



THE GOZO BUSINESS CHAMBER

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New Measures announced by the Government to regenerate the Economy

The Gozo Business Chamber notes the number of measures that were announced today by the Ministry for the Energy, Enterprise and Sustainable Development targeted towards the regeneration of the Maltese economy, and the socio-economic context in which these measures will be implemented. The Chamber was also part of these discussions in which, it highlighted the need for measures to be targeted more towards small and micro businesses, and for measures to be positively skewed towards Gozo, especially in the digital and the green economy sectors. The Chamber believes in these two sectors as these are economic niches which can create real value added for the Gozitan economy in the long term.

To this end the Chamber notes positively both the direct support measures, and the other incentives aimed at stimulating economic activity. These include both the extension of the rent and electricity support schemes, and the one-time cash grant of € 1,000 for those who will remain closed. In this context one needs to take into consideration the bars which will remain closed, and where a date for their opening has not yet been determined, and the restaurants which will be opened, but in a limited measure. In this scenario it is important that these businesses, so crucial for the Maltese economy continue to be assisted during this period. To this end the Chamber also acknowledges the scheme whereby psychosocial support to entrepreneurs will be provided. At a crucial point in the pandemic in May of last year, the Chamber had pointed out this issue when it had organised a specific webinar on the stress faced by entrepreneurs during this difficult period. The stress has been compounded, considering also that travelling restrictions between Gozo and Malta have been in place for a number of months, and will only be lifted on the 10th of May.

The Chamber also notes positively the 'Change to Grow 2021 Scheme', the 'Restart Incentive Scheme', the 'Extension of the tax credit certificate through the Micro-invest scheme', and the 'Support and Sustainable Investment Scheme' which will be offered across all sectors. It acknowledges the announcement that a higher threshold for Gozitan based investments will apply. The digital and the green economy sectors are the two main pillars for economic recovery highlighted by the European Union. These are two sectors which are not impinged by the physical limitations of islands. In this sense one has to note the investments by Government in this area mainly through the second fibre optic link and the Digital Innovation Hub. The latter is being seen by the Chamber as an important step in Gozo's future economic growth to eventually become a main hub for digital economic activity on the island. Further efforts are needed in this direction with an economic model which can make settling in the Digital Innovation Hub both attractive and feasible.

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