

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

TOURISM

1. Increase investment in **infrastructure, upkeep and maintenance** to address mobility frustrations and the waste management sprawl encountered by visitors, to ensure proper utility supply and to address the shabbiness of highly frequented tourist localities.
2. Revisit and redesign MTA's **marketing efforts towards more quality tourism that respects our history, culture and character.**
3. Attract well **established quality international symposiums/exhibitions to Malta during off peak months on an annual basis** to position Malta as the place-to-go to for these events, thereby creating a niche that is currently underexploited.
4. Support, possibly through subsidization, **operators in the tourism industry providing cultural and historical training to their TCNs.**
5. Incentivise the industry to **subsidise language courses provided by warranted English-Language Schools to send their employees to learn basic English.** A similar incentive should also be available for industry's employee to **learn basic Maltese.** This will also support integration which will decrease turnover.
6. Grant **provisional licenses to individuals with a qualification higher than the guiding MQF Level 5 diploma in related areas such as tourism, culture, and history** given the increasing demand for tourist guides and the insufficient number of licensed guides.¹
7. **Attract US carriers to operate direct flights to Malta** to tap into the growing US market.²
8. The English Language Teaching industry in Malta is in desperate need of a specific licence for **Houses in Multiple Occupation (HMO's)** to provide adequate quality budget accommodation. This licence category would allow school-managed accommodation properties to house students, making Malta a preferred long-term study destination.
9. **Waive the eco tax contribution for local host families** to attract families to make available beds which are currently underutilised and **introduce proper regulation for Air B&Bs immediately** to ensure a level playing field amongst the various players in the industry.
10. Invest back in **every locality's product development a % of the VAT generated by that particular locality** – this will help to mitigate the significant disparity in the allocation of funds

¹ This initiative aims to address the immediate need for more tourist guides by utilising the skills and knowledge of individuals in related fields. This initiative would involve a simplified application process and a basic training course to ensure that all provisional licensees understand the role and responsibilities of a tourist guide.

² Malta has reached close to saturation from several European markets although efforts are still needed to improve connectivity from UK, Germany and the Nordic markets.

within MTA where there is a disproportionate emphasis on marketing endeavours rather than investment in product development.

11. Incentivize tourism operators to obtain sustainability certification by subsidizing **50% of the costs of said certification.**
12. The way the Government is implementing the **Tour Operator Margin Scheme (TOMS) Directive** is putting local DMCs at a disadvantage with its European competitors. This means that a Maltese DMC is charging 18% VAT for an ancillary service but if an ancillary company offers the same product to a foreign company this can be charged using the reverse charge mechanism (essentially not paying VAT in Malta), putting the Maltese DMC at a disadvantage. Other jurisdictions such as Spain and Sweden have argued that B2B transactions of this nature are not to be in scope of the implementation of this directive. While we are aware that this is going to be reviewed at EU level in the coming years, a **short-term measure such as having B2B transactions for meeting conferences and exhibitions considered out of scope of the scheme, as the aforementioned countries are doing, as Malta is losing significant ground in this niche market.**

