

PRESS RELEASE

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Chamber of Commerce holds webinar on initiatives related to insolvency risk and support for directors

“The Malta Chamber is well aware that these unprecedented times necessitate a multi-faceted effort to support members on a number of levels” said Perit Xuereb today as he was opening a webinar on the subject of initiatives related to insolvency issues and support for directors and businesses.

“Over the past weeks we have endeavoured to lobby Government at the highest levels on assistance for businesses to save jobs; We have helped businesses access support through Government agencies while we continue to be close to businesses while truly and professionally voice their concerns at this time. Our efforts however did not top there, as we have also sought to support the business community directly during these times” Perit Xuereb noted.

The Chamber President explained how on 1st April, the Chamber submitted a list of proposals to Government for supporting the business community, and for the Protection of Company Directors during these times of extraordinary pressures.

The proposals made by The Chamber included the enactment of legislation to ease the rules of insolvency, enabling business owners to focus on salvaging their businesses without fear of eventually being accused of wrongful trading during these trying times.

Making a case for these proposals, The Chamber argued that the Companies Act needed to be amended to render liquidations as efficient, quick and painless as possible, in order to limit liability on creditor claims directly related to Covid-19, and to give directors of these companies every fair opportunity for a second chance.

“As a Chamber and as the country’s foremost representative of the business community, we are pleased to note that Government took heed of our recommendations” Perit Xuereb said.

“In fact Minister Silvio Schembri, who I thank for his propensity for collaboration, sent the Chamber the draft amendments for its comments. As a Chamber, in fact, we have already given our feedback on the proposed amendments and these are being considered positively during the debate in Parliament this week” Perit Xuereb concluded.

Dr Kevan Azzopardi, Official Receiver MBR, delivered a keynote speech on the recent amendments to the Companies Act to provide protection to directors in the face of current uncertain business environment; and incentives for business facing insolvencies, relating to Company Recovery Procedure. The webinar was also addressed by Dr Louis Cassar Pullicino, Managing Partner, Ganado Advocates.

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