



**Industry in Gozo
International Conference: Citizens Active in
Local Democracy**

Daniel Borg

Saturday 16 July 2022

Your Excellency Dr Marie Louise Coleiro Preca, Parliamentary Secretary Dr Alison Zerafa Civelli, Hon Alex Borg, Member of Parliament, Ambassador Mark Causon, President of the Gozo Region Dr Samuel Azzopardi, David Apap Agius, Mayor of Għarb, Local Councillors welcome.

I would like to thank first of all David Apap Agius for inviting me today to deliver this presentation and would like to congratulate him on this important achievement of fulfilling 25 years as mayor. This is no mean feat indeed! Local Councils play a very important part in our local democracy.

To this end one may ask what does a Chamber of Commerce in such a small island as Gozo has to do with this Conference today? Consequently one has to know what is the role of the Gozo Business Chamber.

The role of the Gozo Business Chamber is to: (a) safeguard and promote the interests of our members; (b) represent the interests of our members in the various fora in which we participate; (c) address the needs of Gozitan businesses, which in the case of Gozo are different from that of the main island of Malta and which relate principally in our case mainly to the difficulties related to accessibility and the costs this brings with it; (d) enhance cooperation both between members and also between members and regional authorities; (e) promote the interests of Gozo and Gozitan businesses, both at a regional, national and international level; (f) mediate both between our members, and between our members and various governmental entities and ministries; and (g) educate our members. On this last front we hold various training sessions and conferences. During the past years we have held sessions on various topics ranging from the digital sector, sustainability and ethics in business. These topics were selected not only because they reflected the exigencies of our members but because as a Chamber we believe that we have to provide a vision. We must not be simply a lobby group but an organisation which brings real change to our society and economy. These two aspects are both linked and dependent on each other, and it would be a mistake if we were to divide the two. We must not be simply an organisation representing commercial interests, but a community

organisation, and that is also shown by many of our members who are not only simply business people, but are also involved in the local community.

However the conference being held today tackles the aspects of 'Citizens Active in Local Democracy'. Consequently it is important that we understand the governance scenario in which we are operating. Though small, Gozo presents indeed a very complex governance scenario. Governance is defined both as the formal and informal relationships that govern the relation of many group. There are many participatory actors in Gozo's governance scenario, with the Ministry for Gozo, Local Councils, responsible ministries and entities (as the Ministry for Gozo only has limited responsibility over certain areas) and now an important actor such as the Gozo Regional Development Authority. As a Chamber we fall within the area of NGOs which try to play a role in putting forward issues related to our beloved island, and as many who are familiar with our work, not only business issues.

In this intervention today I am going to provide a brief overview of the economic scenario in Gozo. 68% of the people are employed in the private sector and 32% in the public sector. There is an abundance of micro enterprises, and a GDP per capita which is 64% of the national economy.

Between 2015 and 2020 we had a strong average rate of growth which was more significant than that of Malta, and which would have been even higher, as the fall out between 2019 and 2020 was even more significant. However what is fuelling this growth? And therefore as an active community organisation we have voiced our concern that this growth is being fuelled by sectors which are having a significant negative impact on the environment, and from this slide we can see that Gozo's reliance in the areas of construction and real estate in terms of gross value added is double that of Malta. Also tourism plays an important part with a contribution of 50% to our regional economy. 2019 figures clearly show that while tourism in Malta did grow consistently prior to 2019, in Gozo this growth was being experienced through same-day visitors which have a significant impact on the environment.

During COVID-19 our economy survived because of domestic tourism. But this calls for action. And this action is a more diversified economy.

The way forward calls for a more sustainable and diversified economy. During the past period the Chamber has taken a number of initiatives even at a community level to promote this aim. The Youth4Entrepreneurship Gozo is one of them. Through this contest youth have the opportunity to present ideas related to Gozo, and these past years we have aligned the themes related to this contest to those being promoted by the European Union, principally the digital and green economy.

Innovation is key. We have a long way to go. The Government has invested significantly with a digital innovation hub, and the second fibre optic link between Gozo and Malta. However, now we need the right framework to ensure that this investment will reap the fruit in the coming years.

Accessibility will remain high in the agenda. This is a topic on which we as a Chamber constantly intervene. Gozo is dependent on the main island of Malta, and for Gozo to become a real contributor to the national economy, it needs to be put on a level playing field with the main island of Malta, and that is only done by ensuring that accessibility remains the top priority for the island of Gozo. Ensuring that Gozo is accessible must not be seen as a burden but as a drive to put Gozo in the conditions to contribute effectively to the national economy.

Infrastructure. Here the Government has also invested significantly. An important investment has been the Queen Mary University Gozo Campus in Victoria. It shows that when there is a will foreign direct investment which adds real value to Gozo can be done, and that is the way forward for our islands. We must reduce our dependency on sectors such as construction and real estate, and ensure that sectors which add real value to our island such as the digital and green economy play an important part in the national economy. As a Chamber we have consistently said that in Malta's drive to become carbon neutral Gozo can play a very important part through implementing actions here on the island, prior to these being deployed on a national level. Gozo can indeed become carbon neutral prior to Malta. We must be innovative and forward looking. In front of all the changes that we are facing today, that is the only way forward to thrive.

Thank you all.
