EU PolicyWatch

Database of national-level policy measures

Eurofound's EU PolicyWatch collates information on the responses of government and social partners to the COVID-19 crisis, the war in Ukraine, rising inflation, as well as gathering examples of company practices aimed at mitigating the social and economic impacts.

Factsheet for measure MT-2020-44/1801 – measures in Malta

Support for bars forced to close during COVID19

Country	<u>Malta</u> , applies nationwide
Time period	Temporary, 28 October 2020 – 31 March 2021
Context	COVID-19
Туре	Other initiatives or policies
Category	Supporting businesses to stay afloatDirect subsidies (full or partial)
Category Author	
	– Direct subsidies (full or partial) Luke Anthony Fiorini (University of Malta) and

Background information

As in other EU members, the COVID-19 pandemic in Malta has been characterised by several 'waves' of cases. The first wave of cases occurred, and many businesses were ordered to close, between March 2020 and May 2020. Business units re-opened in May 2020, however cases began to increase again in July 2020, this climb in cases was

reversed in November 2020, however cases climbed again in December 2020 and continued to do so up until February 2021. In terms of new cases, active cases and deaths, each of these three wave was worse than the one that preceded it.

Whilst the first wave of cases resulted in the closure of several businesses, such closures were limited between July 2020 and February 2021. One sector which was forced to close during this period were bars and related businesses. On August 17, bars and nightclubs were closed (but bars where patrons are seated and food is served as well as restaurants were excluded). On October 29 2020, bars were ordered to close (this excluding snack bars and kiosks, which were not allowed to sell alcohol and also had to close between 11pm and 5am).

Subsequently, in January and February 2021 Government announced state measures which provided financial assistance to bars. The assistance was to cover the period from the end of October 2020 till 31 March 2021.

Content of measure

In January 2021 it was announced that operators who wanted to take advantage of the scheme were to submit an application between March 1 and March 15, 2021 to the Malta Tourism Authority, who would administer this measure.

The financial support that could be received depended on the classification of the bar in question: Commercial bars (Category A) were eligible to receive €2,700; bars which from part of a club (Category B) were eligible to receive €1,860; whilst other registered non-political clubs (Category C), such as band clubs and football clubs would receive €1,260. This financial support would cover a period spanning from October 2020 till February 2021.

At the end of February 2021, as it was announced that bars would remain closed, a top up on this scheme was announced to extend its cover until the end of March 2021. Those in Category A would receive additional aid of €717, thus receiving a total payment of €3,587. Those in Category B will receive an additional €465, thus receiving €2,325 in total. Finally, those in Category C will receive an additional €315, thus receiving a total of €1,575.

Use of measure

Uptake information is unavailable, but when the scheme was announced in January 2021, it was stated that the scheme was expected to cost the state €2.2 million. The top-ups announced in February are expected to raise the total cost of the scheme to €3 million. No further information is available.

Target groups

Workers	Businesses	Citizens
Does not apply to workers	Sector specific set of companies	Does not apply to citizens

Actors and funding

Actors	Funding
National government	National funds

Social partners

Social partners' role in **designing the measure** and form of involvement:

	Trade unions	Employers' organisations
Role	Unknown	Consulted
Form	Not applicable	Direct consultation outside a formal body

Social partners' role in the implementation, monitoring and assessment phase:

- No involvement
- Main level of involvement: Unknown

Involvement

The exact involvement of social partners in the design of this measure are unknown, however relevant employer associations such as the Chamber of Small and Medium Enterprises have maintained regular contact with Government to both inform Government of the state of their members as well as to lobby for relevant measures.

Views and reactions

The Malta Chamber of Small and Medium Enterprises expressed their satisfaction with the introduction of this measure and the amount offered. It was stated that the assistance would aid in funding stocks that had gone to waste during the period where bars were asked to close as well as assisting in covering other expenses.

Some bar owners however were vocal in the press, stating that the measures offered were often piece-meal and were not sufficient.

Overview

War in Ukraine

<u>Countries</u>

<u>Types</u>

Sectors and occupations

<u>Target groups</u>

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Related	content

Economic area	Sector (NACE level 2)
I - Accommodation And Food Service Activities	I56 Food and beverage service activities

This case is not occupation-specific.

<u>Topic: Stand with</u> <u>Ukraine</u>

Topic: COVID-19

Sources

- 29 January 2021: Newsbook Bars to receive €2,700 as part of Covid-19 support scheme (newsbook.com.mt)
- o 01 February 2021: Vassallo / Lovin Malta 'One Word: Tal-Biki' Malta's Bar Owners React To The Latest COVID-19 Aid As Forced Closures Continue (lovinmalta.com)
- 26 February 2021: Newsbook Financial assistance to bars and band clubs extended (newsbook.com.mt)

Citation

Eurofound (2021), *Support for bars forced to close during COVID-19*, *measure MT-2020-44/1801* (measures in Malta), EU PolicyWatch, Dublin, https://static.eurofound.europa.eu/covid19db/cases/MT-2020-44 1801.html

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