisory Service

In collaboration with Weave Consulting, following the launch of the Free ESG Advisory for members, the Malta Chamber of SMEs continued its supported approach throughout 2024. Acknowledging the increasing significance of Environmental, Social, and Governance (ESG) issues in the modern business world, this initiative aims to equip SMEs with the essential knowledge and tools to adopt sustainable practices in their operations.

Members benefited from personalized one-on-one consultation sessions with an expert, who provided tailored guidance on creating ESG strategies that met their specific needs and objectives. By embracing sustainability, these SMEs improved their long-term resilience and competitiveness while also contributing positively to society and the environment, in line with Malta's commitment to sustainable development.

This proactive initiative underscored the Malta Chamber of SMEs' dedication to empowering its members to succeed in an ever-changing global economy while encouraging responsible business practices for a brighter and more sustainable future.

In addition to providing free ESG advisory services, the Malta Chamber of SMEs will complement its initiative with an educational campaign and a series of informative sessions in collaboration with Weave.

Malta Chamber of SMEs, in collaboration with HSF Health Plan also organized a highly informative webinar aimed at guiding businesses on how to integrate Environmental, Social, and Governance (ESG) principles, with a special focus on health and wellbeing.

The webinar covered a comprehensive agenda, including:

- An introduction to ESG and its significance for SMEs.
- The business benefits of integrating ESG principles into business practices.
- A detailed explanation of the three ESG pillars: environmental sustainability, social responsibility (with a focus on employee health and wellbeing), and governance.

Additionally, the session provided valuable insights into available grants and incentives, practical tools and resources for implementing ESG practices, and a panel discussion on the critical role of health and wellbeing in sustainability efforts.



*Infographic of the recent webinar organised in collaboration with HSF plan.*

### iii. MERCA Project

Under the collaborative initiative known as the MERCA project, a partnership in collaboration with the Energy & Water Agency (EWA), during 2024, EWA undertook a number of energy and water audits in various pharmacies and childcare centres across Malta, representing a diverse range of sizes and operations. Upon completion of these audits, participating companies received comprehensive reports detailing their consumption patterns, along with tailored strategies to mitigate and reduce energy and water usage.



*Infographic of one of the events organised in collaboration with EWA*

Additionally, all pharmacies and childcare centres received a booklet by post outlining the main recommendations to ensure less energy and water consumption.



*Webinar organised in collaboration with EWA*

During 2025 the SME Chamber plans to continue collaborating with EWA on creating more awareness targeting other sectors. The SME Chamber also plans to continue to provide guidance and support to stakeholders within the sector, facilitating informed decision-making and promoting sustainable practices.



*EWA Session during the SME Week Conference*

The SME Chamber also participated in and contributed to a two-day workshop organised by The Energy and Water Agency as part of the

Retouch Nexus project, building on the success of the initial meeting that gathered diverse stakeholders.

The workshop was divided into two half-day sessions, featuring discussions with experts on strategies for effectively conveying important messages, especially technical subjects, to various segments of society. Mr. Fabian Demicoli represented the Malta Chamber of SMEs at the event.



*Head of Communications, Mr. Fabian Demicoli giving a presentation during the two-day workshop organised by EWA.*

#### iv. **New Packaging and Packaging Waste Regulation**

In 2024, the Malta Chamber of SMEs held a consultation meeting regarding the new Packaging and Packaging Waste Regulation. Officials from the Environment & Resources Authority (ERA)



provided insights into the ongoing discussions at the EU level and collected feedback from SME Chamber members.



*A consultation meeting organised between SME Chamber and ERA on the New packaging and Packaging waste regulation.*

The regulation will introduce a number of changes, particularly, on the;

- Packaging minimisation and increased recycling targets
- Providing re-use and refill options to customers
- The elimination of certain plastic waste through bans
- Designating space in outlets for refilling stations
- New reporting obligations

## v. Environmental Permitting

The Malta Chamber of SMEs, in collaboration with ERA organised an information session for members in the light of the new legislation on Environmental Permitting.

The proposed regulations aimed to introduce a consolidated environmental permitting framework, with the aim of establishing procedure and consolidate current fragmentary permitting regimes. The draft regulations replace existing permitting regimes covering a multitude of operations, interventions or activities. Amongst others these include;

Fuel Stations, Dry Cleaners, Hull Cleaning, Concrete Plant Manufacturers, Batching Plant Manufactures, Manufacture and Blending of Chemical Products, Manufacture of rubber and plastic products, Ship Yards, Cement Packaging, Waste management sites, fish farms and Tree Specialists.

In its representation, the Malta Chamber of SMEs highlighted the key issues encountered with what is being proposed and how these can be mitigated whilst ensuring compliance. The consultation meeting was attended by various members representing different sectors.

vi. **Extended Producer Responsibility – Textiles, Tyres and Non-packaging paper**

The Malta Chamber of SMEs participated in a feasibility study on ERAs study to assess the feasibility of introducing Extended Producer Responsibility (EPR) across additional waste streams related to tyres, textiles and Non-packaging Paper.

These meetings are essential to discuss the possible introduction of EPR for these waste streams in Malta.

The aim of these consultative sessions was to ensure that ERA fully understand the perspectives and concerns of businesses. Focusing on;

- Challenges in reporting and implementing EPR for textiles
- Existing measures promoting reuse and waste collection in shops
- Barriers and recommendations for smooth EPR implementation

In its representation, the SME Chamber noted that currently SISA is already being imposed on certain sectors and therefore the introduction of EPR cannot be overlapping with the duty already being requested. In this regard, inevitably this will lead to an increase in the overall consumer prices. Additionally any new process introduced, cannot add to the administrative burdens already in place to comply with current regulations.

## Inflation

The spiralling inflation experienced during 2023 has winded down during 2024, with data from the SME Barometer showing this decline also bringing to an end the governments Stabbilta' initiative.

This said the challenges, including persistent employee wage and salary costs have continued to lead to the SME Chamber calling for urgent government action to address issues of unfair competition and governance especially in relation to the effective tax rate injustice.

The real cost of doing business in Malta has raised. Local factors are identified as key contributors to price increases within businesses.

The SME Chamber continued to champion its proposal to mitigate the impact of inflation. The proposals included prominently the reduction of VAT to 15% from the current 18%.

At the same time however, businesses were severely under attack not just as a general negative public sentiment but certain politicians also singled out businesses and even a certain category of businesses as the source of inflation and accusing them of abuse.

During 2024 the SME Chamber was in close contact with supermarkets and grocery shops to support them through government's intention of fixing prices of certain food items. Additionally, the SME Chamber also intervened in ensuring fair competition throughout, coming also from the governments' efforts to setup a prices comparing platform across different supermarkets, something the SME Chamber opposed heavily.

## Infrastructural Issues

### I. Road Works

The SME Chamber pushed greatly in 2024 to improve the standard in road works and mitigate the disruptions. A pro-active approach was sought where members operating in different areas were being informed beforehand when works were going to take place. This facilitated communication between the business community and the different authorities.

Additionally, the SME Chamber also acted as a central contact point to provide feedback on timings and proposed traffic management. This was crucial in a number of areas where road works took place particularly industrial business communities.

The Malta Chamber of SMEs supported efforts put in place by Infrastructure Malta and Transport Malta in order to establish essential and currently lacking coordination, visibility and higher quality service in these works. It is very important for Malta to manage such projects better and ensure the least impact in implementation.

## II. Electricity

During 2024, businesses once again experienced prolonged electricity outages that impacted business operations greatly.

These disruptions have led to financial losses, operational challenges, and customer dissatisfaction, with some businesses forced to close temporarily and others experiencing damage to appliances and equipment.

While acknowledging a number of improvements when it comes to electricity infrastructure within intensive areas, the SME Chamber once again emphasized the disproportionate impact on businesses heavily reliant on tourism and underscored the need for immediate action to address the country's infrastructure shortcomings, advocating for backup plans.

Through the SME Chambers' efforts, the government has once again renewed its initiative to give a ex-gratia one-time payment to businesses who experienced these interruptions. Additionally, we also urged the government to prioritize solutions to prevent such incidents in the future.

### Public Procurement

Following a public procurement working group was initiated during 2023, discussions between members were held in order to identify all the pain points in the system and draft a plan of action. This comes

in light of the EUs initiative to review the public procurement directive.

Through this bottom up approach the SME Chamber identified several issues and trends related to public procurement practices in Malta.

Tailored specifications for certain contractors, a decline in published tenders, and discrepancies between local procurement practices and EU directives were highlighted as key issues.

These issues were raised and highlighted in the fora the SME Chamber is present and also included with the SME Chamber Budget proposals.

During 2025 the SME Chamber aims to continue raising these concerns and also aims to submit feedback with the EU commission as part of the public procurement directive review.

## OHSA Regulations

The Malta Chamber of SMEs through its participation on the OHSA board continued its efforts to ensure a proportionate approach when it comes to implementing changes to the legislation. The new changes brought about more enforcement mechanisms and also the introduction of heftier penalties and administrative fines. This came after the publication of the recommendations as part of the Jean Paul Sofia public enquiry.

The SME Chamber always emphasised on the need of an educational campaign.

During 2025, the Malta Chamber of SMEs aims to continue ensuring proportionality in its board representation. Additionally, the SME Chamber also plans to organise events and information sessions with the aim of increasing awareness amongst its membership base, informing them of their new obligations.



*A who's who article featuring the feedback following the publication of the findings.*

## **Regulatory Compliance – Corporate and Financial Services**

During 2024 the Malta Chamber of SMEs has worked on a number of initiatives. The Malta Chamber of SMEs represents a number of sectors consisting of Financial Services Institutions, CSPs, Insurance Brokers and Advisors and Audit Firms as part of a number of regulatory requirements.

The Malta Chamber of SMEs was also consulted on a number of future legislations and changes, currently being discussed at local and EU Level.



## I. MFSA Consultation on Changes to the CSP rulebook

The Malta Chamber of SMEs once again was consulted on the proposed changes to the CSP rulebook. This comes after the first two years of implementation of the New CSP regulation.

The SME Chamber consulted with the CSP committee to ensure that any changes lead to an improved regulation.

## II. MBR Fines related to BO Forms

As part of its initiative to assist members in relation to the unfair and inadequate fines and penalties issued by the MBR over failure to submit BO Form on time, during 2024 the Malta Chamber of SMEs continued to assist members who had experienced these fines. This came following an agreement reached with the MBR during 2023.

As part of this agreement members were asked to settle only the initial fine issues, amounting to Euro 200 euros, rather than being required to settle the initial fine together with a daily penalty of Euro 2.00 which in instances amounted to more than Euro 2,000 in accumulated fines.

## III. VAT in the Digital Age (VIDA Package)

In 2024, the Malta Chamber of SMEs actively engaged with the Malta Tax and Customs Administration (MTCA) on initiatives to modernise

and simplify tax reporting processes. In February, the SME Chamber were invited to participate in a study on digitalizing tax reporting in Malta, providing feedback on e-invoicing and real-time VAT reporting.

Subsequently, the SME Chamber attended a workshop alongside stakeholders such as Grant Thornton and NM Group, discussing the future of VAT e-invoicing and real-time reporting.

On the 28<sup>th</sup> of June, the SME Chamber participated in a consultation session where the MTCA presented proposed legislative and operational changes to the VAT Act, aligning with the EU VAT SME Directive (Directive 2020/285), which introduces a special scheme for small enterprises. These sessions focused on simplifying VAT compliance for small enterprises and exploring the impact of digital reporting requirements, including mandatory e-invoicing, as part of the VAT in the Digital Age (ViDA).



## Taxation

A fair tax system was identified as a priority in 2024, given the direct impact on members. While the government had introduced measures to attract foreign companies to Malta, SMEs continued to

emphasise that a more equitable tax system was essential. In particular, the current tax structure, which often favoured foreign-owned businesses over local enterprises, was seen as a barrier to the growth of Maltese SMEs.

The Chamber continued to call for reforms that would level the playing field and ensure that local businesses could thrive.

Ex SME Chamber CEO Abigail Agius Mamo on various occasions, criticized the government's inconsistency in incentivizing foreign companies to establish themselves in Malta, while simultaneously suggesting that local entrepreneurs consider expanding abroad. Her remarks sparked an important discussion about the need for policies that supported the interests of both foreign investors and local business owners.

The unfair tax system was also criticised and highlighted in various policy papers supported by findings from the quarterly SME Barometer survey, highlighting the un-level playing field. Additionally, as part of the 2025 Budget proposals, the SME Chamber also called on the government to implement the electoral manifesto promise of reducing the effective tax rate for businesses from 35% down to 25%, criticising the government in delaying this proposal.

## MCESD

During 2024 MCESD representatives Mr. Paul Abela and Mr. Philip Fenech continued to represent the interests of SMEs within this consultative council. Taking a more pro-active approach Mr. Abela

and Mr. Fenech held one to one meetings with MCESD Chairman Perit David Xuereb, these meeting meeting provided an opportunity for both sides to discuss the key issues currently being addressed by MCESD, focusing on collaborative efforts to enhance the work of the Council. The discussions aimed at identifying areas for improvement and ensuring that the initiatives of the MCESD continue to support Malta's economic and social development effectively.



*From Left: Deputy President, Mr. Philip Fenech, MCESD Chairman, Perit David Xuereb and SME Chamber President, Mr. Paul Abela*

The Malta Chamber of SMEs was also one of the constituted bodies invited to join a delegation, led by MCESD to Brussels, focusing on collaborative efforts to enhance the work of the Council. The delegation visited the European Economic and Social Committee (EESC) and other EU institutions in Brussels. The delegation engaged in discussions on key issues currently shaping both the EU and national agendas.



*Deputy President, Mr. Philip Fenech and MCESD Chairman, Perit David Xuereb together with the rest of the delegation.*

The Malta Chamber of SME also formed part of the task force for the Malta Vision 2025 giving direct feedback on the approach and direction. Additionally the SME Chamber was also part of the advisory board tasked with providing feedback and analysing how MCESD can improve and become more relevant and effective. Both committees were represented by Mr. Philip Fenech, Deputy President.

During 2025 the Malta Chamber of SMEs, through its representatives aims to continue representing the interests of SME on this consultative council, ensuring effective representation.

# Events and Networking



## 76th Annual General Meeting in March

The SME chamber organised its 76th Annual General Meeting where members discussed key issues and plans for the upcoming year.

Topics included aligning human resources with organizational needs, focusing on skills development and addressing workforce challenges.

The AGM was held at Trident Park, Birkirkara and all members of the SME Chamber were invited.

During the opening address at the 76th Annual General Meeting, SME Chamber President Mr Paul Abela marked the achievements by the SME Chamber throughout 2023, such as events, lobbying and high-level meetings.

Following Mr Abela's address, Vice-President Mr Marcel Mizzi read and approved the minutes for the 2023 Annual General Meeting.

Malta Chamber of SMEs CEO Ms Abigail Agius Mamo presented the annual report and highlighted the main points.

During the AGM amendments to the SME Chamber statutes were approved, followed by the auditors' report and appointment of auditors.

Following the Annual General Meeting, an election was held to elect 6 members to the council. During this election Mario Ciantar, Beppe Muscat, Joseph Zerafa, Carmel Zammit, Joan Haber and Noel Gauci were elected.



*76<sup>th</sup> Annual General Meeting*

### Women in Business networking event (March)

The Malta Chamber of SMEs in collaboration with SHE: Social Hub Entrepreneurs organised a successful Women in business event at the breath-taking interior of Teatru Manoel, a half day event full of value entitled "Creative Diversity: Empowering Business through inclusion and innovation.





*The Women's Day Event 2024 at Teatru Manoel*

The all-women event featured 2 panel discussions which addressed the International Women's Day 2024 theme "Inspire Inclusion", the first panel tackled "Innovative minds: Cultivating creativity for business success" and the second panel focused on "Building Bridges: Embracing diversity for Business innovation".

The panellists discussed creativity in business and inspired attendees with their own stories.

The event included a stimulating creativity Workshop run by Take//Two and included entertainment by Soprano Dorothy Baldacchino accompanied by Concert Pianist Veronika Heinle and The New Victorians.



*The Women's Day Event 2024 at Teatru Manoel*

## FLOW – the digital transformation event (June)

The Malta Chamber of SMEs once again supported 4sight technologies is organising the 3rd edition of Flow 24 – The Digital Transformation Event, an event focusing on digital transformation for businesses, providing insights on the latest technologies and strategies for success.

The conference included the participation of over 200 delegates from various sectors to learn about the latest technologies, such as AI and automation, and how they can help businesses streamline their operations and improve efficiency. Participants had the opportunity to network with other business leaders and learn from their experiences.



*FLOW event held at Giardini Lambrosa*

## Launching the Malta Business Awards in June



*Malta Enterprise CEO Mr Kurt Farrugia during the launch of the 3<sup>rd</sup> edition of the Malta Business Awards*

The Malta Chamber of SMEs in collaboration with Malta Enterprise launched the 3rd edition of the Malta Business Awards.

The launch was carried out by SME Chamber CEO Ms Abigail Agius Mamo together with Malta Enterprise Chief Executive Kurt Farrugia and Deputy President of the Chamber of SMEs Philip Fenech. Businesses were urged to apply for the Malta Business Awards by the 7<sup>th</sup> August, 2024 at [www.maltabusinessawards.mt](http://www.maltabusinessawards.mt)



*Ms. Abigail Agius Mamo launching the 3<sup>rd</sup> edition of the Malta Business Awards*

## SME Conference 2024 in October

The chamber hosted the SME Conference 2024 entitled Embracing Change – Exploring opportunities in collaboration with Malta Enterprise and Business First. The conference aimed to provide new

opportunities and included sessions on the latest trends in the industry as well as business networking.

The conference attracted close to 300 business people for a half-day conference and organised networking.

The conference also hosted 4 different workshops which discussed retention of employees, sourcing of employees & skills match, governance in business and sustainability, ESGs and digitalisation.



*The SME Conference 2024 at Xara Lodge*

*Snaps from the SME Conference outside in the networking area*



*Snapshots from the SME Conference during a panel discussion*



## Black Friday 2024 in November



*Launching Black Friday together with Minister Julia Farrugia Portelli and the MCCA in Paola Square*

During the 2024 Black Friday campaign the SME Chamber has once again presented the website [www.blackfridaymalta.eu](http://www.blackfridaymalta.eu) with this year's offers. This platform is designed to promote businesses' Black Friday offers while also providing an easy tool for customers to search for deals.

Customers had the opportunity to win and benefitting even further, simply by registering on [www.blackfridaymalta.eu](http://www.blackfridaymalta.eu) as over 150 vouchers were drawn.

This initiative was inaugurated during a press conference addressed by Council member Mr Marcel Mizzi. He encouraged more businesses to showcase their offers on the new website. Over 120 businesses participated during this initiative from over 20 different sectors.

Customers had the opportunity to search for offers either by category and sector or by the percentage of the discount, with available discounts of up to 70%, including free services.



*Mr Marcel Mizzi promoting the Black Friday initiative on TVAM*

## Malta Business Awards in November

The Malta Chamber of SMEs in collaboration with Malta Enterprise organised the 3rd edition of the Malta Business Awards

On Friday 15th November 23 local businesses received the highest honours in the local business scene during the 3rd edition of the Malta Business Awards which took place at the Mediterranean Conference Centre in Valletta.





*Snapshots from the 3<sup>rd</sup> edition of the Malta Business Awards during the award ceremony*

The Malta Business Awards were organized by the Malta Chamber of SMEs in partnership with Malta Enterprise to recognize the work of Maltese businesses, honouring some of the best businesses in various prestigious categories including the SME of the Year, Local Cultural Contributor, Gozo Business of the Year and the highest honour, the President's Choice Award.

With over 350 nominations in the different categories presented, 90 were shortlisted by independent judges during the first round, during the second phase of adjudication, each shortlisted nomination participated in a one-to-one interview with the adjudication committee and 54 finalists were selected, including the Gold, Silver and Bronze award winner. The event was attended by over 550 people representing local businesses and major stakeholders in the industry.



*3<sup>rd</sup> edition of the Malta Business Awards gold winners*

## Road to Digitalisation

The Malta Chamber of SMEs and Melita business joined forces to organise a networking event at an exclusive venue, Melita's Data Centre.

The theme of both sessions was, 'Road to digitalisation' and we discussed how businesses may enhance efficiency, foster innovation and remain competitive in a rapidly evolving landscape.

Due to the limited amount of space, we organised 2 identical sessions on the same day for a total of 70 people.



*Participants during one of the sessions held at the Melita Data Centre*



*Melita Data Centre*

## Customs – AN PN TP System

Following the announcement of the AN PN TS System the Malta Chamber of SMEs organised two information sessions. The essential information session was organized for Customs Clearance Agents, Hauliers (Burdnara), and Importers responsible for inputting their own import declarations.



This meeting provided crucial insights into the new system and its operational impact. Attendees were strongly encouraged to participate to ensure they are well-prepared for these significant changes. This initiative underscores our commitment to facilitating a smooth transition and ensuring stakeholders are informed and equipped to adapt successfully.

# Online sessions



Throughout 2024 the SME Chamber conducted numerous online information sessions and consultation meetings to support businesses in being involved, understand opportunities, improve operations, and tackle challenges effectively.

### Bring Your Own Container in February

In collaboration with Circular Economy Malta, the Malta Chamber of SMEs organised a webinar on the 'Bring Your Own Container' (BYOC) initiative. The session focused on the benefits of the initiative for both businesses and the environment, as well as the registration process for participation. Members highlighted some issues that businesses might encounter when implementing such an initiative.



## Know your currency in March

The Malta Chamber of SMEs organised an online Training Session in collaboration with the Central Bank of Malta. The Session was aimed to help understand how to detect counterfeit Euro banknotes and coins, thus safeguarding the business in the process. It also included information about the varying security features found in the Euros and the skills and tools utilised to check for counterfeits.



## New waste packaging regulation in March

The Malta Chamber of SMEs organised an online consultation session on the new packaging regulations. The session focused on packaging minimisation and increased recycling targets, re-use and refill options, elimination of certain plastic waste, space in outlets devoted to refilling stations and reporting obligations. Almost 200 members registered for this session.



## New Skills Pass System in April

In 2024, the Malta Chamber of SMEs organized a webinar for its members in collaboration with the Institute of Tourism Studies (ITS), focusing on the new Skills Pass system.

During the session, members had the opportunity to ask questions and gain a thorough understanding of the system, helping them prepare adequately for its implementation.





## New Growth Grant Schemes in June

The Malta Chamber of SMEs, in collaboration with Malta Enterprise, organised a highly successful webinar on the new Growth Grant Schemes. The event attracted over 450 registrants and covered the “Rent Subsidy Scheme”, “INVEST” – Support for Initial Investment Projects, “Skills Development Scheme” and the “Business Development Scheme”.



## Cyber Risks for Maltese Businesses in July

In an effort to enhance awareness and preparedness among local enterprises, the Malta Chamber of SMEs, in collaboration with Diligex and powered by Thomas Murray, hosted an exclusive webinar focused on cyber risks and the increasing threat of Advanced Persistent Threats (APTs) targeting Maltese businesses.

The session provided valuable insights into current cybersecurity challenges and practical measures to mitigate risks.



## Elevate your application – Malta Business Awards in July

The Malta Chamber of SMEs successfully hosted an informative online webinar to guide participants through the application process for the prestigious Malta Business Awards.

This session provided valuable instructions and expert tips, designed to enhance the quality and success of applicants' submissions.



## Private Residential Leases Act & Rent Registration Portal

The Malta Chamber of SMEs, in collaboration with the Housing Authority organised a webinar which attracted almost 300 attendees during which members were provided with essential updates on the legislative changes to the Private Residential Leases Act and on updates related to the rent registration portal.



## Elevate your application – Malta Business Awards in December

The Malta Chamber of SMEs, in collaboration with HSF Health Plan and WEAVE, hosted a webinar to guide businesses on integrating Environmental, Social, and Governance (ESG) principles, with a focus on health and wellbeing.

The webinar provided an introduction to ESG and its significance for SMEs, the business benefits of integrating ESG principles into business practices and the session provided valuable insights into available grants and incentives, practical tools and resources for implementing ESG practices.



# Sectors in Focus



Along 2024 the SME Chamber's membership base continues to grow with new members spanning from various sectors.

## Licensed Education Institutions

The Malta Chamber of SMEs during 2024 continued its efforts to establish an adequate platform for licensed educational institutions to be fully represented. The Malta Chamber of SMEs, in representation of a number of sectors directly dependent and affected by the Ministry for Education.

The SME Chamber continued its lobbying, emphasising on the need for a level playing field for licensed education institutions as opposed to the publicly funded institutions.



*Committee meeting with the Licensed Educational Institution Committee*

During the year, licensed educational institutions committee came together to discuss the possibility of forming a dedicated association focused on ensuring quality amongst the educational sector. Works are currently in place to draft a statute and code of conduct.

Throughout the year the SME Chamber also focused on trying to get a better pricing structure when it comes to certain licensing obligations, such as plagiarism checkers and online libraries.

During 2025, the SME Chamber aims to establish the association in order to further prioritise this important sector.

## I. MFHEA Advisory Committee

As in previous years, the SME Chamber continued to contribute towards and keep an active role within the Advisory Committee within the Malta Further and Higher Educational Authority.

The Malta Chamber of SMEs together with two other representatives of private educational institutions (Ms. Ilaria Spiteri Axiak – MISCO and Mr. Charlo' Bonnici – Learning Works), which have been re-confirmed for a further two-year term.

As part of its work representing licensed service providers, and together with the two other representatives the SME Chamber ensured that issues of common interest. The Malta Chamber of SMEs also followed MFHEAs ENQA application

The efforts and participation in this Committee has also helped to improve drastically the communication channel with the Authority, through its representation in this committee.

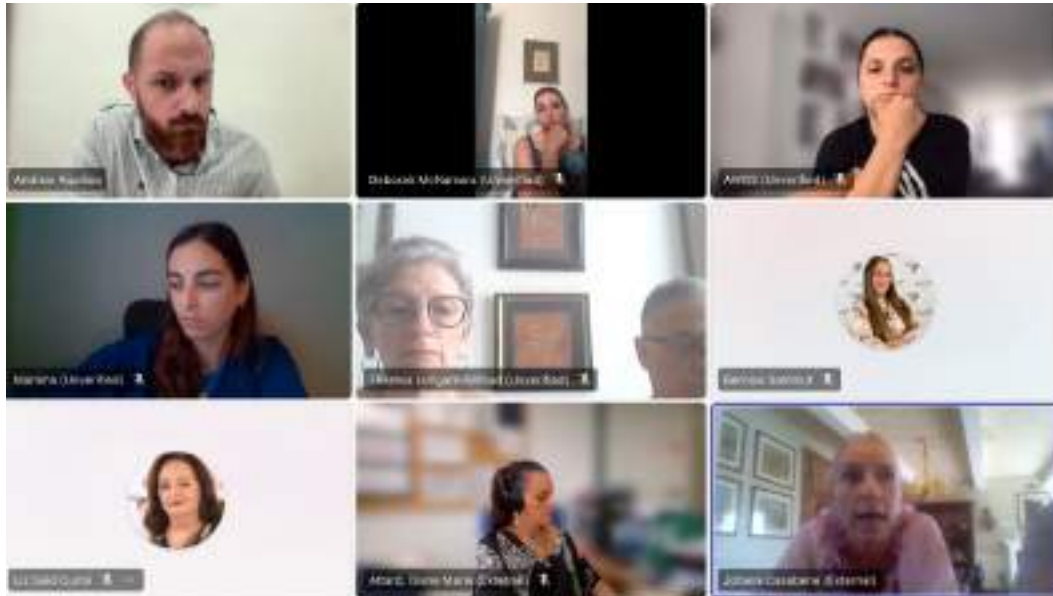
During 2025 the SME Chamber aims to continue representing members' interest to the best of its ability, through its representation on this committee.

## II. Dance Schools

The Malta Chamber of SMEs, has during 2024 re-established the dance schools committee in order to represent their interest better. Based on the feedback gathered, dance schools offering taught courses, are also subject to a license from the Malta Further and higher education authority.

As part of its representation the Malta Chamber of SMEs met with MFHEA to better explain the issues encountered that although dance schools want to maintain quality as required under the license their specific needs and objectives differ from those of the academic institutions. In this regard the SME Chamber emphasised in the needs of having specific sectorial licence.





*Committee meeting with the Dance Schools Committee*

During 2025, the SME Chamber plans to continue advocating and working closely with MFHEA to implement the necessary changes to the legislation. Additionally, the SME Chamber also plans to get in touch with other stakeholders such as the Arts Council and the University of Malta, amongst other institutions.

## MARITIME

During 2024 the SME Chamber continued its representation of the Maritime sector with the aim of improving this industry. The sectors represented vary from servicing, re-fits, repairs, retail, pleasure boats, agencies and manufacture.

During 2025, the SME Chamber aims to continue strengthening this sector in order to ensure that this sector is well represented and also handling issues related to sector specific. The SME Chamber aims to establish a dedicated committee for the Maritime industry.

## I. Pleasure Boat Operators

Operators of pleasure boats, operating from Bugibba Jetty, in 2024 had continued representing this sector following the current ongoing breakwater works. The SME Chamber continued its representation with both Infrastructure Malta and Transport Malta, together with the respective operators in order to ensure that their livelihoods are not impacted with the works conducted.

This involved the discussion and necessary arrangement to make use of three different locations to operate from until works are finalised. This was required to be able to cater for the specific needs depending on the size and characteristics of the vessel.

During 2025, works should be completed by the second quarter and the SME Chamber aims to ensure that the respective berths are assigned with the aim of ensuring all members are allowed operate freely.

## II. Ship Agents

The Malta Chamber of SMEs continued to represent a number of Ship Agents. The SME Chamber continued to discuss represented their interests and concerns in light of TM efforts to legislate and create a licence regime for the industry.

The SME Chamber notes that a number of positive improvements have been made and is in discussion with TM to discuss the other provisions that concern ship agents, particularly those having a small operation.

During 2024, discussions have stalled in light of a number of changes happening within TM.

The SME Chamber aims to continue discussions with the relevant authorities and stakeholders during 2025, with the aim of finding a workable solution between all parties.

## Renewable Energy Sector

During 2024, the Malta Chamber of SMEs continued its discussions with stakeholders, to ensure that new grants and schemes related to the renewable sector are effective as much as possible. Following the submission of a position paper submitted to the Ministry for Energy Enterprise and the Environment, the SME Chamber continued to

follow on updates and progress on the matter in order to ensure that the points and issues raised are being followed.

The issues highlighted specifically focused on;

- Issues with the Grid Connection - Members noted that one of the main issues when applying for the project is the Grid Connection. More often than not, a project is not feasible because the grid connection costs are too high. As a recommendation, the SME Chamber proposed a pro-rata cost based on KW Allocation.
- Land Speculation - Members argued that given the current system there is a lot of land speculation which can be easily resolved if the way grid connection is charged is amended.
- One-Stop-Shop - The SME Chamber recommended a one stop shop for such large projects, whereby applicants can deal with one entity handling all the process. This could be possibly implemented through Business 1st, a subsidiary company of the SME Chamber.

Moreover, the SME Chamber also participated in the consultation process of the **off-shore wind farm** being spearheaded by Interconnect Malta. The SME Chamber collected and submitted feedback continued to put forward a number of new grants

During 2025, the Malta Chamber of SMEs remains committed to follow these issues closely in order to ensure that proposals put forward are actually followed through. The SME Chamber also worked towards creating more awareness when it comes to renewable energy and the EU targets.

Additionally, the SME Chamber will continue to follow issues closely in order to ensure a smooth transition towards a greener energy sector.



## Mosta Businesses

As part of its representation, earlier in 2024, the SME Chamber released a press release on the completion of the Mosta Project. The Malta Chamber of SMEs was notified that the Mosta project was set to conclude by the end of the week, with the opening of 'Continuation Street' for vehicle access.

This announcement marked the culmination of months of sustained efforts by the Chamber, which had been actively engaging with the relevant authorities to address the significant disruptions caused by the ongoing construction.



*A press release issued on the Mosta Square project, welcoming its re-opening after months of road closure and business interruptions.*

Mosta businesses, particularly those located along the affected areas, endured substantial hardships as a result of the construction works. The delays, which were longer than anticipated, placed immense strain on local businesses, leading to severe sales losses and creating significant concerns for their continued viability.

Later throughout the year the SME Chamber also met with TM over the decision to pedestrianise parts of the square without prior consultation.

During 2025, the SME Chamber aims to enter into a meaningful discussion with businesses, to understand the issues at hand and possibly disseminate a questionnaire to better understand their concerns.

## Transport & Logistics

Throughout 2024 the SME Chamber continued to represent members' interests operating within the Transport and logistics sector.

### I. Transport

Throughout 2024, the Malta Chamber of SMEs remained actively engaged in representing businesses across various areas of the transport and logistics sector. Our work spanned multiple aspects and involved collaboration with a diverse range of stakeholders.

Maintaining an open and ongoing dialogue with the Ministry for Transport and Infrastructure, the SME Chamber worked to address outstanding sectoral issues and advocate for practical solutions. Our efforts focused on key transport-related sectors, including:

- Chauffeur-driven services
- Car rental and leasing
- Goods distribution and supply chain
- Pleasure boat operators
- Vintage vehicles (Y-Plates)
- Ship agents
- Superyachts
- VRT operators
- Large passenger transport
- New car importers

- Motoring Schools (**New Sector**)
- Second-hand car importers
- Cargo hauliers

This approach ensured that pressing challenges were tackled while keeping the interests of SMEs at the forefront of industry discussions.

Throughout this year SME Chamber representatives held various meetings with different entities in order to tackle each sectors' specific issues.



*An introductory meeting held with newly appointed Transport, Infrastructure, and Public Works Minister Hon. Chris Bonett, and Transport Permanent Secretary Mr. Godwin Mifsud on the different transport sectors represented and the issues identified.*

In 2024, the Malta Chamber of SMEs hosted an introductory meeting with the newly appointed Transport, Infrastructure, and Public Works Minister, Hon. Chris Bonett. This meeting aimed to establish a dialogue on a broad spectrum of transport-related issues affecting



various sectors. Attendees included members from a wide range of industries, each contributing their perspectives on the sector's challenges and opportunities

## II. Transport Malta Traffic Control Committee

Through its active participation in the Monthly Traffic Control Committee organized by Transport Malta, the Malta Chamber of SMEs continued to advocate for its members' interests. These meetings bring together key stakeholders, including LESA, Transport Malta, the Malta Police Force, Infrastructure Malta, and the Local Council Association.

The SME Chamber consistently raised issues on behalf of its members and industry groups, focusing on critical concerns such as the ongoing works in Mosta, challenges related to boarding and alighting zones, loading and unloading areas, illegal road closures, and sector-specific transport disruptions.

## III. Individual / Collective Issues

The SME Chamber assisted members on individual issues related to unfair contraventions, Loading and Un-loading Bays and issues with road works.

Additionally, the SME Chamber assisted members operating within certain localities, encountering issues related to different loading and un-loading bays and also organised a number of meetings with Infrastructure Malta on ongoing road works in order to plan ahead and consult with members on how to keep the impact minimal.

Consultation on road works included; Handaq industrial estate, Gzira, Marsaxlokk and Qormi.

#### IV. Car Rental & Leasing

Members operating within the Car Rental and Leasing Market. The current Malta Enterprise grant (Micro Invest), does not currently allow leased vehicles to be claimed and the SME Chamber is working on finding a solution.

Members operating within the car rental and leasing sector have also raised an issue related to the administrative process in processing fines and assigning them to clients (offender). In this regard, the SME Chamber held a meeting with LESA CEO to discuss possible solutions to integrate the processes so as to ensure a more efficient system.

Throughout 2024, the SME Chamber also met with the board representing the Maltese Rental and Leasing Association to discuss areas both entities can collaborate on in order to push forward the sector.

## V. Chauffeur-Driven Services Sector

The main issue this industry dealt with is the lack of human resources and the bureaucratic delays in employing individuals who are willing to work. To make matters worse, non-EU driving licenses issued to third-country nationals have a 12-month validity period.

A person must stop working and wait for the process to retest, re-license, and re-tag. Members noted that this is extremely disruptive to their operations.

Following the SME Chambers work, a significant policy change was introduced regarding the renewal of driver TAGs for third country nationals (TCNs). TCNs are now eligible to renew their driving permits (TAGs) for a period of **twelve (12) months** without the immediate need to obtain a Maltese Category B or D license.

Under this updated policy, renewal is granted provided the following criteria are met:

- The applicant holds a valid **CPC certification**;
- The applicant's driving license remains valid;
- The applicant has not resided in Malta for **12 months or more** since their last date of entry into the country;
- This renewal option is available **only once** per applicant under the new rules.

This policy adjustment, aligned with **Regulation 5 of the Motor Vehicles (Driving Licences) Regulations (SL.65.18)**, aimed to streamline processes while maintaining regulatory standards, offering greater flexibility to foreign drivers operating in Malta.

## VI. Large Passenger Transport

The SME Chamber assisted members within the Large Passenger transport particularly on the logistics and route planning aspect. Members within the industry are being faced with inadequate actions when it comes to enforcement. This particularly relates with issues encountered with Short interval trips, whereby drivers are being penalised unfairly.

The SME Chamber has been proposing a change in legislation which specifically states that Large Passenger vehicles may be parked in an appropriate area which is not within twenty meters from any side of a building, whether inhabited or otherwise or any other structure of historical or cultural value.

The SME Chamber also assisted the Unscheduled bus service with over 200 fines issued with respect to large passenger transport operators, some of which were issued without a valid reason. The SME Chamber met with TM CEO to discuss this issue and agreed that fines will be reviewed in bulk taking a more practical approach.

## VII. Vintage Vehicles

Members operating within this sector are still encountering issues and faced with exorbitant license fees to keep vintage vehicles (which in their absolute majority are only used as wedding vehicles) on the road. This was also brought up during an introductory meeting with the Minister for Transport, Infrastructure and Public Works.

The licence fees are normally around Euro 1,125.00 per annum. These vehicles are normally very well maintained, are part of Malta's history and patronage.

These vehicles are well over 30 years of age and go up to 100+ years. Unfortunately, some members are opting to garage a number of these vehicles given the running costs in place vis a vis their occupancy rate.

The Malta Chamber of SMEs proposed that TM create a special category for these vehicles, similar to other special categories created from time to time.

During 2025, the SME Chamber will once again continue to follow this issue to possibly find a solution.

## VIII. VRT

The SME Chamber continued to represent members operating VRT Stations. The SME Chamber held number of meetings, both with the VRT stations committee and also with the authority.

Apart from the general issues members operating VRT Stations, faced, the SME Chamber entered into discussions with TM over the current rates. The authority engaged a service provider to analyse the current operations and also to understand the main costs.

During 2025, TM should be presenting the findings of this study to be able to start negotiations on the new rates.

## IX. Hauliers

During 2024, the SME Chamber, continued representing members operating within the Cargo Hauliers and Customs Clearance Service.

The Malta Chamber of SMEs held periodic meetings with the Malta Freeport Corporation, the Malta Freeport Terminals Ltd, the Malta Customs, Transport Malta, Infrastructure Malta and the Ministry for Transport, infrastructure and Public Works to ensure that issues encountered by members, particularly with regards to their operations.



*Meeting with Hon. Bonett. Together with Hauliers*

The SME Chamber protested on various occasions over the change in traffic management in Triq l-isqof Buhagiar. This was implemented without prior consultation and the SME Chamber has since met with the Minister, Infrastructure Malta and Transport Malta over this issue. The SME Chamber re-affirmed its position as the changes = have negatively impacted members.



*The plan put forward by the SME Chamber in order to alleviate the current problem.*

The SME Chamber were also consulted on the re-organisation of Ras il Hanzir Hill (VGT Terminal) on the issues pertaining this area and regarding the clamping down of illegal trailers parked in the area and on the possibility of giving control of the area to VGT to maintain. The SME Chamber held meeting with TM to propose how the area can be improved.

The SME Chamber also assisted various members on a number of individual issues encountered at the Malta Freeport, liaising with the responsible persons within the terminal. Additionally, the SME Chamber submitted a number of reports over persons acting as hauliers without having the necessary license.

Later on the year the SME Chamber also issued a press release, welcoming the ruling by the EU Court, which represented a significant victory for the local transport and logistics sector. This decision safeguarded Malta from disproportionately restrictive regulations.



*Council Member Mr. Beppe Muscat discussing the importance for greater vigilance to anticipate future threats.*

The court's ruling reaffirmed the necessity for fair and balanced EU legislation that took into account the realities of all member states, particularly those with specific requirements like Malta. The SME Chamber expressed its appreciation to the Maltese representatives



whose efforts were instrumental in defending the nation's interests in this matter.

Looking back, this case highlighted the ongoing need for vigilance in monitoring EU legislative proposals that could negatively impact Maltese businesses. The Malta Chamber of SMEs urged national representatives and stakeholders to adopt a proactive stance in identifying and addressing potential threats at early stages of the legislative process.

### Updated: Chambers welcome EU court ruling annulling the 8-week truck return rule

Shared: 5 October 2024, 09:26 [Let's go back about 6 months ago](#)



The Malta Chamber of Commerce, Enterprise, and Industry on Saturday and the Malta Chamber of SMEs welcomed the ruling by the European Court of Justice (ECJ) published yesterday, annulling the requirement for

*A news article on the Malta independent, featuring the press release issued.*

During 2025, the Malta Chamber of SMEs will continue to work on the daily issues encountered liaising with the various responsible authorities.

## X. Motoring Schools

In 2024 the Malta Chamber of SMEs initiated discussions to take over the Motoring Schools Association initially independent to start representing a number of motoring schools.

The idea behind this representation is to ensure the sector is well represented when it comes to issues pertaining the sector, particularly related to tests, infrastructure and also delays. Additionally motor schools are also concerned when it comes to the latest government proposal on off-peak times, whereby motoring schools have been identified as a possible sector which might be impacted.

During 2025, the SME Chamber plans to organise an Annual General Meeting for the sector and also form a committee. Additionally, the plan is to start meeting different entities to introduce the new sector and start tackling these issues.

## V. Traffic Strategy Proposals

In 2024, the Malta Chamber of SMEs actively participated in consultations on the Government's initiative to address Malta's ongoing traffic challenges. As part of this engagement, the SME Chamber presented a comprehensive document outlining key proposals aimed at improving mobility and reducing congestion. These proposals focused on five main areas:

- Alternative Modes of Transport
- Incentives for Employees

- Enhancing Public Transport
- Improving Infrastructure
- Optimising the Supply Chain

The SME Chamber emphasised the need for efficient use of Malta's limited resources and put forward a series of targeted recommendations, including:

- Incentivising businesses to schedule deliveries during off-peak hours, with a particular focus on 24/7 operations.
- Extending Freeport operating hours to facilitate and encourage off-peak deliveries.
- Introducing additional departure points from Malta to Gozo to reduce unnecessary travel to the north for multiple trips.
- Scheduling rubbish collection after 19:00 to ease daytime congestion.
- Establishing delivery hubs to promote joint delivery services and minimise the number of vehicles on the road.
- Installing cameras in loading and unloading zones to prevent illegal parking, ensuring delivery vehicles have proper access and reducing traffic caused by large vehicles stopping in roadways.

These proposals reflect the SME Chamber's proactive approach in contributing practical solutions to Malta's traffic problems, ensuring

that both businesses and the wider community benefit from more streamlined transport and logistics systems.

## Fuel Stations

Following an annual general meeting, in 2024, the Malta Chamber of SMEs established a newly formed Fuel Stations Committee, bringing together both existing and new members to strengthen representation within the sector. This initiative reflects the Chamber's ongoing commitment to addressing the specific challenges faced by fuel station operators and advocating for their interests.

Looking ahead during 2025, the committee plans to actively engage with both members and non-members, fostering greater collaboration and expanding its reach. The goal is to build a more unified and resilient sector, ensuring that the collective voice of fuel station operators is heard and that their concerns are effectively addressed.



*Fuel Stations 2024 AGM*

## Tourism

2024 has proven to be yet another record-breaking year for tourism, with arrivals reaching 3.6 million and total tourist expenditure amounting to €3.3 billion.

These positive results, however, have also brought about what Mr. Philip Fenech, Deputy President of the Malta Chamber of SMEs, refers to as "growing pains"—challenges that need to be addressed and managed. While private investment in the sector is accelerating at an unprecedented rate, the SME Chamber has been actively engaging with various entities to strengthen and enhance government support services, particularly in tourism zones.

### I. Keeping up with private sector investment

Malta is undergoing a transition with a significant increase in new hotels, restaurants, clubs, and retail outlets. While the overall standard of our tourism product continues to rise, so does the intense competition among businesses. Despite record numbers in tourist arrivals and spending, only those businesses that are well-positioned, efficient, and adaptable will thrive in an increasingly saturated market. The reality is that the market will eventually correct itself—at a cost. Effective management of our tourism zones is, therefore, of utmost importance.

## II. Introducing the Purple Flag accreditation

To enhance tourism zone management, the Town Centre Management (Paceville/St. Julian's) Committee, chaired by Mr. Philip Fenech, has introduced Purple Flag accreditation—a UK-based certification for high standards in entertainment and hospitality zones. Similar to how the Blue Flag represents quality beaches, the Purple Flag ensures that nightlife and hospitality districts maintain safety, cleanliness, and overall excellence.



The SME Chamber, together with key stakeholders, has worked diligently to achieve this accreditation, ensuring that tourism zones meet strict conditions, with new standards introduced annually for continuous improvement. UK assessors conduct year-round physical inspections, highlighting areas for enhancement and flagging any irregularities. Moving forward, Mr. Fenech aims to expand this initiative to other tourism zones across Malta.

### III. Shaping the future: Enhancing tourism's value chain

Malta's record-breaking tourism numbers must be strategically managed to ensure sustainable growth. As part of the Vision 2030/50 debate, the SME Chamber has advocated for a higher-value tourism approach, emphasizing the importance of attracting quality visitors.



*SME Chamber Deputy President Philip Fenech during a panel discussion in a Tourism Conference*

In response, the Malta Tourism Authority (MTA) has refined its marketing strategy, targeting more affluent tourists in key markets. Additionally, the MTA's Route Development Committee is actively working to establish new airline connections with higher-value long-haul destinations.

The introduction of new airlines and increased flight capacity from carriers such as Aer Lingus, LOT, Qatar Airways, and Emirates will play a crucial role in achieving this objective. While 2025 is expected to bring moderate growth, the focus remains on managing visitor numbers sustainably and continuously raising industry standards.

#### Temping Agencies

Following the Sector regulation which the Malta Chamber of SMEs was a proud prime mover of, The SME Chamber established a dedicated committee for temping agencies in a bid to ensure members are well represented.

A general Meeting for members was called to discuss the main issues outlining the new regulation and how the legislation can be improved. Additionally, great emphasis was also put on the enforcement aspect when it comes to companies acting as temping without having obtained the necessary licence to operate.

Although a lot of work was involved in ensuring that the new regulations still permitted serious operators to function, there are certain sectors that do not directly operate as a temping agency, who however were asked to regularise their position.

In particular. Security companies who are already licensed under another regime have been asked to comply. In this regard, the SME Chamber also met with Hon. Andy Ellul to discuss this difficulty.

A temping agencies association was also separately established and the SME Chamber aims to collaborate closely for the benefit of the sector.

During 2025, the Malta Chamber of SMEs aims to continue this close collaboration to ensure adequate and effective representation.



*Presentation of the first licenced Temping Agencies following the thorough consultation held.*



## Landlords

During 2024, the SME Chamber started representing landlords of private residences. The idea behind this representation is to ensure that the current legislation and also assist members with issues pertaining the Housing Authority and other entities.

This initiative was driven by a growing demand within the sector for structured representation, enabling members to work collectively and professionally to address both current and future challenges, while safeguarding their legitimate interests.

Recognising the crucial role of the rental market in today's economy and society, the SME Chamber acknowledged the need to provide this sector with a unified voice and a clear identity — ensuring authorities and other stakeholders have a dedicated platform for meaningful engagement. In this regard, the SME organised a webinar on the updates of Private Residential Leases act, which came about in September 2024. A webinar which saw over 270 members registered.

Following the setting up of the new sector, the SME Chamber started its representation with Identita' over the introduction of the new Attestation Form and with the Ministry for housing together with the Housing Authority. The newly formed committee.



*An introductory meeting held between the SME Chamber together with Minister Hon. Roderick Galdes, HA CEO Mathew Zerafa and their respective teams.*

As part of its representation, In 2024, the Malta Chamber of SMEs voiced its concerns regarding the new procedure introduced by Identità, requiring a legal professional to witness the signatures of both landlords and tenants on the attestation form. While the SME Chamber fully supports enhanced controls to prevent abuse and safeguard national interests, this measure has added unnecessary bureaucracy without addressing the sector's core challenges.

The new process has complicated rental agreements, particularly for third-country nationals (TCNs), placing an additional administrative burden on both landlords and tenants.

Recognising the importance of striking a balance between regulatory compliance and operational efficiency, the SME Chamber has put forward a series of proposals aimed at streamlining procedures while ensuring adherence to legal requirements.

Looking ahead, the Chamber plans to strengthen its collaboration with key stakeholders to foster a constructive and solutions-oriented environment, with the overarching goal of supporting the interests of landlords and enhancing the stability of the rental market. In particular during 2025, the SME Chamber plans to review the current legislation, proposing changes and also to undertake a study to understand the main issues encountered by members.

# EU Funded Projects



Throughout 2024, the Malta Chamber of SMEs remained actively engaged with three EU-funded projects running concurrently. These projects—ioreSME, ARESME, and Consumer Law—play a crucial role in supporting SMEs by providing valuable research, resources, and policy development aimed at enhancing business operations and regulatory compliance.

The ioreSME Project focused on strengthening the SME Chambers' position as a social partner. ARESME Project is dedicated to improving access to resources and strengthening SME competitiveness in a rapidly changing new forms of work. Lastly, the Consumer Law Project aims to enhance awareness and compliance with consumer protection regulations, ensuring that businesses operate within a fair and transparent legal framework.

These EU-funded initiatives reinforce the SME Chamber's commitment to supporting its members through strategic partnerships, knowledge-sharing, and capacity-building efforts.

## **ARESME Project**

SME Chamber's total project budget – Eur 80,067.03

Adapting national social partners' capacities to pursue inclusive and responsive social dialogue following crisis situations in EU.

The ARESME project, an EU-funded initiative, began in August 2023 with the goal of studying the rise of new forms of work—platform

work, teleworking, and part-time work schemes—across partner countries.

What has been done in 2024:

In 2024, the Malta Chamber of SMEs led the stocktaking process, providing clear guidelines on data collection methods and setting deadlines for each step. The focus was on understanding how these new types of work are developing and their current status. Following the methodology established by the SME Chamber, each partner



*Mr. Andrew Aquilina & Mr. Jamie Tanti, together with other project participants.*

conducted a national stocktake, analyzing emerging work trends and identifying potential risks in labor law. After compiling the stocktake, the Malta Chamber of SMEs presented its findings to the Project Consortium, highlighting key trends and risks in Malta’s labor market. This was followed by discussions among partners, allowing for comparisons, the exchange of best practices, and an assessment of common challenges faced across countries.

The SME Chamber also participated in another study exercise on occupational safety and health risks associated with new forms of

work, including platform work, teleworking, and part-time work schemes. After compiling the findings, the Malta Chamber of SMEs presented its report to the Project Consortium, highlighting key trends and risks in Malta's labor market.

This was followed by discussions among partners, enabling comparisons, the exchange of best practices, and an assessment of common challenges faced across different countries. The objective was to identify occupational safety and health risks related to new forms of work in each partner and to explore effective strategies for managing these risks in the future. The Malta Chamber used its social media platforms to make regular posts on the project.

Also, as part of the project, the Malta Chamber of SMEs created one national conference in October where an update on what has been done in the project and the findings of the two stocktakes conducted was explained to the attendees.

## loreSME

SME Chamber's total project budget – Eur 180,032.85

Increasing SME Organisations Representativeness for more Effective Social Dialogue

This project seeks to raise awareness of SME employer organisations across the EU, reinforcing their role as key social partners. Additionally, it aims to empower the Malta Chamber of SMEs and its partners to increase their impact and influence in policy discussions.

As part of the project, the consortium will develop a comprehensive campaign template to engage SMEs effectively, equipping them with the necessary tools for outreach and advocacy. The project also focuses on building the capacity of national and cross-industry social partners, particularly in the post-COVID landscape, enabling them to contribute meaningfully to EU initiatives such as the EU Semester and National Recovery and Resilience Plans.

Furthermore, the initiative will play a critical role in educating SMEs about EU policies linked to the European Pillar of Social Rights and the EU Green Deal, ensuring they are well-informed and actively involved in shaping the regulatory environment. Ultimately, this project aims to enhance SME representation and strengthen social dialogue across the European Union.

What has been done in 2024:

In 2024, the ioreSME Project entered its final seven months, during which the Malta Chamber of SMEs actively contributed to key project milestones. The Chamber participated in three Steering Committee Meetings alongside consortium partners, ensuring continuous progress and effective coordination. Additionally, the Chamber engaged in two Social Affairs Committee meetings, held in February and April, further reinforcing its commitment to SME-related policy discussions at the European level.



A key highlight was the Exchange Knowledge Event held in Slovenia on February 27th and 28th, where consortium partners shared best



practices and presented services that they offer. As part of the project, the SME Chamber made an awareness campaign that combined organic social media engagement with targeted paid advertising on Facebook, Instagram, and Google Search, ensuring broad visibility and audience reach. The Seminar and Exchange Visit in Rome between the

10th and 12th of June provided a platform for consortium partners to evaluate campaign outcomes, refine the template campaign, and prepare for the final dissemination phase. The discussions led to improvements in campaign effectiveness, with each partner presenting results, challenges, and key takeaways. The Final



Dissemination Seminar, hosted by SME United on July 10th, marked the conclusion of the project, featuring the presentation of the Final Report and the official release of the template campaign to all SME United members.

Additionally, the Malta Chamber of SMEs, as it did during the whole project, created ensured a regular dissemination of EU-related information, particularly regarding the EU Pillar on Social Rights and the EU Green Deal. This was achieved through bi-monthly

newsletters and monthly infographics, which were further distributed by consortium members through their respective communication channels.

## Norway Grants

During 2024, SME Chamber Officer, Mr. Marcel Mizzi, attended and represented the SME Chamber at the Norway Grants conference in Oslo from November 12th to 14th. The event was designed to showcase project outcomes and facilitate the exchange of experiences among stakeholders engaged in the SDDW projects implemented by the Chamber over the past three years.



*Mr. Marcel Mizzi, during the Norway Grants Conference in Oslo, Norway.*

The conference provided a valuable platform for discussing key achievements across participating countries, fostering extensive knowledge-sharing, and reflecting on important lessons learned.

These insights are anticipated to play a critical role in shaping recommendations for the upcoming funding period, ensuring continuous advancements in project implementation and enhancing overall impact. This engagement also underscored the Chamber's commitment to leveraging international cooperation for strategic growth and improvement.

## Consumer Law Ready



In February 2024, the Malta Chamber of SMEs signed a new contract to continue serving as trainers for the Consumer Law Ready program. As part of this initiative, two webinars titled Consumer Law Course for SMEs in Malta were organised to provide specialised training on

consumer law regulations relevant to businesses. The first webinar took place on the 4th of July at 14:30 and had 244 registrants, while the second was held on September 19th, with 125 registrants. These free and certified training sessions were open to SME owners and employees of all sizes, ensuring they had a clear understanding of their legal obligations and consumer rights. The webinars addressed key topics such as business obligations regarding defective products, consumer rights for returns and cancellations, best practices for

success in online marketplaces, resolving disputes without legal action, and essential details for compliance in e-commerce. A certificate of attendance was issued after each webinar personalised for each attendee. Through these webinars, the Chamber continues to empower businesses with the knowledge needed to navigate consumer law effectively and ensure compliance in an evolving marketplace.

# Spreading Knowledge, Raising Awareness & Collaborating

## SME Barometer®

Following the official launch of the SME Barometer during 2023, The Malta Chamber of SMEs in collaboration with Misco, continued its quarterly analysis during 2024.

The aim of the SME Barometer is a quarterly survey that aims to provide scientific insights into economic trends, business sentiment, and the state of enterprises in Malta.

### Staff shortages, unfair competition most pressing issues among businesses – SME Barometer for Q3

By Simona Abbas-Storia | Wednesday, 30 October 2024, 14:28 | Last updated about 5 days ago



The Chamber of Small and Medium Enterprises (SMEs) on Wednesday published

*A new article featuring the presentation of the Q3 SME Barometer Results.*

The SME Barometer is a comprehensive survey and report that offers valuable insights into the small and medium-sized enterprises (SME) sector. It encompasses data on the current economic conditions, challenges, and opportunities faced by SMEs. The reports highlight trends in business performance, and growth prospects.

The SME Barometer has become a crucial resource for policymakers, business owners and other important economic stakeholders seeking to understand the pulse of the SME sector, providing key indicators for decision-making and strategies to foster SME growth. During 2024 the SME Barometer has managed to become a vital tool for evaluating the health and vitality of SMEs in various economies.



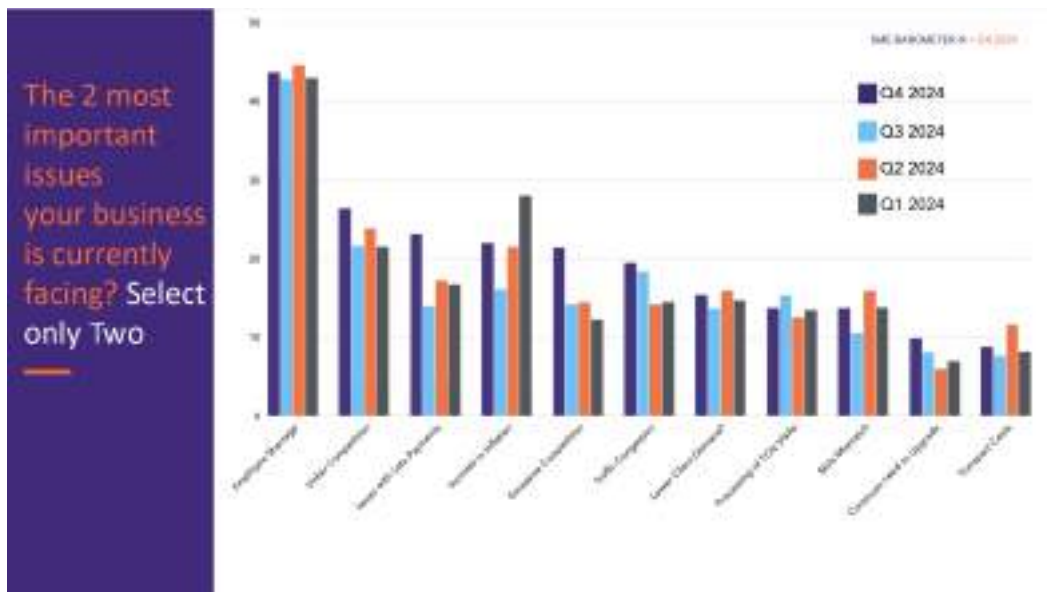
*From Left: Mr. Lawrence Zammit, Ms Abigail Agius Mamo, Mr. Paul Abela, Mr. Philip Fenech and Mr. Andrew Aquilina during a press conference presenting the SME Barometer Results.*

In total the SME Chamber organised a total of three quarterly surveys with Q4 also including the annual performance survey conducted annually.



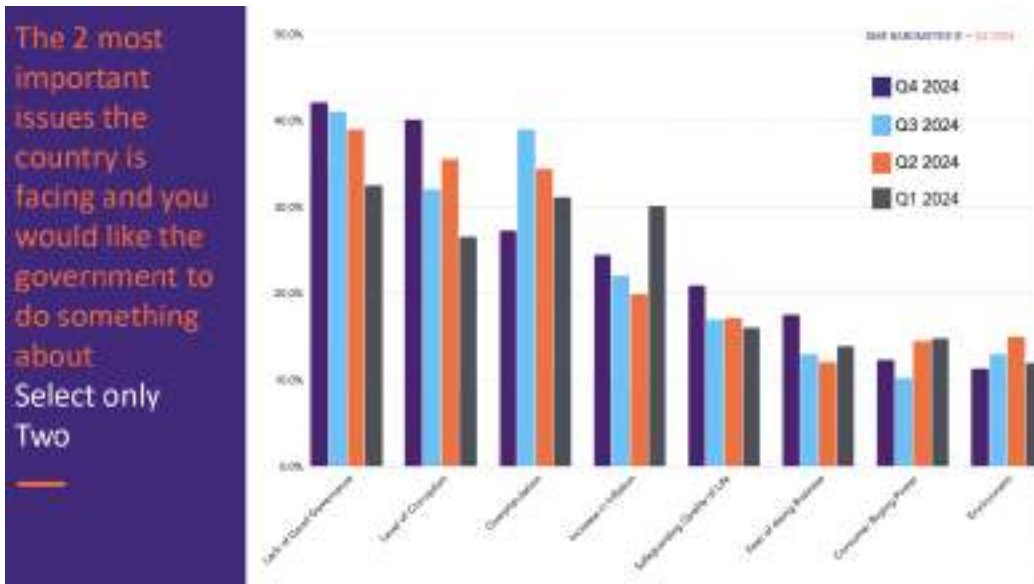
The SME Chamber continues to note a that the 2023 response rate has been maintained during 2024 at an average of over 400 replies. This continues to give further trust in the survey conducted.

A look at the main results obtained, members were asked to identify the two main issues pertaining their business and the two issues the country is facing and they would like the government to do something about. Employee shortage continued to feature in all surveys conducted. When it comes to issues faced by businesses. With unfair competition also significantly becoming a second most important issue. Inflation has during 2024 slowed down significantly.



*A snapshot of the results obtained, comparing results from the different surveys*





*A snapshot of the results published for Q4 2024, where respondents were asked on the 2 most important issues the country is facing*

Additionally, the level of corruption and the lack of good governance also featured highly in all surveys as being a top most issue the country was facing.

Results of individual surveys can be obtained through the below links

Q1 – 2024-

<https://www.smechamber.mt/wp-content/uploads/2024/05/SME-Barometer-Q1-2024-Deailed-Report.pdf>

Q2 – 2023 –

<https://www.smechamber.mt/wp-content/uploads/2024/05/SME-Barometer-Q1-2024-Deailed-Report.pdf>

Q3 – 2023 –

<https://www.smechamber.mt/wp-content/uploads/2024/10/SME-Barometer-Q3-2024-Presentation.pdf>

Q4 – 2024 –

<https://www.smechamber.mt/wp-content/uploads/2025/01/Business-Performance-Survey-2024.pdf>

During 2025 the SME Chamber aims to continue conducting this survey, shedding light on the state of play in Malta and using its findings as a guiding principle to propose change in policy.

### **Business Performance Survey**

The annual business performance survey aimed to assess the performance and trends of various sectors during each year, focusing on key aspects such as turnover, profitability, rising costs, and festive period sales and performance.

By gathering insights from a diverse range of businesses, the survey aims to provide a comprehensive understanding of the economic landscape and the challenges and opportunities faced by enterprises.



*Presentation of the Business Performance Survey for 2024*

During 2024, 42% of respondents reported increased turnover compared to 2023, while 34% saw no change and 24% experienced a decline. Growth was primarily driven by improved marketing efforts (34%), enhanced sales strategies (30%), and increased consumer confidence (20%).

Profitability levels remained stable, with 41% of businesses indicating no change from the previous year. However, 33% reported reduced profitability, underscoring ongoing challenges in managing costs and resource allocation.



*Presentation of the Business Performance Survey for 2024*

The primary factors contributing to rising costs were increased employee wages (63%) which also compliments the findings of the SME Barometer.

During the 2024 festive season, 24% of businesses reported increased sales, while 46% maintained the same turnover as in 2023.

## MDB – Covid-19 Guarantee Scheme

During 2024, the Malta Chamber of SMEs, in collaboration with the Malta Development Bank (MDB), conducted a survey concerning the COVID-19 Guarantee Scheme (CGS) among its members, receiving responses from 123 participants. The findings were presented to the Executive Council of the Malta Chamber of SMEs and subsequently published on the MDB website. This assessment underscored the scheme's vital role in supporting businesses during the unprecedented economic challenges posed by the COVID-19 pandemic.



The study revealed that, at the onset of the crisis, businesses in Malta faced a significant liquidity shortage, jeopardizing jobs and livelihoods. In response, the MDB launched the CGS, supported by a €350 million government Guarantee Fund, to ensure that businesses could access the necessary financing to remain operational.

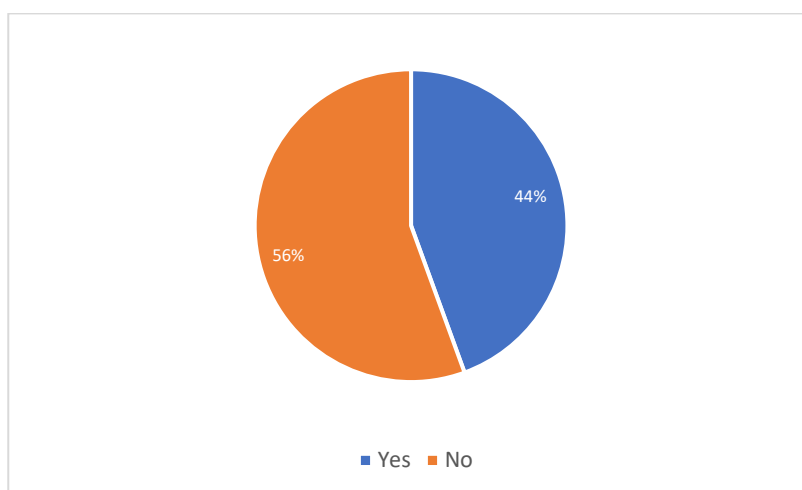
Implemented in record time, the scheme provided over €500 million in working capital loans, benefiting more than 500 businesses and

safeguarding around 40,000 jobs. By June 2022, €482.6 million had been disbursed through nine banks, making it the MDB's largest initiative to date. An assessment indicated that the CGS contributed approximately €1.7 billion to Malta's economy, with key sectors such as retail, transport, and hospitality reaping the most benefits.

Beyond the figures, the CGS offered businesses the crucial breathing space needed to navigate the crisis. Working in conjunction with other government support measures, it played an essential role in stabilizing the economy. The MDB's review also highlights significant lessons for the future, ensuring more robust support mechanisms in times of crisis.

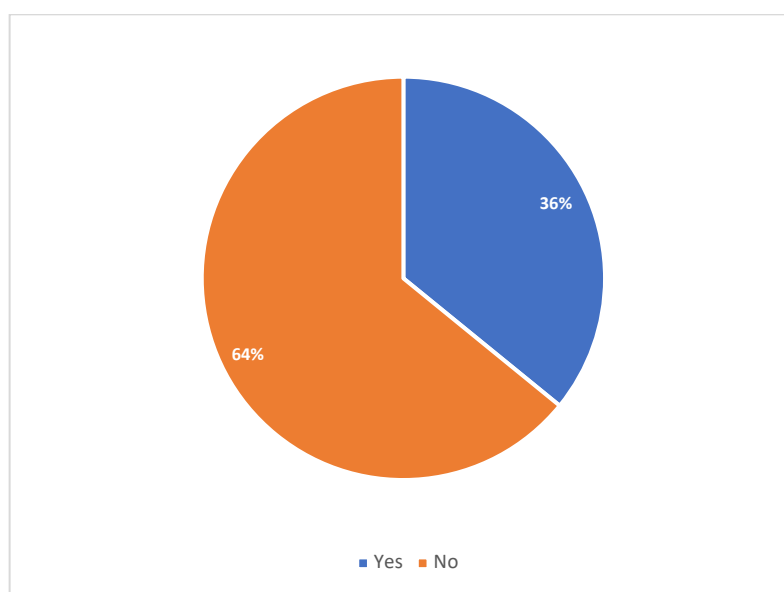
### Proposed Late Payments Regulation

In 2024, the Malta Chamber of SMEs conducted an in-depth consultation with its members to assess the impact of late payments and the proposed EU Late Payments Regulation Review. The study gathered feedback from 180 businesses, the vast majority of which were SMEs, to evaluate the effectiveness of existing legislation and the potential impact of the new proposals.



The new proposed regulation specifies a mandatory 12.5% Interest rate to automatically be imposed when payments exceed 30 days (from invoice date). Do you agree with this proposal?

The findings revealed that while timely payments are essential for business sustainability, a one-size-fits-all approach could create unintended challenges. The SME Chamber found that 60% of businesses supported mandatory interest charges for late payments exceeding 30 days, as it incentivises prompt settlements. However, concerns were raised about business autonomy, with 64% of respondents opposing restrictions on extending credit terms even when both parties agree.



Do you agree that under the new regulation, credit terms CANNOT be extended (even if in agreement between both parties)?

The SME Chamber emphasised the need for sector-sensitive regulations that respect different business models and payment cycles. It proposed that mandatory interest should only apply after 90 days, with an opt-out option if an alternative agreement is reached. The SME Chamber also called for a more practical enforcement mechanism, advocating for streamlined procedures outside court systems.

Moving forward, the SME Chamber remains committed to working with EU and national authorities to ensure that regulations protect SMEs from cash flow issues while maintaining flexibility for businesses to negotiate terms that suit their operations.

## Sharing Business Insights with MCAST Students

Earlier in 2024, four of our council members had the opportunity to share their experiences and valuable business insights with first-year BA in Business Enterprise students at MCAST. Robert Micallef, Jonathan Marthese Micallef, Marcel Mizzi, and Noel Gauci generously dedicated their time to provide guidance and real-world perspectives to the students.



MCAST Students during the Business Insights Discussion

We would like to express our sincere gratitude to these members for their contributions and wish the students the best of luck in their studies and future careers



From Left to Right: Mr. Robert Micallef, Ms. Marthese Micallef, Mr. Marcel Mizzi and Mr. Noel Gauci

## Trust Payment Collaboration Renewal

In 2024, the Malta Chamber of SMEs reaffirmed its commitment to supporting local businesses by renewing its strategic partnership with Trust Payments for another three years. This continued collaboration reflects a shared vision of empowering SMEs with the necessary tools and resources to thrive in an increasingly dynamic and competitive market.





Trust Payment CEO Mr. Steve Grech, Director of Sales, Mr. David Falzon, together with SME Chamber President Mr. Paul Abela and Former CEO Ms. Abigail Agius Mamo during the signing of the agreement.

Through this renewed agreement, the Malta Chamber of SMEs and Trust Payments will continue to provide businesses with innovative payment solutions, enhanced security measures, and tailored support to drive growth and efficiency. By working together, we aim to foster a more resilient and forward-looking SME sector, ensuring that businesses remain competitive and well-equipped to navigate emerging challenges.

This partnership underscores our dedication to delivering tangible value to our members, reinforcing our role as a key enabler of business success in Malta.

# The SME Chamber Council and Team





*A Council meeting at the Malta Chamber of SMEs in Floriana*



*The SME Chamber Council, getting together during the festive period*

## Staff Developments

In 2024, the Malta Chamber of SMEs underwent a significant leadership transition as Abigail Agius Mamo stepped down from her role as CEO. Having served the organisation with dedication for 17 years, 10 of which as CEO, her leadership was instrumental in strengthening the Chamber's role as the leading voice for SMEs in Malta. Under her tenure, the Chamber successfully navigated key economic challenges, expanded its advocacy efforts, and enhanced its support services for members.

Her departure marks a new chapter for the organisation, with a continued commitment to advocating for SMEs, fostering business growth, and ensuring a strong representation at both national and EU level. Later on, it was announced that Mr. Andrew Aquilina will be stepping into the position of COO. Additionally, Mr. Fabian Demicoli, previously head of communications and EU affairs is now Head of Communications and Business Development, while Mr. Jamie Tanti previously EU Affairs and Funding Executive is now Head of Policy, replacing Mr. Andrew Aquilina who previously occupied this role.

During 2025 The SME Chamber remains focused on building upon past achievements and driving forward its mission to support and empower small and medium-sized enterprises in an evolving business landscape.

The Malta Chamber of SMEs Council and Staff, take this opportunity to thank Ms. Agius Mamo for her commitment and support throughout the past years. Her continued worked helped shape and position the organisation to where it is today. The SME Chamber wished her all the best for future endeavours.

During 2025, the Malta Chamber of SMEs plans to recruit an EU Affairs & Funding Executive. Additionally, a number of staff development initiatives are planned, including the launch of a dedicated training fund and Mental wellbeing services in collaboration with Richmond Foundation.



*The SME Chamber team getting together during a summer team building event (missing Bernice Sammut & Elizabeth Said Curmi & Ms. Nathalie Attard)*



*The SME Chamber team, together with Mr. Paul Abela, getting together during the festive period*

## Council Attendance Sheet – 2024

	10th Apr	8th May	8th July	30th July	4 th Sep	3rd Oct	6th Nov	5th Dec	16th Jan	11th Feb	21st Mar	P	E	R	S
<i>Abela Paul</i>	P	P	P	P	P	P	P	P	P	P	P	11			
<i>Camilleri Sergio</i>	P	P	P	E	P	P	P	P	E	P	P	9	2		
<i>Ciantar Mario</i>	P	P	R	R	R	R	R	R	R	R	R	2		9	
<i>Cutajar Patrick</i>	P	P	P	P	E	P	P	P	P	P	P	10	1		
<i>Debono Mario</i>	S	P	P	P	E	E	P	P	E	P	P	7	3		1
<i>Fino Dino</i>	E	P	E	E	P	P	P	E	P	E	P	6	5		
<i>Fenech Philip</i>	P	P	P	P	P	P	P	P	P	P	P	11			
<i>Galea Michael</i>	P	P	P	E	E	P	P	E	P	E	P	7	4		
<i>Gauci Noel</i>	P	P	P	P	P	P	P	E	P	E	P	8	3		
<i>Haber Joan</i>	E	P	P	P	P	P	P	P	P	P	P	10	1		
<i>Micallef Marthese</i>	P	P	R	R	R	R	R	R	R	R	R	2	0	9	
<i>Micallef Robert</i>	P	P	P	E	P	P	P	E	P	P	P	9	2		
<i>Mizzi Marcel</i>	P	P	P	P	P	P	P	P	P	P	P	11	0		
<i>Muscat Beppe</i>	P	P	E	P	P	E	E	P	P	P	P	8	3		
<i>Shoemake Claire</i>	P	P	P	P	E	E	P	P	E	E	P	7	4		
<i>Vassallo Christian</i>	E	E	R	R	R	R	R	R	R	R	R	0	2	9	
<i>Zammit Carmel</i>	P	P	P	P	P	P	P	P	P	P	P	11	0		
<i>Zerafa Joseph</i>	P	P	P	P	P	P	P	P	E	E	P	9	2		

P – Present  
 E – Excused  
 R – Resigned  
 S – Suspended

