



Annual Report 2010

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## 2 Historical Report on Casa Leone, Floriana

### Historical Report

#### About Robert Samut



As a marble plaque on Casa Leone's facade records, the composer of the Maltese National Anthem, Professor Colonel Robert Samut, was born in this house on 19 October 1870. Nonetheless, the plaque mistakes the exact date of his birth which should be the 12th of October, not the 19th as indicated.

Despite being predominantly famed for composing the National Anthem, he was a medical doctor by profession, having studied at the Royal University of Malta and the University of Edinburgh graduating MB. and Ch.M. He furthered his studies in Liverpool obtaining DTH as a postgraduate. Moreover, he was later appointed Professor of Pathology, Bacteriology and Physiology at the Royal University of Malta, and was awarded a medal for his work in anatomy.

The choice of the Maltese National Anthem falling on Professor Colonel Samut's composition occurred after his death. Since a national competition failed to find an adequate hymn that could be adopted as the National

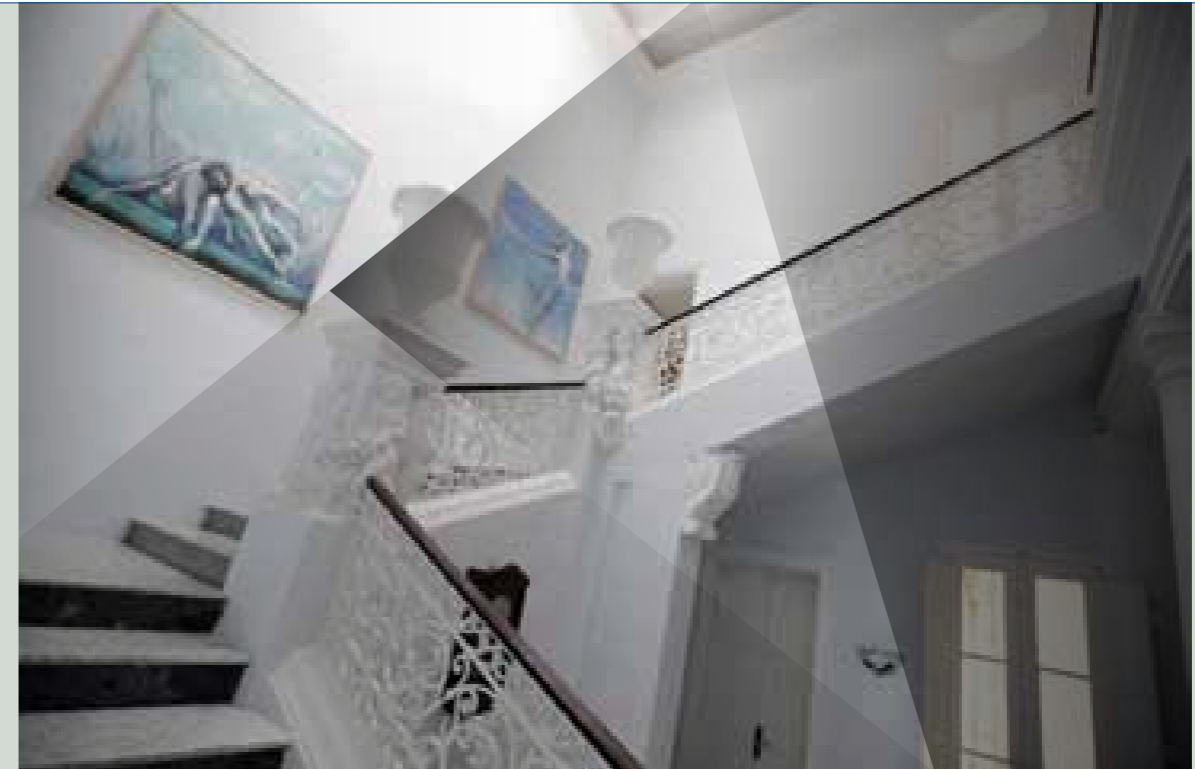
Anthem, no tune was ever chosen, and the adoption of Samut's musical composition seems to have occurred naturally. Samut played with an amateur orchestra, and composed the score for it to play. It was later adopted by the King's Own Band of Valletta. Lyrics were set to it by the National poet Dun Karm Psaila (1871-1961).

Professor Colonel Robert Samut has also contributed to research in his field of professional specialisation, and has published several papers and books. Among these are Paratyphoid fever in Malta (1909), Lecture on Anaesthetics (at the Juventutis Domus, 20. vii. 1911) (1911), Orazione detta in occasione del conferimento della Laurea nella Chiesa dell'Universita il 17 dicembre MCMXIX (1919), and 'Development of bacteriology and laboratory methods in recent years', La Rivista Medica 1.2 (1923).

A portrait of Professor Colonel Robert Samut survives in Robert Samut Hall, Floriana. He died aged 64 on 26 May 1934 in Sliema, and is buried in the Portelli Chapel at the Addolorata cemetery.

## Casa Leone, Floriana

### An Art Historical Appreciation



Casa Leone is situated in Robert Samut Square, corner with Granaries Street, Floriana. Its origin was as Villa Franconi, and owes its origin as a summer villa with a landscaped garden to the Italian Knight Bali Fra Fabrizio Franconi.

In the mid-18th century, the suburb of Valletta, Floriana was still largely unpopulated, and protected by a system of fortifications by the Italian military engineer, Pietro Paolo Floriani, after whom the suburb is named.

Bali Fra Fabrizio Franconi was a distinguished and eminent member of the Knights of the Order of St John, who had a summer house built some time before 1742 in Floriana which had an extensive and beautifully landscaped garden attached to it. A 1742 plan of Floriana prominently marks the site of Casa Leone as "Giardino Casa e Cortile del Sig. Commendatore Franconi". Villa Franconi's garden was one of two major gardens in Floriana at the time, the other being Argotti gardens.

Much of the surrounding area to the side and behind of Casa Leone, which is now largely built up, was therefore occupied by its garden. Fronting the house were grain silos which were still in use in the first half of the 20th century. These are still a feature of Robert Samut Square.

That Bali Fra Fabrizio Franconi was a discerning patron of the arts, can be borne out of the fact that in 1739 he commissioned from the well-known Maltese marmista (marble worker) Claudio Durante to work from designs that he provided him with, an altar frontal for the Chapel of St George of the Langue of Aragon in the Conventual Church of St John, Valletta.

The name Franconi has been corrupted in native Maltese terms to "Ta' Frankuni", denoting a mental asylum or anyone suffering from a mental disease. This was due to the fact that Villa Franconi was one of the mental institutions of the Maltese Islands (founded in the 1830s), prior to the building of Attard's Mount Carmel Hospital. The new building, which was especially built as a psychiatric hospital, was completed in 1861, and the site was specifically chosen to be at a distance from residential areas, thus mitigating the curiosity of neighbours. Other mental hospitals functioning contemporaneously with Villa Franconi, were located at the Sacra Infermeria (the old hospital of the Knights of St John) and the Ospizio (or poor house that had been founded by Grand Master Vilhena), Floriana.

Villa Franconi housed both female and male patients in separate wings that were divided into wards, and structural modifications took place

to make the architecture of the villa function as a hospital. This resulted in original features of the villa being mutilated and lost.

Following its function as a mental hospital for some 25 years, Villa Franconi, together with adjoining houses, was taken over by the British army and used as a barrack for some years. These barracks were known as St Francis Barracks.

It is possible that Casa Leone took its present form and aesthetic appearance after the vacation of the British army, therefore dating the visible remodelling to the late 19th century, as is confirmed by the architectural language most of the house displays.

In 1870 Professor Colonel Robert Samut was born in Casa Leone. It could therefore very well be that the remodelling took place by Professor Colonel Samut's family.

Dr Joseph Zammit Tabona, the current owner of Casa Leone, lived in the house with his parents Emmanuele Zammit Tabona and Adelina née Lepre. The building itself is still very much as Dr Zammit Tabona recalls it in his childhood, and he relates how it was reputed to be a house of prestige, and the most beautiful house

in Floriana. He has purchased a section of the house comprising of two of the ground floor rooms fronting the present Granaries Street that can be accessed from a side door and the basement of the house. The basement was very probably the quarry for the stone used in the building of the house. This gives the house a rectangular format with a little courtyard set at the back of the house which is surrounded by an outdoor balcony supported on ornate corbels of the type seen on Casa Leone's facade. At an unknown period, this courtyard may have been a central element of the house.

The staircase is one of the few surviving remains of Bali Fra Fabrizio Franconi's villa, and it is the most remarkable feature of the present house. It is a beautifully articulated staircase, the architectural sophistication of which has in it a Rococo refinement. It is one of the finest 18th-century staircases still extant in Malta. It testifies in a very eloquent way to the artistic refinement of Bali Fra Fabrizio Franconi.

On the interior, the doorways carry most of the sculptural detail with mouldings and lintels of foliated decorations and grotesque masks. The ornate staircase carries two large urns, that were possibly also a nineteenth century addition. Nineteenth century tiles add colour to the upper storey floors.

## Casa Leone, Floriana

Continued



Most of what we see in the house today is 19th, or even 20th century. This notwithstanding, the front elevation is of notable interest to Maltese domestic architecture of the second half of the 19th century. It consists of two storeys tied in by rusticated corner pilasters and a balustraded parapet wall resting on a richly decorative stringcourse of dentils that add to the sculptural articulation of the facade. Acting as acrotyria on the parapet wall, are two lion figures that give the present name to the house.

The ground floor is rusticated, and this gives both a degree of recession, and it also enhances the visual aspect. The central feature consists of a recessed round headed doorway flanked by two Tuscan Doric columns. Two square-headed windows, one on either side of the doorway, provide the necessary balance. The ground floor's visual language is repeated on the first floor by three balconies that are especially remarkable for their crisply carved corbels. The central balcony is an open wrought-iron one, while the two side balconies are boxed. They are very fine examples of the Maltese timber boxed balconies. The central balcony doorway is contained between two pilasters that support a segmental pediment. The articulation and decoration of the front elevation points to a sensitive architect trained in the Neoclassical tradition.

At an unknown time, Bali Fra Fabrizio Franconi's summer residence came to be known as Casa Leone (Lions House), probably because of the two prominent

crouching lions on the rooftop and a possible flagpost that carried a lion motif which no longer survives, all of which were added in the 19th-century remodelling.

Contrary to what has sometimes been claimed, Casa Leone was not destroyed or damaged during World War II. Indeed, Dr Joseph Zammit Tabona's family lived in the house following the war. It was also occupied by the Zammit Tabona family between the two World Wars, by Dr Joseph Zammit Tabona's parents, and at different times by his uncle Salv Zammit Tabona.

The original location of the house was at the time it was constructed, an idyllic one and consisting of a much larger footprint. The house was also larger than it is today in the 19th century, as is suggested by the continuation of the dentils fronting Granaries Street. The site commanded magnificent views of the Grand Harbour, and the large garden that surrounded it added to the magical atmosphere of the place. Although it is today seen out of its original idealistic setting, it is a remarkable building that deserves the attention it is being given.

Casa Leone is in a superb state of preservation, the latest restoration interventions on which were completed by 2005.





## 8 Foreword from the President

When I took over the Presidency of the Malta Business Bureau in March of 2010, the organisation was going through a positive period of strong momentum and presence. My main responsibility was to keep this momentum, as well as to inject my own ideas and experience into the objectives and prospective achievements for the year ahead.

From the inauguration of our new premises to the launch of the publication 'Business Agenda', our revamped website and the organisation of our high-profile 'Business Meets MEPs' events, the Malta Business Bureau has set and surpassed a number of milestones related to providing a more value-added service and to communicate better with our members. Throughout the year of my presidency I have sought to consolidate this aspect by voicing EU related concerns of our parent organisations, namely the Malta Chamber of Commerce, Enterprise and Industry and the Malta Hotels and Restaurants Association as well as the Maltese business community at large.

Throughout the past months, the Malta Business Bureau (MBB) has been very active in identifying and submitting EU funded project proposals that could benefit its parent organisations and effectively our members.

In August, the MBB was informed that one of the project proposals it had submitted in collaboration with a number of other partner organisations, called "AMIE" under the "European Network of Female Entrepreneurship Ambassadors" call for proposals was accepted. The MBB will be a partner on behalf of the Malta Chamber and MHRA to promote female entrepreneurship in Malta through the establishment of a Network of Women Ambassadors.

We have also worked with a team of experts and submitted a project proposal under the LIFE+ Information and Communication funding programme. This initiative was also commended and supported by the Government of Malta. The project, "Investing in Water: Achieving Reduction in Water Consumption by Business in Malta" shall have as its main objective the encouragement of a behavioral change that will lead to increased adoption of best practices for water conservation.

We hope that if selected, the project will serve as a flagship example to other sectors of the economy to implement similar measures and thus help in reducing the excessive use of groundwater resources. This will positively contribute towards Malta's obligation in achieving a good status according to the EU's minimum standards as prescribed by the provisions of the Water Framework Directive.

Another area of priority throughout my tenure was the initiation of 'Impact Assessment Reports', seeking to quantify the potential financial and competitive impacts of pipeline EU directives and regulations on the Maltese business community. We were the first to raise a national awareness on the financial impact of the extension of maternity leave and the introduction of paternity leave, as a result of the Commission's revision of the Pregnant Workers' Directive. Our report is still to-date a point of reference with various media, and subsequent to its publication we have been sought to give our analysis on numerous broadcasts and public debates.

2011 marks an important year for the MBB, as the organisation will be celebrating fifteen years since its foundation. To commemorate this important feat, the MBB undertook a rebranding exercise, which is being reflected in this publication.

Being the first year of operation from Casa Leone in Floriana, we deemed it fit to dedicate this report to the renowned Maestro Robert Samut, composer of the music of the Maltese national anthem, who resided in this house. We believe that this contribution serves as an appreciation to this important historical figure as well to this prestigious address of immense cultural significance.

I sincerely thank the MBB executive team for the drive and commitment shown throughout the year. I also thank my fellow members on the Board of Trustees for their support. Finally I thank the President of the Malta Chamber of Commerce, Enterprise and Industry and the President of the Malta Hotels and Restaurants Association together with their respective Councils for backing the Malta Business Bureau.

We look forward to another challenging year with further projects and pledge to keep a watchful eye on EU proposals and their impact on the local business scenario.

**JOHN A. HUBER**  
PRESIDENT  
MALTA BUSINESS BUREAU



## 10 Introduction from the CEO

This Annual Report marks another fruitful end of year for the Malta Business Bureau. It has been an eventful year where the MBB strove to bring forward the regulatory issues impacting Maltese businesses onto the national and EU political debate.

We sought to keep in touch with our members through various media. Our website portal has continued to take shape and became an up-to-date informative source of latest EU business developments. Five issues of our quarterly newspaper 'Business Agenda' have been published – the insightful and informative newspaper that explores key EU-related issues that concern the local business community has proven to be very successful with the Maltese Business Community.

The series of information sessions 'Business Meets MEPs' are proving to be very interesting and engaging for our companies. So far, two events were organized. On the first event, business discussed with MEP Simon Busuttill the EU's Social Agenda and its evolving impact on employers, businesses and economic competitiveness. The second event saw business meeting up with MEP Edward Scicluna to discuss the 'Management of Economic Recovery' and how to find a balance between regulation and market flexibility. During the upcoming year the remaining further editions of "Business Meets MEPs" events will be held with MEPs David Casa, Louis Grech and John Attard Montalto.

The Malta Business Bureau looked to engage in continuous discussions with key officials in order to encompass a number of issues related to our work. This was a pledge the MBB made to the Prime Minister whereby we actively support and contribute to the national consultation process in order to provide a stronger backing to the Maltese Government's positions within the EU legislative process.

As a result, the MBB met with Malta's Permanent Representative in Brussels Richard Cachia-Caruana on a number of occasions to discuss the best ways the MBB can back-up the various Government-led consultation initiatives by enticing structured

feedback from the private sector. Discussions were also held to explore how the Brussels office can be of support on enhanced lobbying with MEPs in EP committees where there is no Maltese representation.

During the last year, the MBB initiated a business-academia collaboration whereby a number of students from the European Documentation and Research Centre (EDRC) within the University of Malta were given the opportunity to undergo a traineeship period, which exposed them to a business work environment and contributed to their personal development. The MBB highly commends the level of these students attending the University of Malta and intends to expand this relationship further with other departments such as that of Public Policy within the Faculty of Economics, Management and Accountancy (FEMA) at the University of Malta.

In the end, may I take this opportunity to thank MBB President Mr. John A. Huber as well as the Board of Trustees for their direction and vision, as well as the Director-Generals of the Malta Chamber of Commerce, Enterprise and Industry and the Malta Hotels and Restaurants Association respectively for their constant support. My sincere thanks are extended to the executive team at the MBB – Omar, Mariella and Daniel – for their dedication, commitment and hard work throughout.

This report will further guide you through the accomplishments of the MBB during this year. It also sets the parameters of where we are and where we want to go. Incidentally, 2011 marks the 15th anniversary since MBB's foundation and therefore throughout the coming months we will strive to be of better service to our members and to strongly communicate the agenda for business both at a national and European level.

**JOE TANTI**

CHIEF EXECUTIVE OFFICER  
MALTA BUSINESS BUREAU

## 12 Impact Assessments, EU Legislation and Policy Developments

### Revision of Pregnant Workers' Directive

– Extension of maternity leave and introduction of paternity leave

The findings of the report clearly show that the burden on the economy, particularly on Maltese businesses, of the proposed extension of maternity leave will strongly tarnish Malta's competitiveness and could be very damaging to local businesses.

It is found that increasing the maternity leave from the current statutory 14 weeks to 20 weeks would potentially cost the Maltese economy €7.5 million worth of value added in a year, equivalent to 0.18% of GDP. Of this, the cost to private business would amount to €5.3 million worth of value added in a year, equivalent to 0.14% of private sector GDP. Furthermore, introducing two weeks of paternity leave would cost the economy €4.8 million in terms of value added in a year, equivalent to 0.12% of GDP. Of this, the cost to private business would be €3.7 million in a year in terms of value added, equivalent to 0.1% of GDP. These costs are subject to issues of take-up of leave and substitutability of workers. In total, these measures would dent the economy's GDP by 0.29% and reduce the value added of private business by 0.25%.

The extension could also reduce the female employment rate which in Malta currently stands at 37.7% of the working-age female population compared to an EU average of 58.6%. The proposals render women less competitive on the labour market and would overall lead to deteriorating employment prospects for everyone by increasing the costs of operation to business. There is furthermore a serious risk that the added-on cost increase of female labour, this would yield negative spin-offs on the gender-pay gap, which in Malta is not as acutely pronounced as in other EU member-states. The study finally argues that there may be a number of alternative policy approaches that would be better suited to achieve the objective of promoting an improved reconciliation of work, family and private life without indirectly having a secondary negative effect on female participation and wage differentials. Proposals of alternative measures focus on the improvement in the support structures that aid women and men to cope better with parenthood and manage the increase pressures to obtain a better work-life balance.

In 2010, the Malta Business Bureau commissioned a detailed Impact Assessment Report on the potential effects of the EU proposals related to the revision of the pregnant worker's directive (Council Directive 92/85/EEC) – including the extension of maternity leave and the introduction of paternity leave. The study – the first of its kind to be ever undertaken by the Maltese private sector has revealed that the annual burden on Malta's economy would be in excess of €12 million every year.

The implementation of the main recommendations can be subjected to an economic cost-benefit assessment. The first few weeks of leave upon maternity are essential to the well-being of individuals, families, society and the economy. However the additional weeks of leave could produce benefits at a decreasing rate, until a situation is reached where the granting of additional weeks of leave will bring no additional significant benefits to society and the economy.

## Revision of Pregnant Workers' Directive

Continued

These support structures include: increasing nursery and day-care provision, or the subsidization of such services which allows women to return to the workplace after the birth of their child, without the need to rely on the extended family; introducing incentives to promote home working practices to allow women to better juggle their family needs whilst meeting work deadlines; support private firms through fiscal means to better provide family-friendly services such as on-site nursery care, keeping women on maternity leave informed of work matters and introducing creative work solutions such as part time, flexi-time, home working, compressed working week, job share, annualized hours, term-time work and shift working.

It is the intention of the Malta Business Bureau to continue working on impact assessments in a bid to further strengthen the link between the local business community and decision-makers at national and EU level. There are a number of draft EU legislative proposals that the MBB intends to subject to an impact assessment. These include the proposed revision of the Energy Tax Directive, the long-awaited Commission proposal on a Common Consolidated Corporate Tax Base (CCCTB) and possibly the final text of the Consumer Rights Directive once an agreement is brokered by the EU co-legislators.

## Relaunch of the Single Market

Towards the end of 2010, the Malta Business Bureau initiated a debate on a national level on the Relaunch of the Single Market following the opening of a public consultation by the European Commission. This is a crucial matter for the local business community because the EU's internal market brings with it a blend of opportunities and challenges for Maltese business.

Maltese business welcomes the broad scope and overall objective of this Act. Nonetheless, the key stress of this new package of initiatives should be on the implementation and enforcement of existing single market legislation. This is absolutely evident with reference to the ongoing work towards the construction of a single market for services.

While there are still critical issues with regards to the single market for goods that need to be addressed, the cross-border facilitation of business services remains inadequately developed, despite the slow but steady implementation of the Services Directive across the EU. Malta is registering good progress with the setting up of the 'Point of Single Contact' at Malta Enterprise.

At a more specific-level, the creation of a European single market in the field of business services is an initiative that should confer considerable potential for growth for Maltese operators in this field. Equally



important is the Commission's pledge to take action for improving market surveillance within the European Single Market. EU guidelines will be developed in the area of product safety in 2011 whilst the proposed revision of the General Product Safety Directive should enhance the level of consumer goods safety.

Maltese business expects that the "Single Market Act" will help improve the general deficiencies undermining the proper execution of market surveillance due to the relative weakness of inter-departmental coordination with regard to the enforcement of VAT, eco-tax and food safety legislation at the point of entry for goods shipped from Sicily. This creates unfair competition within the internal market to the detriment of local business operators.

On the downside, Maltese business will be keeping a watchful eye on the Commission's proposal to take steps towards improving the coordination of national tax policies, notably by proposing a Directive introducing a common consolidated corporate tax base (CCCTB) in 2011. It is our viewpoint that tampering with taxation policy is detrimental to Malta's attractiveness as a business destination.

The revision of the Energy Tax Directive is another matter to which the MBB will attach significant attention. The MBB plans to take a proactive approach on the revision

of this directive and will be conducting an impact assessment of the Commission proposals once the text of the revised directive is published in early 2011.

Maltese business calls on Government's commitment to pursue the same level of rigorous application of the 'think small first principle' in relation to the various and disparate legislative initiatives that will ultimately constitute the Commission's action plan for implementing the 'Single Market Act'. The MBB is already well-engaged in the discussions on the priority items that should constitute the Commission's action plan.

An exchange of views was also held with Parliamentary Secretary Jason Azzopardi. It is with this spirit that we are looking forward for further exchange of views that will contribute towards future public policy decisions, and to better-informed national positions on specific issues arising from the 'Single Market Act' at EU level.

The Malta Business Bureau intends to publish a Position Paper on behalf of its parent organisations, the Malta Chamber of Commerce, Enterprise and Industry, and the Malta Hotels and Restaurants Association, that will then be presented to the Maltese Government as well as to DG Market by the end of February 2011 when the official public consultation on the "Single Market Act" comes to an end.

## 16 Business Agenda Overview

At the end of 2009, the Malta Business Bureau had launched a quarterly publication entitled 'Business Agenda' in order to increase the organization's presence amongst its members whilst providing interesting, valuable and timely information in relation to EU developments and other business matters. 'Business Agenda's distribution has gradually increased to reach all the members of the Malta Chamber of Commerce, Enterprise and Industry and the Malta Hotels and Restaurants Association, Maltese corporate business including banks and public entities in Malta. This service is now extended to EU institutions, including the European Commission, the European Parliament, the Economic and Social Committee, the Committee of the Regions, BusinessEurope, Eurochambres and HOTREC among others.

### The Editorial

Business Agenda's editorial is a regular contribution to the publication, where the most critical topics on the European Union's agenda, as well as its relation to the Maltese business community, are discussed. Matters such as the challenges of the "Barroso II Commission" and the EU2020 Strategy, the Single Market as a priority for Europe, and the conflicting and costly decisions taken in Brussels upon approval of the Estrela Report on the revision of the pregnant workers' directive, were discussed in this space.

### The EU2020 Strategy

One of the first missions for "Barroso II Commission" was to recuperate business activity that provides employment to millions of workers and continue with financial governance reforms to create a regulatory shield to protect the single market. 'EU2020' became the new catch-phrase in Europe. This strategy aims to prioritize environmental sustainability through the promotion of low carbon industries, innovation and a digital economy.

The MBB did not stand still on these issues and in January released a position paper in reaction to the public consultation on the EU2020 plan, whereby it outlined the Maltese business community's criticisms as well as rectified suggestions to the shortcomings that afflicted the implementation of the Lisbon-related reforms.

While acknowledging that new margins of market flexibility have been gained by the local enterprise, still, a crucial element such as a fully-functioning competition policy needs to be secured to ensure proper market surveillance. It is evident that the Lisbon Strategy had failed to translate policy objectives into tangible measures for enhancing the business environment.

### The Relaunch of the Single Market

In recent months the EU renewed its commitment to pursue the completion of the single market. Based on a direct mandate by President Barroso, Prof. Mario Monti was assigned with the task of producing an in-depth report with recommendations on how best to re-launch the single market in the context of the international financial and economic crisis. The MBB is in accordance with Prof. Monti's observations and believes that his report creates a window of opportunity to bring back the political pressure to focus on the single market. All this is in the interest of Maltese business that should be at the forefront to exploit the opportunities provided

## The Editorial

Continued

by the internal market. The MBB also noted with satisfaction that the European Commission endorsed a number of proposals included in MEP Louis Grech's report drawn up to complement the Commission's ongoing work on the future "Single Market Act."

### Maternity and Paternity Leave

A controversial vote on the Estrela Report that recommended increases in maternity leave and the introduction of paternity leave in the EU was taken in October 2010. Maltese business reacted strongly to the outcome of the plenary vote on this matter, which is decidedly disappointing. Its greatest concern is the apparent EP's inclination to promote so-called "socially-friendly" measures as a means to strike reconciliation between work and life. The Maternity Leave directive imposes great administrative obligations on employers, who on their part already have to abide to stringent regulations in the employment protection area, health and safety issues, and dismissal rules, amongst others.

The MBB's impact assessment on Maternity Leave, estimates that increasing maternity leave from 14 weeks to 20 weeks will potentially cost the Maltese economy €7.5 million worth of value added in a year, equivalent to 0.18% of GDP. The cost on private business would amount to €5.3 million, equivalent to 0.14% of private sector GDP. This tarnishes Malta's competitiveness and can be very damaging to local SMEs.

## High Profile

Interviews

Business Agenda's editorial team spoke to numerous high profile individuals from different walks of life. The publication deems it important to have first-hand contact with politicians, policy-makers and entrepreneurs to transmit their messages, visions and success stories to the business community.



In the first edition, Business Agenda met with **Richard Cachia-Caruana**, Malta's Permanent Representative to the EU, who explained how through continuous contact with the European Commission and the European Parliament, the Maltese Permanent Representation keeps itself informed on EU developments and gives its input to secure EU policies and strategies proposed, are in the best interest of Malta. When asked whether Maltese businesses have endorsed and benefitted from EU membership, Mr. Cachia-Caruana admits that they definitely have, however not to the same extent as the six founding member states.



The second edition of Business Agenda saw an encounter with Maltese Commissioner **John Dalli** shortly after his appointment as Commissioner responsible for Health and Consumer Affairs. He acknowledged that while consumers come first, he has to ensure that businesses are in a position to respond to consumer demands and expectations, which will ultimately provide business opportunities and will be of benefit to Europe's social and economic framework in the long term.



An insightful interview was with **Jerzey Buzek**, President of the European Parliament, who gave credit to the commendable service of all Maltese MEPs, going as far as to say that they enabled the country (Malta) to "punch above its weight" within the EU framework. He acknowledged the fact that it is extremely exhausting for five (soon to be six) Maltese MEPs to keep up with all the ongoing activities in the EP at committee level, however the committees they are active in are all of interest to local business.



An interview with **Dr. Joanna Drake** appeared on the third edition of Business Agenda, who gave comments soon after her appointment as Director for the promotion of Competitiveness and SMEs development at DG Enterprise. She highlighted the fact that coming from the EU's smallest state, she practices the EU's mission statement "think-small first" on a daily basis. While working hard to ameliorate the conditions in which 23 million SMEs operate within Europe, she acknowledges that the traditional problems are still very relevant today, such as access to finance and international markets, the difficulties to be innovative, entrepreneurial attitudes as well as the administrative and regulatory burdens.



An important interview was with **Antonio Tajani**, Vice President of the Commission and Commissioner for Industry and Entrepreneurship, who stated that he believes that the future of Europe lies in its entrepreneurial base, large and small. This is confirmed in the EU's 2020 Strategy that highlights two important flagships that are essential to Europe's industry and businesses: the 'Innovation Union' and an 'Industrial Policy for the Globalization Era'. Most of Maltese business, same like in Europe is mostly characterized by SMEs, and these are the ones intended to benefit most from these policy initiatives.



**Anna Torres**, CEO of HOTREC a confederation of national associations of Hotels, Restaurants, Cafes and similar establishments in Europe, spoke to "Business Agenda" about the need to overcome the economic downturn and restore conditions for growth in order to have a more competitive tourism sector. On a European level, HOTREC is pushing for the introduction of clear rules, the reduction of unnecessary burdens and taxes, and for further support to industry-driven solutions.



In the last edition of Business Agenda for 2010 issued in December, **Prime Minister Lawrence Gonzi** analysed Malta's economic performance, claiming that after taking into consideration the international economic circumstances that have influenced the government's political decisions, Malta has indeed been registering a satisfactory economic performance. However, the PM swiftly followed this with a word of warning, saying that we must not forget that our economy is intrinsically and deeply tied to what is happening on the European markets. Malta is to strive harder to ensure that we retain our competitiveness.

## 20 Malta Business Bureau Events



### February

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#### MBB Brussels Event Launches the Association of Maltese in Belgium and Luxembourg

The Association of Maltese in Belgium and Luxembourg was officially launched on the 12th of February 2010 with a reception held at the offices of the Malta Business Bureau in Brussels. The Association is a non-profit one and its main goal is to serve as a contact point between Maltese people residing in Belgium and Luxembourg through the organisation of events to this effect.

The evening event started off with a carnival-themed party for children which was followed by inaugural speeches from H.E. Ambassador Pierre Clive Agius, the Maltese Ambassador to Belgium and Luxembourg, and Mr. Franklin Mamo, on behalf of the Association's

organising committee. A reception, where traditional Maltese specialities – kindly provided by Maypole Confectionery Ltd – were served, concluded the successful evening.

This event was organised with the kind support of the Permanent Representation of Malta to the EU, the Maltese Embassy in Brussels and the Malta Business Bureau and was sponsored by Maypole Confectionery, AirMalta, Delicata Wines, Farsons and Playmobil.

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#### Launch of "Business Meets MEPs"



The Malta Business Bureau launched a series of events entitled Business Meets MEPs. These events give the local business community the opportunity to express their views, concerns and ideas directly with the current Maltese MEPs. MBB CEO Joe Tanti explained that this will establish and maintain an effective channel of communication linking the demands of local businesses with their European representatives.

The MBB held a press conference before the event, addressed by the then MBB President Mr. George Micallef, MEP Simon Busuttil and MEP Louis Grech who presented their views about this initiative. Mr. Micallef stated that the Malta

## February

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### Launch of "Business Meets MEPs" continued

Business Bureau strongly believes these regular events will help better inform our MEPs on the core issues affecting local business, consequently also enhancing the MEPs' own contribution to the political debates at a European level.

On the same note Mr. Grech said that decisions taken at EU level affect citizens, including business especially SMEs. This interactive process between MEPs and interested stakeholders should not be limited to a mere information session, but should serve as a catalyst to promote ideas and potential action for the benefit of business and consumers alike.

On the other hand Dr. Busuttill said that these meetings were very important for MEPs to meet directly with the people who were affected by the decisions taken at the European Parliament. When MEPs voted, they exercised a great political responsibility, having to take into consideration the delicate political balance between what the business stakeholders' expectations and the general citizen's desires.

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### 'Business Meets MEPs' First Edition: 'Yes to a Social Europe! But at what cost for Employers, Business and Economic Competitiveness?' with Dr. Simon Busuttill MEP



The first Business Meets MEPs Event was held with MEP Simon Busuttill who was interviewed by journalist Ms. Miriam Dalli. The discussion revolved around a number of topics such as the Maternity Leave Directive, the Revision of the Working Time Directive and the Anti-Discrimination Directive, which are all at the core of the EU's evolving social agenda that command a strong and direct bearing on the competitiveness of Maltese business. The session was followed by an open discussion whereby the audience was given the opportunity to debate directly with Dr. Busuttill, tackling specific queries about social and employment-related issues affecting their business.

17

### Opening of the New Offices



On the 17th February, Minister for Finance, the Economy and Investment Tonio Fenech, inaugurated the new Malta Business Bureau offices, located at Casa Leone, Pjazza Robert Samut in Floriana.

The Malta Business Bureau moved offices as a result of its drive to enhance the quality and scope of services it renders to the membership of its parent organisations, the Malta Chamber of Commerce, Enterprise and Industry and the Malta Hotels and Restaurants Association. The MBB Malta office had been operating at the Exchange Buildings in Valletta since 1998. The decision to open new offices was undertaken in

the context of the restructuring process that the MBB has been undergoing. The restructuring has seen the consolidation of the MBB's position as the EU advisory office for the local private sector in line with the office's proactive approach in supporting Maltese business on the provision of EU-related information, regulatory updates and EU funding opportunities.

The Hon. Minister Tonio Fenech congratulated the Malta Business Bureau on the inauguration of its new premises and for its sterling work amongst businesses carried out throughout the years. The inauguration event was also

addressed by outgoing MBB President Mr. George Micallef who described the efforts which the MBB was undertaking in order to bring on stream more value-added services and assistance for the Maltese business community. He stated that the MBB had stepped up a gear over the past year, strengthening its capacity to deliver on its core objective of advisory support to Maltese business on EU issues affecting enterprise. The opening of the new modern offices was the culmination of this restructuring process. Mr. Micallef also took the opportunity to introduce the incoming MBB President Mr. John A. Huber.

April

20

## Business Breakfast on 'Managing ICT Investments in Challenging Times'



On the 20th April, the MBB in collaboration with the IT Business Section of the Malta Chamber, Enterprise and Industry organised a Business Breakfast event to discuss 'Managing ICT Investments in Challenging Times'. Mr. Herbert Rastbichler, Managing Director and Vice President for Enterprise Business in Central and Eastern Europe (CEE), addressed the audience at the seminar and stated that ICT enables better business and the perception that investment in ICT is a cost had changed significantly throughout the years. The event was also addressed by a panel of specialists in the field of ICT including Mr. Rastbichler, Mr. Andreas Wais (Director Enterprise Services European Emerging Markets for HP), Mr. Claudio Grech (Chairman of the Malta Information Technology Agency) and Mr Keith Fearn (Chairman, Malta Chamber's IT Business Section).

In his presentation, Mr. Rastbichler discussed the changing and increased role that ICT is playing in ensuring that businesses improve efficiency and competitiveness – no matter their size or area of operation. He



said that in the wake of the global economic downturn, the main aim of business is to ensure competitiveness and there is a clear shift in the way ICT is perceived in this regard – from being seen as cost, now ICT is often seen as a major business-enabler. Mr. Rastbichler continued to explain that in the today's technological world, businesses are faced with numerous challenges – at present these are namely the economic slowdown and its effect on demand, information explosion and ageing applications, all of which demand that business entities and entire industries respond to these challenges with speed and agility.

Experience has shown that available ICT applications and solutions can in fact provide a more efficient way of operating, enabling a more cost effective method of operations thus enabling businesses to be more competitive within an industry. In this respect, it must be kept in mind that the willingness and ability to be flexible and to allow room for innovation, is absolutely essential. On some occasions the process of change and adaptation will mean that a

business needs to set aside time for a critical – yet constructive – analysis of the way in which it is operating. It is only then that the potential use of ICT applications for greater efficiency and cost effectiveness can be identified and adopted.

A panel discussion followed the main presentations made during the seminar, whereby all members of the panel agreed with the points raised by Mr. Rastbichler. Mr Keith Fearn, who acted as moderator, expressed his opinion that despite the challenging economic times, the ICT industry could be pinpointed as one of the few 'success stories'. Mr Claudio Grech, Chairman of MITA, also agreed with this and presented the Agency, which he heads, as a prime example of how ICT and innovation can reap beneficial results.

According to the MBB president, Mr John A. Huber, the increasingly important role played by the ICT sector in other economic areas should be given its due recognition. Building on the potential of this industry and seizing the opportunities it presents is essential and the Malta Business Bureau will continue in its efforts to ensure that opportunities for discussion and knowledge transfer are provided to the local business community.

May

07

## 'Business Meets MEPs' 2nd Edition: 'Managing Economic Recovery: Striking the Balance between Regulation and Market Flexibility', with Prof. Edward Scicluna, MEP.



In the second Business Meets MEPs event, Prof. Edward Scicluna MEP was interviewed by DI-VE News Portal Editor, Vanessa Macdonald, at the Hotel Phoenicia on the 7th May, a session entitled 'Managing Economic Recovery: Striking the Balance between Regulation and Market Flexibility'.

In response to the fact that due to the global economic crisis, the European Union has turned to the introduction of new and more stringent regulation, Prof. Scicluna remarked that this is an understandable reaction, but it is essential that the quality of this regulation is given priority. He stated that it is better quality and not the quantity of regulation that will facilitate economic recovery.

When discussing the way to economic recovery across Europe, Prof. Scicluna explained that a number of key issues needed to be taken into consideration,

including the potentially enormous compliance costs caused by the adoption of new regulations which would be borne by businesses, and ultimately the consumer.

In this regard, the audience, which was predominantly made up of local businesses operating in the financial sector, expressed their concern about this very likely outcome. Many of those in attendance voiced their opinion that business and industry often ended up shouldering increased responsibilities and costs. These increased burdens often came as a result of the decisions taken by the European institutions who, in their opinion, were distanced from the tough realities of operating in highly competitive markets, which are still plagued by weak demand.

Another issue that was discussed during the event was the EU's proposal to introduce the new Global Financial Transaction Tax, where the proceeds would be used to set up a fund for any future economic emergencies or bailouts if ever these become a necessity in the future.

In this regard, Prof. Scicluna shared a reservation that is being voiced across Europe due to the fact that should this tax be introduced in Europe alone, and not applied on a global

level, this would render European and financial markets less competitive and may cause migration to those markets that are not subjected to the tax. The impact of the Global Financial Transaction Tax is currently being assessed, but Prof. Scicluna does not expect that a decision will be forthcoming in the near future.

The current economic crisis being faced by Greece, the EU's response to its plight and the impact it may have on other euro-zone member states was also discussed during the event. According to Prof. Scicluna, the economic situation in Greece will raise a number of questions, of both economic and political nature. He continued to explain that the Greek crisis has brought the challenges and obligations of being a euro-zone member state to the fore, saying that member states were not left with much of a choice other than to bail out Greece.

Prof. Scicluna voiced the opinion that the situation has also raised debate on the lack of efficiency of the euro zone's Stability and Growth Pact. He stated that serious debate and action needs to be held sooner rather than later, if a successful future for the single currency is to be secured.

June

15

## Impact Assessment Report on the EU Proposals concerning Maternity and Paternity Leave



(Chamber Director Generals) and Mr. George Schembri (MHRA CEO) presented a copy of the report to Dr. Chris Said, Parliamentary Secretary for Consumers, Fair Competition, Local Councils and Public Dialogue.

Mr. Huber said that the findings of the report clearly show that the burden on the economy, particularly on Maltese businesses, of the proposed extension of maternity leave will strongly tarnish Malta's competitiveness and could be "very damaging" to local businesses. Mr. Huber said that the MBB was urging Government to take into consideration the findings of the report as businesses – and the economy – are not in a position to afford to carry the burden of such proposals.

Parliamentary Secretary, Chris Said, said that in light of the discussions being held at EU level on the review of the maternity leave directive, Government is consulting all social partners, with the aim of making the best decision for Malta. This meeting with the Malta Business Bureau formed part of this consultation process.

A more detailed report on this Impact Assessment can be viewed on page 13.

In June, the MBB commissioned a detailed Impact Assessment Report on the potential effects of the proposed EU proposals related to the revision of the pregnant worker directive (Council Directive 92/85/EEC) – including the extension of maternity leave and the introduction of paternity leave – has revealed that the annual burden on Malta's economy would be in excess of €12 million every year.

The report indicates that increasing the maternity leave from the current statutory 14 weeks to 20 weeks would potentially cost the Maltese economy €7.5 million worth of value added in a year, equivalent to 0.18% of GDP. Of this, the cost to private business would amount to €5.3 million worth of value added in a year, equivalent to 0.14% of private sector GDP. In addition, introducing

two weeks of paternity leave would cost the economy €4.8 million in terms of value added in a year, equivalent to 0.12% of GDP. Of this, the cost to private business would be €3.7 million in a year in term of value added, equivalent to 0.1% of GDP. These costs are subject to issues of take-up of leave and substitutability of workers. In total, these measures would dent the economy's GDP by 0.29%, and reduce the value added of private business by 0.25%.

The report, was drawn up with the technical assistance of economists Dr. Gordon Cordina and Ms. Jana Farrugia. A senior delegation, led by MBB President John A. Huber consisting of Mr. Joe Tanti (MBB CEO), Mr. George Micallef (MHRA President), Mrs. Helga Ellul (Malta Chamber President), Mr. Kevin J. Borg and Ing. Ray Muscat Malta

August

05

## MBB sticks by its Impact Assessment on the Revision of the Maternity Leave Directive.

Following the MBB's detailed Impact Assessment Report on the potential effects of the proposed EU proposals related to revision of the pregnant worker directive (Council Directive 92/85/EEC) – including the extension of maternity leave and the introduction of paternity leave, MEP Prof. Edward Scicluna, had followed with a publication of a report and comments which question the results of the MBB impact assessment report on the effects of the proposed changes to the Maternity Leave Directive.

Following the publication of Prof. Scicluna's study, the Malta Business Bureau had reiterated that it stands by the results issued in its technical report. The MBB stated that its impact assessment was carried out in a methodologically-correct manner and presented clear, factual and realistic findings.

The evidence presented by the Scicluna Report did not lead the MBB to alter the views and opinions submitted in its original report, which maintained that extending maternity leave and introducing paternity leave in Malta would clearly carry the risk of significant additional costs onto the productive economy without resulting in any materially-quantifiable benefits.

While the Scicluna Report clearly acknowledged that the MBB's report is based on a correct technical approach, it questioned the assumptions made by the MBB. In so doing, the Scicluna Report marked two fundamental departures from the MBB report on maternity leave, stating that the economic benefits of extending maternity leave in Malta can be estimated, yet the costs of the proposed changes to the directive cannot be estimated at this stage, and called for further surveys in this regard.

The Scicluna Report went on to state that:

- it estimated that the benefits of the implementation of the proposed changes to the directive would amount to an increase in female participation rate of 9 percentage points;
- it estimated that the costs of the proposed changes would not exceed €5 million per year, which is less than half the potential estimated cost of €12 million per year, as stated in the MBB report;
- advocated the use of a national survey exercise to estimate the costs that would be incurred should maternity leave be extended.

As acknowledged in the Scicluna Report itself, these findings are somewhat sui generis, especially when considered against the background of previous reports. In response to the above points issued in the Scicluna Report, the MBB believes that:

- the assumption that female participation in the workforce will increase by 9 percentage points is very high, especially when one considers that an average of 4,100 children are born each year;
- notwithstanding the fact that the Scicluna Report is calling for additional research exercise to be able to estimate the potential costs of extending maternity leave, the Scicluna Report goes on to make an estimate, placing such costs at no higher than €5 million per year. This assumption is based mainly on the premise that economic costs should only reflect the wage element and not include foregone profits and other costs such as substitutability of workers;
- it is the MBB's opinion that any additional research and surveys would replicate, and indeed most probably verify, the findings of the MBB report, which are themselves based on Labour Force Survey findings;

## August

Continued

05

### MBB sticks by its Impact Assessment on the Revision of the Maternity Leave Directive. continued

- Furthermore, the MBB states that one must appreciate that the realisation of the benefits of increased labour participation rates as postulated in the Scicluna Report are totally dependent on the assumption that the women induced to join the labour force would actually find employment. Otherwise, higher costs associated with unemployment benefits may actually take hold.

The MBB believes that the Scicluna Report also makes valid observations which are in line with the MBB's own report, including the need for any costs arising out of extended leave not to be borne exclusively by employers and the need for more detailed statistical information leading to better decision-making on this subject.

The MBB in its press statement had also maintained that resources in the country can be more productively utilised in improving support structures which simultaneously help to increase labour market participation, and bridging work-life commitments by contributing towards the proper upbringing of children.

26

### MBB Partner in 'AIME' Project.

On the 26th August, the MBB was informed that one of the project proposals it had submitted in collaboration with a number of other partner organisations, which is called 'Ambassadors in Malta for Increasing female Entrepreneurship' also known as 'AMIE' under the 'European Network of Female Entrepreneurship Ambassadors' call for proposals had been accepted by the European Commission. The MBB will be a partner on behalf of the Malta Chamber and MHRA to promote female entrepreneurship in Malta through the establishment of a Network of Women Ambassadors. The main objective of AMIE is that of promoting Female Entrepreneurship in Malta through the establishment of a Network of Women Ambassadors.

This Network, which shall be part of the European Network of Women Entrepreneurs, shall campaign amongst unemployed women, women in active professional life as well as students to set-up their own businesses and become entrepreneurs. Furthermore the objectives of the 'Ambassadors' are to act as role models so as to raise women's ability to create a vision for themselves as entrepreneurs as well as the required motivation and self-confidence in setting up and creating a successful business. The 'Ambassadors' shall be role models to inspire other women to become entrepreneurs by 'telling their story'.

## September

01

### Submission Of Life + Project Proposal: 'Investing In Water: Achieving Reduction In Water Consumption By Business In Malta'.

For a number of months throughout 2010 the MBB, together with the Malta Chamber, MHRA and a team of experts have been developing a project proposal under the Information and Communication strand of the EU's LIFE+ funding programme. The proposal was submitted to the European Commission on the 1st September and is called: "Investing in Water: Achieving Reduction in Water Consumption by Business in Malta." The main objective of the project is to achieve behavioral change that will lead to increased adoption of best practices for water conservation amongst the target economic sectors during the project lifetime. This project aims to raise awareness on issues related to the water scarcity problem in Malta and the importance of water conservation among the target economic sectors.

This will also serve as an example to other sectors to adopt similar measures thereby helping reduce pressure on groundwater resources thereby contributing towards Malta's EU obligation to achieve good status under the Water Framework Directive. If the project is accepted by the European Commission, the commencement date is set for end of 2011.

07

### MBB hosts Lithuanian Delegation



A delegation from the Lithuanian Association of Business Centres (ABC) visited the Malta Business Bureau amongst other various institutions and organisations related to business in Malta during the second week of September. The Lithuanian Association of Business Centres incorporates a network of institutions consisting of tourism and business information centres and business incubators. The network covers the entire territory of Lithuania. The employees of the network's participating institutions provide easily-accessible, publicly-financed business services: information, consultations, training and information seminars for business people and companies' employees.

These services are provided as part of programmes financed by the Ministry of Economy and the municipal governments of the districts in which the centers operate.

The Malta Business Bureau was approached to welcome the delegation at its offices and to give a presentation outlining what is the remit of the MBB, its work and mission. The meeting resulted in a constructive exchange whereby good links with various business institutions around Lithuania have been established. The MBB also prides itself in the fact that the delegation found the presentation very interesting and served as an inspiration for ideas to the visiting representatives.

October

05

**MBB President's visit to Brussels**

MBB President Mr. John A. Huber visited Brussels on a three day visit to attend seminars and workshops within the ambit of the Committee of the Regions' annual 'Open Days'. He held high-level meetings with senior EU officials, as well as with distinct Maltese political representatives in order to discuss matters in relation to Maltese business interests.

On the first day of his visit, in separate meetings, Mr. Huber met with Mr. Bruno Pragnell (Head of Unit, Human Resources), Dr. Joanna Drake (Director SME Policy), and Mr. Bonvini, the Team Leader of the Enterprise Experience Programme at DG Enterprise and later met Mr. Karel Lannoo (CEO - Financial Markets, Centre for European Policy Studies (CEPS) and Ms. Rym Ayadi (Head of Financial Institutions and Prudential Policy Unit (CEPS)).

On Tuesday 5th October, Mr. Huber attended a workshop entitled "Creativity and Innovation in your region: better use of talent for competitiveness and job creation", followed by a meeting with Mr. Dirk Ahner (Director General, DG Regional Policy). Mr. Huber later attended another workshop entitled 'Public-private Partnerships and Green Economy'. The second day was concluded with a visit to Maltese Ambassador Pierre Clive Agius and

a reception hosted by Commissioner John Dalli to mark the opening of an exhibition by Maltese artists.

On Wednesday 6th October, Mr. Huber attended a workshop entitled "Energising the 2020 strategy: Innovative uses of communications technology for energy efficiency". A second workshop called "European Small Business Act, better governance, partnership and simplification: Keys for better benefits of structural funds for small and crafts enterprises" followed. Subsequently Mr. Huber had the pleasure to attend the inauguration of Malta Week by Commissioner John Dalli.

Later, together with Commissioner Michel Barnier and Malta's Finance Minister Hon. Tonio Fenech, Mr. Huber attended a panel debate entitled "Europe's new Financial Supervision Package: Challenges and Opportunities for the Financial Services sector". This debate was moderated by Maltese MEP Prof. Edward Scicluna.

Throughout the visit Mr. Huber was also assisted by Mr. Omar Cutajar, Permanent Delegate in Malta Business Bureau's office in Brussels.

04 – 05

**Asia-Europe Business Forum (AEBF)**

The Malta Business Bureau, through the Brussels office, coordinated the Maltese private sector's participation to the 12th bi-annual edition of the Asia-Europe Business Forum (AEBF). The AEBF develops business recommendations that are addressed to, and discussed with, the governments of the Asian and European countries.

The 2010 edition, provided the unique opportunity to host a high-level roundtable bringing together a limited number of top-level corporate executives from the European and Asian financial sector, from industry and political policymakers. The AEBF thus provided the opportune forum for debate on key current issues such as the restoration of financial stability, the integration of financial markets and the growing role of Asia.

The Maltese delegation consisted of Mr. Alan Richards, CEO at HSBC (Malta) p.l.c, Mr. Kenneth Farrugia (Chairman, Finance Malta) and Dr. Bernice Azzopardi (Head of Administration, Finance Malta). Mr. Richards and Mr. Farrugia formed part of a select delegation of the Business Forum's participants who had the opportunity to present and discuss the Forum's recommendations at a breakfast meeting with the European and Asian Heads of State, during a specially-organised business breakfast held on the 5th October, in the Royal Palace in Brussels.

08

**Business Seminar on Regional Development for Sustainable Tourism**

The Malta Business Bureau, with the Malta Hotels and Restaurants Association, organised a business seminar entitled 'Regional Development for Sustainable Tourism' on the 8th October at the Hotel Phoenicia, Floriana. The event addressed a number of issues related to the future challenges for Malta's tourism industry, against the backdrop of European trends. It also delved into how EU funds can be used to support the sustainability of the tourism industry by developing the full potential of Malta's localities.

MBB President John A. Huber opened the seminar, paving the way to a number of high profile speakers that included Prime Minister Hon. Dr. Lawrence Gonzi, Mr. Michel Laine (Head of Unit in Directorate 'European Social Funding, Monitoring of Corresponding National Policies



III' of DG Employment, Social Affairs and Equal Opportunities within the European Commission) and Mr. Francisco Calheiros (President of LAG Vale do Lima, President of TURIHAB – Association of Manor Housing Tourism in Portugal) and Mr. George Micallef (President of MHRA), among others.

The second part of the seminar was addressed by a panel with speakers including Ms. Marlene Bonnici (Director General of the Planning and Priorities Coordination Department, Office of the Prime Minister), Ms. Marie Louise Mangion (Head Tourism and Sustainable Development Unit, Office of the Prime Minister), Mr. George Micallef and Mr. Michel Laine.

The panel was moderated by Ms. Maria Joao Rauch (Expert on EU Funding, in the fields of local

development, employment and vocational training) who also contributed to the discussion with key notes on how to make better use of EU funding. Finally the seminar was concluded with a speech by Mr. Josef Formosa Gauci, Chief Executive Officer of the Malta Tourism Authority.

This was another high profile event organized by the MBB and MHRA that generated great interest among tourism operators and local representatives. The distinguished guests had also the opportunity to visit the cities of Qormi and Birgu where they were met by local representatives who gave them a taste of particular traditions found in the areas.

October

Continued

04

### New Appointment at the Malta Business Bureau

Mr. Daniel Debono has joined the Malta Business Bureau team as Projects Coordinator. Mr. Debono is a B.A. (Hons.) International Relations graduate from the University of Malta and has recently completed an M.A. in International Political Economy at the University of Birmingham, U.K. While welcoming Mr. Debono on board, the Malta Business Bureau would like to thank Ms. Amanda Sciortino for her dedicated work throughout the time she spent at the MBB, wishing her the best of luck for a successful future career.

14

### European Parliament of Enterprises: Maltese Business Well-Represented at the Second Edition of Eurochambres' EPE

The MBB Brussels office coordinated a visit for a delegation of no less than thirteen senior representatives from the Malta Chamber of Commerce, Enterprise and Industry to participate in the 2010 edition of the 'European Parliament of Enterprises (EPE)' organised by Eurochambres – the European association of national Chambers of Commerce. The Malta Hotels & Restaurants Association was also invited to participate in this event. The EPE brought together the equivalent number of entrepreneurs from the EU-27 member states equal to the number of MEPs sitting in the European Parliament.

Thus, a total of 751 entrepreneurs, mainly from small businesses preceded the European Parliament for a day of discussions on topical EU regulatory issues, affecting economic operators across the European single market. This year's EPE's opening session included addresses by the European Union's highest officials: Jerzy Buzek, President of the European Parliament; Mr Herman Van Rompuy, President of the European Council; and (via video

link) José Manuel Barroso, President of the European Commission.

The European Parliament of Enterprises created a 'live' parliamentary session with a difference. European entrepreneurs were given the opportunity to debate a series of topical issues grouped under the three broad themes of 'conditions', 'resources' and 'markets'. The issues debated under these three broad topics are very wide-ranging in their scope and incorporated current EU legislative dossiers such as the recast of the late payments directive, the proposal for a directive on consumer rights, the Commission's plans for a revamped EU economic governance structure as well as ongoing matters of debate amongst the European business community. The latter included the implementation of the Small Business Act, the discussion on the pros and cons of collective redress, the long-standing proposal on origin marking and the cost-feasibility of mandatory environmental standards amongst other issues.



The Malta delegation was led by Mrs. Helga Ellul in her capacity as President of the Malta Chamber. Malta's representation at this second edition was in line with the new Lisbon Treaty, which entitled the EU's smallest member-state to a minimum European Parliamentary representation of six MEPs, thus Maltese business was represented by six MEPs. These were Mrs. Helga Ellul, Mr. Tancred Tabone, Mr. John A. Huber, Mr. Anthony J. Tabone

(from the Malta Chamber) and Mr. Anthony Zahra (from the MHRA) who were accompanied by Mr. Omar Cutajar as the national coordinator. Malta Chamber Director-Generals Ing. Ray Muscat and Mr. Kevin J. Borg, and MBB CEO Joe Tanti also formed part of the delegation.

The participation of Malta's contingent at this prestigious event was kindly supported by Air Malta.

## November

06

**MBB Participation in EP Forum for Citizens on Maternity Leave Debate**

The Malta Business Bureau was invited to participate in a forum for citizens organized by the European Parliament's representation office in Malta. The MBB was represented by its CEO Joe Tanti who participated on the panel discussion alongside MEPs Simon Busuttill and Edward Scicluna, Doreen Micallef – Vice-President of the National Council of Women, entrepreneur Marlene Mizzi and childbirth educator Doula Marianne Theuma. The debate reflected on the vote on the Estrela Report regarding maternity and paternity leave, which had been recently approved by the European Parliament.

CEO Joe Tanti referred to the impact assessment that was published by the MBB in recent months and highlighted that raising maternity leave from 14 to 20 weeks will increase the costs on the economy by about €12 million annually. This puts on further pressure on

already over-burdened businesses that would have to shoulder the major impacts of the directive. He also recalled that this is a critical time when public expenditure on unsustainable social welfare should be reduced not increased further.

Mr. Tanti proposed that instead, government and civil society ought to look beyond the maternity leave issue and instead work towards more effective mid and long-term solutions, focusing on the most critical issues, namely to enhance female participation in the workforce, the inception of public support facilities and a better work-life balance.

09

**Public Hearing on the Future of Single Market Policy**

MBB CEO Joe Tanti and Permanent Delegate Omar Cutajar attended the first public hearing on the European Commission's Single Market Act proposals in Brussels. Many MEPs were present at this hearing together with Internal Market Commissioner Michel Barnier, Professor Mario Monti, Belgian Federal Minister for the Internal Market Vincent van Quickenborne, and Belgian State Secretary for European Affairs Olivier Chastel. Among others, this public hearing was addressed by Maltese MEP Louis Grech, who is the author of a report setting out recommendations for the Commission's Single Market proposals.

The discussion delved into the urgency of moving the single market ahead in the European agenda. The Act is being kept aback from starting its legislative process and further consultations are being pushed instead. It was finally argued that even though there may be disagreements along the way, at least it is important to have a direction.

The Single Market Forum is set to become an annual event bringing together single market stakeholders. The next forum will take place in autumn 2011 in Poland during the first Polish Presidency. Mr. Tanti's visit was supported by the European Parliament Representation Office in Malta.

## December

01

**Extraordinary MBB Board Meeting with Parliamentary Secretary Hon. Dr. Jason Azzopardi**

MBB President and Board of Trustees had a special meeting with the Hon. Dr. Jason Azzopardi, the Parliamentary Secretary responsible for Small Business and Lands, with an exchange of views on the 'Single Market Act' – the European Commission's political programme for re-launching the European Single Market. This is an important development that is taking place at EU level, and whose package of initiatives will have a considerable impact on Maltese business.

The Single Market gives access to local firms to the European market thanks to the absence of barriers to trade. Businesses, traders, and entrepreneurs also benefit from the mere fact that they have access

to a much larger market which is competition-driven, based on standards and quality assurance. Local firms can therefore reach out to a larger customer-base. Maltese business is also benefitting from the various third-country trade-facilitation arrangements put in place over the years by the EU.

The proposed Single Market Act carries a total of 50 proposals, with the majority having clear and exclusive pertinence to business, whilst a large cohort of other proposals would indirectly help business thrive in the internal market through the expected targeted resolution of protracted consumer and citizens' concerns.

Mr. Huber emphasized that the local business community is concerned with a number of issues, including matters such as copyright protection, the EU patent, the implementation of the Services Directive and of the Small Business Act in Malta, the regulation of electronic commerce, the revision of the Energy Tax Directive, the progress towards harmonized taxation and European market surveillance.

The MBB President later pointed out that the MBB would like to see how business organisations can work closer with Government in joint business-government initiatives for the benefit of local enterprises and also highlighted the importance

December

Continued

01

### Extraordinary MBB Board Meeting with Parliamentary Secretary Hon. Dr. Jason Azzopardi continued

of having a healthy exchange of views that will contribute towards future public policy decisions on specific issues arising from the Single Market Act at EU level.

Dr. Azzopardi said that the Single Market is Europe's strongest competitive advantage which translates into benefits for businesses, citizens and consumers alike. An ever more dynamic and competitive single market, contributes to higher employment and growth, on the path of achieving the 'Europe 2020 Strategy' goals, in the light of the challenges all member states are currently facing.

Parliamentary Secretary Jason Azzopardi praised the MBB for its sterling work in promoting the country's entrepreneurial sector. He described the MBB as a fine example of Malta's active and engaged civil society on EU-related issues. He said the MBB plays a principle role in bringing forward dialogue and information to assist its shareholders in the creation of the best-possible climate in which a business enterprise can flourish.

03

### Submission of ESF Project Proposal

The Malta Business Bureau (MBB) and the Malta Council for Economic and Social Development (MCESD) partnered the Malta Hotels and Restaurants Association (MHRA) in the submission of an ESF Project Proposal entitled a 'Maltese Network for Tourism Development (MNTD)'. This network will form a steering committee that will provide the MCESD with structured positions on the local tourism industry in respect to EU matters.

The MBB has a mutual interest in supporting one of its parent organisations, the MHRA, in building technical capacity on EU matters concerning the tourism industry. The MBB will be using its pool of information and resources to help in developing such studies that will lead to the creation of a network on tourism development for a more efficient running of the industry.

Thus, the MBB together with the MCESD will assist in the requirements and surveillance of the envisaged

studies. While the MBB will be providing updates from Brussels in relation to the themes of these studies, the MCESD will be providing any technical and logistical support required by MHRA for this project. This project, if selected, will bring in a social and civil dialogue targeting, amongst others, policy reform and regulating procedures on family friendly measures, tourism marketing, accessibility and competitiveness, innovation and entrepreneurship, and better information thanks to scientific studies promoting a more effective social and civil dialogue in Malta.

The aimed research is in line with contemporary topics, with one study being specifically on innovation such as eco-friendly solutions, improvements in ICT, and developments in business management.

09 – 12

### MBB Supported Malta's First Participation at a Christmas Market in Brussels

Between the 9th and 12th December, the MBB was a proud sponsor of Malta's first-ever participation at the traditional Christmas Market of Woluwe St. Pierre in Brussels, an event that was visited by thousands of people. The Embassy of Malta in Brussels was the mastermind behind this participation and the MBB, among others, discerned the importance of the visibility such events bring to Malta and thus contributed financially to the organisation of the event.

The Malta stand attracted strong attention, with the highlight decoration of the traditional statue of 'Baby Jesus', and with several promotional leaflets

about Malta distributed. Visitors also had the opportunity to enjoy a glass of Maltese wine, a gesture appreciated by many.

Among others, key personalities visited the Malta stand, including Hon. Mr. Benoit Cerexche, Minister of the Economy, Employment Research and Administration of the Government of the Region of Brussels, and Dr. William Draps, the Mayor of Woluwe St. Pierre.





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Representing



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CASA LEONE

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