

2024 Pre-Budget Document Proposals by
The Malta Chamber of Commerce, Enterprise and Industry on:

MOBILITY

TRANSPORT REFORM

1. Introduce an **e-mobility wallet** with government allocating an annual amount to every e-wallet to be used for various environmentally sustainable or shared transportation options (by land and sea).
2. Introduce **parking fees** in central urban areas with fees paid being transferred into an e-mobility wallet for use of sustainable means of transport.
3. Gradually **phase out petrol and diesel subsidized price** and direct the subsidy to investment in environmentally sustainable fleets and the e-wallet.
4. Explore the concept of **bi-directional e-vehicles and charging stations** having the capability to not only draw power from the grid to charge the vehicle but also to supply excess energy generated by the vehicle back to homes and businesses.
5. Pair the electrification of the vehicle fleet with **underground charging infrastructure**.
6. Consider **public-private partnerships to reallocate on-road parking spaces to new multi-story underground parking spaces** suited for vehicle charging, therefore freeing up the space on the road - this can be integrated with park and ride services, where necessary, or adequate walking and cycling infrastructure including sharing platforms, for people to move around.
7. Introduction of **Regional Underground Mass Parking** facilities with green public spaces at ground level in line with what proposed in the [National Strategy for the Environment 2050](#).
8. **Lower Customs & Anti-Dumping Fees for imported EVs** to make them more advantageous than ICE vehicles. Other similar barriers should be identified and alleviated.
9. Rethink the current **public transport system**, including introducing more direct and fast routes complemented with regional circular minibus service including to industrial estates for night and early morning shifts.
10. Introduce a **centrally managed permitting** system which effectively controls multiple permits for concurrent activities in same region, particularly during peak hours.
11. Incentivize and support businesses promoting shared transport or other green options through a mix of **tax deductions, vouchers and parking subsidies that increase incrementally according to the number of passengers in each pool**.
12. **Lower the passenger thresholds** stipulated in the Employee Transportation Deduction Act to encourage more car-pooling.
13. **Revise vehicle road license fees** to reflect actual usage, by factoring in mileage covered since the previous renewal in addition to engine type, size and age of vehicle.

14. Better use of **smart parking technology** to notify drivers of closest available parking spaces. Last-mile delivery solutions for deliveries in commercial centres should maximise potential of such technology based on overseas success stories.
15. **Revisit the current school transport system to maximize pooling efficiency** - pooling should be organised by zone and not by school.
16. Gradually shift **heavy vehicles off-peak hours coupled with incentives to make night and off-peak shift operations more convenient** for freight forwarders, manufacturers, importers, distributors and waste collection.
17. Encourage businesses to green their fleet through **schemes under the revised General Block Exemption Regulation (GBER)**.
18. Introduction of **obligatory off-street car park spaces** tied to permits issued for new buildings, which obligation should not be allowed to be offset against a payment of fees (previously known as the Commuted Parking Payment Scheme, later absorbed in the Development Planning Fund).

EU LEGISLATION, MARITIME, AIR CONNECTIVITY & SUPPLY CHAINS

1. In view of ongoing negotiations in the EU Council, Government should seek a **permanent derogation for Malta from the Energy Tax Directive due to its insularity**. Being a peripheral island state with no road alternative to the European mainland, the proposed tax creates an unproportional burden on Maltese businesses and consumers because it inhibits the free flow of goods and creates an unlevel playing field for regional producers and processing facilities inside the Single Market.
2. The Malta Chamber strongly expects our representatives in Brussels to lobby towards the **implementing of the Competitiveness Check in the preparatory phases of EU legislations**. This is an important outcome from the Conference on the Future of Europe and a specific recommendation by employer representatives. The Malta Chamber therefore calls for the introduction of **Territorial Proofing or an Insularity Test as part of the policymaking impact assessment process**.
3. Transport links and the cost of transportation remain major concerns for the local manufacturers and importers, a key contributor to the erosion of competitiveness of local exporters. To alleviate this erosion Malta must:
 - a) Establish a **reliable national airline that provides air cargo services**.
 - b) Establish a **connection to the major ports in the Mediterranean** providing scheduled services to and from other parts of the world through which containers leaving or destined for Malta pass, given the limitations of scheduled services at the Malta Freeport. This can be provided through a scheduled circular route using a small freighter that connects ports such as Tunis, Casa Blanca, Valenzia, Gioia Tauro, and Malta.
4. The **Bunkering Adjustment Factor (BAF)** should be rendered transparent and should accurately reflect the real cost of fuel. The current scenario has led challenges for logistics operators in dealing with customers, particularly to explain why charges in Malta remained high while rates have been reduced globally.
5. Introduction of Government **support programmes** that are specifically targeted at supporting corporate initiatives to **re-examine global supply networks**. A **data-based decision-making in supply chain management** could be promoted and incentivised by government. This may entail supporting the adoption of AI and machine learning technologies in supply chain operations. To ensure supply chain security, the government could implement a **partnership-based strategy by identifying key partners**, both domestically and internationally, and collaborating closely with them.

6. Due to a lack of raw materials, rising inflation and supply chain interruptions, business operators need **support on sensitive raw resources that frequently vary in pricing**, such as oil and cereals. The government must establish a method for **price adjustment that is automated, unambiguous and connected to an index acknowledged by the sector**.

