



THE GOZO BUSINESS CHAMBER

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Press Release: The Gozo Business Chamber publishes its budgetary proposals

The Gozo Business Chamber (GBC) has today published its budgetary proposals.

The proposals being formulated by the Chamber are based on an attentive analysis of the Gozitan economy which is presently over reliant on certain sectors such as tourism, construction, and real estate. The diversification of the Gozitan economy is of utmost priority at this stage also given Government's investment in certain areas such as digital infrastructure, for example the digital innovation hub. The GBC's budgetary proposals focus on four main areas: **transport and connectivity, public infrastructure, sustainability, and initiatives targeted towards the establishment of a digital sector in Gozo**. This is also in line with Government's vision for Gozo as outlined in its 2021 pre-budget document, where it is highlighted that the Government's vision for the region is that of "securing an innovative, rejuvenated and connected island that delivers social and economic prosperity for all, while at the same time conserving its unique, rural and cultural characteristics" (p.62).

The Chamber is aware is that the situation cannot continue as it is now. The country's recovery also passes through a remodelling and rethinking of the Gozitan economy to be more forward looking. Many of the proposals put forward by the Chamber in its **Post COVID-19 Strategic and Policy document** (May 2020), are still valid. Nonetheless the Chamber has decided to focus on those proposals which need to be tackled with urgency in order to ensure Gozo's economic recovery is in line with that of the whole nation. It is essential for the Government to adopt a regional focused approach. Gozo merits special attention because it possesses specific attributes which can assist not only its own recovery but that of the whole nation.

The measures proposed here in no way diminish the economic recovery initiatives implemented throughout the past months, and the Government should continue to monitor the situation to assess their impact and continuation where necessary. To this end the Chamber is publishing in its budgetary proposals document a survey it conducted between the 9th and 14th September which analyses the situation of business enterprises in Gozo, due to the impact of the COVID-19, and the impact of the Government measures. The Chamber is also publishing a list of proposals put forward by the respondents to the survey. These are being included in Annex 1 of the document. These provide a useful insight with specific relevance to certain Government measures which may need to be realigned to have a more relevant impact. As regards the results of the survey these are being included in the presentation accompanying this press release for ease of reference.

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The budgetary proposals being put forward by the GBC are the following:

Transport and Connectivity

- Continue with important projects for Gozo including enhancing further maritime and air links between Gozo and Malta.
- Continuation of the permanent link project between Gozo and Malta.

Public Infrastructure

- The building of a new hospital for Gozo.
- The building of an underground multi-storey parking in Victoria, that would not impinge on the city's historical and authentic landscape.
- The building of a new breakwater for Marsalforn harbour

Sustainability

- Replace the present leased ferry with a hybrid ferry. This should also be considered for the other Gozo Channel vehicles as a long term approach when coming to replace the existing fleet.
- Electric vehicles of Maltese residents crossing over to Gozo are to pay a reduced fare. On the other hand Gozitan residents with electric vehicles would cross for free on Gozo channel ferries.
- Refund on electric vehicles for Gozo residents to be raised to € 9,000 instead of the present maximum of € 7,000.

Initiatives targeted towards the establishment of the digital sector in Gozo

- Provide a tax holiday for companies in the digital sector to establish themselves here in Gozo.
- Grant a subsidy on rent for companies in the digital sector which establish themselves in the Digital Innovation Hub.
- Create an eco-system of incentives specific for Gozo, for business enterprises within the wide spectrum of the digital technology sector alongside a holistic strategy for Gozo in this sector.

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