



GOVERNMENT OF MALTA
MINISTRY FOR FINANCE

ANNUAL PROGRESS REPORT 2025



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Ministry for Finance





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Executive Summary

The Annual Progress Report (APR) for Malta contains information on the Macroeconomic and Budgetary developments in 2024 and the expectations for 2025. The report also contains information on the implementation of Malta's reforms and investments outlined in the Medium-Term Fiscal-Structural Plan (MTFSP). These reforms and investments contribute to sustainable economic growth, digital transition, research and innovation, social protection, environmental sustainability, and financial and institutional resilience. Key initiatives also focus on improving high-quality infrastructure, education, employment, governance, and justice. This document provides an update on the implementation of these initiatives since the submission of the MTFSP in September 2024, as well as the last National Reform Programme (NRP) submitted in April 2024. It presents a structured overview of Malta's ongoing efforts to strengthen economic and social resilience, enhance national competitiveness and deliver on the Country-Specific Recommendations (CSRs). It also includes the distributional impact of two important 2025 budget measures. This analysis reveals that both the income tax reform and the additional Cost-of-Living Adjustment (COLA) mechanism significantly reduce poverty and increase disposable income.

Macroeconomic Developments

The macroeconomic forecasts presented in this APR adopt a prudent scenario of short-term economic developments in Malta. Amid heightened global uncertainty stemming from shifts in trade policies, risks are tilted to the downside. Recent trade policy developments, particularly those emerging after the cut-off date of the forecast, have intensified downside risks to the economic outlook. In 2024, the Maltese economy maintained its positive momentum, with economic growth being driven mainly by domestic demand. This was underpinned by consumption growth and supported by a recovery in real wages and a strong labour market. Government consumption remained supportive of domestic demand conditions, increasing by 7.3 per cent, mostly driven by compensation of employees due to the impact of important sectoral wage agreements. Moreover, investment increased by 2.4 per cent in 2024. Despite the external economic challenges and uncertainties, a strong performance was registered in the tourism sector which, along with high-end non-tourism services contributed towards Malta's economic growth.



Nominal Gross Value Added (GVA) grew by 8.8 per cent in 2024. Such growth was primarily led by the Services sector which contributed 8.1 percentage points cementing itself as the main source of growth in the Maltese economy, constituting 91.7 per cent of total GVA generated in 2024. GVA growth was also broad-based across most sectors of the economy. Solid growth rates were also registered by the Real estate sector, the Wholesale and retail trade, transportation, accommodation and food services, in line with robust domestic demand and tourism activity. In addition, despite a sluggish external environment, GVA generated by the Manufacturing sector increased by 7.1 per cent during 2024, largely propelled by domestically focused manufacturing activities.

The Ministry for Finance is projecting a growth rate of 4.0 per cent in 2025. Growth is expected to remain primarily driven by domestic demand, underpinned by sustained strength in the labour market and improving household income levels. Meanwhile, global protectionist measures are anticipated to weigh down on exports, however Malta's limited reliance on traded goods is expected to contain the direct impact on the economy. At the same time, weaker external demand conditions and elevated uncertainty are anticipated to weigh down on export activity and investment sentiment. Uncertainties pertaining to external developments were a key issue when presenting forecasts for the short-term. To this end, appropriate risk scenarios were prepared, indicating slight downward risks for 2025.

Budgetary Developments

The general Government balance for 2024 was equivalent to a deficit of 3.7 per cent, that is 0.3 percentage points of Gross Domestic Product (GDP) below the MTFSP 2025-2028 target and decreasing by 1.0 percentage points compared to the deficit of 4.7 per cent registered in 2023. In 2025, the general Government balance is projected to reach 3.3 per cent on the back of strong revenue performance and stronger-than-expected economic growth. Debt-to-GDP ratio for 2024 stood at 47.4 per cent, 1.8 percentage points less than the MTFSP 2025-2028 estimated target, and down from 47.9 per cent in 2023. The projected debt ratio for 2025 is estimated to be at the level of 48.4 per cent.

Digital Transition

Malta is advancing its digital transition through various initiatives, such as the expansion of the Technology Assurance Sandbox (TAS) and six Artificial Intelligence (AI) pilot projects in key sectors. The AI projects in customer service, tourism, utilities, and



education have been integrated into TAS, while healthcare and transport initiatives are ongoing.

Research and Innovation

The National Research and Innovation (R&I) Strategic Plan 2023-2027 is driving reforms to enhance Malta's research ecosystem, improve funding coordination, and strengthen policy integration. Efforts include the creation of a Community of Practice for Research Funding Organisations and initiatives to engage the Maltese diaspora in research collaboration.

Coverage, Adequacy, and Sustainability of the Social Protection System

The Government is reinforcing pension sustainability through the implementation of the Malta Pension Action Plan 2021-2027. Work is currently underway on the 2025 Pensions Strategy Review, which is conducted every five years to ensure the long-term sustainability and adequacy of Malta's pension system.

Sustaining and Supporting Investment

The Government is actively promoting private investment to drive economic recovery by supporting Maltese enterprises, particularly in key tech sectors like AI, Cybersecurity, and EdTech. Tech.mt, in collaboration with Malta Enterprise, Science Malta, and Malta Development Bank (MDB), supports Maltese enterprises in key tech sectors through financial incentives, technical assistance, and funding opportunities.

Sustainable Transport and Multi-modality

The Government is committed to enhance sustainable transport by improving road infrastructure, particularly through the TEN-T network, and address congestion and pollution. Efforts to improve maritime and urban transport include several traffic



reorganisation projects, upgrading ferry terminals, promoting intermodality, and advancing projects such as the €35 million Connections for Safer Active Mobility.

Resilience and Sustainability of the Healthcare System

Malta is investing in primary care, with the Government currently identifying suitable sites for planned community clinics in Burmarrad and Pembroke, while renovations at the Cospicua, Mosta, and Floriana clinics progress. Implementation of the Health Workforce Strategy for 2030 continues, with workforce planning tools introduced across multiple medical professions.

Skills, Vocational Education and Training & Adult Learning

The Government is dedicated to enhance skills development, vocational education, and lifelong learning to address labour market demands and foster economic resilience. Key initiatives include the NEET Census, which identifies skills gaps among young people, and the Youth Guarantee 3.0 programme, which supports youth employment through personalised training and work placements. Furthermore, the Investing in Skills scheme and the Digital Education Strategy 2025-2030 aim to equip the workforce with essential digital and green skills, ensuring adaptability and sustainable growth.

Non-discrimination and equal opportunities

The Government is also committed to promote non-discrimination and equal opportunities through targeted policies aimed at fostering inclusive growth and social resilience. Key initiatives include the National Lifelong Learning Strategy 2023-2030 and the Social Plan for Families. Additionally, the Children's Policy Framework 2024-2030 ensures children's access to quality education and healthcare. These measures, along with the National Strategy for Poverty Reduction and Social Inclusion 2025-2035, are designed to ensure that individuals from all backgrounds have equal opportunities.



Renewable Energy and Energy Infrastructure & Networks

Malta continues to expand renewable energy adoption and improve energy infrastructure. Solar energy schemes, including grants for photovoltaic (PV) panels and battery storage, have been extended, supporting 12.85 MW of new capacity and 13.74 MWh of battery storage in 2024. The second electricity interconnector with Sicily is progressing on schedule, ensuring a more stable and diversified energy supply.

Energy Efficiency

Energy efficiency measures are being implemented across sectors. The Grand Harbour Clean Air Project has provided onshore power supply for cruise liners, reducing emissions, while a €50 million extension will expand electrification to additional port areas. In water infrastructure, a new tunnel linking the Pembroke Reverse Osmosis plant to Ta' Qali reservoirs has been completed, reducing energy use in water distribution.

Management of Waste and Natural Resources

Malta is advancing waste management reforms through the EcoHive project, which includes large-scale infrastructure to reduce landfill use and increase resource recovery. A €75 million Organic Processing Plant is in development to convert organic waste into compost and biogas. A Waste-to-Energy plant is also in the pipeline, with tendering at an advanced stage. Investments in water infrastructure continue.

Strengthening the Justice System and Law Enforcement Capabilities

The Malta Police Force is advancing its security infrastructure. To modernise forensic and criminal data management, a Criminal and Forensic Data Repository System (RMS) and a Laboratory Information Management System (LIMS) are under development. Legislative reforms are also in progress. These initiatives focus on improving efficiency, data-driven policing, and streamlining legal processes while enhancing public security.



Enhancing Governance and Anti-Corruption Measures

Malta is strengthening governance within law enforcement through strategic investments in data processing and specialised vehicles. The Police Transformation Strategy 2020-2025, funded by the Internal Security Fund, supports these advancements, including the introduction of i2 software. The initiatives being undertaken aim to enhance transparency, accountability, and law enforcement integrity, ensuring a more efficient and ethical police force.

Effective Enforcement of the Anti-Money Laundering Framework

Malta's anti-money laundering (AML) framework is being reinforced through supervisory interventions by the Malta Financial Services Authority (MFSA) and the Malta Gaming Authority (MGA), in collaboration with the Financial Intelligence Analysis Unit (FIAU). The FIAU Strategy 2023-2026 is progressing, with a focus on improving financial crime detection and prevention. The FIAU increased further cross-border cooperation through international agreements.

Addressing Potential Aggressive Tax Planning

The Malta Tax and Customs Administration is implementing the Delivering Transformation Strategic Plan 2023-2025, focusing on risk mitigation through enhanced statistical analysis. Efforts to counter aggressive tax planning include preparatory work for Pillar 2, DAC 8/CARF transposition, and compliance with OECD Exchange of Information on Request (EOIR) standards.



Chapter 1

Introduction

In accordance with Article 21 of regulation (EU) No. 2024/1263 of the European Parliament and of the Council on the effective coordination of economic policies and on multilateral budgetary surveillance, Malta is submitting its first Annual Progress Report (APR). This APR contains information about the progress in the implementation of the net expenditure path as set in Malta's Medium-Term Fiscal Structural Plan (MTFSP) as endorsed by the Council in November 2024. Such a report also contains information on the implementation of the MTFSP's reforms and investments in the context of the European Semester and has been prepared in line with Guidance Notice C/2024/3975¹ by the Commission.

Furthermore, the aim of the APR is to provide an update on the state of the economy, its public finances and on the implementation of reforms and investments. In this view, this APR is structured in the following manner:

- Chapter 2: Gives a detailed overview of the macroeconomic developments in the outturn data for 2024, together with outlook for 2025 considering both domestic and external developments.
- Chapter 3: Focuses on both the developments in the net nationally financed primary expenditure and other budgetary developments in relation to the overall debt and deficit ratios. It provides updated outturn budgetary and macroeconomic developments for 2024 and outlines the expectations going forward in 2025.
- Chapter 4: Contains an analysis of the impact of the income tax reform and the additional Cost-of-Living Adjustment mechanism announced in the 2025 Budget on income distribution and poverty levels of households.
- Chapter 5: Provides an update on the implementation progress of reforms and investments addressing the Country Specific Recommendations, the European Union's common priorities (including the European Pillar of Social Rights), and the Sustainable Development Goals.

¹ Guidance to Member States on the Information Requirements for the Medium-Term Fiscal-Structural Plans and for the Annual Progress Reports.



The Ministry for Finance published this document, with an important contribution from several Ministries and entities across Government, including the National Statistics Office. The macroeconomic projections for 2025 underlying this Report have been duly endorsed by the Malta Fiscal Advisory Council.



Chapter 2

Macroeconomic Developments

2.1 Economic Conditions for 2024

The Maltese economy maintained its positive momentum in 2024, as economic activity increased by 6.0 per cent in real terms, 1.1 percentage points higher than the projected 4.9 per cent in the Draft Budgetary Plan 2025 (DBP). Economic growth was primarily led by domestic demand, which contributed 4.4 percentage points. Domestic demand was driven by strong consumption growth, supported by a robust labour market and the recovery in real wages. Moreover, despite a persistently weak external environment, net exports contributed 1.6 percentage points to real Gross Domestic Product (GDP) growth on the backdrop of resilient services exports, propelled by the positive performance of the tourism sector. Inventories made no substantial impact on economic growth.

In 2024, private consumption normalised as savings returned to pre-pandemic levels. Nevertheless, private consumption remained strong, increasing by 5.7 per cent in real terms. Consumption increases were broad-based, with growth being particularly significant for Restaurants and accommodation services, followed by Insurance and financial services, Information and communication, and Education services. Such broad-based consumption increases reflect the stabilisation in inflationary pressures, which coupled with an acceleration in wage growth, enabled a recovery in household purchasing power.

Government consumption remained supportive of domestic demand conditions, increasing by 7.3 per cent, mostly driven by compensation of employees due to the impact of important sectoral agreements. Moreover, investment increased by 2.4 per cent in 2024, although showing some weaknesses in the final months of the year. While real investment recovered by 6.8 per cent in the first three quarters of 2024, investment contracted by 9.3 per cent in the final quarter. Indeed, investment declined across most asset types, except for intellectual property products, partly reflecting the impact of increased uncertainty on investment decisions. On the external front, export growth decelerated slightly from 5.6 per cent in 2023, to 5.3 per cent in 2024, as tourism continued to exceed expectations, while non-tourism services remained resilient. Imports on the other hand increased by 4.7 per cent, driven by imports of services, although goods imports declined in line with weaker than expected investment.



Nominal Gross Value Added (GVA) grew by 8.8 per cent in 2024. Growth was primarily led by the services sector which contributed 8.1 percentage points, while the industrial sector contributed 0.4 percentage points. Consequently, the services sector remained the main source of growth in the Maltese economy, constituting 91.7 per cent of total GVA generated in 2024. GVA growth was broad-based across most sectors of the economy, except for the Non-Manufacturing Industrial sector which declined by 2.1 per cent. By contrast, growth was particularly solid in the Real estate sector, where GVA growth stood at 16.6 per cent. This was followed by Public administration (14.2 per cent), and Wholesale and retail trade, transportation, accommodation and food services (10.1 per cent), in line with robust domestic demand and tourism activity. In addition, despite a sluggish external environment, GVA generated by the Manufacturing sector increased by 7.1 per cent during 2024, largely propelled by domestically focused manufacturing activities.

From the income side, gross operating surplus increased by 6.6 per cent. The moderation in profit growth reflects a pick-up in compensation of employees, which increased by 11.4 per cent. This acceleration in wages can be partly attributable to the impact of a collective agreement signed with educators, as well as the effects of a tight labour market and the lagged response to high inflation in the previous years. This meant that the labour share increased to 41.5 per cent of GDP, from 40.7 per cent in the previous year.

2.2 The Short-Term Scenario

Headwinds to the external outlook have intensified since Autumn, with heightened uncertainty surrounding international trade policy and its impact on growth and business confidence. Following the cut-off date of this forecast, the new United States (US) administration announced broad-based tariffs across its trading partners, with a 20.0 per cent tariff imposed on the European Union (EU). Such tariffs have been temporarily paused to a reduced level of 10.0 per cent, adding to earlier measures (of 25.0 per cent) targeting steel and aluminium, as well as automobiles.

The imposition of these tariffs would have a significant impact on the bloc's export competitiveness in the large US market, and negatively influence income levels, especially in manufacturing-dependent economies. Tariffs and reciprocal measures between the US and the EU, in addition to disruptions to the global supply chain, would also lead to higher input costs for businesses, which would be passed on to the consumer, leading to higher inflation, although this could be partly mitigated by weaker global growth and trade diversion from the Asian continent where the escalation of US tariffs is expected



to be concentrated. The restructuring of global trade flows in response to these tariffs would act as a considerable drag on global economic activity, posing a downside risk to the forecast outlined in this Annual Progress Report (APR).

Even if tariff measures are withdrawn or negotiated downwards, trade uncertainty has increased significantly. Such uncertainty was already weighing on economic growth before the announcement of sweeping trade restrictions, as the recovery in European countries slowed down in the final quarter of 2024. Consequently, even if protectionist measures are not fully implemented, trade uncertainty is anticipated to exert a significant drag on confidence, causing delayed investment and hiring decisions, and supply chains disruptions.

Given its openness to trade, the Maltese economy would be impacted from these measures, although mostly through indirect channels. In 2024, goods exports accounted for 15.2 per cent of total nominal exports, and up to this point, a significant portion of these goods are exempt from the announced tariffs. Therefore, the Maltese economy's dependence on services acts as a buffer against the direct impact of protectionist measures. Nevertheless, both goods and services exports are still expected to be affected, particularly through second-round and induced effects from weaker external demand. Moreover, increased economic volatility is already weighing on the short-term outlook for investment, as businesses defer planned investments.

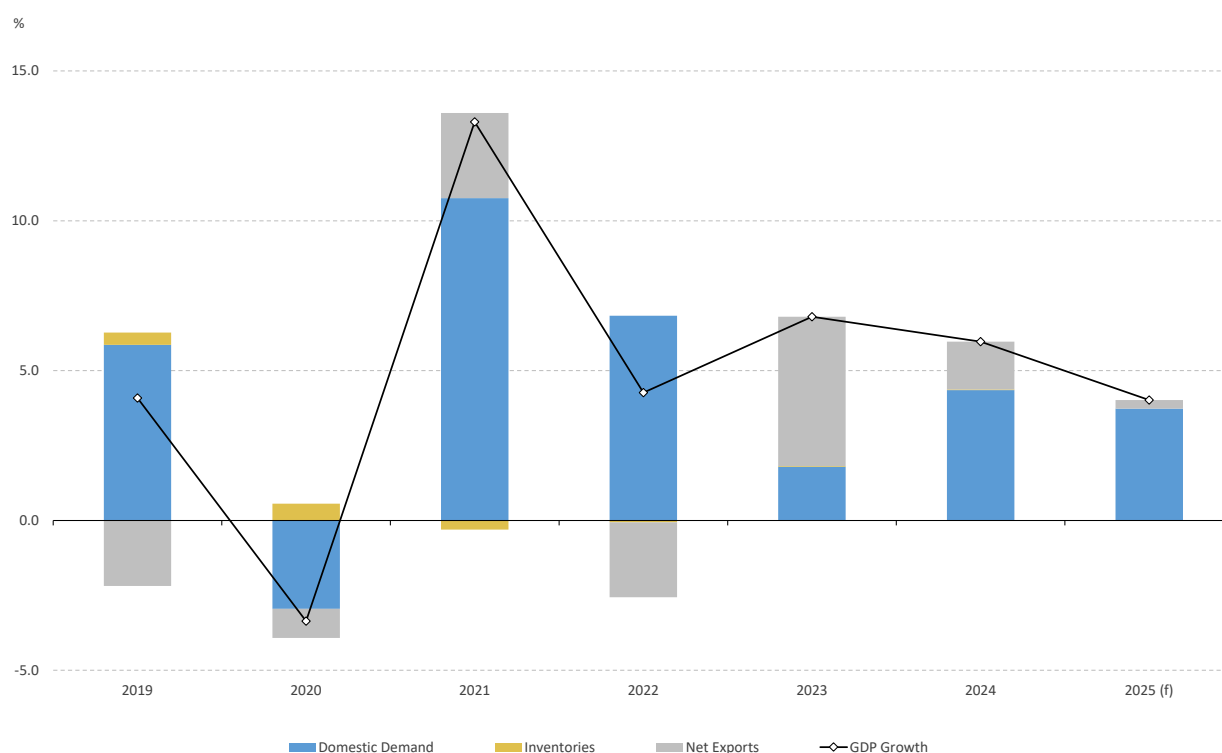
Against this background, the Maltese economy is expected to expand by 4.0 per cent in 2025. Growth is anticipated to be particularly led by the domestic side, which is expected to contribute 3.7 percentage points, supported by a robust labour market. Meanwhile, the external component is expected to provide only a modest contribution of 0.3 percentage points to growth.

Private consumption is expected to continue moderating in 2025, with an increase of 4.7 per cent. This normalisation comes on the back of the depletion of accumulated savings, as well as a slowdown in employment growth, including measures which are expected to slow down migration inflows. At the same time, during the final quarter of 2024, real wages recovered to the levels recorded prior to the inflationary shock, and wages are expected to continue increasing slightly above the long-term average in 2025, partly due to the collective agreement in the public sector. Coupled with the widening of income tax bands, which should improve households' financial position and consumer confidence, this is expected to sustain strong consumption increases in the short-term, mitigating the effects from high uncertainty and lower net migration.

In 2025, public consumption growth is projected to increase by 6.5 per cent in real terms, mostly driven by compensation of employees and intermediate consumption. This implies that the share of public consumption in real GDP will average 17.7 per cent.

With regards to investment, the inherently volatile nature of gross fixed capital formation (GFCF) makes it relatively challenging to forecast. Hence, when forecasting investment, a relatively prudent approach is normally followed, factoring in only those projects that have a strong political commitment or a high probability of realisation, while assuming a relatively high import content. In this context, investment is expected to increase by 2.5 per cent in 2025, marking a downward revision from the DBP forecast. This downward revision reflects the expected drag from elevated uncertainty. The resulting negative carry over effect from last year, combined with increased uncertainty, is anticipated to dampen investment in machinery and equipment, as firms adopt a more cautious

Chart 1
GDP Growth Rate and Contributions



Source
National Statistics Office, Ministry for Finance



Table 1
Main Macroeconomic Indicators

	2021	2022	2023	2024	2025p
GDP growth at current market prices (%)	16.1	9.6	12.4	9.4	6.7
GDP growth at Chain Linked Volumes by period (%) ⁽¹⁾⁽²⁾	13.3	4.3	6.8	6.0	4.0
GDP Deflator (%)	2.4	5.1	5.3	3.2	2.6
Expenditure Components of GDP					
at Current Market Prices by period (%)					
Private final consumption expenditure ⁽³⁾	13.0	17.0	19.2	9.2	7.0
General Government final consumption expenditure	8.2	3.7	8.1	12.5	11.7
Gross fixed capital formation	28.5	15.7	-12.0	3.6	4.0
Exports of goods and services	1.2	18.7	9.1	8.4	5.9
Imports of goods and services	-1.5	23.3	5.5	7.6	6.1
Expenditure Components of GDP					
at Chain Linked Volumes by period (%)⁽²⁾					
Private final consumption expenditure ⁽³⁾	11.8	11.1	12.2	5.7	4.7
General Government final consumption expenditure	6.0	0.1	3.1	7.3	6.5
Gross fixed capital formation	22.2	9.8	-17.0	2.4	2.5
Exports of goods and services	-0.4	13.7	5.6	5.3	3.4
Imports of goods and services	-2.8	18.4	2.0	4.7	3.6
Inflation rate (%)	0.7	6.1	5.6	2.4	2.3
Employment growth (National Accounts Definition) (%)	2.8	4.9	6.8	5.1	4.0
Unemployment rate (Harmonised definition, Eurostat) (%)	3.8	3.5	3.5	3.1	3.0
Compensation per employee (% change)	4.9	5.0	2.3	5.9	5.0
Labour productivity (% change)	10.2	-0.6	0.0	0.8	0.0
Nominal Unit Labour Cost (% change)	-4.8	5.7	2.3	5.0	5.0
Real Unit Labour Costs (% change)	-7.1	0.6	-2.8	1.7	2.3

⁽¹⁾ Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate real GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components.

⁽²⁾ Reference year 2020.

⁽³⁾ Includes NPISH final consumption expenditure.

Source
National Statistics Office, Ministry for Finance

stance and postpone capital outlays. At the same time, weak equipment investment is expected to be partially offset by sustained construction activity.

Trade tensions are anticipated to weigh on goods exports, although services exports are expected to remain resilient. The tourism sector has, thus far, held up well amid



prevailing uncertainty. In January, inbound tourism increased by 12.6 per cent, with high-frequency indicators pointing to further strengthening in the off-peak season. Export growth should also be supported by resilient non-tourism services, which are expected to gain momentum in the second half of the year. By contrast, goods exports are expected to remain weak throughout the year. In this context, exports are projected to increase by 3.4 per cent. Moreover, import growth is projected to ease from 4.7 per cent in 2024 to 3.6 per cent in 2025, partly a result of weak investment activity which tends to be relatively import intensive in Malta. At the same time, sustained household demand and an assumed weaker euro¹ should provide some support for imports.

Chart 1 illustrates the projected growth rate of GDP for 2025, and its main contributors. Table 1 presents the main macroeconomic indicators for the years 2021-2025. The figures for 2021 to 2024 represent actual data published by the National Statistics Office (NSO), while the data for 2025 represent the scenario-based projections of the Ministry for Finance (MFIN). The macroeconomic forecasts take into account the latest available data and are provided in the Statistical Appendix.

Assumptions for Projections

The macroeconomic forecasts presented are based on the following assumptions:

- Economic activity in Malta's main trading partners is expected to increase by 1.0 per cent in 2025, remaining largely stable over the previous year. The estimate for global GDP growth is based on the Consensus Economics Forecasts of March 2025.
- World prices, weighted by Malta's main trading partners, are assumed to increase by 2.1 per cent in 2025, after declining by 2.7 per cent in 2024.
- Oil prices are projected to decrease from an annual average of \$80.5 per barrel in 2024, to \$74.2 in 2025.
- The Euro/Dollar exchange rate is expected to depreciate from an annual average of 1.0775 in 2024 to 1.0663 Dollars per Euro in 2025. This constitutes an assumed depreciation of the Euro vis-à-vis the Dollar of 1.0 per cent, on average.

¹ The weakness of the Euro in the forecast assumptions reflects the conventional expectations at the time these forecasts were carried out. More recently, and contrary to those expectations, the Euro proved to be stronger, driven by the recent movements in capital flows.



- The Euro/Sterling exchange rate is expected to depreciate from 0.8415 in 2024 to 0.8364 Pounds per Euro in 2025, which translates to a depreciation of 0.6 per cent.
- The short-term interest rate is assumed to decrease to an annual average of 2.4 per cent in 2025, down from 4.1 per cent in 2024. Long-term interest rates are assumed to decrease marginally to an annual average of 3.3 per cent in 2025, from 3.4 per cent in 2024.
- Changes in inventories are assumed not to contribute to GDP growth.

The cut-off date for the forecast presented in this report is 26th March 2025 and although the US tariffs were announced on 2nd April 2025, the impact of heightened uncertainty from potential tariffs was taken into account, including the impact on external demand and investment activity. Nevertheless, the extent of the daily changes in external conditions call for extra prudence in the reliance on these forecasts and risks surrounding this outlook are more prevalent than usual.

Potential Output and Output Gap

The estimation of potential output and the output gap relies on the widely accepted production function methodology. Any disparities between the estimates of the European Commission (EC) and MFIN projections underlying this report can be attributed to differences in macroeconomic expectations.

Chart 2 depicts recent potential output and output gap developments, as well as current year estimates. From 2013 to 2024, the average growth in potential output stood at 6.3 per cent, slightly lower than actual output. Consequently, the output gap was marginally positive at 0.3 per cent of potential output over this period. Since the pandemic, potential output remained stable, underpinned by a strong labour market and positive migration flows. As for 2025, potential output growth is expected to slow down to 4.3 per cent. Labour is estimated to be the primary contributor to potential output growth, although its contribution is expected to ease from 3.9 percentage points in 2024 to 2.3 percentage points in 2025. The lower labour contribution comes on the back of weakening net migration assumptions and lower increases in labour participation rates. Moreover, capital accumulation is set to contribute 1.3 percentage points while Total Factor Productivity (TFP) is expected to contribute 0.7 percentage points, as productivity is set to remain weak. Therefore, the output gap is projected to remain marginally negative at 0.5 per cent of potential output.

Chart 2

Malta's Potential Output Growth and Output Gap Estimates



Source

Ministry for Finance

Comparison with the Commission's Forecast

The macroeconomic projections in this report are slightly more prudent for 2025 compared to the EC Autumn Forecast. For 2025, the EC expected GDP growth to stand at 4.3 per cent, primarily supported by domestic demand, which was anticipated to contribute 3.2 percentage points to economic growth. Net exports were also expected to contribute positively, adding 1.2 percentage points to overall growth. In comparison, the projections outlined in this report are 0.3 percentage points lower than the latest EC forecast, reflecting increased trade tensions since last autumn. Nonetheless, both forecasts anticipate domestic demand, underpinned by strong labour market fundamentals, to be the main driver of growth in 2025.

2.3 Sensitivity Analysis

Ensuring the accuracy of macroeconomic forecasts is important, especially in the case of a small and open economy like Malta, and particularly in times of heightened global uncertainty. Given the role of macroeconomic forecasts in setting a foundation for economic and fiscal policy making, the assessment of past forecasting performance and the balance of risks is important to improve accuracy and maintain credibility of the forecasting exercise. Reliable economic forecasts also foster economic certainty and confidence, while minimising fiscal biases and costs. Accordingly, this section outlines the rationale for ensuring that macroeconomic projections are grounded in realistic, or on a more prudent scenario, in line with Directive 2011/85/EU, as amended by Directive 2024/1265/EU.

GDP forecast errors have historically proven to be relatively higher for Malta than for larger and less open economies within the EU. Larger forecast errors are expected for a small and open economy, due to an inherent vulnerability to external shocks. Furthermore, this is also a result of significant structural change which the Maltese economy has experienced during the years, in addition to significant ex-post revisions in national accounts data.

The macroeconomic projections in this chapter are based on a baseline scenario that incorporates a set of exogenous assumptions concerning global economic conditions, including international prices, energy markets, and exchange rate dynamics. To gauge the uncertainty surrounding these projections, sensitivity analyses are undertaken on key variables. The robustness of the baseline is further evaluated through the application of alternative forecasting methodologies, as described in the following sections.

The Accuracy of Past Forecasting Performance

The updated analysis on the accuracy of past forecasting performance by the Economic Policy Department (EPD) within the MFIN shows a tendency to underestimate GDP growth and hence a downward bias in the GDP growth projections over the entire forecast horizon, especially when excluding the crisis years. The downward bias has increased over the past years, as real GDP growth consistently surprised on the upside. This is also influenced by statistical revisions, predominantly in the upward direction when compared to the early releases of the national accounts data on which forecasts are generally based. The recent statistical benchmark revision in national accounts may also affect the readings of forecast errors, affecting the base on which those previous

projections were undertaken. At the same time, the underestimation of real GDP growth is also a result of the prudent approach taken by MFIN in its macroeconomic projections.

The current year forecasts in spring display a Root-Mean Squared Error (RMSE) of 3.4. However, it is important to note that the sample size employed is rather small and the earliest available forecast is that of 2004. The small sample size and the statistical revisions play an undue influence on this evaluation and limit comparability with the forecast accuracy displayed by other economies. Over successive forecast vintages, the widening of errors can be primarily attributed to the relatively large forecast errors in 2013, 2014, 2015 and 2017 which are symptomatic of significant upward revisions in the national accounts data. Excluding these years, the RMSE would decline to 1.6, reflecting the significant forecast errors during these years which also represent structural shifts in the economy with increased prominence in high-value added sectors.

The Balance of Risks

The evaluation of the risk and uncertainty of the current macroeconomic projections underlying this report is based on an ex-ante analysis of past forecast errors which determine the level of uncertainty. Ex-post, a number of alternative but plausible economic scenarios generated with the forecasting model used by the EPD are also simulated to determine the balance of risks surrounding the baseline projections.

In order to capture the balance of risks around the macroeconomic forecasts, ten alternative model-based growth scenarios were performed. These scenarios are summarised as follows:

1. Improved economic activity in Malta's main trading partners, as indicated by the upper bound projections of the Consensus Economics Forecasts.
2. Weaker economic activity in Malta's main trading partners, as indicated by the lower bound projections of the Consensus Economics Forecasts.
3. Higher interest rate scenario, assuming that increased fiscal spending in Europe during the second half of 2025 leads to higher long-term interest rates than assumed in the baseline, leading to a steepening of the yield curve.
4. Weaker services exports, reflecting the downside risk that export-oriented sectors could face challenges due to rising domestic costs, and a more pronounced impact from elevated uncertainty on discretionary spending.



5. Elevated consumption, which assumes that consumption will continue increasing in line with its long-term average as the labour market could turn out stronger than envisaged in the baseline, and consumer confidence improves on the back of the widening of the income tax bands and lower inflation.
6. Upside tourism scenario, with improved projections for the shoulder months, in line with high frequency indicators that continue to indicate sustained demand over the near term.
7. Euro appreciation scenario, assuming a stronger euro relative to the baseline. This scenario reflects the potential for a further reassessment of the dollar amid elevated global uncertainty and a global realignment of capital flows. Moreover, the Euro could be further boosted by higher defence and infrastructural spending. An appreciation of the euro would dampen exports, while lowering imported inflation.
8. Lower labour supply, where a sharper slowdown in inward migration leads to subdued employment expansion and weaker domestic demand.
9. Escalating trade tensions, assuming that tariff measures lead to significantly weaker external demand and supply chain disruptions result in high industrial prices and import costs. The increased friction in global trade would further dampen goods exports, while also weighing down on investment activity and confidence.
10. Lower commodity and world prices, reflecting the risk that the demand shock from trade restrictions outweigh any inflationary impact from supply chain disruptions, leading to lower imported inflation. Re-routing of exports from countries with overcapacity could also lead to downward price pressures, although this would affect export competitiveness in related sectors.

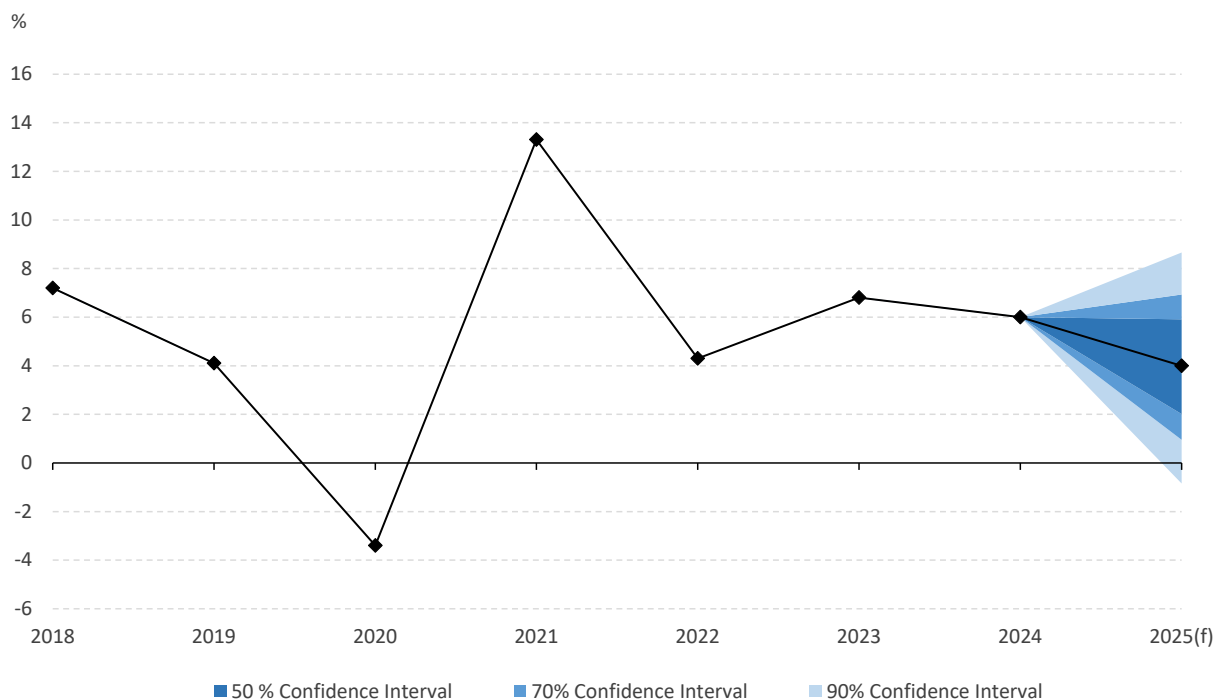
These represent scenarios that are plausible alternatives to the baseline projections. While economic judgement influences the choice of these scenarios, this judgement is also underpinned by the constant monitoring of prevailing economic conditions and is supported by various meetings with stakeholders and regulators operating within the Maltese economy.

Uncertainty and the Balance of Risks Underlying the Macroeconomic Projections

The uncertainty surrounding the macroeconomic projections is based on the past forecast error variance of GDP. The alternative model scenarios documented above are used to assess the balance of risks based on the Pearson skewness indicator. This indicator shows that there are downside risks for 2025. Considering the most adverse scenario, real GDP growth could turn out 1.1 percentage points lower than the baseline,

Chart 3

Fan Chart with GDP Growth Forecasts



Source

National Statistics Office, Ministry for Finance

while growth could turn out higher by 0.7 percentage points in the most optimistic scenario. Chart 3 represents the uncertainty and the balance of risks surrounding the macroeconomic forecasts presented in this Annual Progress Report.

Alternative Model Forecasts

The EPD developed seven alternative forecasting models, which encompass model-free statistical forecasts (two Holt-Winters Seasonal Smoothing Methods), model-based univariate forecasts (two ARIMA models) and model-based multivariate forecasts (three VAR models, with exogenous and supply-side variables). Another VAR that includes uncertainty indicators was also implemented during this forecast round. These models assist the Department in benchmarking the results derived from the main macro-econometric model.



For 2025, the simple average of all models provides an estimate of 3.8 per cent for real GDP growth. This is marginally below the baseline GDP forecast. However, this reflects the subdued output from the exponential smoothing models which give significant weight to most recent observations. Indeed, the average of the VAR models suggest a higher growth rate of 4.4 per cent. Therefore, the baseline GDP forecasts is well-anchored within the range provided by the suite of alternative models.



Appendix Table 1a Macroeconomic Prospects

Percentages unless otherwise indicated	ESA Code	Level 2023 ⁽¹⁾	Rate of Change			
			2022	2023	2024	2025 ⁽²⁾
1. Real GDP	B.1g	18.1	4.3	6.8	6.0	4.0
2. Nominal GDP	B.1g	20.5	9.6	12.4	9.4	6.7
Components of real GDP						
3. Private consumption expenditure ⁽³⁾	P.3	8.5	11.1	12.2	5.7	4.7
4. Government consumption expenditure	P.3	3.1	0.1	3.1	7.3	6.5
5. Gross fixed capital formation	P.51	3.3	9.8	-17.0	2.4	2.5
6. Changes in inventories and net acquisition of valuables (% of GDP)	P.52+P.53		1.0	0.9	0.9	0.8
7. Exports of goods and services	P.6	23.4	13.7	5.6	5.3	3.4
8. Imports of goods and services	P.7	20.3	18.4	2.0	4.7	3.6
Contribution to real GDP growth⁽⁴⁾						
9. Final domestic demand		14.9	6.8	1.8	4.4	3.7
10. Change in inventories and net acquisition of valuables	P.52+P.53		-0.1	0.0	0.0	0.0
11. External balance of goods and services	B.11	3.1	-2.5	5.0	1.6	0.3

⁽¹⁾ € billions

⁽²⁾ Projections for 2025

⁽³⁾ Includes NPISH final consumption expenditure

⁽⁴⁾ Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate real GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components.

Appendix Table 1b Price Developments

Percentages unless otherwise indicated	Level 2023 ⁽¹⁾	Percentage change over previous period			
		2022	2023	2024	2025 ⁽²⁾
1. GDP deflator	125.6	5.1	5.3	3.2	2.6
2. Private consumption deflator	120.0	5.3	6.3	3.2	2.2
3. HICP	120.0	6.1	5.6	2.4	2.3
4. Public consumption deflator	120.6	3.6	4.8	4.8	4.8
5. Investment deflator	130.6	5.3	6.0	1.2	1.5
6. Export price deflator (goods and services)	119.4	4.3	3.3	2.9	2.4
7. Import price deflator (goods and services)	116.2	4.2	3.4	2.8	2.4

⁽¹⁾ Index (base = 2015)

⁽²⁾ Projections for 2025



Appendix Table 1c Labour Market Developments

Percentages unless otherwise indicated	ESA Code	Level 2023	Rate of Change			
			2022	2023	2024	2025 ⁽¹⁾
1. Employment, persons ² (Thousand Persons)		308.1	4.9	6.8	5.1	4.0
2. Average Annual Hours Worked ²		1,847.8	0.3	0.1	-1.6	0.0
3. Unemployment rate (Harmonised definition, Thousands)		10.9	3.5	3.5	3.1	3.0
4. Labour Productivity, persons (Real GDP per person employed)		58,827.9	-0.6	0.0	0.8	0.0
5. Labour Productivity, hours worked (Real GDP per hour worked)		31.8	-0.9	-0.1	2.4	0.0
6. Compensation of employees (€ billion)	D1	8.4	10.2	9.7	11.4	9.2
7. Compensation per employee (€)		31,573.9	5.0	2.3	5.9	5.0

⁽¹⁾ Projections for 2025

⁽²⁾ National Accounts Definition, Domestic Concept

Appendix Table 1d Potential GDP and Components

	Percentage change over previous period			
	2022	2023	2024	2025 ⁽¹⁾
Potential GDP	4.7	6.1	5.9	4.3
Contribution to potential growth				
Labour	1.1	3.9	3.9	2.3
Capital	2.3	1.2	1.2	1.3
Total factor productivity	1.3	1.1	0.8	0.7
Output Gap ²	-0.9	-0.3	-0.2	-0.5

⁽¹⁾ Projections for 2025

⁽²⁾ Output Gap as a percentage of Potential GDP



Appendix Table 1e
External Assumptions

Percentages unless otherwise indicated		2022	2023	2024	2025 ⁽¹⁾
Short-term interest rate (annual average)	ECB	0.5	3.8	4.1	2.4
Long-term interest rate (annual average)	ECB	2.4	3.7	3.4	3.3
€/USD exchange rate (annual average)	ECB, Consensus Economics (March 2025)	1.048	1.085	1.078	1.066
€/STG exchange rate (annual average)	ECB, Consensus Economics (March 2025)	0.869	0.868	0.842	0.836
Real GDP Growth of main trading partners (% change)	Eurostat, Consensus Economics (March 2025)	1.4	0.5	1.0	1.0
World Industrial Prices (% change)	Eurostat, Consensus Economics (March 2025)	26.0	-1.3	-2.7	2.1
Oil prices (Brent, USD/barrel)	US Energy Information Administration (EIA), Consensus Economics (March 2025)	100.8	82.5	80.5	74.2

⁽¹⁾ Assumption for 2025



Chapter 3

Budgetary Developments

In this section of the Annual Progress Report (APR), the main budgetary developments for 2024 will be presented as well as the Government fiscal forecast for 2025. Furthermore, this chapter will go through developments associated with the actual net expenditure path. The main aim is to assess these developments with the targets set out in the Medium-Term Fiscal Structural Plan (MTFSP). The APR also outlines the fiscal measures that have been implemented or are currently underway.

3.1 The Net Expenditure Path

Under the reformed European Union (EU) economic governance framework, the net nationally financed primary expenditure serves as a single operational indicator in determining Member States' fiscal trajectory and for monitoring the appropriate fiscal surveillance. In the MTFSP, a country-specific net expenditure path is established and is anchored in the Commission's debt sustainability analysis, informed by individual macroeconomic and fiscal risk assessments.

Net expenditure growth is expected to normalise in 2025, with a slight contraction of 0.1 per cent, bringing Malta's trajectory back in line with the MTFSP path.

Despite the temporary increase in expenditure, the debt-to-Gross Domestic Product (GDP) ratio has continued its downward trend, remaining comfortably below the 60.0 per cent reference threshold. The fiscal deficit also outperformed projections, underpinned by strong revenue growth and a robust economic backdrop.

This report draws on updated macroeconomic data and forecasts, which indicate an overall stronger fiscal performance than projected in the MTFSP for Malta 2025–2028 as revenue outturn data has surpassed expectations. The net primary expenditure growth is estimated to have reached 14.3 per cent in 2024, exceeding both the Commission's reference trajectory and the MTFSP's 7.4 per cent target for the 2024 base year. Net nationally financed primary expenditure is estimated at €8,169.4 million, representing a €622.0 million increase compared to the projection in the MTFSP.



Growth in net nationally financed primary expenditure in 2024 exceeded the target set in the MTFSP primarily due to several exceptional capital transfers which are not expected to repeat themselves in subsequent years. These included exceptional support to public enterprises for infrastructure projects which were not envisaged in the original MTFSP forecast or the budgetary commitments presented in Autumn 2023 and 2024. Notably, a capital injection of €156 million was provided to KM Malta Airlines for the acquisition of three aircrafts from Malta Air Travel Ltd, a Government-owned company was treated as a capital transfer rather than a financial transaction with a deficit neutral impact as originally envisaged in earlier plans. Additionally, €88.5 million was transferred to the legacy Air Malta operation to support its wind-down process. Exceptional transfers were also directed towards energy and infrastructure projects, including €115 million to cover future energy infrastructure works, €65.9 million for the further development of industrial parks and related facilities around Malta and Gozo, as well as €24 million to the Water Services Corporation. These extraordinary support measures which were not originally envisaged as capital transfers in the budgetary plans, account for 6.6 per cent of net nationally financed primary expenditure growth in 2024 and explain the bulk of the deviation from the net expenditure growth targets as presented in the MTFSP.

Grants aimed at promoting the electrification of transport, particularly for the purchase of electric vehicles, amounted to €51.7 million — of which €29.7 million was funded under the Recovery and Resilience Facility (RRF), while €22 million were financed from the national budget. Moreover, the settlement of arrears arising from the educators' collective agreement, are estimated at €35 million.

These non-recurring outlays, while supportive of long-term strategic objectives, lifted the net expenditure figure for 2024 above its MTFSP trajectory. In addition, expenditure on EU-funded programmes (including co-financing) also fell short of expectations, amounting to €169.6 million compared to the €408.4 million estimated in Autumn 2024.

Given the exceptional increase in the net expenditure indicator during the base year due to these extraordinary expenditure items, net expenditure growth is expected to normalise in 2025, with a slight contraction of -0.1 per cent. This would mean that Malta is expected to remain in line with the average net expenditure path as established within the MTFSP.

Nevertheless, the debt-to-GDP ratio has continued to decline, remaining well below the 60.0 per cent reference threshold, and the fiscal deficit improved relative to earlier projections. This comes at the back of strong revenue performance and strong economic growth.



3.2 Outturn Budgetary Developments

Outturn government statistics data for 2024 indicates that the Government reported a deficit of 3.7 per cent of GDP, an improvement of 0.3 percentage points compared to the MTFSP target and 1.0 percentage point lower than the 2023 deficit of 4.7 per cent. This improvement in the deficit figure relative to the MTFSP target, is mainly attributed to a stronger-than-anticipated increase in revenue, which outpaced the extraordinary rise in expenditure as explained earlier. It is worth noting that this increase in revenue was primarily driven by higher collections from current taxes on income and wealth, due to exceptional circumstances which increased income tax payments related to international corporations. This was also complemented by stronger tax collection efficiency brought about by reforms within Malta's tax administration.

In 2024, the increase in expenditure is mainly due to various exceptional capital transfers partially attributed to the capital injection in the newly created airline company and an increase in compensation of employees which reflects the new sectoral agreements. The former includes the financing of an aircraft acquisition, and the latter includes the settlement of arrears in relation to the education sectoral agreement. As indicated earlier, positive discretionary measures in 2024 included the enhanced tax collection efficiency and the increased revenue from the national citizenship investment scheme. Expenditure on the other hand declined due to lower subsidies paid in relation to energy support measures. Nevertheless, major exceptional outlays in 2024 included restructuring assistance and capital transfers to the national airline which increased expenditure substantially.

Malta's debt-to-GDP ratio in 2024 decreased to 47.4 per cent, 1.8 percentage points below the MTFSP forecast, and 0.3 percentage points lower than in 2023. This positions Malta well below the 60.0 per cent Treaty threshold, indicating that the overall debt level remains sustainable. Nevertheless, this does not diminish the need for prudent fiscal management and continued efforts to preserve long-term debt sustainability.

3.3 Projected Budgetary Developments in 2025

In line with projected trends in overall Government revenue and expenditure, the budget deficit is anticipated to narrow to 3.3 per cent of GDP in 2025. The Government remains firmly committed to a gradual and sustainable path of fiscal consolidation, underpinned by strategic investments and structural reforms aimed at fostering long-term economic



growth. The 2025 deficit estimate reflects an improvement of 0.5 percentage points relative to the MTFSP target, and a 0.4 percentage points reduction compared to the 2024 deficit. Furthermore, the structural effort is expected to reach 0.5 percentage points in 2025, thus Malta would remain in line with the MTFSP's deficit reduction trajectory.

In 2025, revenue is projected to decline by 1.4 percentage points of GDP, mainly due to a normalisation of current taxes on income, which are expected to fall from 15.1 per cent in 2024 to 13.9 per cent. This also reflects the anticipated impact of income tax reform measures. Additionally, proceeds from the citizenship by investment scheme are expected to decrease, while exceptional revenue recorded in 2024 is not projected to recur. Although there may be upside risks to these revenue projections linked to ongoing developments in international corporate taxation, a cautious approach has been adopted in the current projections. On the expenditure side, most components are expected to remain broadly stable as a share of GDP. The main exception is capital transfers, which are projected to decline notably in 2025, reflecting the normalisation of the exceptional outlays recorded in 2024. Furthermore, a further slight reduction in energy-related subsidies is anticipated.

Malta's debt-to-GDP ratio is expected to increase to 48.4 per cent in 2025, 1.4 percentage points below the MTFSP forecast of 49.8 per cent in the corresponding year, and 1.0 percentage point higher than in 2024. This is underlined by more conservative growth projections and a positive stock-flow adjustment in 2025, mainly on account of positive ESA adjustments. This still positions Malta well below the 60.0 per cent Treaty threshold, indicating that the overall debt level remains sustainable in accordance with the Commission's Debt Sustainability Analysis (DSA).

The cornerstone of the fiscal strategy is the containment of net nationally financed primary expenditure growth, in line with the revised Stability and Growth Pact. Specifically, expenditure growth will be limited to a pace consistent with reducing the primary structural deficit by an average of 0.5 percentage points annually. While outturn data for 2024 indicates that net expenditure exceeded the target set within the MTFSP, this was largely due to exceptional, non-recurring items. Going forward, the Government remains committed to adhering to the net expenditure trajectory, targeting a growth rate of -0.1 per cent in 2025. This approach aligns with Country-Specific Recommendation CSR2024.1.1 and aims to ensure compliance with the requirements for debt sustainability and respect of the applicable safeguards.



Table 1a
Fiscal commitments

CountryId: MT, grid version type:	Cross-reference	Percentage growth	
		2024	2025
Council recommendation			
1a. Net nationally financed primary expenditure (annual growth rate)		7.4	6.0
2a. Net nationally financed primary expenditure (cumulative growth rate)		7.4	13.8
Outturn / projection			
1b. Net nationally financed primary expenditure (annual growth rate)	APR Table 4, line 30	14.3	-0.1
2b. Net nationally financed primary expenditure (cumulative growth rate)		14.3	14.2

Table 1b
Main variables

CountryId: MT, grid version type:	Cross-reference	% GDP		
		2023	2024	2025
1. Net lending/borrowing	APR Table 4, line 31	-4.7	-3.7	-3.3
2. Structural balance	APR Table 4, line 33	-4.6	-3.6	-3.1
3. Structural primary balance	APR Table 4, line 34	-3.6	-2.4	-1.8
4. Gross debt	APR Table 4, line 35	47.9	47.4	48.4
5. Change in gross debt	APR Table 4, line 36	-1.7	-0.5	1.0



Table 4
Budgetary projections

CountryId: MT, grid version type:	ESA Code	2023	% GDP			
		Levels mn NAC	2023	2024	2025	
Revenue						
1. Taxes on production and imports	D.2	1,939.0	9.4	9.4	9.2	
2. Current taxes on income, wealth, etc	D.5	2,514.0	12.2	15.1	13.9	
3. Social contributions	D.61	1,067.7	5.2	5.2	5.2	
4. Other current revenue	(P.11+P.12+P.131) + D.39 + D.4 + D.7	802.3	3.9	4.0	3.4	
5. Capital taxes	D.91	34.9	0.2	0.2	0.2	
6. Other capital revenue	D.92+D.99	210.3	1.0	0.8	1.1	
7. Total revenue (= 1+2+3+4+5+6)	TR	6,568.2	32.0	34.6	33.0	
8. Of which: Transfers from the EU (accrued revenue, not cash)	D.7EU+D.9EU	173.6	0.8	0.6	1.2	
9. Total revenue other than transfers from the EU (= 7-8)		6,394.6	31.2	34.0	31.7	
10. p.m. Revenue measures (increments, excluding EU funded measures)		59.6	0.3	0.3	-0.8	
10b. p.m. Revenue reductions funded by transfers from the EU (levels)		0.0	0.0	0.0	0.0	
11. p.m. One-off revenue included in the projections (levels, excluding EU funded measures)		7.5	0.0	0.0	0.0	
Expenditure						
12. Compensation of employees	D.1	1,944.0	9.5	9.9	9.9	
13. Intermediate consumption	P.2	1,487.3	7.2	7.6	8.1	
14. Interest expenditure	D.41	216.1	1.1	1.2	1.3	
15. Social benefits other than social transfers in kind	D.62	1,437.0	7.0	7.2	7.3	
16. Social transfers in kind via market producers	D.632	217.4	1.1	0.9	0.8	
17. Subsidies	D.3	737.8	3.6	2.5	2.3	
18. Other current expenditure	D.29 + (D.4-D.41) + D.5 + D.7 + D.8	431.0	2.1	2.7	2.3	
19. Gross fixed capital formation	P.51	731.7	3.6	3.3	3.8	
20. Of which: Nationally financed public investment		662.1	3.2	2.9	3.6	
21. Capital transfers	D.9	331.2	1.6	3.0	0.6	
22. Other capital expenditure	P.52+P.53+NP	6.3	0.0	0.1	-0.0	
23. Total expenditure (= 12+13+14+15+16+17+18+19+21+22)	TE	7,539.8	36.7	38.3	36.2	
24. Of which: Expenditure funded by transfers from the EU (= 8-10b)		173.6	0.8	0.6	1.2	
25. Nationally financed expenditure (23-24)		7,366.2	35.9	37.7	35.0	
26. p.m. National co-financing of programmes funded by the Union		53.8	0.3	0.2	0.4	
27. p.m. Cyclical component of unemployment benefits		0.0	0.0	0.0	-0.0	
28. p.m. One-off expenditure included in the projections (levels, excluding EU funded measures)		0.0	0.0	0.0	0.0	
29. Net nationally financed primary expenditure (before revenue measures) (= 25-26-27-28-14)		7,096.3	34.6	36.4	33.2	
Net nationally financed primary expenditure				growth rate	growth rate	
30. Net nationally financed primary expenditure growth				14.3	-0.1	
Balances						
31. Net lending/borrowing (= 7-23)	B.9	-971.6	-4.7	-3.7	-3.3	
32. Primary balance (= 31+14)	B.9-D.41p	-755.5	-3.7	-2.5	-2.0	
Cyclical adjustment						
33. Structural balance			-4.6	-3.6	-3.1	
34. Structural primary balance			-3.6	-2.4	-1.8	
Debt						
35. Gross debt		9,830.7	47.9	47.4	48.4	
36. Change in gross debt		778.4	-1.7	-0.5	1.0	
37. Contributions to changes in gross debt						
38. Primary balance (= minus 32)			3.7	2.5	2.0	
39. Snowball effect			-4.4	-2.9	-1.7	
40. Interest expenditure (= minus 14)			1.1	1.2	1.3	
41. Growth			-3.2	-2.7	-1.8	
42. Inflation			-2.3	-1.4	-1.2	
43. Stock-flow adjustment (= 36-38-39)			-1.0	-0.1	0.7	
			%	%	%	
44. p.m. Implicit interest rate on debt (= 14 / DEBT(t-1))			2.4	2.7	3.0	
Defence expenditure			growth rate	growth rate	growth rate	
45. Total defence expenditure	COFOG 2	88.4	6.1			
46. Defence investment	COFOG 2, P.51g	11	13.4			



Table 5
Estimated impact of discretionary revenue measures

Title/description measure	One-off	Exp / Rev	Sub-sector	ESA Code	% GDP		
					2023	2024	2025
1 The use of digital tools and data-led intelligence to enhance the efficiency and effectiveness of tax collection	No	Rev	S13	D211	-0.01	0.11	-0.01
2 Reduced tax on the transfer of immovable property payable by buyers	No	Rev	S13	D5	0.21	-0.03	0.01
3 Revenue from Citizenship by Investment Scheme	No	Rev	S13	D5	0.14	0.30	-0.18
4 Comprehensive review of Malta's tax system, including structure and rates	No	Rev	S13	D5	0.00	0.00	-0.54
5 Reduced tax on the transfer of immovable property payable by sellers			S13	D5	0.21	-0.03	0.01
6 Other revenue measures	No	Rev	S13		-0.21	-0.03	-0.04
7 COVID expenditure	No	Exp	S13	P2	0.17	0.05	0.02
8 Energy support measures	No	Exp	S13	D319	0.41	0.51	0.10
9 Commodity price and supply security measures	No	Exp	S13	D319	-0.04	0.03	0.03
10 Free public transport	No	Exp	S13	D319	-0.12	-0.00	0.02
11 National Airline Restructuring Assistance and early retirement schemes	No	Exp	S13	D39	0.14	0.65	-0.05
12 Sustainable Enterprises scheme	No	Exp	S13	D39	0.64	0.00	0.00
13 Extension of the school transport network	No	Exp	S13	D6	-0.03	0.04	0.04
14 Extended COLA mechanism	No	Exp	S13	D6	-0.02	-0.09	-0.02
15 Social Support Measures	No	Exp	S13	D6	-0.22	0.03	0.06
16 Past Anomalies Schemes	No	Exp	S13	D6	-0.05	0.00	0.00
17 Economic Stimulus	No	Exp	S13	D7	0.26	0.00	0.00
18 Capital Transfer to KM Malta Airlines and Air Malta	No	Exp	S13	D9	0.00	-1.17	1.17
19 Other expenditure measures	No	Exp	S13		0.14	-0.02	-0.30
TOTAL					1.62	0.36	0.32



Table 6
RRF grants

CountryId: PT, grid version type:	% GDP					
	2020	2021	2022	2023	2024	2025
Revenue from RRF grants						
1 RRF grants as included in the revenue projections		0.2	0.0	0.3	0.3	0.2
2 Cash disbursements of RRF grants from EU		0.2	0.0	0.3	0.3	0.2
Expenditure financed by RRF grants						
3 Total current expenditure	0.0	0.0	0.0	0.0	0.0	0.0
4 Gross fixed capital formation	0.0	0.0	0.1	0.1	0.1	0.1
5 Other capital expenditure	0.0	0.0	0.0	0.0	0.1	0.1
6 Total capital expenditure (= 4+5)	0.0	0.0	0.1	0.2	0.2	0.2
Other costs financed by RRF grants						
7 Reduction in tax revenue	0.0	0.0	0.0	0.0	0.0	0.0
8 Other costs with impact on revenue	0.0	0.0	0.0	0.0	0.0	0.0
9 Financial transactions	0.0	0.0	0.0	0.0	0.0	0.0

Table 7
RRF loans

CountryId: MT, grid version type:	% GDP					
	2020	2021	2022	2023	2024	2025
Revenue from RRF loans						
1 Disbursements of RRF loans from EU		0.0	0.0	0.0	0.0	0.0
2 Repayment of RRF loans to EU		0.0	0.0	0.0	0.0	0.0
Expenditure financed by RRF loans						
3 Total current expenditure	0.0	0.0	0.0	0.0	0.0	0.0
4 Gross fixed capital formation	0.0	0.0	0.0	0.0	0.0	0.0
5 Other capital expenditure	0.0	0.0	0.0	0.0	0.0	0.0
6 Total capital expenditure (4+5)	0.0	0.0	0.0	0.0	0.0	0.0
Other costs financed by RRF loans						
7 Reduction in tax revenue	0.0	0.0	0.0	0.0	0.0	0.0
8 Other costs with impact on revenue	0.0	0.0	0.0	0.0	0.0	0.0
9 Financial transactions	0.0	0.0	0.0	0.0	0.0	0.0



Chapter 4

Distributional Impact of Selected 2025 Budget Measures

This section analyses how selected policy measures announced in the 2025 Budget affect the income distribution and poverty levels of households¹. The measures under review include the income tax reform and the additional Cost-of-Living Adjustment (COLA) mechanism. To assess their impact, simulations were conducted using EUROMOD². The analysis compares two scenarios: a baseline scenario, reflecting the 2024 tax and benefit system, and a reform scenario, incorporating the proposed 2025 measures. The difference between these scenarios quantifies the effect of each policy change.

EUROMOD is a static model; therefore, the results depict the impact of the reform measures under the assumption that all other factors remain constant³.

The poverty rate calculations are based on a fixed 60.0 per cent poverty threshold, set at €11,916.

¹ The measures are selected based on what can be modelled within EUROMOD using the EU-SILC micro-data. For further detail on what is modelled in EUROMOD, see the latest [Country Report](#).

² EUROMOD is a tax-benefit microsimulation model for the EU that enables researchers and policy analysts to calculate, in a comparable manner, the effect of taxes and benefits on household incomes and work incentives for the population of each country and for the EU.

³ These simulations are based on the 2024 tax and benefit system of Malta using EUROMOD version J1.0+ and the 2023 EU-SILC microdata.



Table 1
Distributional Impact of Two Policy Reforms

	Income Tax Reform	Additional COLA Mechanism
Poverty rate of Total Population	-0.13pp	-0.36pp
Poverty rates by Household Type		
One adult < 65, no children	-0.78pp	-0.41pp
One adult >= 65, no children	0.00pp	-2.04pp
One adult with children	0.00pp	0.00pp
Two adults < 65, no children	-0.20pp	-0.19pp
Two adults, at least one >= 65, no children	0.00pp	-1.64pp
Two adults with one child	0.00pp	0.00pp
Two adults with two children	-0.28pp	-0.41pp
Two adults with three or more children	0.00pp	0.00pp
Three or more adults, no children	-0.04pp	-0.01pp
Three or more adults with children	0.00pp	0.00pp
Income Inequality - Gini Coefficient	0.000	-0.002

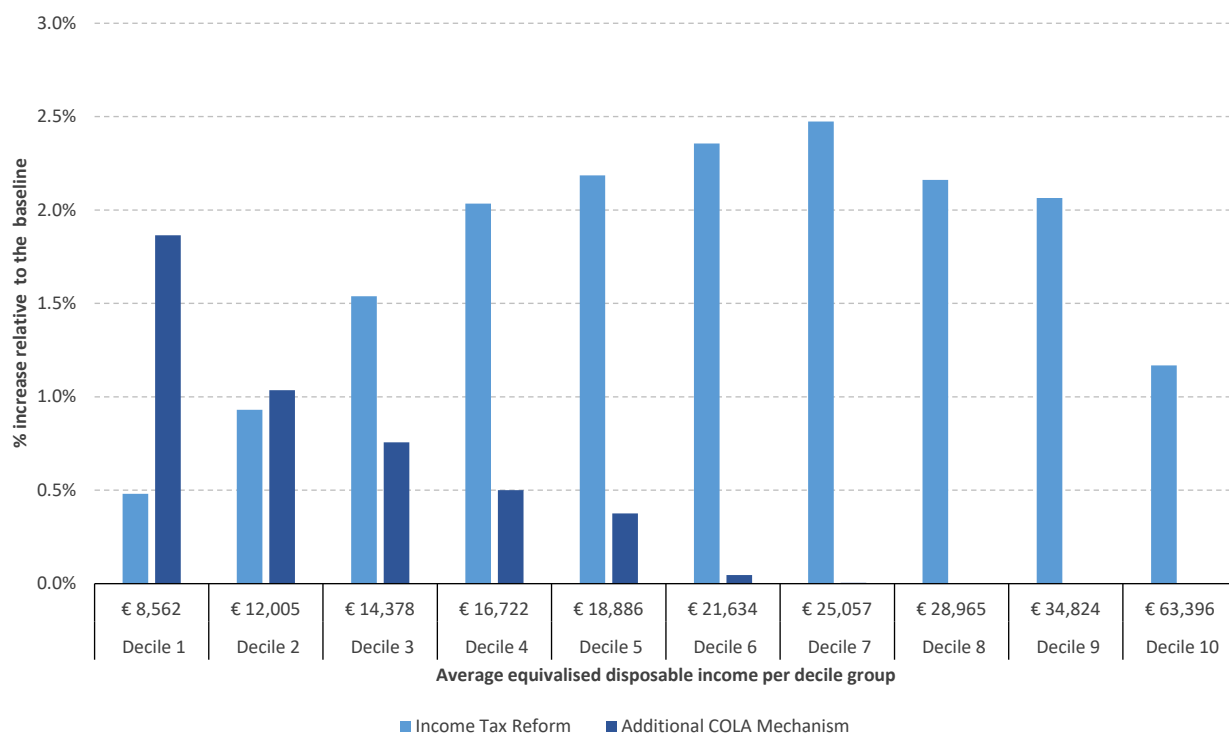
Source
Economic Policy Department

Income Tax Reform

In the 2025 Budget, the Government announced a significant reform to the personal income tax system, aiming to reduce the tax burden on individuals. This reform involves widening the income tax brackets across all three tax computations: Single, Married, and Parent. The new income tax brackets are shown in Table 2. The tax-free threshold adjustment will benefit taxpayers through reduced tax liabilities. Depending on their applicable tax computation, individuals will experience varying levels of relief. Those under the Parent computation, around 17.0 per cent of taxpayers, will benefit from a reduction in tax of between €375 and €650 annually. Similarly, individuals under the Married computation, approximately 14.0 per cent of taxpayers, will benefit from a reduction ranging from €345 to €645 per year. Whilst the majority of taxpayers, around

Chart 1

Distributional Impact of Two Policy Measures based on Equivalised Disposable Income



Source

Economic Policy Department

70.0 per cent, falling under the Single computation will receive tax reductions between €435 and €675 annually.

The main objective of the reform is to increase disposable income by reducing the tax burden, particularly for individuals in lower and middle-income brackets. The reform follows a progressive structure, with the widening of income tax brackets being more substantial for lower-income groups and gradually decreasing as income levels rise.

The change in income tax brackets is expected to reduce the overall at-risk-of-poverty rate by approximately 0.13 percentage points, as shown in Table 1. This reduction is primarily driven by lower poverty rates among single-person households and families with children, as reflected in the breakdown of poverty rates by household type. Furthermore, as expected, this reform primarily benefits individuals in employment,



Table 2
2025 Income Tax Brackets

Computation					
Single		Married		Parent	
Income Category	Rate	Income Category	Rate	Income Category	Rate
0 – 12,000	0.0%	0 – 15,000	0.0%	0 – 13,000	0.0%
12,001 – 16,000	15.0%	15,001 – 23,000	15.0%	13,001 – 17,500	15.0%
16,001 – 60,000	25.0%	23,001 – 60,000	25.0%	17,501 – 60,000	25.0%
60,001+	35.0%	60,001+	35.0%	60,001+	35.0%

Source
Malta Tax and Customs Administration

with both employees and the self-employed experiencing the largest decline in poverty by 0.16 and 0.21 percentage points, respectively. By age group, the most significant reduction is observed among the working-age population (25-64 years), with a decline of 0.21 percentage points. The reduction in poverty rates is largely attributed to the progressive nature of the reform. By widening the tax brackets, the reform provides greater tax relief to individuals with lower incomes. This approach helps to alleviate the financial burden on those who are most susceptible to poverty.

Additionally, as shown in Chart 1, which illustrates the impact of these reforms on equivalised disposable income by decile, the reforms are expected to lead to income gains across all brackets. However, middle-income groups are likely to experience the most substantial increase in disposable income, with the seventh decile registering a rise of 2.47 per cent.

To assess the impact of the income tax reform on work incentives, the Marginal Tax Rate (MTR) was examined, which represents the proportion of an additional euro of earnings that is taxed as income increases. The results, presented in Table 3, show that the MTR for the working-age population (18-64 years) decreases from 29.54 per cent in the baseline to 27.30 per cent following the income tax reform, signalling a reduction in the overall tax burden and a positive effect on work incentives, thus encouraging labour participation. The reform's impact on the MTR is progressive across income quantiles within the working-age population. The lowest income group experiences a significant



Table 3
Marginal Tax Rate (MTR)⁴

	Baseline	Income Tax Reform	Difference between Scenarios
MTR for Working Age Population	29.54%	27.30%	-2.24pp
MTR by Income Quantile of the Working Age Population:			
Quantile 1 - €10,628	30.05%	24.62%	-5.43pp
Quantile 2 - €15,677	32.19%	27.86%	-4.33pp
Quantile 3 - €20,312	30.34%	27.35%	-2.99pp
Quantile 4 - €27,072	27.95%	26.78%	-1.17pp
Quantile 5 - €48,509	28.62%	28.32%	-0.30pp

Source

Economic Policy Department

reduction from 30.05 per cent to 24.62 per cent, while the second quantile sees a decrease from 32.19 per cent to 27.86 per cent. As income rises, the reduction in MTR becomes less pronounced. This suggests that the reform primarily benefits lower- and middle-income individuals, leading to more substantial improvements in work incentives for these groups.

⁴ The Marginal Tax Rate (MTR) represents the proportion of an additional euro of earnings that is taxed. It is calculated as the ratio of the change in taxes paid to the change in income, after accounting for transfers and other relevant policies. For this analysis, a 3.0 per cent increase in earnings for both the baseline and the income tax reform scenario was assumed, in line with EUROMOD's default assumption for METR calculations. The results are obtained using the EUROMOD MTR Add-on. Further information is available in the document [MTR_add-on_note_J1.0+.pdf](#).

Additional COLA Mechanism

First introduced in the 2023 Budget, the additional COLA mechanism is a benefit designed to support vulnerable families. This mechanism was developed to compensate low-income families for the recent increase in the cost of living due to high inflation. It is triggered when the following two circumstances occur simultaneously:

- The inflation rate in the previous 12 months exceeds 2.0 per cent.
- Individual inflation in the previous 12 months in three of the five basic RPI components - Food; Accommodation; Electricity, Water, Gas and Fuel; Household equipment and household maintenance cost; and Personal health care - exceeds 2.0 per cent.

If both criteria are met, the mechanism is triggered, and households earning less than the household median equivalised income, set at €18,155 for 2025, will qualify for the benefit. The benefit rate is based on the disparity between the inflation rates experienced by low-income household and the average household. The most affected households will receive the highest allowance, as the mechanism ensures that the pay-out is highest among families with more persons living in the same household and those households with the lowest equivalised income. The benefit can vary between €100 and €1,500 per household. This initiative, with a budget of approximately €48 million, is set to assist approximately 99,000 families.

The 2025 mechanism is expected to reduce the at-risk-of-poverty rate by 0.36 percentage points compared to the baseline, which includes the 2024 mechanism (Table 1). The most substantial declines in poverty are observed among households with individuals aged 65 and older, as elderly individuals often face fixed or lower incomes that are less responsive to rising living costs. This mechanism helps to buffer these households from the effects of inflation, especially for single elderly individuals and two-adult households where at least one member is 65 or older. While the mechanism also improves outcomes for families with children, the elderly are seen to be the primary beneficiaries due to their vulnerability to cost-of-living increases.

Additionally, Chart 1 highlights a substantial increase in equivalised disposable income among the lowest deciles, demonstrating the targeted nature of this measure. The largest increase is recorded in the first decile, with a rise of 1.86 per cent, followed by the second decile (1.04 per cent) and the third decile (0.76 per cent). This outcome is further reinforced by an improvement in the Gini coefficient, confirming the mechanism's effectiveness in reducing income inequality.



Chapter 5

Implementation of Reforms and Investments

The implementation of Malta's reforms and investments outlined in the Medium-Term Fiscal-Structural Plan (MTFSP) contributes to sustainable economic growth, digital transition, research and innovation, social protection, environmental sustainability, and financial and institutional resilience. Key initiatives also focus on improving high-quality infrastructure, education, employment, governance, and justice.

This Section provides an update on the implementation of these initiatives since the submission of the MTFSP in September 2024, as well as the last National Reform Programme (NRP) submitted in April 2024. It presents a structured overview of Malta's ongoing efforts to strengthen economic and social resilience, enhance national competitiveness and deliver on the Country-Specific Recommendations (CSRs), while ensuring alignment with the common priorities of the Union, the objectives of the European Pillar of Social Rights (EPSR) and the Sustainable Development Goals (SDGs). Progress on implementation of reforms and investments included in the MTFSP is reported through Annex 1, while more detailed updates on the implementation on all CSR-related measures is reported on the CeSaR system, an extract of which is included in Annex 2.

The Government is committed to the timely implementation of the initiatives included in the Recovery and Resilience Plan (RRP). Apart from the annual submission of payment requests, highlighting the achievement of a number of milestones and targets, progress continues to be reported biannually through the FENIX reporting system, in line with the reporting requirements. An extract of the latest report is included in Annex 3. To ensure alignment with European Union (EU) cohesion policy, Annex 4 outlines the complementarity of funds and the state of progress in implementing Malta's Partnership Agreement.

The Government remains committed to decarbonisation while ensuring economic and social stability. Investment in energy infrastructure remains central to Malta's decarbonisation strategy, with a focus on diversification and security of supply. Targeted support continues to encourage the uptake of renewable energy and energy-efficient technologies. Annex 5 provides a structured overview of reforms and investments being implemented that address the five dimensions of the Energy Union: Decarbonisation, Energy Efficiency, Energy Security, Internal Energy Market, and Research, Innovation and Competitiveness. In addition, supporting measures that enable the green transition



are also being implemented. These include initiatives aimed at enhancing green skills development, promoting sustainable investment, and strengthening environmental, social, and governance (ESG) frameworks. Furthermore, given the relevance to the EU common priority on the digital transition, Annex 6 includes cross-references to initiatives in Malta's MTFSP to the National Digital Decade Strategic Roadmap, highlighting Malta's strategic approach to digital transformation and its alignment with broader European digital objectives. Additionally, comprehensive annexes provide further detail on policy actions related to the EPSR (Annex 7) and the SDGs (Annex 8).

This Section also provides insight into the stakeholder engagement of key institutional actors, local authorities, social partners, and civil society stakeholders in shaping and implementing reforms. Ministries have collaborated with relevant stakeholders across multiple sectors, including skills and education, sustainable mobility, digital transformation, energy and water infrastructure, and social policy.

5.1 Sustainable Economic Growth

Digital Transition

The Technology Assurance Sandbox (TAS), managed by the Malta Digital Innovation Authority (MDIA), is being expanded to support innovation in public services. As part of the Artificial Intelligence (AI) Strategy, six AI pilot projects were launched in traffic management, education, healthcare, customer service, tourism, and utilities. These advancements contribute to EU priorities for a resilient and secure digital infrastructure, supporting the expansion of e-government services and digital adoption. The TAS expansion aligns with the EU's Digital Decade Strategic Roadmap, fostering innovation in AI and digital infrastructure. AI projects in traffic management, healthcare, and education contribute to SDG 9 (Industry, Innovation, and Infrastructure) by modernising digital public services.

In line with the Digital Decade Strategic Roadmap for 2023-2030, the electronic identification, authentication, and trust services (eIDAS) Regulation resulted in key digitisation reforms, enhancing the Malta Business Registry (MBR) and enabling fully online company registrations and document filings through Qualified Electronic Signatures (QESig). eIDAS reforms enhance secure digital identities, ensuring accessibility in compliance with the EPSR. The MBR's online portal (BAROS) has been upgraded to support paperless submissions for company incorporations, financial statements, and dissolution documents. Furthermore, the MDIA has commenced the implementation of



the EU Digital Identity Wallet Framework, with a task force formed in 2024 to develop the technical specifications for its procurement. These initiatives improve cybersecurity and e-government efficiency, ensuring Malta remains in line with the EU's digital transition goals.

The Ministry for Health and Active Ageing (MHA) is modernising Malta's Public National Health System through the introduction of an Electronic Medical Record (EMR) system, in accordance with the National Health Systems Strategy 2023-2030 and in line with the Digital Decade Strategic Roadmap. This system will empower patients by granting access to their personal health records, improve healthcare delivery with real-time patient data, and facilitate the cross-border exchange of health information. The tender is currently under development, with the aim of transitioning to a paperless clinical documentation system. This project bolsters digital healthcare infrastructure, ensuring technologically advanced and resilient services and contributes to SDG 3 (Good Health and Well-Being).

Research and Innovation

The National Research and Innovation (R&I) Strategic Plan 2023-2027 is being implemented to reform Malta's R&I ecosystem and integrate innovation and research more deeply into the economy. This Plan aligns with the Horizon Europe objectives, reinforcing Malta's research capacity and competitiveness, and EU Cohesion Policy funds are leveraged to integrate research into economic resilience strategies. Collectively, these investments contribute to SDG 8 (Decent Work and Economic Growth) and SDG 9 (Innovation and Infrastructure). Progress has been achieved in implementing key recommendations, while work continues on laying the foundation for future measures. Collaboration with national entities has led to the establishment of a Community of Practice for Research Funding Organisations to improve coordination in research funding. Efforts to integrate R&I within policy planning have been reinforced through strengthened links with Government ministries, including initiatives such as science-meets-policy events and the development of thematic research funding calls. Meanwhile, work is advancing on improving Malta's certification and monitoring system for Gender Equality Plans, with support from the National Commission for the Promotion of Equality and the GENDERACTION+ Project. Xjenza Malta continues to bolster evidence-based policy-making through enhanced policy intelligence efforts, while preparations are ongoing for the first pilot R&I mission in collaboration with the Ministry for Health.

The Government is further investing in R&I through Xjenza Malta, supporting various initiatives such as the Digital Technologies Programme in collaboration with the Malta Digital Innovation Authority. Additionally, funding opportunities are being provided



through the Research Excellence Programme (REP), Technology Development Programme (TDP) Lite, and the Research Networking Scheme. These programmes form part of the FUSION national research funding portfolio, which supports projects at all stages, from early exploration to market-ready solutions, contributing to economic resilience and digital innovation.

In the space sector, Malta is strengthening its role through a five-year agreement with the European Space Agency (ESA) under the Plan for European Cooperating States (PECS). This initiative aims to develop a domestic space sector and aligns with the EU's priorities in this field. Malta signed the ESA PECS Charter in September 2024, with the first 2024 PECS call awarding five tenders to local bidders.

Under the Clean Energy Transition (CET) Partnership, Xjenza Malta has launched three calls for R&I proposals in collaboration with international partners, supporting the objectives of the European Climate Law and the SDGs, particularly SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action). Grant Agreements have been signed with Maltese beneficiaries for two R&I projects. As a member of the Sustainable Blue Economy Partnership (SBEP), Xjenza Malta supports the transition to a sustainable, people-centric blue economy, contributing to SDG 14 (Life Below Water). Two calls for R&I proposals have been launched, with Grant Agreements have been signed for two awarded projects under the first call. Xjenza Malta is also preparing Malta's participation in Horizon Europe Partnerships emerging from its second Strategic Programme, specifically the Resilient Cultural Heritage (RCH) and Brain Health (BH) Partnerships, contributing to SDG 3 (Good Health and Well-Being) and SDG 11 (Sustainable Cities and Communities).

Coverage, Adequacy, and Sustainability of the Social Protection System

The Government is actively addressing pension sustainability and adequacy through the Malta Pension Action Plan 2021-2027. As part of these efforts, the contributory period required for a full pension has increased from 41 to 42 years in 2025 for individuals born after 1976. Additionally, in 2024, the Government enhanced the incentive introduced in 2016 for those who have completed their full contributions and choose to defer their pension beyond the age of 61. Currently, 7,323 pensioners are benefiting from these percentage increases. To further support retirement savings, the 2025 Budget announced the intention to introduce automatic enrolment in private pension schemes with voluntary withdrawal, contributing to financial security and social inclusion, supporting SDG 1 (No Poverty). The Government will also match individual contributions up to €100 per month for public employees, in order to encourage more participation.



Additionally, work is currently ongoing with regards to the 2025 Pensions Strategy Review. This review, which takes place every five years, seeks to ensure the long-term sustainability and adequacy of Malta's pension system.

These measures contribute to both social and economic resilience, aligning with the EPSR by balancing adequate financial security for pensioners and a sustainable pension system.

5.2 High Quality Infrastructure and Investment

Sustaining and Supporting Investment

Tech.mt, through its inMalta and Strategic Partnership Initiatives, promotes Maltese enterprises in key tech sectors such as AI, Cybersecurity, and EdTech. In collaboration with Malta Enterprise, Xjenza Malta, Malta Development Bank, and Tech.mt, businesses receive financial incentives, technical assistance, and funding opportunities to enhance digital transformation and innovation. These efforts support the EU's common priority of a fair and inclusive digital transition and align with Malta's National Digital Decade Strategic Roadmap. Moreover, they contribute to SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation and Infrastructure), while strengthening the social and economic resilience of businesses, in line with the EPSR.

To further sustain and support investment, the Government continues to provide targeted financial assistance to businesses, particularly SMEs and start-ups, designed to sustain and support investment by enhancing business growth, competitiveness, and innovation. These schemes provide financial assistance to SMEs and start-ups, facilitating expansion, diversification, and productivity improvements. Efforts are also underway to streamline and consolidate existing schemes, with additional new initiatives planned for later in 2025. The Business Reports Grant Scheme provides SMEs with non-repayable lump-sum grants to co-finance business reports from external consultants, supporting strategic planning and growth. These measures contribute to promoting entrepreneurship and upskilling in the private sector, reflecting Principles 5 and 7 of the EPSR (secure and adaptable employment, and lifelong learning).

The Malta Financial Services Authority (MFSA) is strengthening its supervisory capabilities to integrate ESG into market monitoring and risk assessment by developing regulatory tools, enhancing transparency, and addressing greenwashing. Through



industry engagement, training, and the integration of ESG requirements into supervisory processes, the MFSA ensures compliance with EU Sustainable Finance legislation. This reinforces investor trust and builds a reliable sustainable finance ecosystem, contributing to the EU's Green Deal objectives and SDG 13 (Climate Action). The Malta ESG Platform continues to promote sustainable investment by providing investors with access to ESG data while encouraging SMEs to identify and measure their ESG parameters. With the digitalisation of the ESG reporting process initiated in 2024, the Government has enhanced the Platform's accessibility and user experience, making it easier for enterprises to register and report their ESG credentials.

The InvestEU Programme has introduced a Financial Instrument to support Maltese SMEs, aiming to create a €60 million portfolio for business growth. In 2024, the European Investment Fund (EIF) selected a Financial Intermediary to provide funding. Currently, €30 million has been allocated from national and ERDF resources, unlocking €60 million in SME financing. In parallel, the Seed Investment Scheme was relaunched in 2024, and remains valid until December 2026. It offers tax credits to Maltese companies investing in startups and is being transferred under Malta Venture Capital (MVC)'s management to strengthen private investment in emerging businesses. Collectively, these measures contribute to the common Union priority for a fair green and digital transition.

Sustainable Transport and Multi-modality

The Government remains committed to adopting sustainable transport measures and reducing traffic bottlenecks, with the goal of tackling congestion and pollution by enhancing road infrastructure, particularly TEN-T roads. Construction works on the Msida Creek project commenced in November 2024 and are on-track. Both the Paceville Junction project (Swieqi-St. Julian's Junction) and the road from Pembroke's entrance to the Swieqi-St. Julian's junction are currently at the application stage, with design preparations ongoing. These projects promote cleaner mobility and reduce emissions.

To promote sustainable urban mobility, the €10 million Vjal Kulhadd scheme is advancing across 14 projects, making streets more pedestrian-friendly. The €35 million Connections for Safer Active Mobility (C-SAM) project is improving cycling and pedestrian infrastructure, with Phase 1 nearing completion, and Phase 2 in progress. These initiatives contribute to SDG 11 (Sustainable Cities and Communities) and SDG 13 (Climate Action).

Additionally, a national strategy promoting cycling as a sustainable transport option is being prepared. In 2024, the Government completed several traffic reorganisation projects, including upgrades at Tal-Barrani, the Qormi-Luqa Junction, Triq l-Imdina



(Qormi), and Kirkop. In parallel, following the success of recent initiatives, efforts to enhance alternative sea transport have continued, with work progressing on a new ferry terminal in Bugibba. These multimodal projects promote sustainable connectivity and address urban mobility challenges, supporting the EPSR, particularly through improved access to essential services and greener living environments.

The Government is extending various schemes to reduce internal combustion engine (ICE) vehicle use. These include incentives for purchasing electric vehicles (EVs) and scrapping old cars, while financial aid for pedelecs and bicycles will also continue in 2025. Tax exemptions for EVs and plug-in hybrids will remain in place, as well as schemes promoting the conversion of petrol or diesel vehicles to LPG and retrofitting of battery electric powertrains. Residential, non-residential, and domestic fixed rates for EV charging, both for peak and off-peak, will also remain available. Furthermore, the Green Mobility Scheme, running until 2026, will further promote EV adoption in business transport and leasing of clean vehicles.

These transport-related investments and reforms are aimed towards supporting the EU's green transition, energy security, and climate adaptation goals, while also contributing to SDG 9 (Industry, Innovation and Infrastructure) through sustainable infrastructure development.

Resilience and Sustainability of the Healthcare System

Primary care is being strengthened with the Government currently in the process of identifying suitable sites for the community clinics planned in Burmarrad and Pembroke, while renovations at the Cospicua, Mosta, and Floriana clinics continue to progress. The Government continues implementing the Health Workforce Strategy for 2030. A bespoke tool for workforce planning including features related to human resources, budgeting, vacancies management and hiring facilitation, has been developed and made available for use. Since the launch of the Health Workforce Strategy, nine sectoral agreements have been signed, covering pharmacists, nurses and midwives, psychologists, and medical physicists. Agreements have also been secured for health carers, technical and industrial staff, and administrative and clerical personnel. Negotiations are ongoing for agreements covering dental and scientific professionals.

Further investments include a €2.5 million upgrade at St. Vincent de Paule Residence, equipping it with advanced medical technology such as CT scanners, MRI machines, Optical Coherence Tomography, and Visual Field Analysers. Several tenders for medical equipment have been awarded, with additional tenders for CT scanners, MRI machines,

and haemodialysis machines currently awaiting adjudication. The Government is also expanding the Formulary List to enhance healthcare accessibility, introducing free medicines and treatments, including the HPV vaccine, multiple sclerosis, diabetes, and osteoporosis medications, specialised nutrition formulas, ART-stimulating medicines, chemotherapy pumps, and an urgent cancer treatment fund.

These measures strengthen the resilience of the healthcare system by reinforcing the health workforce, critical medical products, and primary care while also addressing the common Union priority to enhance social and economic resilience, in line with the EPSR.

5.3 Education and Employment

Skills, Vocational Education, Training and Adult Learning

The Government continues to make steady progress in strengthening skills development, vocational education, and lifelong learning. These efforts are essential in addressing labour market needs, supporting workforce adaptability, and fostering social and economic resilience. The ongoing initiatives align with the EPSR and contribute to the EU's priorities for a fair green and digital transition, thereby supporting also SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth).

A key milestone achieved is the completion of the NEET Census, which provides a comprehensive assessment of young people aged 15-29 who are not in education, employment, or training. This research, tailored specifically to the Maltese context, has delivered valuable insights into the skills gaps and employment barriers faced by NEETs. The findings are being utilised to inform future policies aimed at improving youth employability and targeting support measures more effectively. Another initiative is the Youth Guarantee 3.0, launched in February 2025, with €10 million in funding. This programme enhances activation pathways through personalised support, training, and work placements, ensuring that young people can transition into education or employment.

Progress is also being made through targeted initiatives such as the Investing in Skills scheme, which continues to provide financial support for employers to upskill their workforce in line with evolving labour market needs. Similarly, Jobsplus has secured approval to relaunch the Training for Employment scheme under the 2021-2027 programming period, ensuring that training opportunities remain available to jobseekers.



Furthermore, Jobsplus has expanded its free training courses, and UoM and MCAST continues to offer specialised programmes in sustainability and digital competencies to align education with market demands. These institutions collaborate with industry partners to ensure their programmes meet market demands and enhance employability in green and digital sectors. The Government is also investing in digital and green skills through the Digital Education Strategy 2025-2030, reinforcing its commitment to equipping the workforce with the necessary skills for a sustainable and digital economy, thereby aligning workforce skills with EU Digital Compass priorities.

Building on the ongoing efforts in vocational education and skills development, higher education continues to play a pivotal role in shaping the workforce of the future. The Further Studies Made Affordable Plus (FSMA+) programme, which has provided over €30 million in financial support to nearly 700 students by December 2024, ensures that higher education remains accessible and affordable.

The National Education Strategy 2024-2030 is progressing as planned, with an implementation rate of 18.6 per cent as of the last quarter of 2024. Linked to this, the Early Leaving from Education and Training Strategy has achieved notable milestones, with over 40.0 per cent of its deliverables implemented. The Family-Community-School Link Programme, a key component of this strategy, has already facilitated more than 700 interventions to support students at risk of dropping out, highlighting the Government's commitment to ensuring educational continuity for vulnerable groups. Furthermore, the Reading Recovery Programme continues to address early literacy challenges, with 80.4 per cent of participating students reaching classroom expectations.

Literacy development is another priority, with the implementation of the National Literacy Strategy 2021-2030 supporting multilingual education and reading initiatives. Key measures include book distribution to primary students, development of Maltese audiovisual learning materials, and the enhancement of classroom libraries. New programmes introduced in 2024 focus on creative language use and fostering literacy engagement across different age groups.

Non-discrimination and equal opportunities

The Government continues to strengthen its commitment to non-discrimination and equal opportunities through targeted policies and initiatives, ensuring that individuals from all backgrounds have access to education, social support, and economic inclusion. In 2024, Government also continued to implement the actions outlined in Malta's Gender Equality and Mainstreaming Strategy and Action Plan (GEMSAP) 2022-2027,



which Plan aims to embed gender equality across all areas of policymaking and public service delivery. The efforts outlined below align with the EPSR, reinforcing social and economic resilience while fostering inclusive growth, whilst also contributing to SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities).

The National Lifelong Learning Strategy 2023-2030 remains a key pillar of Malta's efforts to promote equal access to education, with its implementation progressing as planned. By prioritising adult education and upskilling, this strategy ensures that individuals beyond compulsory school age can improve their literacy, numeracy, and digital skills while reducing barriers to employment and lifelong learning. As of December 2024, around 46.0 per cent of the planned deliverables have been completed, demonstrating steady progress toward building a more inclusive workforce.

The Government is also committed to expanding access to skills training for individuals with disabilities and disadvantaged groups, ensuring equal opportunities for all. The 'Way To Work' Programme is being restructured under the 'Skill-Up Unit' to focus on employability skills and independent living training, while the Creating Multipliers to Prepare for Better Employment Uptake of Neurodivergent People project trains officials and employers to support neurodivergent individuals. Ongoing initiatives throughout 2024 have centred on hybrid learning for disadvantaged adults, inclusive education, disability-focused programmes, and IT awareness training. Further details on these projects are available through Aġenzija Sapport, which continues to support students through its participation in the European Solidarity Corps.

Additionally, in January 2025, Aġenzija Sapport formalised its participation in the MASCOT (Development of a sMart And Sustainable inClusive wOrksTation) initiative. This project aims to develop a smart, sustainable, and inclusive manufacturing workstation, tailored to the needs of individuals with disabilities. It integrates assistive technologies, AI, and the Internet of Things (IoT) to enhance workstation adaptability while promoting sustainability by reducing resource consumption. The initiative is being developed within a quadruple helix framework, involving collaboration between academia, industry, the Government, and civil society.

The long-standing partnership between Jobsplus and the Lino Spiteri Foundation continues to promote inclusive employment opportunities for persons with disabilities. This collaboration provides services such as job coaching, job carving, and job crafting, offering tailored support to individuals and employers alike. These efforts help individuals integrate into the workplace by adapting roles to their abilities and fostering inclusive practices, while also guiding employers on relevant schemes and regulatory compliance.



Promoting equal opportunities from an early age remains a key priority for the Government, including on children's rights and well-being, as demonstrated by Malta's Action Plan for a Child Guarantee 2022-2030 and the Children's Policy Framework 2024-2030. The Framework seeks to ensure children's access to quality education, healthcare, and social services. Developed through a participatory process involving feedback from over 200 children and multiple stakeholders, the policy reinforces a rights-based and inclusive approach to children's well-being. Implementation is currently in its early stages, with inter-ministerial collaboration overseeing monitoring and evaluation, to guide future improvements.

Similarly, the Social Plan for Families, launched at the end of 2024, represents another key initiative aimed at addressing social inequalities and strengthening family well-being. The Plan includes measures to enhance financial literacy, problem-solving, and stress management, equipping families with essential skills to navigate challenges effectively. Following extensive public consultation and stakeholder engagement, interministerial discussions are currently ongoing with a view to finalising the implementation plans.

Furthermore, the National Strategy for Poverty Reduction and Social Inclusion 2025-2035 reaffirms Malta's commitment to reducing economic disparities and promoting social inclusion. Launched in February 2025, the strategy is in its early stages of implementation, with ongoing efforts to engage stakeholders and the public to ensure a collaborative and inclusive approach towards poverty reduction.

Collectively, these measures demonstrate the Government's commitment to fostering non-discrimination and equal opportunities. Through continued investment in education, family support, child welfare, and poverty reduction, the Government is working to build a more inclusive and resilient society. These efforts contribute to Malta's long-term social and economic sustainability while aligning with the EU's objectives for a fairer and more equitable future.

5.4 Environment

Renewable Energy and Energy Infrastructure & Networks

Malta has made progress in scaling up renewable energy and enhancing energy infrastructure as part of its green transition. The Government is continuing the schemes which promote solar energy adoption in homes and businesses. Grants for installing



photovoltaic (PV) panels and battery storage – coupled with feed-in tariffs – have been extended, leading to notable uptake. By end of 2024 these schemes supported roughly 12.85 MW of new PV capacity and about 13.74 MWh of battery storage for households, with over €15 million disbursed in support. To encourage further rooftop solar deployment, feed-in tariff allocations (8 MW for small installations) were extended on a yearly basis and are available until 31 December 2025. In parallel, in 2024, Malta also relaunched competitive bidding processes to attract private investment in larger-scale renewables (solar farms and wind projects above 40 kW). Eight such auctions for mid-sized installations (40 kW to 1 MW) and one for utility-scale projects (>1 MW) were held in 2024. The Government will continue to spur developers to expand clean energy generation in 2025. Another noteworthy investment includes the installation of PV solar farms on Water Services Corporation facilities to harness renewable energy on public infrastructure, with installations on the Luqa reservoir and Pembroke RO plants approaching completion. These schemes advance SDG 7 (Affordable and Clean Energy) by increasing the renewable energy share and ensuring sustainable energy access, while keeping energy affordable through feed-in tariffs and grants that enable a fair green transition for households and SMEs.

Enhancing energy infrastructure and networks has been another priority to improve energy security and integrate renewables. A key project is the construction of a second electricity interconnector between Malta and Sicily, which is on track to be commissioned by end-2026. In 2024, major Engineering, Procurement and Construction (EPC) contracts were awarded, onshore cable works commenced in Malta, and all necessary development permits were secured on both the Maltese and Italian sides. This project has been approved for co-financing under the EU 2021–2027 Cohesion Policy (ERDF) under the objective of developing smart energy systems, grids, and storage. Once in place, the interconnector will bolster Malta’s integration into the European energy grid, allowing greater import of clean electricity and export of excess generation. This will enhance reliability and energy security by diversifying supply and reducing reliance on a single electricity source, while also supporting higher renewable penetration consistent with EU climate neutrality targets.

Energy Efficiency

Improving energy efficiency across sectors remains a core focus of Malta’s reforms, yielding both climate and social benefits. A key initiative for the business sector is the Free Energy Audits for SMEs programme, which has been extended through 2026. This scheme offers SMEs grants (ranging €1,000 to €5,000) to conduct professional energy audits, helping them identify savings and guiding them to implement recommended efficiency measures. By reducing energy waste and operating costs for hundreds of



SMEs, this programme contributes to energy efficiency and boosts the competitiveness and resilience of local businesses. These initiatives are being implemented alongside the provision of funding to support the undertaking of investments that lead to more sustainable and digitalised processes, in line with Malta's National Digital Decade Strategic Roadmap and EU priorities for a green and digital transition. Notably, the Smart and Sustainable Investment Grant scheme was extended to 2026 to support businesses investing in energy efficiency, water conservation, and digitalisation – offering up to €40,000 in tax credits for projects that reduce carbon footprints. This grant incentivises resource efficiency, supporting SDG 12 (Responsible Consumption and Production). Collectively, such measures ensure that the clean energy transition also drives innovation and economic competitiveness, reinforcing Malta's social and economic resilience while leveraging EU funding to achieve sustainable progress.

Another initiative aimed at improving energy efficiency is occurring in Malta's maritime and port operations, significantly reducing pollution and fuel use. The Grand Harbour Clean Air Project has delivered an onshore power supply (OPS) system for vessels in Valletta's Grand Harbour. As of July 2024, the first phase was completed with around €25 million invested, co-funded by the EU's Connecting Europe Facility. This infrastructure allows up to five berthed cruise liners to shut off their diesel engines and plug into the national electric grid simultaneously, eliminating emissions and noise while docked. A second phase, financed with an additional €45 million, is underway to extend shore-to-ship electrification to the southern part of the Grand Harbour. Likewise, at the Malta Freeport, a parallel OPS project is in progress to equip major container ship quays with high-voltage shore connections. A frequency converter station has already been installed, and subsequent phases will extend the system to additional berths. These investments, supported by EU funds, are aimed at improving transport sector efficiency and reduce air pollution, underscoring the EU's priority for a fair green transition. These initiatives advance SDG 3 (Health) and SDG 11 (Sustainable Cities) by making Malta's harbours cleaner and more sustainable.

Management of Waste and Natural Resources

Efforts to increase efficiency extend to waste, water and wastewater infrastructure. Reforms and investments are underway in Malta's waste management sector as the country transitions towards a circular economy. Under the umbrella of the EcoHive project, Malta is developing a suite of large-scale facilities aimed at diverting waste from landfills and recovering value from waste streams. The basic design of the new Organic Processing Plant, a €75 million facility that will treat organic waste to produce compost for agriculture and generate biogas for energy, was completed in 2024. The plant will feature a curved glulam timber screen, a sustainably sourced material, to blend seamlessly



into the surrounding landscape, and will include an administration block and a laboratory to support its operations. The tender process is now underway, with interested bidders invited to submit their proposals by 10 June 2025, while an application for EU funds for this investment has been submitted and is awaiting outcome. Once operational, it will enhance Malta's recycling of organic material and contribute to renewable energy production (through biogas-to-electricity), thus supporting SDG 12 goals on sustainable waste management and SDG 7 through energy recovery. In parallel, a Waste-to-Energy (WtE) plant is in the pipeline to safely incinerate non-recyclable residual waste and generate power. The project's tendering process is at an advanced stage with an appeal on the tender award currently being addressed. Malta is also investing in specialised facilities to handle other waste streams safely and efficiently. A Thermal Treatment Facility is under development as part of the EcoHive complex to treat hazardous wastes, such as clinical and pharmaceutical waste, using high temperature technology. The procurement process for the thermal treatment plant is on track within its planned timeline. These investments will modernise Malta's waste infrastructure, moving it closer to the EU circular economy targets through increased recycling and recovery.

In 2024, Malta completed the drilling of a new tunnel interconnecting the Pembroke Reverse Osmosis plant with the Ta' Qali reservoirs to enhance the primary water network. Most associated pipework and ancillary installations for this project have been finished. This upgrade enables more efficient transfer of potable water across the island, reducing the energy required for pumping and improving overall system reliability. By optimising water distribution and treatment, Malta addresses climate adaptation needs and reduces operational costs, aligning with SDG 6 (Clean Water and Sanitation) and SDG 13 (Climate Action). Moreover, ensuring efficient water services contributes to the EPSR, which deems both water and energy as essential services for citizens.

Malta has also concentrated efforts on securing and optimising water resources, which are critical for both the population and the economy. A project is underway to enhance water distribution and capacity infrastructure, ensuring reliable access to clean water in a sustainable manner. By the end of 2024, the Water Services Corporation achieved an 85.0 per cent completion rate on expanding the capacity of seawater reverse osmosis (RO) plants – aiming for a more than 50.0 per cent increase in potable water output compared to 2020 levels by 2025. This expansion significantly strengthens Malta's water security, making the supply more resilient against droughts and population growth. In parallel, the project is installing new strategic water mains, which improvements will allow better transfer of water and reduce strain on any single source. After some delays, a consolidated public tender for all remaining phases of this network upgrade is scheduled to be re-issued in 2025, keeping the project on track for completion by the end of 2025. By boosting water production efficiency and reducing distribution losses, Malta is aligning with SDG 6 (Clean Water and Sanitation), specifically by increasing



water-use efficiency and ensuring sustainable freshwater supplies. Ensuring a consistent supply of clean water also reflects the principles of the EPSR, which affirms the right of all citizens to access essential services like water and sanitation.

5.5 Strengthening Justice, Governance, and Financial Integrity

Strengthening the Justice System and Law Enforcement Capabilities

The Malta Police Force (MPF) is implementing several EU-funded projects under the Internal Security Fund to strengthen surveillance, intelligence, and data management. These initiatives, which support the EU's common priorities on social and economic resilience and internal security include the procurement of two tethered drones, the implementation of an Automated Number Plate Recognition System, and the establishment of a Police Fusion Centre, all set for completion by 2027. Public consultations and procurement procedures for these initiatives are currently ongoing.

To enhance data-driven policing and forensic operations, the MPF is developing a Criminal and Forensic Data Repository System (RMS) and a Laboratory Information Management System (LIMS). These systems will modernise data management within law enforcement. A Competitive Dialogue procedure is in progress for RMS procurement, while the LIMS tender is undergoing vetting by the Department of Contracts.

The Government also launched a public consultation on the reform of the compilation of evidence, with stakeholder feedback incorporated into a draft Bill, which will be submitted to the Cabinet of Ministers for approval. This reform, which is aligned with the broader objectives of reinforcing social trust and institutional efficiency under the EPSR, envisages shifting towards document-based evidence, introduce a one-year deadline for compiling evidence, and establish clear disclosure timelines for both prosecution and defence.

To ease the backlog of pending trials, a new trial by jury Hall was established in 2024, allowing for concurrent hearings and helping to reduce delays in the justice system. Building on this momentum, Government is prioritising the establishment of a dedicated Commercial Court to handle commercial and maritime disputes. Draft legislation has already been approved by the Cabinet of Ministers and will soon be tabled in Parliament. In parallel, premises have been identified, and a tender has been issued for works to be contracted.



These measures contribute to SDG 16 on promoting peaceful and inclusive societies and building effective, accountable institutions, as well as SDG 9 on fostering innovation and infrastructure.

Enhancing Governance and Anti-Corruption Measures

The MPF is increasing investment as part of its Transformation Strategy to become a more flexible, efficient, and data-driven force, supporting the EU's broader digital transition goals while also contributing to the EPSR, particularly the principles of accountable institutions and access to quality public services. This is being achieved through the procurement of specialised vehicles and the investment in i2 software to enhance the Force's data processing capabilities, funded by the Internal Security Fund (EU Funds). The tender for the procurement of Specialised Vehicles closed on 4 March 2025, while the i2 software project has been adjudicated by the Project Selection Committee.

In addition, ongoing drug screening and the enforcement of the Police Drugs Misuse Policy continue, with regular drug tests conducted on police officers. In 2024, a total of 436 drugs tests were performed, and this measure will continue to be implemented accordingly.

Efforts to strengthen anti-fraud and corruption reporting have been bolstered by the enforcement of the Anti-Fraud and Corruption Policy and the anonymous reporting system 'Break the Silence'. In 2024, 21 proton mails were sent anonymously through the system, and this measure will continue in the future. Furthermore, thorough internal audits within the MPF have been carried out to ensure accountability, governance, and performance, with audit exercises continuing as planned.

Effective Enforcement of the Anti-money laundering framework

Malta is strengthening its anti-money laundering (AML) framework through regular audits conducted by the MFSA and the Malta Gaming Authority (MGA), in collaboration with the Financial Intelligence Analysis Unit (FIAU). These efforts, aligned with the Union's common priorities on internal security and social and economic resilience, are essential for safeguarding financial integrity and ensuring a robust regulatory environment.

In 2024, both the MFSA and the MGA worked with the FIAU to ensure compliance with AML regulations by carrying out 29 and 18 supervisory interventions, respectively. These



audits are based on a risk-based approach and contribute to the broader objectives of SDG 16 (Peace, Justice and Strong Institutions), by reinforcing institutional capacity and transparency.

The FIAU Strategy 2023-2026 is progressing, focusing on enhancing the unit's ability to detect and prevent financial crime. By the end of 2024, 25.0 per cent of the goals had been achieved, with 58.0 per cent underway. Key initiatives included the development of a new case management system. The FIAU's staff increased by 24.8 per cent in the last three years, bringing the total to 171 employees by the end of 2024.

In 2024, the FIAU conducted 140 supervisory interventions, and when including efforts by the MFSA and MGA, the total increased to 187. The FIAU also imposed 109 administrative measures, including 76 pecuniary penalties totalling €746,655. The unit processed 9,430 Suspicious Transaction Reports and Suspicious Activity Reports, resulting in numerous disseminations to the police, tax authorities, and foreign counterparts.

Additionally, the FIAU monitored breaches of cash restriction regulations, imposed eight penalties, and facilitated 24,871 searches via the Centralised Bank Account Register (CBAR). The FIAU remains committed to international cooperation, participating in twelve technical missions and entering into four Memoranda of Understanding with foreign counterparts.

Addressing Potential Aggressive Tax Planning

The Malta Tax and Customs Administration (MTCA) is in the process of implementing its Delivering Transformation Strategic Plan 2023 – 2025, which includes further investment in human capital and capacity building. A key aspect of this initiative is the integration of Statistical Analysis Software into tax administration operations to mitigate and assist with the identification of risks. The implementation process is in progress, with Risk Queues for VAT and Corporate Tax already completed. Training on Transfer Pricing is currently underway.

A number of initiatives are also being implemented to tackle aggressive tax planning. Ongoing work includes preparatory steps for the implementation of Pillar 2 Directive and the transposition of the DAC 8 and the OECD's Crypto Asset Reporting Framework (CARF) that includes updates to the DAC 2 / OECD's Common Reporting Standard (CRS). Technical content of the draft amendments will be incorporated into the Budget Implementation Act by mid-2025. Additionally, a draft Guidelines document covering



key tax matters, such as the treatment of tax-transparent entities, is also being prepared and should be in place by the time such amendments are adopted.

Furthermore, in response to the OECD's Exchange of Information on Request (EOIR) supplementary review that took place in 2024, MTCA is addressing the recommendations outlined in the report. Furthermore, an Enhanced Monitoring review has been launched to evaluate Malta's progress in implementing these recommendations, with the submission of the related questionnaire submitted on 28 March 2025.

5.6 Stakeholder Involvement

Stakeholder engagement remains an essential component in the design and implementation of Malta's reforms and investments. Various ministries have collaborated with institutional actors, industry representatives, local authorities, social partners, and civil society stakeholders to ensure that policies and initiatives are aligned with national priorities and sectoral needs. The following provides a brief overview of stakeholder involvement for selected reforms and investments.

In the skills and education sector, the National Skills Council (NSC) is engaging industry stakeholders in a sectoral consultation to align training programmes with workforce needs in the areas of green and digital. The final recommendations will be presented to academia and vocational education and training (VET) institutions.

In sustainable mobility, the Government is collaborating with Local Councils and other stakeholders on urban mobility initiatives. The "Vjal Kulhadd" initiative, which supports sustainable street design, has selected 14 projects for investment, and further consultations are ongoing in the implementation phase. A national cycling strategy is also under preparation, with public consultation planned before Cabinet review. With regards to the expansion of public charging infrastructure for electric vehicles, consultations with Local Councils, Enemalta and the Superintendence of Cultural Heritage are ongoing regarding the selection of 600 sites across Malta and Gozo.

Within the digital transformation framework, stakeholder engagement has played a role in advancing digital reforms. The MDIA has integrated AI pilot projects into the Technology Assurance Sandbox (TAS) and continues to coordinate efforts with stakeholders in the healthcare and transport sectors. The MBR has consulted stakeholders in implementing the eIDAS Regulation to facilitate online company registration.



In the energy sector, the development of a second electricity interconnector between Malta and Sicily involved public and stakeholder consultations and the project has now received the Single Authorisation Decree from the Italian Government following regional stakeholder discussions. For water infrastructure, consultations with relevant stakeholders were conducted before securing a Planning Authority permit for the tunnel connecting the Pembroke Reverse Osmosis Plant to the Ta' Qali reservoir network.

In the social policy domain, the Social Plan for Families underwent public consultation inviting feedback from various stakeholders, including Government entities and the public. A stakeholder meeting was organised and followed by interministerial consultations. A High-Level Group for Implementation and Monitoring has been established to oversee its execution. Similarly, the Children's Policy Framework 2024-2030 was finalised after gathering input from a public consultation. Stakeholder engagement efforts are ongoing as part of the initial implementation phase of the National Strategy for Poverty Reduction and Social Inclusion 2025-2035.



Annex 1

Progress with reforms and investments

		RRF/PA ¹	CSR	Common Union Priorities ²	On-track status
1	In the medium-term, the Government aims to address the current deficit, ensure fiscal sustainability, and foster economic resilience and stability, with plans to limit net expenditure growth to a rate consistent with reducing the general Government deficit by 0.5 percentage points annually, on average		CSR2024.1.2	2	On-track
2	Enhancing the digitalisation aspect of the public sector, focusing on customer service, tourism, utilities and education, healthcare and transport. Integrating the projects that have been executed into the Malta's Digital Innovation Authority's (MDIA) Technology Assurance Sandbox (TAS)		CSR2023.1.3	1	On-track
3	Digitalisation and modernisation of the public administration by establishing the Document Management Unit (DMU) to drive the transitions towards a 'less paper' culture by implementing a Corporate Document Management System (CDMS) in line with existing policies and regulations		CSR2023.1.3	1	On-track
4	Digitalisation of the Merchant Shipping Directorate within Transport Malta in an account management system which will eventually result in the conversion of 15,000 physical files to digital files and make them electronically available	RRF (Investment C3-I2)	CSR2024.2.1	1	On-track
5	Further digitalisation and modernisation of the public administration to provide better customer experience to citizens and business organisations, to be fulfilled by end of 2025	RRF (Investment C3-I3)	CSR2024.2.1	1	On-track
6	Strengthening the resilience, security and efficiency of the Government digital backbone and investing in appropriate digital	RRF (Investment C3-I1)	CSR2024.2.1	1	On-track

¹ The 'RRF/PA' column is denoting 'RRF' if the reform/investment is also part of the Member State's RRP; 'PA' if the reform/investment is supported under the umbrella of the Member State's partnership agreement and empty otherwise. For reforms and investments stemming from the RRF, a reference to the measures in the Council Implementing Decision of 5 October 2021 on the approval of the assessment of the recovery and resilience plan for Malta, is also being included.

² Common priorities of the European Union: (1) a fair green and digital transition, including consistency with the European Climate Law; (2) social and economic resilience, including the European Pillar of Social Rights; (3) energy security; and (4) where necessary, the build-up of defence capabilities.

	solutions, devices and tools. The investment shall be complemented by digital training provided to public officers and awareness campaigns, notably on cybersecurity, targeted for 2025				
7	Rolling out measures to intensify the digitalisation of the private sector consisting of grant schemes for businesses to invest in hardware, software and digital solutions to enhance their operations and explore new business opportunities	RRE (Investment C3-14)	CSR2020.3.3 CSR2020.3.7	1	On-track
8	Continued support for local businesses in promoting innovative tech solutions on local and international level in collaboration with Malta Enterprise, Xjenza Malta, MDB and Tech.mt		CSR2020.3.3	1	On-track
9	Digitisation reforms to enhance the Malta Business Registry's online portal and company law framework, allowing for fully online company registrations and document filings using Qualified Electronic Signatures (QESig) as per the eIDAS Regulation		CSR2023.1.3	1	On-track
10	Implementation of Malta's Smart Specialisation Strategy 2021-2027, with a focus on fostering business R&I and strengthening public-private cooperation, including supporting a number of undertakings through the inter-agency account management between Malta Enterprise and Xjenza Malta	RRE (Reform C3-R2)	CSR2020.3.7	2	On-track
11	Implementation of the National R&I Strategic Plan 2023-2027, intended to reform Malta's R&I ecosystem and further embed innovation and research in the economy		CSR2020.3.7	2	On-track
12	Investing in research and innovation through Xjenza Malta, with initiatives including the Digital Technologies Programme in collaboration with the Malta Digital Innovation Authority (MDIA), and additional calls for the Research Excellence Programme, Technology Development Programme Lite, and the Research Networking Scheme		CSR2020.3.7	2	On-track
13	Launching of co-funding calls by Xjenza Malta towards the promotion of the energy transition as a member of the Clean Energy Transition Partnership	PA	CSR2020.3.7	2	On-track



14	Launching of annual joint calls by Xjenza Malta to support transnational initiatives related to the Blue Economy as a member of the Sustainable Blue Economy Partnership	PA	CSR2020.3.7	2	On-track
15	Continued efforts to take part in another two co-funded Horizon Europe Partnerships related to health and cultural heritage, administered locally by Xjenza Malta	PA	CSR2020.3.7	2	On-track
16	Supporting the EU's priorities in the space sector by the five-year agreement signed with the European Space Agency under the Plan for European Cooperating States (PECS) membership		CSR2020.3.7	2	On-track
17	Implementing the 30 measures included in the Malta Pension Action Plan 2021-2027 focusing on the sustainability and the adequacy of pensions		CSR2019.1.1	2	On-track
18	Enhancing the sustainability and adequacy of Malta's pensions system through ongoing work for the upcoming Pensions Strategy Review of 2025		CSR2021.1.4 CSR2019.1.1	2	On-track
19	Improve the incentive mechanism to postpone retirement, with those who do so getting a higher top up to their pension for every additional year they stay in employment until they reach 65 years of age		CSR2019.1.1	2	On-track
20	Gradually excluding private and public pensions income from taxable income, ultimately reaching 100 per cent exclusion in 2026		CSR2019.1.1	2	On-track
21	Plans to introduce automatic enrolment in private pension schemes with voluntary withdrawal		CSR2019.1.1	2	On-track
22	Implementing the 'Social Plan for Families', aiming to reduce social inequalities, promote healthy family relationships, provide essential skills and knowledge, and address Malta's low fertility rates		CSR2020.2.2	2	On-track
23	Advance efforts to launch and start implementing a Children's Policy Framework 2024-2030 to build on the current Child Guarantee National Action Plan (NAP), which is to be recalibrated in 2025		CSR2020.2.2 CSR2024.3.1	2	On-track
24	Continue efforts to launch the forthcoming National Strategy for Poverty Reduction and Social Inclusion 2025-2035 to fulfil national commitments such as reducing the AROPE		CSR2020.2.2 CSR2024.3.1	2	On-track



25	Developing a Start-up Framework to simplify administration and support startup growth and sustainability, thereby providing an eco-system which is agile to the needs of operators, allowing them to get off the ground more easily, scale-up and be sustainable		CSR2020.3.3	2	On-track
26	The Government has launched the SME Enhance Aid Scheme, aiming to improve productivity through initial investments in operations by providing non-repayable grants to support SMEs in expansion, diversification, and innovation	PA	CSR2020.3.3	2	On-track
27	With a focus on improving productivity, the Government will offer, through the Start-up Enhance Aid Scheme, non-repayable grants to micro and small start-ups for investment in tangible and intangible assets	PA	CSR2020.3.3	2	On-track
28	Supporting SMEs to part-finance business reports procured from external consultancy service providers through the Business Reports Grant Scheme	PA	CSR2020.3.3	2	On-track
29	Stimulating R&I capacities by helping micro, SMEs and Small Mid-Cap enterprises with the cost of researching proposed business ideas to assess viability and sustainability through the Feasibility Study Scheme	PA	CSR2020.3.3	2	On-track
30	Supporting SMEs in Malta through a new Financial Instrument under InvestEU, aiming to build a €60 million loan portfolio		CSR2023.1.3	2	On-track
31	The Malta Government Venture Capital Limited (MGVC), a Government-owned entity will manage a €10 million fund to invest in start-ups within innovative sectors such as AI, fintech, and green energy, providing equity or quasi-equity investments of up to €500,000 per start-up, in partnership with private investors		CSR2020.3.3	2	On-track
32	Improving road infrastructure focusing on the TEN-T roads, adoption of sustainable transportation measures and efforts to reduce traffic bottlenecks		CSR2024.4.2	1	On-track



33	Promoting sustainable urban mobility initiatives, including investments in clean and active urban infrastructure such as pedestrian pathways and cycling lanes	PA	CSR2024.4.2	1	On-track
34	Stimulating the adoption and implementation of policies promoting the sustainability of the transport sector, including by encouraging the use of collective and multimodal transport	RRF (Reform C2-R1)	CSR2024.4.2	1	On-track
35	Tackling traffic congestion by promoting intramodality and improving air quality including upgrading the inner-harbour ferry system and promoting walking and cycling as eco-friendly commuting options		CSR2024.4.2	1	On-track
36	Constructing a multi-modal transport hub in Ta' Xhajma Xewkija (Gozo), where the majority of the construction works on the hub shall be completed by the end of 2024		CSR2024.4.2	1	On-track
37	Developing an integrated Intelligent Transport System service platform to provide real time traffic data and travel information	PA	CSR2024.4.2	1	On-track
38	Improved urban mobility solutions under the Sustainable Urban Mobility Plan for the Valletta region are being targeted for mid-2025	RRF (Reform C2-R3)	CSR2024.4.2	1	On-track
39	Regeneration areas created in urban areas for open and car free spaces	RRF (Reform C2-R4)	CSR2024.4.2	1	On-track
40	Providing onshore electricity power supply for berthed vessels in the Southern Region of the Grand Harbour area	PA	CSR2023.4.1 CSR2023.4.4	1	On-track
41	Providing shore-to-ship electricity at the Malta Freeport, estimated to be completed by 2025	PA	CSR2023.4.1 CSR2023.4.4	1	On-track
42	Expanding the Formulary List aimed at improving and enhancing the accessibility of healthcare		CSR2020.1.2	2	On-track
43	The Government plans to invest in primary care by expanding the health workforce	PA	CSR2020.1.2	2	On-track
44	Opening new community clinics, modernising existing clinics and upgrading key healthcare facilities, including exploring the development of modern medical infrastructure in Gozo		CSR2020.1.2	2	On-track

45	Plans are underway to invest €2.5 million to install advanced medical equipment, including an Optical Coherence Tomography, Visual Field Analyzer, CT scan, and MRI, as part of the newly refurbished St. Vincent de Paul's (SVP) Rużar Briffa Complex		CSR2020.1.2	2	On-track
46	Implementation of a Health Workforce Strategy for 2030, in collaboration with the WHO, to guide capacity building over the coming years in the Maltese Public Health Service, including recruiting specialists, supporting young specialists and investing in teleconsultation measures	PA	CSR2020.1.2	2	On-track
47	Developing and implementing a health policy framework to address obstacles to the hiring and retention of foreign health workers	RRF (Reform C4-R1)	CSR2020.1.2	2	On-track
48	Establishing a Blood, Tissue and Cell Centre aimed at alleviating the dependency of Malta on other countries for the provision of blood, tissue and cell therapies needed in medical interventions and treatments	RRF (Investment C4-I1)	CSR2020.1.2	2	On-track
49	Advancing electronic health record systems to be more accessible across all levels of care by 2030, in line with the National Health Systems Strategy 2023-2030		CSR2023.1.3	2	On-track
50	Digitalisation of pathology services provided at the histopathology department within Mater Dei	RRF (Investment C4-I2)	CSR2020.1.2	2	On-track
51	The Government is committed to implementing the RRP as scheduled, meeting all milestones and targets set in the revised Council Implementing Decisions of July 14, 2023		CSR2024.2.1	1 & 2 & 3	On-track
52	Following the European Commission's approval of Malta's Partnership Agreement in 2022, the implementation, monitoring and verification of the ERDF/CF/JTF, ESF+, and EMFAF programmes will continue		CSR2024.2.1	1 & 2 & 3	On-track
53	Enhancing the employability and skill levels of the workforce by providing funding for training and development through the Investing in Skills Scheme, which will be available till 2027		CSR2024.3.1	2	On-track



54	Implementation of the National Lifelong Learning Strategy 2023-2030 through continued promotion of lifelong learning, prioritising adult education and skill development, including offering free basic skills programmes for individuals beyond compulsory school age who need support in literacy, numeracy, and digital skills and emphasised participation in upskilling and reskilling programmes		CSR2024.3.1 CSR2020.2.2	2	On-track
55	Implementing several recommendations from the National Employment Policy 2021-2030		CSR2024.3.1	2	On-track
56	Ensuring continued access to key support services initiatives aimed at promoting gender equality and active labour market policies, including the Free Childcare Scheme, provision of breakfast clubs and after-school care services		CSR2024.3.1 CSR2020.2.2	2	On-track
57	Implementation of the Gender Equality and Mainstreaming Strategy and Action Plan (GEMSAP) for 2022-2027 committing the Government to direct, targeted, and comprehensive measures to achieve full gender equality, including ensuring equal access to employment in all sectors and addressing the Gender Pay Gap	RRF (Reform C5-R5)	CSR2024.3.1 CSR2024.3.2	2	On-track
58	Raise public awareness on the wage disparity between men and women and assisting companies in ensuring equal pay for work of equal value between genders		CSR2024.3.1 CSR2019.2.2	2	On-track
59	Other reforms aimed at bolstering the resilience of the labour market and advance gender equality as outlined in Malta's Employment Strategy include activating older workers, particularly women aged 55-64, supporting low-skilled adults, and narrowing the gender employment gap	RRF (Reform C5-R5)	CSR2024.3.1	2	On-track
60	The implementation of the new National Education Strategy (NES) 2024-2030 based on three pillars, (i) Wellbeing; (ii) Growth & Empowerment; and (iii) Equity & Inclusion, including a monitoring mechanism to guide and measure policy development and interventions, ensuring targets and objectives remain relevant to educational needs and realities		CSR2024.3.1 CSR2020.2.2	2	On-track

61	Developing a Strategy on Addressing PISA 2022 Challenges as part of the revision of the National Curriculum Framework (NCF)		CSR2024.3.1 CSR2020.2.2	2	On-track
62	Implementation of the 'Early Leaving from Education and Training – The Way Forward 2023-2030' Strategy, aiming to reduce the percentage rate of early school leavers to 9.0 per cent or lower by 2030. A newly established Directorate for Planning and Strategic Foresight will monitor the progress of national education strategies, including the Early Leaving from Education and Training (ELET) strategy		CSR2024.3.1 CSR2020.2.2	2	On-track
63	Developing a comprehensive education policy monitoring system, set for completion by the end of 2025	RRF (Reform C5-R4)	CSR2024.3.1 CSR2024.3.2	2	On-track
64	Continue the provision of the Reading Recovery Programme, which enables the lowest achieving children aged 6 to reach expected levels of reading		CSR2024.3.1	2	On-track
65	The Government will continue to require compliance with specific standards for licensing early childhood education services		CSR2024.3.1	2	On-track
66	Continue the provision of appropriate educational support, including the provision of additional support to children who need help keeping up with their peers and assigning learning support educators to students with a statement of needs in both kindergarten and compulsory school		CSR2024.3.1 CSR2020.2.2	2	On-track
67	Continuation of the 'MyJourney' programme to support children's diverse needs with quality learning programmes at levels 1-3		CSR2024.3.1 CSR2020.2.2	2	On-track
68	Extend the initiative to provide one tablet per child beyond primary school. Through the One Device Per Child Programme, seventh- and eighth-year students will receive a new laptop to bridge the digital gap	PA	CSR2024.3.1	2	On-track
69	Implementation of Malta's National Literacy Strategy 2021-2030, including through the promotion of multilingualism in Maltese and English among 7 to 11-year-olds, initiatives like distributing book sets, developing Maltese audiovisual materials, modernising classroom libraries, and expanding educational programmes, like		CSR2024.3.1 CSR2020.2.2	2	On-track



	the Footballer's Read and Write Programme and other targeted programmes managed by the National Literacy Agency				
70	Strengthening of skills through the implementation of measures included in the Basic Skills Strategy and the e-college platform, which provides online courses aimed at upskilling and reskilling	RRF (Reform C5-R2)	CSR2024.3.1	2	On-track
71	Development of the first National Skills Strategy with technical assistance from the OECD to identify and address future skills gaps to adapt to evolving workforce dynamics		CSR2024.3.1	2	On-track
72	Implementation of the 'Ultimate AI Launchpad – A Strategy and Vision for Artificial Intelligence in Malta 2030', which amongst others, aims to develop an Education Data Warehouse to enhance decision-making in education and to identify individuals at risk of becoming ELET	RRF (Reform C5-R1)	CSR2024.3.1 CSR2024.3.2	2	On-track
73	Implementation of the National Strategic Action Plan for Further and Higher Education (2022-2030)		CSR2024.3.1	2	On-track
74	A new Higher Education Programme Accreditation Standards and Procedures document will take effect in 2025		CSR2024.3.1	2	On-track
75	MCAST will continue to provide personalised services to students, aiming to expand its range of support services, through its Centre for Learning and Employability. MCAST's Apprenticeship's scheme will continue to be enhanced to boost apprenticeship participation		CSR2024.3.1	2	On-track
76	The Malta Development Bank, through the "Further Studies Made Affordable Plus" (FSMA+) Financial Instrument (FI), is enhancing access to education for students and professionals seeking to further their studies both in Malta and abroad	PA	CSR2024.3.1	2	On-track
77	Jobsplus will continue offering a variety of free training courses aimed at enhancing employability and skill levels among both job seekers and current employees, covering a broad range of topics, including green and digital skills, health and safety, hospitality, ICT and language skills		CSR2024.3.1	2	On-track

78	Providing third-country nationals assistance in acquiring basic skills as well as courses in Maltese and English as foreign languages through the 'I Belong' Programme		CSR2024.3.1 CSR2020.2.2	2	On-track
79	Facilitation of improved access to the labour market for disabled individuals by a collaboration between Jobsplus and the Lino Spiteri Foundation through active legislative measures		CSR2024.3.1 CSR2020.2.2	2	On-track
80	Continuous training in inclusive pedagogy for teachers and learning support educators to complement the structural changes, ensuring that educators are well-equipped to support diverse student needs effectively	RRF (Reform C5-R3)	CSR2024.3.1 CSR2024.3.2	2	On-track
81	Agenzija Sapport will continue supporting initiatives, varying from job shadowing opportunities to formal training, aimed at broadening employee perspectives and improve services for people with disabilities	PA	CSR2024.3.1 CSR2020.2.2	2	On-track
82	Agenzija Sapport is partnering with members of the University of Malta's Faculty of Engineering on the MAScot (Development of a sMart And Sustainable inClusive wOrksTation) Project		CSR2024.3.1 CSR2020.2.2	2	On-track
83	Implementation of Malta's 2021-2030 National Strategy on the Rights of Disabled Persons, Freedom to Live, including the rolling out of various specific initiatives which aim to address and improve social inclusion within the educational sector		CSR2024.3.1 CSR2020.2.2	2	On-track
84	Recognising the importance of digital literacy in modern education and employment, Malta will support training programmes that equip students with disabilities with essential digital skills		CSR2024.3.1 CSR2020.2.2	2	On-track
85	Development and implementation of a pre-employment, employment, and job retention strategy, to provide continuous support to disabled individuals. This includes adaptations in the workplace, personalised support services, enabling disabled employees to perform their roles effectively and improve career guidance services		CSR2024.3.1 CSR2020.2.2	2	On-track
86	Implement outreach and detached youth work programmes aimed at engaging disabled youths		CSR2024.3.1 CSR2020.2.2	2	On-track



87	Launching a media campaign and establish an inclusive employer certification to raise awareness and encourage inclusive hiring practices		CSR2024.3.1 CSR2020.2.2	2	On-track
88	Enhancing the Global Citizenship Education (GCED), Education for Sustainable Development (ESD) and Learning for Sustainability (LFS) implementation at all levels		CSR2024.3.1 CSR2023.4.6	2	On-track
89	Launching GCED Training and Learning centres to serve as specialised educator training facilities for the younger generation towards holistic sustainable development		CSR2024.3.1 CSR2023.4.6	2	On-track
90	Implementation of the Digital Education Strategy 2024-2030		CSR2024.3.1	2	On-track
91	Continue promoting a smoother local and global shift into the green transition with programmes such as Eco-Schools and Dinja Wahda		CSR2024.3.1 CSR2023.4.6	2	On-track
92	Extending scholarships and grants tailored to emphasise green skills and sustainability		CSR2024.3.1 CSR2023.4.6	2	On-track
93	Offering opportunities for professional development for educators with a focus on digital competences		CSR2024.3.1 CSR2023.4.6	2	On-track
94	Tertiary education institutions namely, UoM and MCAST continue to offer courses on green skills, environmental stewardship, sustainability and science and community social responsibility		CSR2024.3.1 CSR2023.4.6	2	On-track
95	Mapping training opportunities in the area of green skills with a view to addressing workforce preparedness for the green and digital transition		CSR2024.3.1 CSR2023.4.6	2	On-track
96	Offering training to newly recruited and existing employees to acquire the necessary skills including green and digital skills, through the Skills Development Scheme	PA	CSR2024.3.1 CSR2023.4.6	2	On-track
97	Offering two training programmes focusing on green and digital skills, through the SMARTLY Project aiming to enhance Malta's supply of required green and digital skills while boosting the employability of youth NEETs in key sectors		CSR2024.3.1 CSR2023.4.6	2	On-track
98	Commissioning another edition of the NEETs Census, which aims to provide an in-depth understanding of NEETs (15-29-year-olds) by examining various personal characteristics, including their awareness of digital and green skills		CSR2024.3.1 CSR2023.4.6	2	Completed



99	Jobsplus will be reinforcing the Youth Guarantee Scheme (Youth Guarantee 3.0) from 2024-2028	PA	CSR2024.3.1	2	On-track
100	Strengthening of efforts to increase electric vehicle uptake through various measures including an electric vehicle purchase scheme along with another scheme for used electric vehicles, a scrappage initiative, registration tax relief, five-year road licence fee exemption and lower per unit cost of electricity during off-peak hours		CSR2024.4.2 CSR2023.4.1	1	On-track
101	Financial support towards the EV purchase schemes for private electric vehicles, public transport fleet and the Government fleet of general use vehicles	RRF (Investments C2-I2, C2-I3, C2-I4)	CSR2024.4.2	1	On-track
102	Mobility management in the public services will also be enhanced through an increase in shared mobility	RRF (Reform C2-R6)	CSR2024.2.1	1	On-track
103	200 public charging points to be installed by end of 2024 and another 1,000 charging points to be developed in subsequent years	PA	CSR2023.4.1	1	On-track
104	Reform to review existing permitting systems and streamline processes for renewable projects	RRF (Reform C7-R1)	CSR2024.4.1	1 & 3	On-track
105	Installation of photovoltaic infrastructure in various public spaces, including roads, footpaths and open spaces	RRF (Investment C1-I5)	CSR2024.4.1	1	On-track
106	Strengthening and widening the electricity distribution network, including grid extension, distribution services	RRF (Investment C7-I1)	CSR2024.4.1	3	On-track
107	Designing of a 10MWh battery storage facility	RRF (Investment C7-I1)	CSR2024.4.1	3	On-track
108	Encouraging the promotion of energy audits in SMEs, through Schemes in line with new State Aid Regulations, planned to continue at least up till the end of 2026		CSR2023.4.4	1	On-track
109	Continuation of several programmes aimed at promoting the adoption of renewable energy technologies and increasing the		CSR2024.4.1	1	On-track



	efficiency for households and businesses, including to encourage the installation of photovoltaic panels and battery storage systems which are supplemented by feed-in tariff programmes				
110	Continuation of several programmes aimed at promoting the adoption of renewable energy technologies and increasing the energy efficiency for businesses	PA	CSR2024.4.1	1	On-track
111	Continue enhancing the primary water network		CSR2023.4.4 CSR2019.3.3	1	On-track
112	Installation of more energy-efficient aeration equipment in Ta' Birkat Wastewater Treatment Plant scheduled to be completed in 2025		CSR2023.4.4 CSR2019.3.3	1	On-track
113	PV panel installations at the Water Services Corporation (WSC) with a combined 2.7MW peak output are expected to be completed by 2025		CSR2024.4.1	1	On-track
114	Renovating, by 2025, a number of public buildings as part of measures targeting renewable energy and energy efficiency	RRF (Investments C1-I1 and C1-I2)	CSR2024.4.1	1	On-track
115	A second interconnection between Malta and Sicily is to be commissioned by end of 2026 to cater for increased electricity demand	PA	CSR2023.4.3	1 & 3	On-track
116	Construction and operation of the Waste to Energy plant in Malta, aimed towards diverting non-recyclable waste from landfills, will be equipped with two operational lines, each with a capacity of 96,000 tonnes		CSR2020.3.6	1	On-track
117	Commissioning of the Organic Processing Plant, which will convert waste into biogas and agricultural compost is planned for 2028	PA	CSR2020.3.6	1	On-track
118	The Thermal Treatment Facility will process hazardous waste such as clinical and pharmaceutical waste using environmentally sound technology. Energy in the form of heat will also be generated in the process. Commissioning is scheduled for 2028		CSR2020.3.6	1	On-track

119	The Skip Management Facility is aimed to process bulky waste, to be separated and reduce landfill waste while recover valuable material, anticipated to handle 47,000 tonnes annually. Operation is being targeted by 2026		CSR2020.3.6	1	On-track
120	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	RRF (Reform C1-R2)	CSR2020.3.6	1	On-track
121	Developing a project that promotes access to water and sustainable water management with a focus on the optimisation of potable water facilities	PA	CSR2019.3.2	1	On-track
122	Enhancing the MFSA's supervisory capabilities to effectively integrate Environmental, Social, and Governance (ESG) into market monitoring and risk assessment processes		CSR2020.3.3	1 & 2	On-track
123	Continue promoting sustainable investment through Malta's ESG Portal offering investors access to data on ESG credentials, whilst also encouraging SMEs identify and measure their ESG parameters		CSR2020.3.3	1 & 2	On-track
124	Complete the capacity building and enhancement of operational procedures aimed towards increasing the effectiveness and independence of the justice system	RRF (Reform C6-R4)	CSR2020.4.1	2	On-track
125	The entry into force of legislative changes deemed necessary by the independent review on the transfer of summary cases from the Police to the AG's Office is due in 2026	RRF (Reform C6-R2)	CSR2020.4.1	2	On-track
126	Ongoing efforts to establish a separate prosecution service to delineate the functions of the judiciary and the prosecutorial bodies, including an independent review of the independence of specialised tribunals	RRF (Reform C6-R2)	CSR2020.4.1	2	On-track
127	Implementation of the reform concerning the judicial review of decisions not to prosecute and other decisions of the Attorney General, including the assignment of the status of injured party at law to specific institutions when reporting a corrupt practice	RRF (Reform C6-R7)	CSR2020.4.1	2	On-track

128	Implementing a number of secure digital solutions and tools to support justice sector users, including investing in the horizontal requirements to support this investment	RRF (Investment C6-I1)	CSR2019.2.2	2	On-track
129	Continue the reform of the committal proceedings aimed at streamlining the legal process, including a shift to document reliance over oral evidence, a one-year deadline for evidence compilation, and clear disclosure timelines for both prosecution and defence		CSR2020.4.1	2	On-track
130	Evaluating new legislation related to incentives for early guilty pleas and measures to minimise multiple court appearances for witnesses and victims		CSR2020.4.1	2	On-track
131	Establish a Criminal and Forensic Data Repository System (RMS) and a Laboratory Information Management System (LIMS) to enhance the Malta Police Force's capabilities by investing in data and technology	PA	CSR2020.4.1	2	On-track
132	The MPF is working on the procurement of Two Tethered Drones, an Automated Number Plate Recognition System, and the setting up of a Police Fusion Centre, all to be implemented until 2027		CSR2020.4.1	2	On-track
133	Rigorous internal audits within the Malta Police Force (MPF) to address performance, accountability and governance		CSR2019.2.2	2	On-track
134	Continue implementing the National Anti-Fraud and Corruption Strategy (NAFCS), including the creation of a database collating whistleblowing data that shall be operational and accessible by all anti-corruption entities	RRF (Reform C6-R3)	CSR2019.2.2	2	On-track
135	Enforcing the Anti-Fraud and Corruption Policy and the anonymous reporting system 'Break the Silence'		CSR2019.2.2	2	On-track
136	Continuation of ongoing screening of police officers and the implementation of the Drugs Misuse Policy including regular drug testing on all police officers		CSR2019.2.2	2	On-track
137	Increased investment within the Malta Police Force as per the Force's Transformation Strategy to a more flexible, efficient and data-driven force through the procurement of specialised vehicles	PA	CSR2019.2.2	2	On-track



	and investing in the I2 software to enhance the Force's data processing capabilities					
138	Establishing a common understanding among competent authorities and ensuring a strong risk understanding in the private sector as per the 2023 National Risk Assessment latest iteration		CSR2020.4.2	2		On-track
139	Continue to realise the FIAU's Strategy 2023-2026, including through investment in the FIAU with a subvention granted to the Unit of €11.5 million		CSR2020.4.2	2		On-track
140	Continuation of AML audits by the MGA on behalf or in conjunction with the FIAU to monitor activities and ensure compliance with AML laws and regulations		CSR2020.4.2	2		On-track
141	Implementation of several initiatives aimed at addressing aggressive tax planning. Ongoing work includes the preparatory work into Pillar 2 implementation the forthcoming DAC 8/CARF implementation, the ongoing supplementary review on the Exchange of Information on Request standard (EOIR), the VISit Direct Administrative Cooperation (VISDAC) project as well as the European Court of Auditors (ECA) visit on harmful tax competition within the Union		CSR2024.1.4	2		On-track
142	Legislation related to inbound and outbound payments will be enacted in line with the RRP commitment	RRF (Reform C6-R11)	CSR2024.1.4	2		On-track
143	Implementing the Malta Tax and Customs Administration's (MTCA) Delivering Transformation Strategic Plan 2023 – 2025 which includes further investment in human capital and capacity building by incorporating Statistical Analysis Software in tax administration operations to mitigate risks		CSR2024.1.4	2		On-track



Annex 2

Malta's contribution to the Country-Specific Recommendations (CSR) assessment

Country Specific Recommendation	Measure	Type	Action Date	State of Play
CSR 2024.1				
2024 CSR 1 Subpart 1: Submit the Medium-Term Fiscal Structural Plan (MTFSP) in a timely manner.	Submission of the Medium-Term Fiscal Structural Plan (MTFSP)	Implemented	20 September 2024	Malta submitted its MTFSP on 20 September 2024, and following the respective assessment, the Commission is of the view that Malta's plan fulfils the requirements of Regulation (EU) 2024/1263.
	2024 CSR 1 Subpart 2: In line with the requirements of the reformed Stability and Growth Pact, limit the growth in net expenditure in 2025 to a rate consistent with reducing the general Government deficit towards the 3% of GDP Treaty reference value and keeping the general government debt at a prudent level over the medium-term.	Adopted	28 October 2024	In the context of the deactivation of the general escape clause as of 2024 and the need for prudent fiscal policies, it is the Government's commitment to ensure convergence to the 3.0% of Gross Domestic Product (GDP) deficit reference value and for debt to be kept at prudent levels in the medium-term.
				According to Malta's MTFSP for 2025–2028, the Government is committed to a net expenditure growth rate of approximately 5.9% on average over the adjustment period. This target is derived from both the Commission's reference trajectory and the updated national projections, ensuring that fiscal policy remains on a sustainable path.
				A central element of the medium-term strategy is reducing the structural deficit by a minimum of 0.5 percentage points of GDP each year, which should bring the structural deficit down to around 2.2% by 2027 in line with the 2025 DBP. This gradual improvement is designed to align with EU fiscal rules, particularly ensuring that the general government deficit is eventually brought below the 3% threshold, thereby adhering to the new fiscal rules.
2024 CSR 1 Subpart 3: Wind down the emergency energy support measures by the 2024/2025 winter.	Energy Support Measures	Adopted	28 October 2024	The Maltese Government remains committed to fiscal responsibility while ensuring economic sustainability. The deficit reduction strategy balances prudent fiscal policies with continued support for households and businesses against commodity price fluctuations. The Government maintains that structural reforms and investments in the energy transition are more effective in achieving long-term energy and environmental objectives than direct price adjustments.
				Households and businesses continue to benefit from energy support schemes, while initiatives promoting green technology adoption ensure long-term resilience against energy market volatility. This approach supports both fiscal sustainability and Malta's commitment to climate objectives, ensuring a stable and secure energy future.
				The process of implementing the Statistical Analysis Software at MTCA is underway, with Risk Queues for VAT and Corporate Tax already concluded. Training on Transfer Pricing is currently ongoing and set for completion by 2025.
				Technical amendments have been identified and will be included in the Budget Implementation Act by mid-2025. A draft Guidelines document covering key tax aspects, including tax-transparent entities, is also being prepared to align with these amendments upon adoption. Transposition of DAC 8/CARF into domestic legislation is currently in drafting stage and will be finalised by end of 2025. Following the OECD's EOR supplementary review in 2024, MTCA is addressing the relevant recommendations made in the report. An Enhanced Monitoring review has been launched to assess Malta's progress in addressing these recommendations. Submission of the related questionnaire is due by March 2025.
CSR 2024.2				
2024 CSR 2 Subpart 1: Continue with the swift and effective implementation of the recovery and resilience plan, including the REPowerEU chapter, ensuring completion of reforms and investments by August 2026. Accelerate the implementation of cohesion policy programmes in the context of their mid-term review, continue focusing on the agreed	Implementation of the Recovery and Resilience Plan and of Cohesion Policy Programmes	Implemented	5 October 2021	Implementation of the Recovery and Resilience Plan has proceeded and is on track. Reporting on FENIX is underway and follows reporting requirements, updated biannually. More information on measures included in the RRP can be found on FENIX.
				The European Commission approved Malta's Partnership Agreement in September 2022 with reference to the Cohesion Policy programmes. The Partnership Agreement outlines the strategic direction for investments made during the Multiannual Financial Framework from the Cohesion Policy funds (ERDF, ESF+, and Cohesion Fund), the JTF, and the EMFAF. In an effort to continue coordination and complementarity efforts during the implementation of EU Funded programmes beyond the programming stage, in 2023 Malta set up an inter-Ministerial Consultative Committee on EU Funds (IMCC) for the 2021-2027 Programmes. The aim of the IMCC is

priorities, while considering the opportunities provided by the Strategic Technologies for Europe Platform initiative to improve competitiveness.				to provide direction on the demarcation between different funds and programmes, undertake relevant consultations if overlaps are identified and provide opportunity for exchanges of information on any new funds.
CSR 2024.3				
2024 CSR 3 Subpart 1: Strengthen the quality and labour market relevance of education and training to address low educational outcomes as well as the severe shortage and mismatch of skills	Investing in continuous training for public employees	Announced	2 January 2025	The revised IPS prospectus, launched in January 2025, aligns training opportunities with public officers' needs, ensuring targeted skills development. A new series of professional discussions for Headships and Senior Management fostering leadership and expertise was launched in the first quarter of 2025. The Industrial Relations Unit is engaged in ongoing discussions with unions and department heads to renew key collective agreements in 2025, supporting improved working conditions and retention.
	Labour Migration Policy	Announced	8 January 2025	In January 2025, a public consultation on the Malta Labour Migration Policy was launched. This policy aims to implement a number of key government recommendations outlined in the National Employment Policy 2021-2030.
	Gaming – esports	Announced	1 January 2024	Initiatives such as Video Gaming Gateway Fund will provide financial support for game studios producing their first prototypes, while Basecamp is providing incubator space and services assisting start-ups in video game and esports development. The video game development vision, launched in 2019 will be aligned further for 2025 through an updated strategy document. This will include various initiatives to further strengthen education and training for digital games development. The Unity Centre of Excellence agreement will be renewed and strengthened further to continue building on the 400 students who have already benefitted from this programme across UOM and Science Malta. The Gaming Malta Foundation will also launch an 'Authorised training centre' programme for Epic Games' 'Unreal' software. The Foundation also has plans to launch an Academy of Interactive Media as a public private partnership. Furthermore, a visa for esports athletes to facilitate the movement of talent within the country in the gaming sector will be introduced in 2025.
	MCAST Strategic Plan for 2022-2027	Implemented	17 November 2021	The MCAST Strategic Plan for 2022-2027 aims to develop an open community of learners and workers that will make our country more competitive, sustainable, and greener. It includes providing support to students and staff. The Strategic Plan identifies three transversal themes, seven strategic objectives, 41 initiatives and 184 measures. Ongoing monitoring of the implementation of the Strategic Plan is reflected in the annual targets and Key Performance Indicators (KPIs) of MCAST's different sections. Update reports are provided to the Board of Governors biannually.
	University of Malta Strategic Plan 2020-2025	Implemented	1 January 2020	The University of Malta Strategic Plan outlines its commitment to serving students, scholarship, and society in a sustainable manner, responding to the country's present and emerging needs. The Plan identifies 60 main commitments across eight strategic themes: (i) Learning and Teaching; (ii) Research and Knowledge Transfer; (iii) Societal Factors and Impact; (iv) Enterprise and Industry Impact; (v) National Impact; (vi) International Outlook; (vii) Sustainability; and (viii) Services and Administrative Support. Since the approval of the Plan in 2019, the University has undertaken an intensive implementation programme, achieving key milestones such as developing infrastructure for online learning and assessment, establishing the doctoral school, enacting policies for equity and inclusion, providing mental health support, engaging with industry through ongoing conferences, creating summer internships, promoting the language policy, improving the University's rankings, marketing programmes abroad, increasing sustainable measures, and upgrading administrative support across welfare, research, physical space, technology, library, communications, and staff development. In addition to these achievements, several activities have been undertaken in 2024 to support academic staff in enhancing the quality of teaching and learning. The Office for Professional Academic Development (OPAD) has been formally established, providing professional development opportunities for academics at all stages of their careers. Recently appointed academics, along with their Heads of Department, Deans, and Directors, have been supported in preparing for the tenure track, with a particular focus on teaching, research, and outreach. Training initiatives have been introduced for staff, emphasizing sustainability and the integration of sustainability into study units at both undergraduate and postgraduate levels. Academic programmes have been strengthened by inviting Faculties, Institutes, Centres, and Schools to undergo academic programme reviews (APRs) and periodic programme reviews (PPRs), under the oversight of the Quality Assurance Committee/Unit. Thematic meetings with key industries have been conducted to ensure academic relevance and engagement. Regular feedback,



	National Education Strategy (NES) for 2024-2030	Implemented	24 May 2024	<p>monitoring, and recommendations for new programme proposals have been provided through the Programme Validation Committee (PVC). Additionally, a Strategy for Doctoral Education has been launched.</p> <p>The NES, launched in 2024, provides a long-term vision for the education sector, focusing on Wellbeing, Growth & Empowerment, and Equity & Inclusion. It aims to address existing challenges, improve educational outcomes, and ensure equitable and inclusive education for all. The strategy includes 36 measures and 120 initiatives and is currently in the implementation phase. As of end 2024, overall implementation progress stands at 18.6%. The Government will continue implementation in 2025.</p>
	Extension of Skills Development Scheme	Announced	30 December 2023	<p>The Skills Development Scheme supports businesses in providing training focused on developing a knowledge-based workforce by developing and updating the skills and knowledge of their workforce, training new employees to acquire the necessary skills and knowledge to perform effectively, addressing skills shortages, facilitating re-skilling and addressing skill mismatches. The incentive is available to both SMEs and large enterprises. The Skills Development Scheme was extended in 2024 to reflect the updated state aid rules and is ongoing until September 2026.</p>
	Skills certification in the construction and hospitality sectors	Announced	30 December 2023	<p>In the construction sector, there are ongoing discussions regarding the laying of the groundwork for the issuance of skills card.</p>
	Operational restructuring process within the Institute for Tourism Studies	Implemented	31 March 2021	<p>In the hospitality and tourism sector, the Government is advancing the implementation of the Skills Pass to improve service quality in restaurants and hotels. From January 2025, the renewal of work permits will require a Skills Pass, which will become mandatory for all workers in the sector from 1 January 2026.</p>
	Extension of the Institute for Tourism Studies' academic scope to programmes up to MQF 7	Implemented	30 September 2023	<p>The Institute for Tourism Studies (ITS) is undergoing an operational restructuring process as part of its 2021-2025 Strategic Plan, which reaffirms its vision, mission, and strategic priorities to enhance the quality and relevance of tourism education and training. 90% of the strategic plan has been implemented, with the remaining aspects contingent on decisions from the relevant authorities regarding the transition to a new campus.</p> <p>The Institute for Tourism Studies (ITS) has extended its academic scope to offer MQF Level 7 programmes. In May 2019, an affiliation agreement with the Emirates Academy of Hospitality Management enabled ITS to introduce a Master's in Business Administration in International Hospitality Management, which commenced in October 2019. Following the successful accreditation process in May 2022, ITS launched a Master's in Heritage Interpretation in October 2022. Both programmes are ongoing.</p>
	Education and training of people in the film industry	Implemented	31 October 2022	<p>The Malta Further and Higher Education Authority has completed its audit, and ITS has successfully obtained the Extension of Scope for these programmes. ITS is now exploring new academic opportunities following this accreditation, further strengthening the relevance and quality of its higher education offerings in tourism and hospitality.</p> <p>The education and training of professionals in the film industry aim to enhance the sector's quality and competitiveness while increasing local participation in productions filmed in Malta. This initiative seeks to establish a sustainable, career-based industry that operates year-round rather than seasonally. The Malta Film Commission (MFC) has been actively collaborating with various educational institutions, including the University of Malta, MCAST, Agenzija Zghazagh, the Foundation for Educational Services, and the Institute of Tourism Studies, to develop structured training and continuous professional development pathways by introducing internationally recognised film courses through partnerships with esteemed international education providers. As part of this effort, MCAST signed a Memorandum of Understanding (MoU) with the MFC on 27 June 2023. A number of courses were also offered.</p>
	Extension of the Youth Guarantee Scheme	Implemented	6 February 2025	<p>The Government is continuing its investment in the Youth Guarantee Scheme, with an allocation of approximately €10 million to support young people aged 15 to 29 through education and employment-related initiatives. The scheme is designed to provide preventive and assistive measures that help young people further their education or enhance their employability. Jobsplus launched the reinforced scheme, Youth Guarantee 3.0 in February 2025, with the project expected to run until 2028.</p> <p>Youth Guarantee 3.0 introduces enhanced activation pathways, integrating personalised support, training, and work placements. It also includes the relaunch of SEC revision classes for students falling up to three core subjects and remedial classes for MCAST students who do not pass their end-of-year exams. Additionally, the ALMA mobility scheme will provide participants with supervised work-related placements in other EU Member States, supported by coaching and counselling services. The Scheme expands the target group to include individuals aged 15 to 29 and integrates transnational components, fostering collaboration with international organisations such as the International Labour Organization (ILO) and other Public Employment Services (PES) across the EU.</p>



Extension of Training Schemes	Announced	24 October 2022	<p>Training schemes aimed at enhancing skills development, employability, and workforce inclusion will be extended. Key initiatives such as Training for Employment, Investing in Skills, Access to Employment, and Vocational Assessment, Support, Training & Employment (VASTE) continue to support individuals in gaining relevant qualifications and work experience. Updates with regards to VASTE are being provided under the respective measure.</p> <p>The Investing in Skills Scheme is ongoing and will continue supporting employers in upskilling their workforce. Similarly, the ongoing Access to Employment Scheme will continue facilitating the employment of vulnerable jobseekers until 2027. Following the success of the Training for Employment project under the 2014-2020 programming period, Jobsplus has secured approval to relaunch the project under the 2021-2027 programming period, with implementation set to begin in 2025 and continue until 2029. The Training Pays Scheme continues to assist individuals in developing new skills, with its grant value increased to €5,000. The Work Exposure Scheme, launched in 2016, provides hands-on training for unemployed individuals.</p> <p>In 2024, a proactive research initiative identified emerging priority areas that align with EU and national strategic needs, particularly in STEAM, Education, Health and Green Skills. As a result, scholarship regulations were updated to award additional points to applicants pursuing studies in these fields.</p> <p>In 2025, existing scholarship programmes will be further strengthened, and tax credits will continue to support students advancing in Master's and Doctoral studies through the Get Qualified and Higher Educational Qualifications schemes.</p> <p>The Pathfinder Digital Scholarship has introduced new priority areas in Artificial Intelligence, Digital Trust, Knowledge and Data Representation and Analysis, Technology for Sustainability and Environmental, Social, and Governance (ESG), Quantum Computing and Other Emerging Technologies in Postgraduate Education and PhD Level.</p>
Strengthening the existing scholarship and tax credit programmes	Implemented	30 June 2023	<p>The National Strategic Action Plan, launched on 17 July 2024, focuses on fostering innovative, inclusive and quality-driven education that promotes lifelong upskilling and reskilling. It is currently in its implementation stage, through the contribution of Working Groups and Task Forces, including through the engagement of external stakeholders.</p> <p>RPL is the process for recognising learning that has come from experience and/or previous formal, non-formal and informal learning contexts. This includes knowledge and skills gained within school, college and university and outside formal learning situations as through life and work experiences. This enables individuals to have their learning and experiences acknowledged for several purposes which can benefit the individual, employers and the economy. Besides the update of the RPL guidelines currently underway, MFHEA published the quality assurance guidelines for validation of non-formal and informal learning (VNFL) centres which came into effect as from 1 January 2025.</p> <p>In 2025, stipends increased by €2.53 every four weeks, benefiting over 16,500 students. Stipends for certain courses may be adjusted to a higher classification resulting in a substantial increase. This measure aims to encourage more individuals to pursue education in fields essential for Malta's economic transition and areas with critical shortages, such as primary education, scientific subjects, and mathematics. The initiative is designed to support students from diverse and underrepresented backgrounds, particularly those from low-income families, ensuring that education remains accessible and financially sustainable. The goal is to incentivise students to continue and complete their studies at the post-secondary, vocational, or tertiary level.</p>
National Strategic Action Plan for Further and Higher Education 2030	Adopted	17 July 2024	<p>The ALMA Pilot Project targets disadvantaged young individuals aged 18 to 29 who are not in employment, education, or training (NEETs), aiming to unlock their potential through non-formal training and work placements in the EU. Over a three-month training period, participants develop soft skills, independence skills, and life skills, followed by a two-month work placement in a European Union country. This initiative is part of ALMA (Aim, Learn, Master, Achieve), a European Commission programme under the Reinforced Youth Guarantee.</p> <p>In March 2024, the first intake saw 36 NEETs receive training in essential life and career skills. Of these, 9 youths completed a 9-week work placement in Italy, and 8 in Spain. Upon completion, 6 participants secured full-time employment, 3 enrolled in full-time university studies, and 8 are receiving advisory services from Jobsplus. The remaining 19 participants who did not complete the mobility phase were referred to alternative training and support services to enhance their employability. Following the end of the pilot project in April 2025, ALMA will continue as part of the Youth Guarantee 3.0.</p>
Revision and Update of the Recognition of Prior Learning (RPL) Guidelines	Adopted	1 June 2024	
Increase in Stipends	Announced	1 January 2025	
Aiding disadvantaged young individuals into society by facilitating access to employment and training opportunities – ALMA Pilot Project	Implemented	2 October 2023	



Implementation of the National Employment Policy 2021-2030	Announced	5 October 2021	<p>Malta's National Employment Policy aims to identify and address labour market frictions that prevent it from operating at its full potential. To mitigate these challenges, the policy proposes a range of recommendations targeting both demand and supply-side measures. Additionally, it includes strategies to enhance youth engagement in the labour market and outlines measures to support the labour market participation of persons with disabilities.</p>
Ensuring Accessible Support Services for Working Parents and Promoting Gender Equality	Adopted	1 September 2009	<p>Malta continues to implement initiatives aimed at promoting gender equality and facilitating women's entry into the labour market, particularly for mothers. The Free Childcare Scheme, launched in April 2014, remains ongoing, providing financial aid to working parents and legal guardians of children under three years old. Additionally, the demand for after-school services has increased. To meet this need, the Foundation for Educational Services (FES) expanded its Klabb 3-16 programme, opening two new centres in 2024, bringing the total to 38 centres in Malta and Gozo. This after-school service operates throughout the year, including during scholastic and summer holidays, ensuring continuity and stability for working parents.</p> <p>Further strengthening these efforts, in January 2025, FES inaugurated the first State childcare centre in Gozo, with another centre in Msida scheduled to open later in the year. Staff undergo continuous training to foster children's emotional, cognitive, and social development. The Department for Quality and Standards in Education (DQSE) regularly conducts unannounced visits, issuing reports that reflect ongoing improvements in educational institutions.</p>
Implementing the National Education Strategy 2024-2030	Adopted	24 May 2024	<p>In parallel, the Gender Equality and Mainstreaming Strategy and Action Plan (GEMSAP), introduced in 2022, promotes the systematic inclusion of a gender perspective in all policy areas. The strategy, which runs until 2027, focuses on equal access to employment, combatting gender segregation and ensuring equal pay. It aims to increase women's participation in the workforce, particularly in STEM fields. Measures include enhancing upskilling programmes for vulnerable women, expanding free childcare services to accommodate evening, weekend, and shift workers, and investing in training to encourage more women to pursue careers in STEM.</p>
Continued Support for Early Reading Development	Implemented	1 January 2021	<p>Monthly monitoring of the implementation of this strategy is being carried out by the Policy Monitoring and Evaluation Directorate (PMED). The Programme Implementation and Monitoring System (PIMS), an online reporting system, is being used by action owners. Overall implementation of the strategy as at Q4 2024 is 18.57%.</p> <p>While the provision of Reading Recovery is ongoing, Malta's Recovery and Resilience Plan's commitments for 2021-2024 have been addressed both in relation to the training of teachers as well as targeted number of beneficiary pupils. Reading Recovery will continue to be provided for the foreseeable future. Between 2021 and 2024, 1,989 students have participated. By the end of 2024, 518 students were still enrolled while 208 students did not complete the programme. Of the 1,263 students who completed the programme, 1,016 (80.4%) met classroom expectations, while the other 247 students were referred for further support.</p>
Educational Support for Inclusive Learning	Implemented	1 September 2018	<p>The Foundation for Educational Services (FES) operates the afterschool Klabb 3-16 service. While this service falls under the non-formal education sector, it still offers valuable opportunities for skills development, community engagement, and personal growth. FES continues to provide HW support during the first two hours of services, with the engagement of warranted teachers to assist students who have any difficulty in doing their HW. Another important role within the Klabb 3-16 service is that of the Child Support Workers, who assist Special Educational Needs (SEN) students in their physical and cognitive needs. In addition, FES invests in a short-customised course for each employee in the role, in association with the Institute for Education (IFE). In 2024, quality assurance in the Programmes Department at Head Office was strengthened by increasing staff capacity in Childcare, Klabb 3-16, and the Inclusion Unit.</p>
Continuation of the 'MyJourney' programme	Implemented	1 September 2019	<p>A review of the Vocational Applied Programmes kick-started during Scholastic Year 2023/2024 to ensure that the programmes are relevant and sustainable and to align further the assessment techniques (making assessment more practical and authentic).</p>
One Device Per Child Programme	Implemented	1 April 2024	<p>A laptop will be given to secondary education students in Year 7 and Year 8 (for both state and non-state schools) and will include digital learning content, a new classroom management system, URL and End-Point Protection. The One-Tablet-Per-Child Initiative, which is now fully locally funded, is still in place for primary education students in Years 4 to 6.</p>
Implementing the National Literacy Strategy 2021-2030	Implemented	28 June 2021	<p>The revised 'National Literacy Strategy (NLS)' will be reissued for public consultation. Nevertheless, implementation of various actions is well underway including the promotion of multilingualism in Maltese and English among 7 to 11-year-olds – through regular sessions on the use of languages for parents and for educators. In December 2023, the scheme 'Books are Children's Friends' was launched, whereby a set of four books (two in Maltese and two in English) were distributed to 16,332 primary school students. In 2024, the National Literacy Agency (NLA) contributed to the development of 15 original audio-visual resources (including cartoon episodes)</p>



	Developing a National Skills Strategy	Announced	10 September 2024	<p>in Maltese. At the same time, the NLA distributed 79,603 books in schools, including new classroom libraries, additional books to enhance existing classroom libraries, and classroom readers. In addition, the NLA continued to enhance its educational programmes and introduced new ones like 'Nlagħbu bi Kliemna u Niretaw Hrejjfna'.</p> <p>The National Skills Strategy is being developed with the technical assistance of the OECD Centre for Skills Strategies, as part of the TSI Skills Flagship 2024. The process was launched on 10 September 2024 and is in its early stages. This strategy is being designed through a whole-government approach and beyond, engaging multiple government entities, industry, academia, and civil society in consultations to ensure broad commitment. The priority-setting phase has just been finalised, whereby aligning educational outcomes with labour market needs was discussed, together with other priorities such as using skills information to inform learning choices throughout life, and incentivising employers to stimulate learning in their organisations. In parallel, there is an ongoing process taking a bottom-up approach to assess skills gaps in Malta's maritime sector and developing a skills action plan to address those gaps. This will create a framework that can be applied to other industries.</p>
	Implementation of the 'Ultimate AI Launchpad	Implemented	2 September 2024	<p>The work completed includes the collation, cleaning, verification, and structuring of historical data through collaboration between IMU, the business owner and data owners. The Data Warehouse has been successfully established, populated, and accessible to key officials within the Ministry for Education, Youth, Research (MEYR). Training sessions were conducted, with feedback from key officials gathered, discussed internally, and implemented. The tender was published, evaluated, and awarded, and work on phase 1 of the project is currently underway.</p>
	Implementing New Higher Education Accreditation Standards and Procedures	Announced	20 September 2024	<p>The new Higher Education Programme Accreditation Standards and Procedures are scheduled for publication in the first half of 2025. To support providers in understanding and adapting to these changes, Continuous Professional Development (CPD) sessions will be organised towards the end of the year. The full implementation of the revised standards is expected in early 2026.</p>
	Expanding Inclusive Learning and Apprenticeship Opportunities at MCAST	Implemented	15 June 2021	<p>MCAST's Strategic Plan 2022-2027 emphasises inclusivity and accessibility in education. The plan includes offering part-time courses online to make learning more accessible, particularly benefiting low-skilled individuals who may face challenges attending full-time programmes. Additionally, the plan focuses on developing training with industry partners, concentrate digital skills and new technologies, empowering learners to acquire relevant skills in a changing job market.</p> <p>The Centre for Learning and Employability (CLE) offers personalised support to help students become independent learners. It includes assistance with assignments, academic tutorials, research support, and workshops on study skills and time management. These initiatives are particularly beneficial for low-skilled individuals seeking to improve their educational outcomes. MCAST provides over 50 apprenticeship programmes across various sectors, combining classroom learning with industry-based training. This approach allows low-skilled individuals to gain practical experience and develop competencies that enhance their employability. The College collaborates with numerous companies to offer these opportunities. Through these initiatives, MCAST aims to provide low-skilled individuals with the necessary support and opportunities to enhance their skills and successfully integrate into the labour market.</p>
	"Further Studies Made Affordable Plus" (FSMA+)	Implemented	8 February 2022	<p>The scheme provides financial support to students and professionals pursuing further education in Malta and abroad. Launched in 2019, it offers subsidised interest rates and guarantees to make education loans more accessible. In 2022, the initiative was expanded through FSMA+, allocating additional funds to extend its reach. This ongoing measure reflects the Government's commitment to improving access to higher education and professional development. As at end December 2024, the Malta Development Bank (MDB) has facilitated over €30.0 million in loans through these schemes, benefiting close to 700 students pursuing advanced education in various fields.</p>
	Provision of Free Training Courses by Jobsplus	Implemented	31 October 2023	<p>In the academic year 2022/2023, lifelong training courses were launched to support the adoption of 21st-century skills, including digital literacy, media literacy, and personal finance. These courses were enhanced and expanded with new additions in 2023/2024. Jobsplus continues to provide a wider range of free training courses to individuals residing in Malta and who have completed compulsory school. Jobsplus' training courses are demand driven and aim to provide individuals with in-demand skills to enter and retain gainful employment.</p>
	'I Belong' Programme	Implemented	1 November 2018	<p>The Human Rights Directorate continued to promote the integration of migrants living in Malta by encouraging them to attend the courses offered under the 'I Belong' programme. The programme consists of two stages: Stage 1 includes courses in Maltese and English language, and Cultural Orientation at MQF Level 1. Stage 2 builds on Stage 1 and involves Maltese language and Cultural Orientation courses at MQF Level 2.</p>



			<p>The programme is delivered by the UoM and MCAST. Upon successful completion, students are given a recognised certificate for each subject. These certificates are required to renew the Specific Residence Authorisation (SRA) permit and to apply for Long-Term Status (LTR) status.</p> <p>Foundation courses in Maltese and English language, as well as digital literacy, are offered to support students with literacy difficulties. Completion of these courses prepares students to successfully complete Stage 1 of the "I Belong" programme.</p> <p>The Human Rights Directorate carried out intensive work to ensure that the programme is sustainable and caters for clients' needs. The AMIF funded project 'Supporting Pre-Integration Governance' (SPRING), has now started to be implemented to continue the delivery and help with the restructuring of I Belong. Furthermore, the programme forms a key part of the second Integration Strategy and Action Plan launched on the 29 January 2025.</p> <p>From 2018 to November 2024, over 15,270 individuals applied for the programme, including 4,340 applications in 2024. Regarding graduates, by August 2024, 3,660 students completed Stage 1, 1,490 completed Stage 2, and 110 completed Foundation courses.</p> <p>In 2024, the Commission for the Rights of Persons with Disability (CRPD) organized a conference for HR managers focused on supporting employees with mental health conditions in the workplace. A follow-up workshop is planned for 2025 to further promote inclusive employment practices.</p>	1 June 2024	<p>In January 2025, Agenzija Support formally joined the MASCO (Development of a smart And Sustainable Inclusive worksTation) project as a partner organisation, collaborating with the UoM's Faculty of Engineering, which leads the initiative. The CRPD was actively involved in the initial stages of MASCO, providing expertise on the necessary adaptations for an inclusive workstation.</p> <p>Training is being provided to enhance the workforce's disability awareness and support the employability of persons with disabilities, through initiatives like job coaching by Jobsplus and the LSF. The <i>Creating Multipliers to Prepare for Better Employment Uptake of Neurodivergent People</i> pilot project, focuses on invisible disabilities. It trains front-line officials in the public employment service and State disability services on how to support neurodivergent individuals, particularly those with autism, ADHD, dyslexia, or dyspraxia. The training also includes a component for employers, with the goal of empowering trained officials to act as multipliers within their teams.</p> <p>In 2024, MEYR launched <i>Visioning The Future By Transforming Education 2024-2030</i>, which aims to address issues related to social inclusion within the educational sector under its third pillar, Equity and Inclusion. Forming part of the Inclusion Board led by MEYR, the Directorate for Disability Issues (DDI) shall be collaborating with Director General Educational Services to discuss and improve Action 7 of the <i>Freedom to Live</i> Strategy.</p> <p>The Digital Education Strategy 2025-2030 was approved by the Cabinet on 3 December 2024 and is set to be officially launched in March 2025. Implementation of the strategy started in January 2025.</p>
Education and Employment Initiatives for people with disabilities	Announced	Announced	<p>Amongst others, an initiative which supports training programmes that equip students with disabilities with essential digital skills will be supported by the aforementioned Strategy's implementation.</p> <p>As part of Malta's Strategy for Persons with Disabilities 2021-2030, the Public Employment Services (PES) is committed to increasing the employment rate of persons with disabilities by 15 percentage points and training a minimum of 1,000 unique individuals with disabilities by 2030. The Vocational Assessment, Support, Training & Employment (VASTE) Programme, introduced in 2017, offers training and job exposure opportunities for vulnerable individuals, including persons with disabilities, former inmates, and those facing social challenges. Jobsplus has applied for the VASTE II Programme, focusing on tailored training pathways for disadvantaged jobseekers, particularly persons with disabilities and those at risk of social exclusion. This initiative offers a comprehensive support system, including research, professional services, job coaching, and mentoring, to enhance employability and promote a more inclusive labour market. Additionally, the partnership with the Lino Spiteri Foundation (LSF) continues to provide job coaching, corporate relations, job carving, and job crafting services to help integrate persons with disabilities into the workforce.</p>	20 September 2024	<p>The Sharing Lives Service has begun focusing on peer leadership, community engagement, and co-production by organising interest-led activities designed to enhance the skills needed to become active citizens within the community. In parallel, Agenzija Support's Client Multi-Disciplinary Directorate has started developing a Youth Work Team to support individuals with disabilities aged 13-35. Currently in its early stages, the team is assisting</p>
Implementation of Malta's 2021-2030 National Strategy on the Rights of Disabled Persons, Freedom to Live	Announced	Announced		28 September 2021	
Implementation of the Digital Education Strategy 2025-2030	Announced	Announced		15 April 2024	
Employment Support and Workplace Inclusion for Persons with Disabilities	Announced	Announced		20 September 2024	
Outreach and Detached Youth Work for Disabled Youths	Adopted	Adopted		1 June 2024	



				Sharing Lives but plans to focus on skill development, socialisation opportunities (including youth exchanges), and fostering autonomy, ultimately the aim is to promote independent living.
	Enhancing Global Citizenship Education (GCED)	Implemented	1 September 2023	As part of the National Education Strategy 2024–2030 (NES), Global Citizenship Education (GCED) including Education for Sustainable Development (ESD), is a key priority, and is embedded across the ethos, culture, and formal curriculum of schools in Malta, aligning with the broader European approach. Each year, the Ministry for Education, Sport, Youth, Research and Innovation (MEYRI) issues an announcement offering schools tailored support and training to implement a whole school approach. This training focuses on leadership, school ethos, culture, and integrating GCED into the formal curriculum. Many schools take advantage of this opportunity, benefiting from European funding for resources and specific projects. Additionally, educator training is offered on a one-to-one or small group basis, helping schools assess and enhance teaching strategies, address global themes, and transform learning spaces.
	Establishing GCED Training and Learning Centres	Implemented	1 September 2023	In parallel, MEYRI is rolling out a national mandatory training programme for all primary educators, aimed at strengthening GCED programmes to support the social, green, and digital transition. This training will continue through 2028, with plans to extend the initiative to middle and secondary school educators by 2032.
	Eco-Schools and Dinja Wahda Programmes	Implemented	1 January 2022	MEYRI is also investing in GCED training and learning centres to facilitate continuous educator training and support. The first two, out of four centres, were launched in scholastic year 2023/2024. A third centre is set to be completed by end of 2025. Government aims to have one such centre in every region within the island till 2030, to strengthen GCED CPD delivery and frequency. The Eco-Schools programme, coordinated by Nature Trust – FEE Malta, is an environmental programme in Malta, dedicated to promoting sustainability and ecological awareness among students and schools. Eco-Schools engages students in various eco-friendly initiatives, empowering them to lead environmental action within their schools and communities. Additionally, the Dinja Wahda programme, run by Birdlife Malta, focuses on nature-based learning to help students establish a connection with land ecosystems. This cross-curricular programme engages students from Kindergarten to Secondary schools, providing enjoyable and educational activities for both students and teachers. Furthermore, a school-based beekeeping initiative was piloted among early years students in two schools, with plans for expansion to more schools, including secondary schools, under the Prince's Trust International Achieve Programme.
	Scholarships and grants for green skills	Implemented	1 September 2023	Scholarships and grants will be extended for tailored courses emphasising green skills and sustainability. These opportunities are designed for students pursuing fields integral to the green economy, technology, environmental studies, sustainable development, and STEM disciplines. The Government's commitment to fostering excellence in these critical areas underscores the dedication to advancing a sustainable and innovative future.
	Digital competences for educators	Implemented	1 November 2024	The change in method of training from in person to online adaptive learning is being discussed with the Malta Union of Teachers (MUT), prior to the re-issuing of a tender targeting Professional Development for Educators.
	Green Skills Courses by Tertiary education institutions	Implemented	30 January 2022	MCAST's education strategy focuses on making sure its programmes are industry-relevant and aligned with market needs. The institution coordinates apprenticeships and work-based learning to give students practical experience. It collaborates with over 2,300 industry partners, offering opportunities for internships, apprenticeships, and industry projects that help improve graduate employability. MCAST integrates green skills and circular economy principles into its vocational curricula, ensuring students are prepared to meet the demands of the EU Green Deal. MCAST provides a wide array of courses aimed at developing green skills, such as the Advanced Diploma in Environmental Sustainability, the Bachelor of Science (Hons) in Environmental Science and Sustainable Technologies, and the Master of Science in Mechanical Engineering and Sustainable Technology. These programmes are designed to equip students with the necessary knowledge to tackle environmental challenges and contribute to sustainable technology. MCAST also participates in European initiatives like ERASMUS+, contributing to the creation of training modules, a "Greening the Campus Handbook," and a focus on sustainability within the maritime industry. Additionally, MCAST engages in projects to enhance agricultural knowledge, improve irrigation practices, and address environmental issues like microplastics. In line with its commitment to green skills, MCAST offers training in both the theoretical and practical aspects of designing, setting up, improving, and maintaining green infrastructure. Additionally, MCAST continues to update its upskilling and lifelong learning offerings to bridge any skill gaps, collaborating with employers to ensure courses are aligned with the latest market trends. The institution also promotes international collaboration to enhance



				<p>student mobility and joint research opportunities. New courses focus on renewable energy and environmental sustainability, addressing skill shortages in emerging sectors. Work-based learning opportunities connect students with green industry placements, while educator training in climate literacy strengthens teaching quality.</p> <p>The University of Malta integrates sustainability and eSkills development into its Strategic Plan to foster a responsible and future-oriented academic environment. The UoM aligns with the UN Sustainable Development Goals by embedding sustainable practices across administration, teaching, and research. In the realm of eSkills, the UoM is committed to expanding online learning opportunities and digital literacy, ensuring students and staff have access to advanced technological resources and training. This dual approach positions the university as a hub for innovation and environmental responsibility.</p> <p>The National Skills Council (NSC) is conducting a training gap analysis on green and digital skills within MQF Levels 4-7. This initiative assesses workforce preparedness for the green and digital transitions by mapping existing training opportunities, identifying gaps, and evaluating where current courses can be improved or new programmes introduced to meet industry demands. A sectoral consultation with industry stakeholders will follow, with final recommendations presented to academia and VET institutions to align training with workforce needs.</p>
	Mapping of Training Opportunities in Green and Digital Skills	Implemented	1 March 2024	
	Skills Development Scheme	Implemented	1 January 2024	<p>At present, the NSC is mapping training opportunities in digital skills. The mapping of green skills training opportunities has been completed, and the NSC is now seeking best practices related to green skills.</p> <p>The Skills Development Scheme was revamped in January 2024 with an expiry date of December 2026. Since 2020, Malta Enterprise has awarded approximately €5.4 million in aid.</p>
	Green and Digital Skills Training for Workforce Development	Implemented	19 May 2023	<p>Following the completion of the SMARTLY Project, in May 2023 Jobsplus has included these two courses in its training catalogue: an 'Award in Green Jobs Motivational Training' and an 'Award in Green Skills - The Four Challenges Experience'. These courses are available to all individuals residing in Malta of working age and who have completed compulsory school age given that they meet the eligibility criteria. Furthermore, a comprehensive comparative analysis of the project partners' profiling tools, along with further research, has contributed to the development of a new profiling tool to assess youths' competences and skills relevant to green and digital skills. The profiling tools developed will be used as part of the reinforced Youth Guarantee Project.</p>
	NEET Census for Youth Employment Insights	Implemented	14 May 2024	<p>The aim of this research project is to provide a clear picture of Maltese youths aged between 16 and 29 who are not in employment, education or training (NEET). For the purposes of this project, special care was taken to develop a questionnaire that drew from instruments which had been successfully applied in similar research exercises abroad. The instrument was designed and tailored for the particularities of the local Maltese context and more specifically for the NEET group.</p>
	Special Student Allowance	Implemented	30 October 2023	<p>The Special Student Allowance, introduced in 2024, is an allowance of €500 per year for three years, which aims to support parents (and students) whose children continue post-secondary education, regardless of whether they receive a stipend. This allowance keeps supporting students and parents once eligibility for the children's allowance is no longer applicable. For students living independently, this allowance is granted directly to them. In cases where parents, foster parents, or students themselves claim the allowance, the student must be between 16 and 19 years old at the start of the academic year. If a student turns 20 during the academic year, they will still receive the full three-year allowance, provided they remain in full-time post-secondary education. This measure has been extended for 2025, with approximately 10,500 families expected to receive their second payment in May 2025, while new beneficiaries whose children have just commenced post-secondary education will receive their first payment. The total expenditure for this initiative is estimated at €6 million.</p>
2024 CSR 3 Subpart 2: in particular by fostering basic skills of students and the professional development of teachers.	Update of the Online Teaching and Learning Regulations for Further and Higher Education Institutions	Adopted	6 December 2024	<p>The Updated Online Teaching and Learning Guidelines for Further and Higher Education Institutions were presented on 6 December 2024, which included input from various stakeholders following public consultation. The next step is to refine the guidelines based on the feedback received, ensuring they are as effective and relevant as possible.</p>
	A Bilingual Glossary of Mathematics Terms: The Early and Junior years	Adopted	7 July 2022	<p>The Glossary, published by the National Literacy Agency (NLA), University of Malta (UoM), and the Directorate for STEM and VET Programmes (DSVP), is designed to support bilingual communication in mathematics at the Early Years and Junior levels (ages 3-11 years). Following consultation with school representatives, the Glossary has been revised and is expected to be launched in 2025.</p>
	New Autism Units within Middle and Secondary Schools	Implemented	30 September 2021	<p>The Government has expanded support for students with autism by establishing dedicated Autism Units within middle and secondary schools. Two units were initially completed and made operational in Middle Schools (Handaq and Ta' Paris). In addition, four more Autism Units were opened in Secondary Schools (Mriehel and Handaq) and Middle Schools (Cospicua and Tarxien), providing a structured learning environment for up to 64</p>



				<p>students. These units are staffed by educators trained in inclusive pedagogy and functional curriculum delivery by the National School Support Services (NSSS), ensuring tailored support for students as needed.</p> <p>The strategy aims to reduce the percentage rate of early school leavers from education and training (ELET) to 9% or lower by 2030. In less than two years, over 40% of the strategy's deliverables have been implemented across its three main pillars: prevention, intervention, and compensation. The central focus is to strengthen prevention measures through the family community school link programme (FCSL), which is currently being implemented in 4 primary schools. There were more than 700 interventions in its first couple of months. The FCSL is acting both as an early warning system, as well as a whole school approach to tackle ELET risk factors. The strategy is on track according to timeline, with a number of deliverables starting earlier than planned.</p> <p>A more robust support mechanism for educators is being developed to enhance workplace satisfaction and well-being, thereby reducing attrition. A well-being unit has been established, with a defined mission and vision, along with the launch of a dedicated web page. The People Management Department is conducting the Education Wellbeing and Job Satisfaction Survey for 2025 and is preparing for the Support Needs Analysis and Training Needs Analysis Survey, which will inform the creation of future programs. Based on feedback from the previous year, the Department is in the process of accrediting the Benesseri programme, a well-being and self-development initiative for the Senior Leadership Team (SLT). The outreach programme, primarily targeting teachers, KGEs, and LSEs, proved successful last scholastic year with 30 schools visited. This year, the Department is halfway through its goal of visiting 30 schools.</p> <p>The Government is introducing a number of initiatives that promote reading. 'Books are Children's Friends', launched in primary schools in December 2023, is continuing through the 2024-2025 scholastic year, distributing four books to primary school students. Another scheme to be launched in 2025 provides a home library valued at €150 for children from families eligible under Scheme 9. Beneficiary data has been collected, and the number of children in each age bracket has been identified. A curated list of Maltese and English books has been prepared to create age-appropriate reading sets. A second initiative to be launched in 2025 offers a €20 grant to every primary, middle, and secondary school student to purchase books at the National Book Fair.</p>
	Early Leaving from Education and Training Strategy: The Way Forward 2023-2030	Implemented	27 July 2023	
	A stronger support mechanism for educators	Implemented	27 September 2023	
	Initiatives aimed at Promoting Reading	Adopted	2 January 2025	
CSR 2024.4				
2024 CSR 4 Subpart 1: Accelerate the deployment of renewable energy through large-scale projects as well as small-scale investments in direct energy production and consumption.	A strategy for the introduction and use of hydrogen by industry in Malta	Announced	30 October 2023	<p>During 2024, the Energy Water Agency (EWA) started the necessary preparatory studies, and subject to their outcome, will proceed to develop a strategy for the decarbonisation of industry in Malta through electrification and the use of alternative fuels, such as hydrogen, if applicable.</p>
	Offshore Renewable Energy	Announced	1 September 2023	<p>In 2023, Government conducted a market consultation for renewable energy activities in Malta's Exclusive Economic Zone (EEZ). A National Policy for the Development of Offshore Renewable Energy was published in 2024, following a strategic environmental assessment. This Policy provides a framework for developing offshore renewable energy sources (RES) beyond 12 nautical miles in Malta's EEZ.</p> <p>The consultation process attracted significant investor interest, particularly in clean energy generation projects. A Preliminary Qualification Questionnaire (PQQ) was launched in December 2024 as part of the first stage of a procurement process for an offshore floating wind farm concession.</p> <p>The proposed floating offshore wind farm aims to have an installed capacity of 300 MW. The PQQ, running until June 2025, shall evaluate the technical and financial capabilities of the interested candidates. Shortlisted candidates will proceed to further stages, ultimately leading to the selection of a developer responsible for constructing, operating, and managing the wind farm under a 35-year concession agreement and a 25-year Contract for Difference (CFD).</p>
	Renewable Energy and Energy Efficiency Support Schemes	Implemented	26 February 2021	<p>Roof Insulation and Double Glazing (Retrofitting) Schemes – The Roof Insulation and Double Glazing (Retrofitting) Scheme, launched in 2021 for households, has been further extended until 31 December 2025. This Scheme benefitted a total of 433 beneficiaries by end 2024.</p> <p>Schemes for the Installation of Heat Pump Water Heaters and Solar Water Heaters – The heat pump water heater (HPWH) scheme, first launched on 26 April 2021 for households, was further extended till 2025. The solar water heater (SWH) scheme, launched in 2021 was extended until 31 December 2024. This Scheme benefitted 1,803 beneficiaries by end 2024, with total payments amounting to approximately €2.5 million and will be offered again in 2025.</p>



				<p>Schemes for the Installation of Solar Panels and Batteries for Renewable Energy Storage – The RES Scheme, originally launched in 2021 for households, was relaunched in February 2025. As of 2024, these Schemes have supported a total of 12,852.04 kWp in installed capacity and 13,743.25 kWh in battery storage, with total payments amounting to approximately €15.4 million. Under this scheme, applicants investing in photovoltaic and battery storage systems for their homes can benefit from financial support covering a percentage of eligible costs, with varying refund amounts depending on the system type. Additionally, beneficiaries installing a new PV system under the RES grant receive a feed-in tariff of 15c per kWh for 20 years.</p>
				<p>Feed-in Tariff Schemes – A total of 8MW capacity was made available under the Feed-in Tariff scheme for photovoltaics under 40kWp in residential and non-residential sectors. First introduced in 2021, the scheme was extended yearly on a consecutive basis, with applications open since 23 February 2024.</p> <p>The Government provides financial support to private investors for the generation of clean energy through a scheme that invites bids from private entrepreneurs to develop large-scale renewable energy projects, such as solar farms and wind turbines. The competitive bidding process for private investors to develop renewable energy installations has been in place since 2017, with bidding for solar and wind installations exceeding 1MW starting in 2017 and expanding to all renewable energy systems (RES) in 2023. Competitive bidding for RES capacities between 40kW and less than 1MW was first launched in 2021 and continued until end 2024. In 2024, eight competitive bidding processes were held for RES installations ranging from 40kW up to less than 1000kW, along with one competitive bidding process for RES installations exceeding 1MW. In 2025, Government will continue to encourage the private sector to develop large renewable energy installations.</p> <p>Furthermore, the 'Investment Aid for Energy Efficiency Projects' Scheme, launched in 2018, aimed at facilitating investment in technological solutions that provide higher energy efficiency and contribute directly towards a reduction in the energy requirements of the beneficiaries. The Scheme was extended till 2024 and is currently inactive. Eligibility criteria has been incorporated under the Smart and Sustainable Investment Grant Scheme.</p> <p>The Smart and Sustainable Investment Grant supports businesses investing in sustainable processes to enhance competitiveness through resource optimisation. The grant covers 50% of eligible investments, up to €100,000. Businesses in Gozo and start-ups benefit from an additional 10% in tax credits, which increases to 20% if their investments reduce their carbon footprint. To further encourage investment, Government doubled the maximum tax credit for Maltese enterprises investing in digitalisation, energy and water efficiency, or waste minimisation. Businesses can now claim up to €40,000 in tax credits. The Smart and Sustainable Investment Grant has been revised and extended until December 2026.</p> <p>These solar farms, covering a combined roof area of 19,000m², will deliver a renewable energy output of circa 4.3 GWh per annum on existing Water Services Corporate (WSC) assets. PV installations are in progress, with installations on the Luqa reservoir and Pembroke RO plants approaching completion.</p> <p>The Mriehel Underpass (MFSA Junction), the Mriehel Bypass, the Kirkop Tunnel Airport Intersection Project and the Luqa Junction Project have been completed. Construction works on the Msida Creek project commenced in November 2024 and is ongoing.</p> <p>Upcoming major investments include the Paceville Junction project (Swieqi-St-Julian's Junction) and the road from Sunrise Bar/Pembroke entrance to the Swieqi-St-Julian's junction. Both projects are at application stage with the Planning Authority, with design preparations ongoing.</p> <p>Residential roads and rural roads were rebuilt or upgraded at a rate of approximately 200 roads per year, alongside extensive repair and maintenance works. From 2019 to the third quarter of 2024 around 1,400 residential and rural roads were completed across 54 localities in Malta.</p> <p>In Gozo, key projects such as Marsalforn Road and By the Bastions Road are progressing at a good rate.</p> <p>The scheme for retrofitting photovoltaic panels on heavy-duty vehicles launched in 2024 will be re-launched in 2025, with the grant amount increasing from 15% to 80% of investment costs, while maintaining the existing capping.</p> <p>In order to assist Local Councils in making their streets less car-centric and more people-friendly, the scheme of Vjal Kulhadd will continue. The first phase of Vjal Kulhadd has reached the selection of 14 projects which shall</p>
			Implemented	31 October 2017
	Incentives for Renewable Energy and Energy Efficiency in Businesses		Adopted	1 October 2024
	Installations of PV panels at the Water Services Corporation		Implemented	30 January 2018
2024 CSR 4 Subpart 2: Address traffic congestion by improved quality and efficiency of public transport and step-up investments in 'soft mobility' infrastructure.	Enhancing Road Infrastructure and Promoting Sustainable Mobility			
	Scheme for installation of photovoltaic panels on vehicles		Implemented	31 March 2024
	Soft Mobility Measures to tackling traffic congestion		Announced	30 October 2023



					absorb a planned investment of €10 million. Coordination is underway with the selected Local Councils and other stakeholders.	
					In 2023, A five-year investment project, the Connections for Safer Active Mobility (C-SAM), worth €35 million, began in 2023. This project aims to enhance cycling and pedestrian infrastructure with safer, more connected routes by developing bicycle paths, pedestrian walkways, and urban beautification areas. Procurement for C-SAM Phase 1 (Works) is being finalised, currently in the post-award stage and stakeholder coordination is ongoing (Phase 1 includes Valletta to Msida Creek (excluding Sa Maison to Msida Creek) and Marsa through Blata l-Bajda pedestrian bridge). For C-SAM Phase 2 (Blata l-Bajda to Paola), outline proposals are currently being prepared.	
					Furthermore, Government shall be launching a national strategy emphasising cycling as a viable alternative mode of transportation. Relevant documents are currently being prepared so that the public consultation document for this strategy is presented to Cabinet.	
			Scheme promoting cleaner small motorcycles	Implemented	01 January 2023	This scheme, which included a scrappage scheme intended to provide further financial support to applicants who, while purchasing and registering a small petrol motorcycle, deregister a car or van which is at least 10 years old from its year of manufacture, was stopped indefinitely in 2023.
			More Charging Points	Announced	28 October 2021	A total of 600 sites across Malta and Gozo have been identified for the development of public charging infrastructure, accommodating these 1,200 charging points. This selection process was carried out through extensive consultation with key stakeholders, including Local Councils, Enemalta, the Superintendent of Cultural Heritage, and Transport Malta. Over 300 sites have successfully obtained the necessary permits, marking a significant milestone in the project's progression. The project is currently in the procurement phase for 260 sites.
			Single national digital platform for public charging points	Announced	30 October 2023	A project is underway where the Government will invest in a single national digital platform, to merge public charging points into a single system, for a complete and better service. This process is in its early stages with market research being performed.
			Promoting intramodality	Adopted	1 July 2024	In 2024, Government completed several traffic reorganisation projects at Tal-Barrani, the Qormi Luqa Junction, Triq l-Imdina (Qormi) and Kirkop.
						In recent years, alternative sea transport has proven successful. The Government has developed ferry landing stations in Valletta, Mgarr, Cottonera, and Sliema, with work on a new publicly accessible ferry terminal in Bugibba underway. The main structure of the terminal is being installed, with ancillary works to follow. Additionally, a new breakwater is being constructed to improve maritime connectivity. The main and secondary breakwater arms are complete, along with underwater construction and the deck. Remaining works include building the fast ferry breakwater arm, demolishing the old breakwater, constructing a slipway, and installing ancillary accessories.
						To continue addressing traffic congestion, the Government is currently evaluating a number of measures included in the 'Reshaping Our Mobility' public consultation campaign, closed in December 2024, based on their feasibility and effectiveness. Potential measures include having more officers on streets and ensuring that a number of street services are not provided before 9.00 a.m. so as not to have their vehicles on roads during rush hour.
			Construction of a multi-modal transport hub	Implemented	13 December 2024	The multi-modal transport hub in Ta' Xhajma Xewkija (Gozo) started operating as a park and ride from Ta' Xhajma to Mgarr Harbour from 13 December 2024.
			Setting up of an intelligent Transport System service platform	Announced	28 October 2024	Discussions with the awarding bidder are ongoing.
			Measures incentivising lesser use of ICE vehicles	Announced	28 October 2024	The Government will continue to renew and expand various schemes aimed at reducing the use of ICE vehicles. The scheme for purchasing new electric vehicles, including electric motorcycles will be extended, along with the financial grant for scrapping old vehicles. An additional €1,000 financial grant will remain available for scrapping old vehicles registered in Gozo.
						Schemes providing financial assistance to individuals purchasing personal e-kick scooters will be repeated in 2025, as will the initiatives incentivising the purchase of pedelecs and bicycles, including a full VAT refund on bicycles and electronic bicycles. The incentive for converting bicycles to pedelecs will also continue, further encouraging the shift to personal electric mobility.



					Electric and plug-in hybrid vehicles capable of running at least 50km solely on electricity will continue to be exempt from registration tax and annual road licence fees for five years from the date of first registration. The scheme for retrofitting battery electric powertrains on motor vehicles will also be launched, offering an alternative pathway to increase EV uptake through vehicle conversion. The scheme for converting petrol or diesel vehicles to LPG, originally introduced in 2014, will be repeated in 2025.
					The Green Mobility Scheme, ongoing until 2026 and managed by Malta Enterprise, will continue to encourage the uptake of electric vehicles used in business operations for the transportation of goods and people. The scheme also supports leasing of clean or zero-emission vehicles.
CSR 2023.1	Measures addressing this CSR are included in 2024.CSR1.subpart3.				
2023 CSR 1 Subpart 1: Wind down the emergency support measures in force, using the related savings to reduce the government deficit, as soon as possible in 2023 and 2024. Should renewed energy price increases necessitate new or continued support measures, ensure that such support measures are targeted at protecting vulnerable households and firms, are fiscally affordable and preserve incentives for energy savings					
2023 CSR 1 Subpart 2: Ensure prudent fiscal policy, in particular by limiting the nominal increase in nationally financed net primary expenditure in 2024 to not more than 5.9%.					
2023 CSR 1 Subpart 3: Preserve nationally financed public investment and ensure the effective absorption of grants under the Facility and of other Union funds, in particular to foster the green and digital transitions.	Investment in the digitalisation of the Courts	Adopted	28 October 2024	<p>The Maltese authorities remain committed to facilitate the transition to a more digitalised justice environment to continue enhancing the quality and the efficiency of the national justice system. This is being achieved through the implementation of the national Digital Justice Strategy (2022-2027), which is more than half-way implemented, through which Malta is gradually re-designing the business processes in the justice sector by means of a digital by default architecture, whilst ensuring that all citizens and legal professionals have effective access to justice and legal information irrespective of one's level of digital literacy.</p> <p>In line with this Strategy, it is worth mentioning that progress in terms of the development of the Court Information Management System (CIMS) is being registered. The tender for the development of the CIMS has been issued on 5 September 2024. This project is aimed at digitising the court processes in order to optimise the use of the Court Services Agency's resources and in order to streamline operations. Currently the offers submitted are being evaluated. Progress is also being registered in terms of drafting the tender documents for the development of the new Case Management Systems for the Office of the Attorney General and for the Office of the State Advocate, amongst others, which tenders should be issued later in 2025.</p> <p>Concurrently, the preparatory phase of the process mapping exercise across all justice entities, including the mapping of the processes of the Court Services Agency and those of the Office of the Attorney General and the Office of the State Advocate constituting the first project milestones, is currently underway. This project will include the mapping of the 'as-is' processes and the mapping of the 'to-be' processes. Moreover, the Legal Aid Agency's digital system will officially be launched in 2025.</p>	
	Transforming Urban Spaces	Implemented	16 January 2023	<p>Project Green Agency was established in January 2023 with a statutory mandate to create and maintain green urban and peri-urban spaces, enhance the urban living environment and quality of life in Malta. The Agency will also encourage private sector involvement through PPPs and alternative financing methods. Currently Project Green has a portfolio of 117 projects with an estimated value of €350 million (both EU and national) to be completed in a seven-year period. These include urban greening initiatives, new open spaces, and enhancements to existing green areas, particularly in densely populated regions.</p>	



New IT system for the fisheries and aquaculture sector	Adopted	24 October 2022	Government is investing in a new IT system to modernise the fisheries and aquaculture sector, improving efficiency through digital tools. The technical specifications for the Fisheries Information System (FIS) have been compiled, forming the basis for software development to digitise processes, eliminate paperwork, and enhance service delivery. The system will enable fishers to access their personal data electronically, integrate multiple data sources for vessel monitoring and control, and ensure real-time data transmission during inspections. The tender for the FIS was issued and an evaluation process was conducted, with shortlisted bidders selected. Following an appeal to the Public Contracts Review Board (PCRB) in November 2024, the board ruled in favour of the Evaluation Board. However, the appellant lodged a further appeal with the Malta Law Courts on 20 December 2024, and legal proceedings are ongoing.
Updating the Technology Assurance Sandbox	Announced	1 September 2021	The Technology Assurance Sandbox (TAS), managed by the Malta Digital Innovation Authority (MDIA), is being enhanced to support the digitalisation of the public sector across key areas. As part of the AI Strategy, six AI pilot projects were launched to improve digital services in traffic management, education, health, customer service, tourism, and utilities. Projects focusing on customer service, tourism, utilities, and education have been successfully integrated into TAS, providing a secure environment for the development and deployment of innovative technologies in critical settings. The healthcare and transport pilot projects are still in progress, with ongoing communication between stakeholders.
Establishing the Document Management Unit	Adopted	1 September 2024	The Document Management Unit has been established to support the digitalisation and modernisation of public administration through the implementation of CeDMS. The tender for CeDMS has been awarded, with implementation set to begin at two pilot sites in 2025, followed by a gradual nationwide rollout over the next ten years. Government applied for ERDF funding in 2024, but the outcome of the application is still pending.
Investment in Public Administration Technology	Adopted	17 May 2024	The National Spatial Data Infrastructure (NSDI) framework is being implemented to enhance the use of authoritative spatial data across government, improving data sharing and collaboration with businesses, academia, and citizens. This initiative fosters the creation of value-added datasets and supports data-driven decision-making. The Malta Geo Hub, the central portal within the NSDI framework, hosts and facilitates access to government geospatial information. Following the launch of the portal in Phase 1, Phase 2 focuses on expanding its use by onboarding GIS-oriented government entities using the Government GIS contract. Efforts are also underway to train non-GIS entities, ensuring they have the necessary resources to develop and manage their own geospatial data.
Digital Reforms related to eIDAS Regulation Implementation	Announced	1 November 2023	The Malta Business Registry (MBR) completed the enhancement project to its online portal (BAROS). BAROS enables the submission of all types of company incorporation and other required documents using Qualified Electronic Signatures (QESig) in line with the eIDAS Regulation. As part of its digitalisation strategy and efforts to reduce reliance on paper, the filing of annual financial statements, incorporation of companies and dissolution documents are to be exclusively submitted via the MBR's online system.
Accessible Electronic Medical Records	Announced	1 January 2023	Furthermore, in line with the amendments to the eIDAS Regulation, the Malta Digital Innovation Authority (MDIA) has begun implementing the EU Digital Identity Wallet Framework. In 2024, a task force comprising key stakeholders was established, and work commenced on the technical specifications for procuring the wallet and related trust services.
Implementing a digital and integrated IT system for tax and customs	Announced	28 October 2024	The Ministry for Health and Active Ageing (MHA) is implementing the Electronic Medical Record (EMR) system across Malta's Public National Health System to modernise healthcare infrastructure and meet the current demands. The EMR aims to enhance patient engagement by providing access to personal health records and online services, empowering patients to take an active role in managing their health. It will also improve healthcare delivery by offering healthcare professionals real-time access to patient data, facilitating efficient and personalised care, improving outcomes and reducing costs. Additionally, the system will support cross-border exchange of health data. The tender for the EMR system is currently being drafted, with the ultimate goal of transitioning to a paperless clinical documentation system.
InvestEU	Implemented	13 January 2023	Malta's Tax and Customs Administration is working towards the introduction of an integrated tax administration system (ITAS) at enhancing tax administration and improving data management. The tender evaluation process is complete, and the Department of Contracts is to proceed with the next steps. In the first half of 2024, the European Investment Fund (EIF) evaluated applications submitted by local banks interested in offering loan facilities to local SMEs through the InvestEU Financial Instrument. Following this process, a commercial bank was selected to act as a Financial Intermediary offer the Financial Instrument to local SMEs.

Currently, the Financial Instrument under the InvestEU Programme consists of €9.48 million from ERDF resources and €4.25 million from national resources. As an initial step €10.5 million from Malta's ERDF and national



					resources, together with €19.5 million from EIF resources, have been allocated to establish a €30 million guarantee instrument. This initiative is expected to unlock €60 million in new financing through the Financial Intermediary. The Financial Intermediary has introduced two guaranteed products to support Maltese SMEs and foster business growth.
	Additional measures supporting the green transition element of this CSR are included in 2024.CSR4.subpart3 when promoting private investment.				
	Expansion of the Freeport	Adopted	5 April 2023		The Malta Freeport is undergoing expansion with the addition of 30,000 square metres of new land to accommodate ships exceeding 400 metres. Preparatory structural works began in 2024, with dredging commencing in September 2024. The contractor is collecting the material intended to be used for land reclamation within the Freeport and a concrete plant has also been installed on-site for the casting of caissons in an area close to the land reclamation area.
2023 CSR 1 Subpart 4: For the period beyond 2024, continue to pursue a medium-term fiscal strategy of gradual and sustainable consolidation, combined with investments and reforms conducive to higher sustainable growth, in order to achieve a prudent medium-term fiscal position.	Upgrades to Maritime Infrastructure	Announced	31 August 2022		The maritime infrastructure project aligns with the government's commitment to regenerate the Grand Harbour area, particularly for the cruise liner industry. This project involves extending the Pinto and Lascaris Wharves to accommodate large ships up to approximately 330 metres in length. Currently, construction works are ongoing but faced a temporary suspension due to unforeseen issues and site availability constraints involving third parties. These challenges have now been resolved, and construction is proceeding according to the revised schedule.
	Ras Hanžir Cargo Facility	Announced	30 December 2022		Work has started on the large project that will see the building of a new freight facility in the Ras Hanžir area near Kordin. The wharf for the shipping of goods will be enriching the efficiency of the Grand Harbour and further increasing the space for the mooring of Ro-Ro ships and others which enter the harbour. The initial works contract was terminated in February 2025, and a new tender will be issued to undertake the outstanding works.
	Other Capital projects in the Grand Harbour and the Marsamxett Harbour Area	Adopted	30 September 2021		The Grand Harbour and Marsamxett Harbour areas are undergoing significant regeneration through capital projects aimed at enhancing accessibility, restoring historical sites, and improving public spaces and infrastructure. In Marsamxett Harbour, the regeneration of Independence Square and the restoration of Casa Bolino were completed in 2023 and 2024, respectively, creating a pedestrianised area and restoring the façade of a 400-year-old palazzo. The restoration of social housing in Mattia Preti Square was also completed in Q1 2024, benefiting around 200 families through improved energy efficiency and upgraded common areas. Work on the vertical lift at Peacock Gardens, which will improve connectivity between Silema and Valletta, is ongoing. Structural works on the shaft excavation and consolidation were completed in January 2025, and the entire project is set for completion by the end 2025.
					In the Marsamxett Harbour area, regeneration projects in Isla and Kalkara, including traffic rerouting, paving of the pedestrian area, architectural lighting, and a passenger lift installation, were completed in 2024. Meanwhile, regeneration works in Marsa (Trinita area) are in the planning phase, with designs and technical specifications at an advanced stage. Phase 1 and Phase 2 works are set to begin in the first and second halves of 2025, respectively, with completion planned by the end of 2026.
	Additional measures addressing investments and reforms conducive to higher sustainable growth by promoting the deployment of renewable energy, sustainable transport and by promoting private investment are included in 2024.CSR4.subpart1, 2024.CSR4.subpart2 and 2020.CSR3.subpart3, respectively. Measures targeting a prudent fiscal policy are included in 2024.CSR1.subpart2. Further measures addressing this CSR are included under 2020.CSR3.subpart3. Malta's participation in InvestEU, as included under 2023.CSR1.subpart3, is also conducive to higher sustainable growth.				
CSR.2023.2					
2023 CSR 2 Subpart 1: Continue the steady implementation of its recovery and resilience plan, and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close	Information on addressing this CSR is included in 2024. CSR2.subpart1.				

complementarity and synergy with the recovery and resilience plan.

CSR.2023.3

<p>2023 CSR 3 Subpart 1: Take action to effectively address features of the tax system that may facilitate aggressive tax planning by individuals and multinationals. Ensuring sufficient taxation of outbound payments of interests, royalties, and dividends, and amending the rules for non-domiciled companies.</p>	<p>The Tax Return Year of Assessment 2022 TRA 124 Supplement</p>	Implemented	30 June 2022	<p>The Year of Assessment 2022's corporate tax return introduced a new reporting obligation for non-domiciled companies to gather and report data on non-remitted income.</p>
	<p>Changes to the Tax Return Year of Assessment 2022 reflecting the limitations to the Participation Exemption System with respect to the EU's list of Non-Cooperative Jurisdictions</p> <p>Additional measures addressing the tax administration, tax evasion and tax avoidance are included in 2024.CSR1.subpart4.</p>	Implemented	30 June 2022	<p>The Budget Measures Implementation Act has introduced limitations to the participation exemption with respect to certain inbound payments from bodies of persons resident in jurisdictions included in the EU list of non-cooperative jurisdictions for a period of at least three months. This has come into effect in the corporate income tax return for Year of Assessment 2022.</p>

CSR.2023.4

<p>2023 CSR 4 Subpart 1: Reduce reliance on fossil fuels</p>	<p>Scheme for the installation of DPFs and selective SCR systems on vehicles</p>	Implemented	31 March 2024	<p>The Scheme for the installation of DPFs and SCR systems on vehicles, implemented between 2022 and 2024, aimed to reduce emissions from heavy-duty diesel vehicles by providing grants for the installation of diesel particulate filters (DPF) and selective catalytic reduction (SCR) systems.</p>
	<p>Measures which reduce reliance on fossil fuels by promoting the deployment of renewable energy and sustainable transport are included in 2024.CSR4.subpart1 and 2024.CSR4.subpart2, respectively.</p>			
<p>2023 CSR 4 Subpart 2: by accelerating the deployment of renewable energies, including offshore wind and solar energy</p>	<p>Interest-free loans to complement businesses' investment in electric vehicles and charging stations</p>	Implemented	27 April 2023	<p>The Government encouraged private companies and businesses to transition to electric vehicle fleets by providing interest-free loans to support investments in electric vehicles and charging stations. This measure was implemented through the Energy Efficiency and Renewable Energy for Malta (EERE) financial instrument, which concluded in December 2023.</p>
<p>2023 CSR 4 Subpart 3: and upgrade and expand the capacity of the electricity grid system, including transmission, distribution and battery storage.</p>	<p>Measures addressing the deployment of renewable energy are included in 2024.CSR4.subpart1.</p>			
	<p>A second interconnector</p>	Announced	25 August 2021	<p>During 2024, Interconnect Malta issued and awarded a number of Engineering, Procurement and Commissioning (EPC) tender calls for the implementation of the Second Cable Interconnector project. Four main EPC tenders have been recommended for award. Works on the onshore routes in Magħtab (Malta) have also commenced. In January 2024, the Planning Authority issued the Maltese development permit covering the works required to lay and protect the land and subsea cable link in Maltese territory.</p> <p>With reference to the Italian permitting procedure, the formal statutory authorisation process commenced in January 2024, and following a number of public and stakeholder consultations, and endorsement by the Sicily Region, in December 2024, the Italian Government issued the Single Authorisation Decree.</p>
				<p>In June 2024, the project was successfully approved for funding under the 2021-2027 ERDF Programme, specifically under Specific Objective 2.3 'Developing smart energy systems, grids, and storage outside the TEN-E network'. This project has been designated as an 'Operation of Strategic Importance' due to its significant contribution to the achievement of national priorities for the 2021-2027 Programme. The ERDF funding allocated to this project amounts to approximately €165 million.</p>
	<p>Energy storage using batteries</p>	Announced	24 June 2023	<p>Government is strengthening the resilience of the national grid and enhancing its capacity to integrate additional renewable energy. The first large-scale battery energy storage project will be implemented at the Delimara Power Station with a €35 million budget, for which an application for European funding was submitted in November 2024. The second project, at Station 'A' in Marsa, will be funded by the Recovery and Resilience Fund with a €12 million budget.</p>
				<p>In November 2024, Interconnect Malta Ltd (ICM) issued a tender for awarding an Engineering, Procurement, and Construction (EPC) contract for the procurement and installation of the two utility scale BESS facilities at the Delimara Power Station and at the Marsa 'A' Station. The tender closed on 11 February 2025.</p>

Information on the schemes aimed at increasing the energy efficiency for households and businesses which also address this CSR are included in 2023.CSR4.subpart4.				
	Strengthening the electrical infrastructure	Announced	30 October 2023	Enemalta is investing in standby units to enhance the resilience of the national electricity grid, ensuring a stable supply in the event of a fault at peak demand. As an immediate measure, up to 60MW of emergency plant capacity has been temporarily leased. The plant was successfully commissioned in August 2024 and is now available for dispatch to be used in case of a major incident affecting the available generating capacity.
2023 CSR 4 Subpart 4: Reduce energy demand through improved energy efficiency, particularly in residential buildings.	Incentives for Energy-Efficient Home Residences	Announced	28 October 2024	Two related schemes will be launched in 2025: the 'Irrinova Darek Scheme', which aims to incentivise renovations in order to enhance the energy performance of residences, and the 'Buy Sustainable Property Scheme', which aims to incentivise buyers to purchase residential properties that have an energy performance rating which is above the minimum energy performance standards.
	Free energy audits for SMEs	Implemented	30 April 2018	To enhance energy efficiency in the entrepreneurial sector, the free energy audits Scheme enables SMEs to apply for a grant covering the cost of an energy audit, with grants ranging from €1,000 to €5,000, depending on the enterprise's size and NACE Code. Enterprises that undergo an audit and implement the recommended measures will be guided toward relevant support schemes. This Scheme is ongoing and planned to continue at least up till the end of 2026.
	Grand Harbour Clean Air Project	Announced	1 November 2020	This project covered the Northern Part of the Grand Harbour and Boiler Wharf. It involved installing systems that allow large vessels, such as passenger or cargo ships, to switch off their engines while berthed and connect directly to the national grid, reducing air pollution. It included the preparation of the required infrastructure and installation of equipment that amongst other included: frequency converters, transformers, and switch gears in line with existing standards. This first phase was co-funded under CEF Transport with an eligible investment of approximately €2.5 million with works completed in July 2024. Since then, docked cruise liners in the Northern part of the Grand Harbour have been able to plug into Malta's electricity grid through shore-to-ship technology, with current capacity of up to five cruise liners powered simultaneously.
	Provision of shore-to-ship electricity at the Malta Freeport	Implemented	30 September 2022	With an investment of €50 million, the second phase of the project for the Southern Part of the Grand Harbour extended the supply of shore-side electricity to ships berthing in this area, including Ras Hanzir, Laboratory and Magazine Wharves as well as two quays located within the Palumbo Shipyard (these being Dock 6 also known as China Dock and Parlatório quay) and Mediterranean Maritime Hub (MMH). The procurement stage was successful, and the contract has been signed. The design phase of the contract has been initiated and is currently ongoing. This second project has an estimated cost of €44.6 million and will extend the provision of on-shore power supply to other quays in the Southern part of the Grand Harbour which are also used by Ro-Ros.
	Enhancing the primary water network	Announced	1 November 2018	Two quays within the Freeport Terminals, namely North Quay Terminal 1 (NQ1) and North Quay Terminal 2 (NQ2) are each to be provided with a bi-directional High Voltage Shore Connection (HVSC) system for use by container ships whilst at berth. These systems will permit berthed container vessels to import/export power to/from the national grid.
				The Frequency Converter Station (FCS) has been integrated. The second Phase of the Onshore Power Supply (OPS) will see the installation of the OPS along on South Quay Terminal 2 and also West Quay of Terminal 1.
				A permit for the tunnel was issued by the Planning Authority (PA) following consultations with all relevant stakeholders. The tunnel, connecting the Pembroke Reverse Osmosis Plant to the Ta' Qali reservoir network, has been successfully drilled, with the majority of associated pipework and ancillary installations completed.
2023 CSR 4 Subpart 5: Reduce emissions from road transport by addressing traffic congestion through improved service quality in public transport, intelligent transport systems and investment in 'soft mobility' infrastructure.				businesses are included in 2024.CSR4.subpart1.
2023 CSR 4 Subpart 6: Step up policy efforts aimed at the provision and acquisition of skills and competences needed for the green transition.	Green Training Schemes by Jobsplus	Implemented	19 May 2023	Jobsplus continues to offer a vast array of training courses both online and in class in accounting, business skills, care work, digital, clerical work, health, safety and security, ICT, hospitality and customer services, language, technical work, and trades amongst others. To address the changes in the labour market, in 2023 Jobsplus introduced additional training courses in green skills. All of Jobsplus' courses are offered free of charge to all individuals residing in Malta and who meet the eligibility criteria. Jobsplus courses are also pegged to the National Qualification Framework and aim to help in equipping participants with the necessary transversal skills to enter and retain gainful employment. Additionally, through the 'Investing in Skills Scheme' re-launched in September

				<p>2023 under the new Programming Period 2021-2027, local employers interested in upskilling their workforce, including green skills, are also being incentivised by financial aid covering costs related to training, wages and travel expenses.</p> <p>In 2021, Jobsplus launched the INTERCEPT project to support NEETs (25–29) through a Green Career Pathway, enhancing their employability in the evolving labour market. The programme included a paid training pathway with a 25-hour introductory course and a 240-hour work placement in sustainability-focused sectors, addressing skill shortages in the green economy. A national outreach campaign engaged both jobseekers and employers, strengthening connections to green jobs. The project had a duration of 29 months until 2023 and the project's insights will reinforce the Youth Guarantee Scheme and inform future employment policies. Additionally, a capacity-building initiative equipped Public Employment Service (PES) staff with expertise on emerging job trends and NEET challenges.</p>
	INTERCEPT project	Implemented	1 January 2021	<p>Several key education strategies have been reviewed and assessed for their implementation progress include the National Education Strategy (NES) 2024-2030, the Early Leaving from Education and Training Strategy 2023-2030 and the National Lifelong Learning Strategy 2023-2030. Additionally, a Committee on Digitalisation and Simplification has been tasked with developing Malta's first strategy for digitalisation in education.</p> <p>A review of the Learning Outcomes Framework (LOF) began in September 2022 through four working groups covering different education levels. The Policy Monitoring and Evaluation Directorate (PMED) analysed these reports, recommending a deeper study. In November 2022, research with educators informed the design of national surveys for parents and educators, which were conducted in January 2023. Findings from these surveys, presented in July 2023 to the National Curriculum Framework Review Board, are guiding the development of an action plan for future improvements.</p>
	Review of key policy documents in education	Implemented	30 July 2022	<p>In 2024, the Valletta Design Cluster launched a residency programme for designers and researchers to explore innovative solutions to urban challenges. The programme was successfully completed with three artists. Carlos Shields Davis carried out his residency from August 10 to September 27, 2024, under the theme of Re-Imagination, with a project titled "Reimagined Realities". Divleena Singh worked from July 10 to August 15, 2024, focusing on sustainability and developing lightweight tenserity-inspired sculptural prototypes. Kadri Vahar completed her residency from November 13 to December 22, 2024, under the theme of Reimagination, creating a Maltese heritage-inspired collection using free motion machine embroidery. Each artist held a free public workshop at the Valletta Design Cluster to share their research and progress. A new call for 2025 was launched in October 2024, with five makers-in-residence accepted: Maria Rosa Thornhill, Toby Short, Sara Dobrijević & Jakob D'Herde, and Ruslana Dovzhyk.</p>
	New Residency Programme for designers and researchers	Implemented	30 January 2024	<p>Work is being undertaken in order to deliver building codes on demolition, excavation, construction and fire safety by 2026.</p>
	Introduction of construction codes	Adopted	30 April 2022	<p>Additional measures that support the efforts to acquire skills and competences for the green transition can be found in 2024 CSR 3 subpart 1 and subpart 2.</p>
CSR 2022.1				
2022 CSR 1 Subpart 1: In 2023, ensure that the growth of nationally financed primary current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation.	Additional COLA mechanism for the vulnerable	Implemented	30 December 2022	<p>Low- and middle-income families will once again benefit from the Additional Cost of Living Allowance, originally introduced in October 2022, designed to help mitigate the impact of inflation. In 2025, the benefit will range from €100 to €1,500 per year and will be distributed among 100,000 families, supporting nearly 200,000 individuals.</p>
	Support due to high inflation	Announced	24 October 2022	<p>The Maltese Government remains committed to protecting vulnerable groups, mitigating inflationary pressures, and safeguarding economic growth amid international uncertainty linked to Russia's war of aggression. The Government has pledged continued support as needed, particularly stabilising prices of essential goods such as energy and food. To limit negative impacts on public finances, spending adjustments were made alongside expenditure consolidation. Higher-than-expected revenues have supported these measures, allowing the economy to fully recover and continue expanding, ensuring controlled public finances and stable public debt.</p>



					The fiscal impact of energy price support measures is of 1.7 per cent of GDP in 2023 down from 2.4 per cent in 2022.
2022 CSR 1 Subpart 2: Expand public investment for the green and digital transitions, and for energy security taking into account the REPowerEU initiative, including by making use of the Recovery and Resilience Facility and other Union funds.	Additional measures addressing this CSR include the European Digital Innovation Hub and the Business Enhance Digitalisation Grant Scheme, which are included under 2020.CSR3.subpart3. Further information related To Malta's participation in the InvestEU initiative is included under 2023.CSR1.subpart3.				
2022 CSR 1 Subpart 3: For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Further information on measures addressing prudent fiscal policy can be found in 2024.CSR1.subpart2.				
CSR.2022.2					
2022 CSR 2 Subpart 1: Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 5 October 2021.	Information on addressing this CSR is included in 2024. CSR2.subpart1.				
2022 CSR 2 Subpart 2: Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Information on addressing this CSR is included in 2024. CSR2.subpart1.				
CSR.2022.3					
2022 CSR 3 Subpart 1: Take action to effectively address features of the tax system that may facilitate aggressive tax planning by individuals and multinational companies, including by ensuring sufficient taxation of outbound payments of interests, royalties, and dividends, and amending the rules for non-domiciled companies.	Additional measures addressing the tax administration, tax evasion and tax avoidance are included in 2024.CSR1.subpart4 and 2024.CSR3.subpart1.				
CSR.2022.4					
2022 CSR 4 Subpart 1: Reduce overall reliance on fossil fuels.	Measures which reduce overall reliance on fossil fuels by addressing the deployment of renewable energy and by focusing investment on clean and efficient production and use of energy are included in 2024.CSR4.subpart1 and 2020.CSR3.subpart4, respectively. Measures which reduce reliance on fossil fuels by addressing traffic congestion and sustainable transport are included in 2024.CSR4.subpart2.				
2022 CSR 4 Subpart 2: Accelerate the deployment of renewables, promoting and enabling investments in wind and solar energy, including in floating offshore energy.	Measures which are aimed at accelerating deployment of renewable energy are included under 2024.CSR4.subpart1.				
2022 CSR 4 Subpart 3: Further upgrading Malta's electricity transmission and distribution grids, and creating incentives for	Measures addressing the capacity of the electricity grid system are included in 2023.CSR4.subpart3. Measures which are aimed at accelerating the deployment of renewable energy while also addressing this CSR are included under 2024.CSR4.subpart1.				



electricity storage to supply firm, flexible and fast-responding energy.					
2022 CSR 4 Subpart 4: Reduce energy demand through improved energy efficiency, particularly in residential buildings.	Measures addressing energy efficiency are included in 2023.CSR4.subpart4.				
2022 CSR 4 Subpart 5: Reduce emissions from road transport by addressing traffic congestion through improved service quality in public transport, intelligent transport systems and investing in soft mobility infrastructure.	Measures targeting the reduction of emissions from road transport are included in 2024.CSR4.subpart2.				
CSR.2021.1					
2021 CSR 1 Subpart 1: In 2022, maintain a supportive fiscal stance, including the impulse provided by the Recovery and Resilience Facility, and preserve nationally financed investment.	N/A				
2021 CSR 1 Subpart 2: When economic conditions allow, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring fiscal sustainability in the medium term.	N/A				
2021 CSR 1 Subpart 3: At the same time, enhance investment to boost growth potential. Pay particular attention to the composition of public finances, on both the revenue and expenditure sides of the national budget, and to the quality of budgetary measures in order to ensure a sustainable and inclusive recovery. Prioritise sustainable and growth-enhancing investment, in particular investment supporting the green and digital transition	Measures which support the digital transition are included in 2023.CSR1.subpart3. Measures which prioritise sustainable and growth-enhancing investment by promoting private investment are included in 2020.CSR3.subpart3. Measures supporting investment in the green transition by focusing on the deployment of renewable energy, sustainable transport and clean and efficient production and use of energy, are included in 2024.CSR4.subpart1, 2024.CSR4.subpart2 and 2020.CSR3.subpart4, respectively.				
2021 CSR 1 Subpart 4: Give priority to fiscal structural reforms that will help provide financing for public policy priorities and contribute to the long-term sustainability of public finances, including, where relevant, by strengthening the coverage, adequacy and sustainability of health and social protection systems for all.	Benefits for service pensioners	Implemented	1 January 2025	The amount of service pension that is not considered for the purpose of social security pensions increased by another €200, reaching a total of €3,666, in 2025. The adjustment applies according to the general rules of the social security pension for anyone receiving a service pension. Around 3,250 service pensioners will benefit from this increase, also thanks to a measure whereby, at the age of 72, the entire amount calculated from the service pension will no longer be considered.	
	Increase in contributory years	Implemented	1 January 2025	Individuals born in 1976 or later will be required to accumulate 42 years of social security contributions, whether these contributions are paid or accredited. This change marks an increase from the current requirement of 41 years, reflecting a shift in policy aimed at ensuring long-term sustainability of the social security system. The retirement age will remain at 65 years.	



Schemes for affordable housing		1 January 2025	<p>The Government has implemented several schemes to promote affordable housing. All schemes have been extended from the previous year and are ongoing. These initiatives include:</p> <p>Deposit Guarantee Scheme: Launched in 2020, this scheme assists individuals eligible for a bank loan but lacking the 10% down payment. The Government provides an interest-free loan covering this amount, guaranteed to commercial banks. Initially applicable to properties valued up to €175,000, the cap was raised to €225,000 in 2023 to reflect market values. Approximately 200 contracts were signed under this scheme, with 117 beneficiaries in both 2023 and 2024.</p> <p>Equity Sharing Scheme: Introduced in 2019, this scheme targets individuals over 30 who, due to age and income constraints, cannot secure sufficient loans to purchase a home. The Housing Authority purchases up to 50% (maximum €100,000) of a property valued up to €250,000, reducing the loan burden on beneficiaries. Beneficiaries can acquire the remaining share from the Housing Authority as their financial situation improves.</p> <p>Social Loan Scheme: Established in 2017 in collaboration with commercial banks and the Foundation for Social Welfare Services, this scheme offers low-income earners a monthly subsidy towards their home loan. The loan amount can cover the property deposit, facilitating homeownership for those with limited income.</p> <p>New Hope Guarantee: Operational since 2022, the New Hope Guarantee provides solutions for individuals or couples who meet standard bank lending criteria but face obstacles in entering the property market.</p> <p>Sir Sid Darek Scheme: This scheme encourages residents of apartments, terraced houses, and maisonettes owned by the Housing Authority or the Government Property Department to become homeowners. Beneficiaries receive a 50% subsidy on the property's purchase price, provided they have resided in the property for at least ten years. Between 2017 and 2023, 700 households benefited from this scheme.</p> <p>The Scheme aims to make homeownership more accessible for first-time buyers by offering financial incentives and support. The scheme provides reduced stamp duty rates and other benefits to eligible applicants, making it easier for them to purchase their first home in Malta. The scheme has been extended and is ongoing.</p> <p>In 2025, the Government increased the supplementary allowance rates, with couples receiving an additional €190 per year, bringing the total to €1,289, and single individuals seeing a €69 increase, reaching €667 annually. Additionally, the income eligibility threshold for couples was raised to €18,000 per year. Currently, around 20,500 families benefit from this measure, and with these changes, an additional 1,500 families will become eligible.</p> <p>As from January 2025, the Government increased the capital assets test for the means tested benefits including, Age Pension, Social Assistance, Unemployment Benefits, Medical Assistance and the Pink Form. The threshold for couples or married individuals increased from €23,300 to €26,000, while the threshold for single individuals increased from €14,000 to €16,000.</p> <p>The Government introduced the Medical Social Assistance benefit to distinguish between beneficiaries based on their ability to work. This new benefit specifically supports individuals unable to work due to medical conditions, providing them with the full cost-of-living increase and an additional €5 per week per family member. Meanwhile, beneficiaries who are capable of working will receive the full cost-of-living increase and be guided towards training opportunities through Jobsplus schemes to encourage employment and reduce dependency on social benefits.</p> <p>The Sickness Assistance benefit supports individuals who are unable to work due to illness, based on a means test and specific medical conditions outlined in the Social Security Act. To improve access for low-income families, the Government will amend the law to raise the income limits for both couples and individuals living alone by €416 per year, in addition to annual statutory increases. This measure is expected to benefit around 800 recipients.</p> <p>Upon retirement, individuals with disabilities who receive a contributory pension will receive an increase to offset the loss of disability assistance. This adjustment ensures their pension meets at least the National Minimum Wage, with an increase of no less than 10% of their previous assistance entitlement. A total of 330 people will benefit from this measure, including 40 individuals retiring in 2025. The cohorts benefiting from this measure include recipients of Severe Disability Assistance, Disability Assistance, and the Disability Pension.</p> <p>As of 2025, the Carer at Home scheme has been further extended, with the benefit increasing by an additional €500, bringing the total annual allowance to €8,500. By the end of December 2024, 1,131 beneficiaries were receiving support under this scheme. From January 2025, approximately 1,074 beneficiaries employing full-time</p>	
	Extension of the First Residence Scheme	Implemented	1 January 2025	Implemented
	Supplementary Allowance	Implemented	1 January 2025	Implemented
	Revision of the amount of capital assets for non-contributory assistance	Implemented	1 January 2025	Implemented
	Targeted Medical Social Assistance	Implemented	1 January 2025	Implemented
	Widening the income thresholds for Sickness Assistance	Implemented	1 January 2025	Implemented
	Compensation for persons with disabilities upon retirement from work	Implemented	1 January 2025	Implemented
	Increase in the Carer at Home Scheme	Implemented	1 January 2025	Implemented



				carers will receive the full €8,500 per year, while around 64 beneficiaries with part-time carers will receive a pro-rata amount.
	Pension Increase	Implemented	1 January 2025	For the ninth consecutive year, pensioners received an increase beyond the cost-of-living adjustment. In 2025, all individuals receiving a retirement, widowhood, invalidity, or non-contributory age pension were granted a total increase of €8 per week, amounting to €416 per year. This measure benefited over 100,000 pensioners. Over the past ten years, pensions have risen by at least €3,583, equivalent to nearly €70 per week.
	Adequate increases to pensioners in the future	Implemented	1 January 2024	From 2024, pensioners born before 1962 will benefit from the same pension increase mechanism that previously applied only to those born after 1962, which adjusts pensions based on 70% of wage growth and 30% of inflation. This extension of the mechanism benefited nearly 10,000 pensioners, providing more predictable and equitable pension increases in the future.
	Adjustment to the Cost-of-Living Bonus	Implemented	1 January 2025	The government is continuing its process, started in 2022, to correct disparities in the cost-of-living bonus (COLA) that began in 2008. Previously, pensioners received different COLA amounts depending on their retirement year, creating inconsistencies. To address this, pensioners who started receiving their pensions in 2009 or later are gradually receiving additional COLA increases. By 2027, all pensioners will receive a standardised COLA of €21.53 per week, ensuring fairness while still benefiting from future pension increases.
	Public Service: Reflecting the Cost-of-Living Adjustment	Implemented	2 January 2023	An instrument to reflect the Cost-of-Living Adjustment (COLA) mechanism within the public service has been established. The mechanism ensures that the ratio of salaries between salary scale of 1:4 (i.e., Scale 1 to receive four times Scale 20) has been respected. Agreement has been reached within all nine public service unions and the increases have been affected in the January 2023 payroll. The same exercise has been established for public service entities.
	Additional Increase in Widow/er's Pensions	Implemented	1 January 2024	The Government continued its efforts initiated in 2022 to enhance the financial security of widowed pensioners. Under this initiative, those receiving a widowhood pension will gradually see their pension increase to match the full amount their late spouse would have been entitled to. In 2024, nearly 7,000 widowed pensioners benefited from this adjustment, receiving an additional increase beyond the general pension rise. Since 2022, widowed pensioners have been receiving incremental increases above the cost-of-living adjustment, with the aim of fully aligning their pension with their late spouse's retirement entitlement by 2027.
	Entitlement to short-term benefits for workers receiving a widows' pension	Implemented	1 January 2023	Previously, individuals receiving a widow's pension before retirement were not eligible for contributory unemployment, sickness, or injury-on-duty benefits. As of 2023, these workers are now entitled to these benefits based on their contributions and specific needs. In 2023, 123 individuals benefited from this measure, which remains in effect for 2024 and 2025.
	Contribution credits for persons with mental health issues	Implemented	1 February 2023	The Government recognises the difficulties faced by individuals with mental health conditions, particularly when these arise at a young age before entering the workforce. Many of these individuals experience gaps in their social security contributions due to periods of illness that prevent them from working regularly. To address this issue, as of 2023, the Government grants up to two years of contribution credits to individuals who were unable to work between the ages of 18 and 30 and can provide certification of regular treatment from a government-employed consultant psychiatrist during that period.
	Continuing to support people with a severe mental condition	Adopted	29 November 2023	The Government remains aware of the challenges faced by individuals with severe mental health conditions. In 2024, a new measure was introduced allowing individuals suffering from severe mental conditions to qualify for an invalidity pension, provided they have accumulated at least 50 social security contributions over their lifetime. This initiative aims to provide financial support to those whose mental health issues prevent them from participating in the workforce.
	A further increase for elderly persons who do not qualify for a contributory pension	Implemented	1 January 2025	Since 2015, individuals who do not have enough social security contributions to qualify for a pension have received a bonus based on their contribution history. In 2024, the current bonus rates are €500 for those with up to four years of contributions and €600 for those with between five and nine years. From 2025, the system was adjusted to provide fairer support, ensuring that those with a higher number of contributions receive a higher bonus. The new rates range from €550 for individuals with up to one year of contributions to €1,000 for those with up to nine years. This measure will benefit over 16,000 people, the majority of whom are married women.
	One maximum pensionable income	Implemented	1 January 2024	To address the disparity in the Highest Pensionable Income between those born before and after 1962, with pensioners born before 1962 receiving €6,407 less per year, the Government introduced a measure in 2024. This measure provides additional pension increases to pensioners born before 1962, whose current salary would exceed their Maximum Pensionable Income had they still been working. The increase is based on their salary. The measure has been extended for 2025. In 2024, nearly 10,000 pensioners benefited from this initiative, with around 26,000 pensioners expected to benefit in 2025.
	Beneficiaries of social assistance shall receive the full cost of living adjustment	Implemented	1 January 2023	Since 2022, individuals receiving social benefits have been granted the full cost-of-living adjustment for the first time, a crucial step to support them in the face of rising inflation. This measure continues in 2025. In 2024, around



	Improving the Tapering of Benefits	Implemented	1 January 2023	<p>5,600 beneficiaries received the full cost-of-living increase, including those receiving benefits under the Social Assistance pillar, such as Social Assistance, Single Unmarried Parent, and Unemployment Assistance.</p> <p>Malta has made significant strides in reducing the number of people dependent on social benefits. Over 9,000 individuals who were previously relying on social assistance have benefited from initiatives like the tapering of benefits and are now earning a living through work. In 2023, the Government continued to refine the tapering of benefits, ensuring that beneficiaries continue to receive 10% more of their benefit over the course of three years. As a result, beneficiaries will receive 75% of their benefit in the first year of employment, 55% in the second year, and 35% in the third year. The Tapering of Benefits facilitated the smooth transition from unemployment to employment of a total of 1,097 beneficiaries in 2024.</p> <p>Prior to 2023, individuals who were not employed and were receiving either the unemployment contributory benefit or the sickness contributory benefit were not eligible for non-contributory Medical Assistance. However, this policy changed in 2023, and now, even those receiving contributory benefits, such as unemployment or sickness benefits, are entitled to non-contributory Medical Assistance, regardless of their employment status.</p>
	Right of beneficiaries of sickness and unemployment benefits to receive non-contributory Medical Assistance	Implemented	1 January 2023	<p>The Carers' Grant was introduced in 2021 to support parents who are unable to work due to the need to care for a child with a severe disability. The benefit was increased from €300 per year to €500 per year in 2022. From 2023, the benefit was significantly increased to €4,500 per year. In 2024, it was raised further to almost €5,000 per year. In 2025, the Carers' Grant amounts to €5,190 per year, with approximately 440 beneficiaries expected to benefit from this support.</p>
	Carers' Grant	Implemented	1 January 2025	<p>In June 2025, the Carers' Grant will be available to non-working parents of children under 16 with very severe disabilities who require continuous and constant care. A medical evaluation will be conducted by an interprofessional panel adhering to international criteria to determine eligibility. Additionally, a new measure will ensure that those qualifying for the Carers' Grant will have contributions accredited to their future pensions, based on the same principles used for credits granted to all recipients of Carers' Assistance.</p>
	Contribution credits for those on Carers Allowance	Implemented	30 June 2023	<p>Persons who qualify for the increased Carers' Allowance or the Carers' Allowance prior to 2023 are eligible for contribution credits that count towards their pension for the period they are receiving any of these allowances, provided they had paid an average of 20 social security contributions per year since reaching their 18th birthday. From 2023 onwards, the Government lowered this requirement to 15 social security contributions per year, in line with the entitlement to the two-thirds pension.</p>
	Acknowledgement of the right to the Carer's Allowance of persons living together	Implemented	1 January 2023	<p>However, there may still be some individuals who do not qualify for credits under this measure. To address this, the Government has introduced a new initiative that provides up to 4 years of social security contribution credits for those who do not meet the qualifications. Additionally, the Government has given recipients of any carers' allowance the option to pay up to 5 years of missing social security contributions once they turn 59.</p>
	Increase in the Carers' Assistance	Implemented	1 January 2025	<p>Since there may be situations where individuals living together face legal restrictions in registering their cohabitation, the Government has introduced changes in the Social Security Act to address this issue. Individuals who can prove they have lived together as a couple for at least 10 years will now be considered registered cohabitants, allowing them to qualify for the Carer's Allowance. This measure ensures social justice for couples whose legal status is still under review, but whose household situation is confirmed from a social perspective.</p>
	Increase in allowance for children with disabilities	Implemented	1 January 2025	<p>To reflect Government's commitment in ensuring financial stability for vulnerable groups, social support is being enhanced further. In 2024, the increased Carer's Allowance was adjusted to €173.78 per week, while the standard Carer's Allowance increased to €120.68 per week. In 2025, the Carers' Assistance increased by €5.24 per week, reaching €125.92 per week, while the increased Carers' Assistance also increased by €5.24 per week, reaching €179.02 per week. These adjustments reflected the Government's commitment to ensuring financial stability for vulnerable groups. Approximately 450 beneficiaries will benefit from the increase in the Carer's Allowance and approximately 1,300 beneficiaries will benefit from the increase in the increased Carer's Allowance. In addition, for cases where individuals care for 2 family members with high or medium dependence, starting in 2025, they will receive one and a half times the benefit rate they are entitled to.</p>
	Increase in Children's Allowance	Implemented	1 January 2025	<p>In 2025, the weekly allowance for families with children who have physical or mental disabilities increased by €5, to reach a total of €35.</p>
		Implemented	1 January 2025	<p>During 2023 there was an increase of €90 in Children's Allowance. During 2024, a further €250 per child per year was awarded. This measure benefitted more than 42,000 families with 63,000 children, totalling €15.5 million in financial support in 2024. In 2025, Children's Allowance increased by an additional €250 per child, regardless of family income. Furthermore, the amount of income tax paid will also be disregarded from the means test, meaning that beneficiaries being paid under the flat rate will be shifted to the means tested cohort. This measure</p>

				will affect more than 41,000 families with 62,000 children, with an estimated total additional expenditure of €15.5 million.
	Increase in the Childbirth and Adoption Bonus	Implemented	1 January 2025	In 2020, a new bonus was introduced to support families with a new-born child or who adopt. In 2024, this bonus was increased from €400 to €500 for the first child and to €1,000 for the second child and more. Approximately 3,200 families benefited from this increase in 2024. In 2025, the Childbirth and Adoption Bonus increased further to €1,500 for the third child or more in a family. This measure is expected to benefit an additional 580 families.
	Expanded eligibility for child-rearing credits	Implemented	30 January 2025	In Malta, child-rearing credits are designed to support parents who take a break from work to raise children by providing credited social security contributions. The initiative primarily addresses disadvantages faced by mothers in the pension system, ensuring fairer pension calculations. It reflects the Government's commitment to supporting parents in balancing work and family life. Prior to 2024, parents who started working and took a career break to tend for their family's and submitted a retirement pension claim received child credits for each of their first three children. Conditions applied from the fourth child onwards. As of 2024, this measure included parents who formed a family before entering the workforce; they too were / will be eligible for these child-rearing credits. Credits are not applicable if the period indicates contributions from employment.
	Increase in the Senior Citizen Grant	Implemented	1 January 2025	The Senior Citizen Grant is awarded annually to individuals aged 75 and over who reside in their own home, with relatives, or in a private residential home not covered by the Public-Private Partnership scheme. As of 2025, the grant for individuals aged 75 to 79 has increased from €300 to €350, with a pro-rata payment applied from their 75th birthday until the end of that year. From the following year onward, they receive the full grant. For those aged 80 and over, the grant is €450, with a pro-rata payment applied from their 80th birthday until year-end. They will receive the full amount in subsequent years. In 2025, a total of 41,329 beneficiaries will receive the Senior Citizen Grant, with total expenditure estimated at €16.5 million.
	Introduction of the partial invalidity concept	Implemented	30 January 2024	Under this scheme, sickness benefit beneficiaries exhausting the 156 days of paid benefit saw their eligibility rate converted to that of Invalidity Pension – Increased Sickness Benefit (ISB). This measure, which is still in place, addressed cases of people who are temporarily unfit for work due to illness but who are expected to return to work in the future.
	Concession for beneficiaries of Sickness Assistance	Implemented	1 January 2024	In 2022, a measure was introduced for individuals who inherit assets after they have started receiving the non-contributory age pension. If a recipient has been receiving the pension for at least five years, the means test capital limit is increased to €50,000 for spouses and €30,000 for single persons, provided that the excess capital originates solely from inheritance. Additional improvements were also introduced concerning donations to children. To enhance social justice, in 2024, this concession was extended to individuals receiving Sickness Assistance, benefiting approximately 150 recipients.
	Increase in Disability Assistances	Implemented	1 January 2025	In 2025, the Supplementary Severe Disability Assistance increased by €7.42 per week to €199.61 per week, the Severe Disability Assistance increased by €5.24 per week to €129.90 per week, and the Disability Assistance increased by €3.49 per week to €102.62 per week. These adjustments will benefit approximately 5,070 individuals, including around 920 beneficiaries receiving Increased Severe Disability Assistance, approximately 3,700 beneficiaries receiving Severe Disability Assistance, and around 450 beneficiaries receiving Disability Assistance.
	Increase in social assistance for people on a rehabilitation programme	Implemented	1 January 2024	The social assistance given to people who are undergoing an addiction rehabilitation programme on a court order was increased in 2024.
	Care Plan for Social Housing Tenants	Implemented	30 December 2022	In 2022, the Government launched the idea of a care plan that covers every aspect of the lives of the beneficiaries who are allocated housing. The Personal Plan service will continue to be provided in the coming years.
	€10,000 grant for first-time buyers	Implemented	1 February 2023	Under this scheme, ongoing in 2025, the Government is giving a €10,000 grant over a span of ten years to every first-time buyer who purchases a property with a value that does not exceed €500,000. This measure applies to every purchase made from 11 January 2022 and is not subject to a means test. This initiative gives young people a strong impetus to become homeowners and will help them in the first years after making this important investment. In 2024, around 4,900 people or couples benefitted from this scheme.
	Increase in the capping of the Rent Benefit	Implemented	31 March 2023	In 2024, the Government raised the capping of the scheme's maximum benefit to €500 per month for a one-bedroom residence, €600 per month for a two-bedroom residence and €700 per month for a three-bedroom residence. As at January 2024, 3,318 beneficiaries were benefitting from the rent subsidy.
	Changes in the Private Rent Housing Benefit Scheme	Implemented	1 January 2025	Under this scheme, extended for 2025, the private rent housing benefit scheme was enhanced. The maximum that can be granted under this scheme increased from €3,600 to €4,200 for a single person, from €4,800 to €5,400 for a family with one child and from €5,000 to €6,000 for a family with two or more children. The minimum that can be granted to beneficiaries of the scheme was raised to not less than €1.25 per month.
	Abolition of tax on the sale and purchase of immovable property for owners and tenants benefitting from the Rental Benefit	Announced	30 October 2023	The aim of this scheme is to assist tenants living in social housing units that have been leased to the Housing Authority for a period of 10 years under the scheme 'Skema Kirji'. Under this scheme, extended for 2025, the stamp duty for social tenants and the sales tax on landlords of social housing on the first €200,000 of the property



				price is waived in order to promote the tenants' stability and to encourage more landlords to offer residential housing for social housing purposes.
	Continued stability in the alternative housing waiting list	Implemented	18 December 2023	A number of social housing development sites across Malta are nearing completion. Construction works including mechanical and electrical have been concluded in 2024. Finishing works are close to completion, with these apartments ready to be allocated shortly to new tenants. In 2024, the total number of apartments completed was 442.
	Service Pension to Widows of Disciplinary Corps Officers	Implemented	1 December 2023	The Government introduced the concept of service pension for five years to the widows of Disciplinary Corps officers who pass away before they complete 25 years of service or during the period between the end of service and retirement age. This measure entered into force in Q4 2023.
	Financial Support for Therapy Services for Children with Disabilities	Implemented	1 January 2023	After the Government approved a tax credit for parents of children with disabilities who attend therapy services other than those offered by the Government in 2023, in 2024 the Government strengthened further this incentive by increasing the tax credit for use of therapy from €200 to €500 per year for each child with a disability. The tax credit for parents of children with disabilities increased from €500 to €750 in 2025, helping cover the costs of specialised therapies. Furthermore, parents who have children with disabilities at the expense of specialised therapies and who do not pay tax, will benefit from a new scheme helping parents cover the costs of specialised therapies.
	In-Work Benefit for employees with atypical working hours	Implemented	30 December 2022	In the 2022 budget, a new grant of €150 per year was introduced for those employees whose basic pay does not exceed €20,000 and who work atypical hours in the sectors of accommodation and food service activities, administrative and support service activities, manufacturing, transportation and storage, and wholesale and retail trade. As of December 2024, a total of 36,871 individuals residing and working in Malta in eligible sectors, have received the €150 grant. In January 2025, the scheme was reopened again for employers who had not applied for their employees by providing Jobsplus with the information on the working patterns of their employees for eligibility purposes. Further payments for the 2023 (base year) scheme will be made in May 2025.
	Improvement in the In-Work Benefit	Implemented	30 December 2022	The benefit aimed at working parents was launched in 2015. Since its launch, the benefit rates have been repeatedly improved, and the limits of employment income broadened. An automated system that identifies the beneficiaries without the need to apply was introduced in 2022. As from 2024, €50 was added to the benefit, per child in the family under the age of 23. The Government is improving this benefit further in 2025. The amount of social security contributions paid from parents' income as well as the amount of income tax paid, will be disregarded from the computation of In-Work Benefit rates. This will positively impact around 25,000 families with approximately 40,000 children under the age of 23.
	Increase in the Minimum Wage until 2027	Implemented	1 January 2024	The Low Wage Commission started work on revisiting the minimum wage in June 2023, as promised in a 2017 agreement reforming minimum wage calculations. The existing minimum wage will be adjusted based on the weighted average of selected collective agreements negotiated by trade unions and deemed relevant by social partners as represented in the MCESD for this purpose. As from 2024, the minimum wage will be substantially increased over a number of years in agreement with social partners. By 2027, the minimum wage will increase between €12 and €18 per week in addition to the statutory COLA granted within the same period. As from January 2025, the minimum wage rose from €213.54 per week to €221.78 per week.
	Pensions Strategy Review of 2025			After the review conducted in 2020, the Malta Pension Action Plan was developed to implement the recommended measures between 2021 to 2027. This Plan outlines specific actions aimed at improving the adequacy, sustainability, and solidarity of the pension system. The Government is dedicated to strengthening the sustainability and adequacy of Malta's pension system through proactive measures as it prepares for the upcoming Pensions Strategy Review in 2025.
	Also contributing to this CSR is the additional COLA mechanism for the vulnerable, included under 2022 CSR1, subpart 1.			

CSR 2020.1

2020 CSR 1 Subpart 1: Take all necessary measures, in line with the general escape clause of the Stability and Growth Pact, to effectively address the COVID-19 pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt	N/A			
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sustainability, while enhancing investment.				
2020 CSR 1 Subpart 2: Strengthen the resilience of the health system with regard to the health workforce, critical medical products and primary care	New free medicines and medical treatments	Implemented	30 October 2022	The Government has continued to expand the Government Formulary by introducing various free medicines and treatments to improve accessibility for patients. These include the HPV vaccination, multiple sclerosis medications, diabetes and osteoporosis treatments, specialised nutrition formulas, stimulating medicines for ART, chemotherapy pumps, and the urgent cancer treatment fund.
	Expanded Access to Free Medical Treatment for Pensioners			From 2025, the Government expanded access to free medicine by ensuring that increases in contributory pensions are not considered when assessing eligibility for Free Medical Assistance, allowing individuals to receive medicinal aid free of charge. The aim of this measure is to provide greater support to individuals and families who are not working, not by choice but due to circumstances. Additionally, anyone aged 75 or older who is receiving the Supplementary Allowance will automatically qualify for free medicines through the Pink Form, without the need for a means test.
	Improving Patient Care Through Point-of-Care Testing and Remote Monitoring	Implemented	30 December 2023	Point of Care Testing – To enhance the accessibility and speed of treatment for sexually transmitted diseases; Mater Dei Hospital expanded its services by introducing Point of Care (POC) testing at the GU Clinics in the community. This initiative, which was implemented in December 2023, aims to treat serious cases as quickly as possible by providing immediate testing and diagnosis.
	New Centre in Rabat, Gozo	Implemented	30 November 2023	Remote Patient Monitoring – The Remote Patient Monitoring project continues to support patients with high blood sugar levels by providing regular monitoring. Initially launched in March 2022 for patients aged 21 and older, the service was extended to include 23-year-olds in December 2023. This service is now available to all patients with high blood sugar, ensuring continuous monitoring and timely interventions.
	Modernisation of the wards in Mount Carmel Hospital	Announced	30 January 2022	The new health centre in Rabat (Gozo) was concluded in November 2023 and started offering its services to the public.
	Expansion and Modernisation of Primary Care Clinics	Announced	5 September 2023	Currently works are ongoing on: Female Ward FW 2, and Block 1. Female Ward FW 8 (the new Admission Ward 4) has been implemented and inaugurated.
				The Government plans to open new community clinics in Burmarrad and Pembroke, with the Ministry currently in the process of identifying suitable sites for these new facilities.
				Renovation works on existing primary care clinics are also progressing. The Cospicua Primary Care Clinic is undergoing renovations as planned, while the Mosta Primary Care Clinic is in the process of finalising ownership transfer documents. For the Floriana Primary Care Clinic, a call for the Cold Room has been published and is currently at the publishing stage.
	Investment in the infrastructure of the Accident & Emergency Department	Announced	30 June 2024	The Government has published the tender for an expansion project at the Accident and Emergency Department at Mater Dei Hospital. The tender closed on 14 February 2025.
	Investment in the Medical Imaging Department	Announced	30 November 2024	The evaluation of the call for the Department of Medical Imaging's new infrastructure has been concluded. The contract for D&B was sent to the tenderer and signed.
				The call for 'Project Management and Technical Supervisory Services for the New Office Building for the Medical Imaging Department (MID) at Mater Dei Hospital' has also been concluded.
				The contracts have been signed by both sides and are in the process of the final endorsement, following which the first works may commence.
	Investment in the third Cardiac Catheterisation Suite	Announced	30 September 2024	Work is currently ongoing with the tender for the Design and Build of a New Cardiac Catheterization Laboratory at Mater Dei Hospital, utilising FIDIC conditions and environmentally friendly materials and processes, closed on May 23, 2024. Only one submission was received, but it was rejected by FMS as the offer exceeded the estimated €6 million budget. Following this, work is ongoing to issue a revised tender.
	New Acute Psychiatric Care Hospital	Announced	28 October 2024	A Psychiatric Unit will be established within the premises of Mater Dei Hospital (MDH), to further enhance health care services.
	Expanding Healthcare Services for Enhanced Patient Care	Implemented	1 January 2023	The Government introduced the following new services to enhance the health care system: <ul style="list-style-type: none">Diabetes Centre – Opened in Qormi Health Centre in 2023 to provide specialized diabetes care.Genitourinary (GU) Clinics – A new clinic started operating in November 2023, with Point of Care (POC) testing introduced in December 2023 to ensure faster testing for serious sexually transmitted infections.



				<ul style="list-style-type: none"> GP Appointment Clinics – This service has been made available at Gżira, Cospicua, and Birkirkara Health Centres to improve access to primary care. ART Services – The Assisted Reproductive Technology (ART) Clinic expanded its services to support individuals seeking a second child. In addition, Pre-Implantation Genetic Testing for Monogenic Disorders (PGT-M) will now be offered according to the Embryo Protection Authority's protocol. Nurse Navigator Service – Extended to the Sir Anthony Mamo Oncology Centre (SAMOC), ensuring that breast cancer patients and their families receive continuous support from diagnosis through the entire treatment process. Holistic Needs Assessment Clinic – A new clinic in Gozo, operating at Gozo General Hospital, offering post-cancer treatment support for residents. Oncology Clinics – introduced at the primary care level to enhance cancer care and support. Centralisation of Child Development Assessment Unit (CDAU) and the Children and Young Persons Support Services (CYPS) – Plans for a temporary site are being finalised, with some works already underway. For the permanent site at St. Luke's, work is ongoing.
	Mental Health Services	Implemented	1 December 2023	The Mental Health Services (MHS) promoted a policy of promotion, prevention, and support to increase education on mental health in the workplace. In December 2023, questionnaires were distributed to employees to assess burnout levels and emotional intelligence. The data collected was analysed, leading to the identification of employee needs and the development of a tailored action plan, implemented in June 2024.
	Advanced Medical Equipment in St Vincent de Paule Residence	Adopted	1 January 2024	The Government will continue to invest in the St. Vincent de Paule Residence, enhancing the quality of care provided to its residents. Plans are underway to invest €2.5 million in the installation of advanced medical equipment, including Optical Coherence Tomography, Visual Field Analyzer, CT Scan, and MRI machines, as part of the newly refurbished St. Vincent de Paul's (SVP) Ruġar Briffa Complex.
	More clinics at St Vincent de Paule Residence	Adopted	1 January 2024	Several tenders for the purchase of medical equipment have been awarded, and the respective equipment has been purchased. Additionally, three tenders for CT scanners, MRI machines, and haemodialysis machines have been issued and are currently awaiting adjudication.
				The Government continues to enhance the services offered at St. Vincent de Paule Residence with the establishment of several new clinics and facilities. These include the creation of a Renal Unit, the construction of a new building for intermediate care, as well as a new ward for psycho-geriatric care and a new ward for palliative care. Additionally, new clinics have been set up at the Geriatric Day Clinic to complement existing services. These new clinics offer specialised services for falls, neurology, needs assessment, geriatrics, ophthalmology, gynaecology, and gastrointestinal care.
				The objective of this initiative is to decentralise services, improving accessibility and reducing strain on acute hospital facilities. The ongoing process of initiating these specialised clinics aims to alleviate the burden on the acute hospital while simultaneously enhancing the quality of life for the Maltese geriatric population. This initiative is part of a broader strategy to improve healthcare delivery and ensure that geriatric patients receive timely, focused, and appropriate care in a community-based setting.
	Strengthening Malta's Health Workforce	Announced	1 November 2022	Government has invested in teleconsultation measures through the setting up of the Telemedicine Client Support (TCS) Centre. The TCS Centre is considered as the 11th Health Centre providing a national patient-centric service, albeit with different operational deliverables. It is run by a cohort of primary care General Practitioners (GPs) and younger GP trainees, on a 24/7 basis from Monday to Sunday. The centre adopts a multidisciplinary approach – it houses client support agents, nurses, doctors, and a speech language pathologist. Recruitment of specialists is also always ongoing at MHA.
	Opening an Active Ageing Centre in Isla	Announced	28 October 2024	The Isla Active Ageing Centre is currently operating from a building owned by the Isla Local Council. Active Ageing activities for the elderly of this locality are ongoing. The Isla Local Council will soon open another building and the centre will start operating from this new premises.
	Support scheme to assist elderly persons who need to rent motorised beds	Announced	28 October 2024	A new tender has been issued to extend the support scheme to assist elderly persons who need to rent motorised beds and other equipment. The issuing of result and signing of agreement is expected later on this year in order to extend the service.
	New dementia strategy	Announced	28 October 2024	A new premises in the central region of Malta to be used as a dementia activity centre has been identified and discussions and approvals for renting it are being carried out.
CSR 2020.2				
2020 CSR 2 Subpart 1: Consolidate short-time work arrangements and	Higher Unemployment Benefit Rates	Implemented	30 January 2024	Unemployed individuals who register under Part 1 with Jobsplus and meet the contribution test criteria are eligible for an unemployment benefit that reflects their previous income. The unemployment benefit was



ensure the adequacy of unemployment protection for all workers.				restructured to align more closely with the individual's last known salary or earnings, while ensuring that there are no disincentives to re-enter the workforce.
				The benefit rate will initially be set at 60% of the individual's last salary or earnings for the first six weeks of unemployment. In the subsequent ten weeks, the rate will decrease to 55%, and in the final ten weeks, it will be reduced further to 50%. The minimum benefit rate will be based on the National Minimum Wage, while the maximum benefit rate will be calculated at 175% of the National Minimum Wage. Additionally, the benefit amount will be updated annually with cost-of-living adjustments.
				This reform aims to provide a more equitable and gradual reduction in benefits, reflecting the individual's prior income while encouraging a return to work.
			Implemented	In January 2025, the law of Equal Pay for Work of Equal Value came into force. This legislation ensures that all employees, including temporary agency workers and outsourced workers, receive equal pay and working conditions when performing the same job or work of equal value within the same company.
			Announced	The measure focuses on addressing anomalies in working conditions across different sectors. These efforts are part of ongoing discussions regarding the necessary changes to the Working Regulations Orders (WROs). A dedicated WRO committee is actively reviewing these changes, aiming to resolve discrepancies in sector-specific working conditions. The measures involve the examination and implementation of updates to the WROs to ensure they meet current standards and improve the overall working environment.
2020 CSR 2 Subpart 2: Strengthen the quality and inclusiveness of education and skills development.			Implemented	The Scheme provides individuals who successfully complete a rehabilitation programme and secure permanent employment with two years of credited social security contributions. This initiative aims to support reintegration into the workforce by ensuring that rehabilitated individuals do not face gaps in their social security record, helping them qualify for future benefits and pensions.
			Implemented	Key projects completed in 2023 include the full refurbishment of Nadur Primary, Rabat (Malta) Primary, Hfal Ghaxaq Primary, and the Santa Lucija Secondary School sports complex. These schools reopened in September 2023, with final works completed by December 2023.
				In 2024, the Msida Primary School opened in September, incorporating a childcare centre, facilities for Msida Sea Scouts, and an underground car park for community use. Victoria (Gozo) Primary also opened in September, with the project fully completed in February 2025, including an extension and refurbishment of the Victoria (Gozo) Middle School. Rabat (Gozo) Middle School completed its works in 2024 and welcomed students in January. Preliminary works began in 2024 for new primary schools in Melleha and Naxxar, covering project design, planning applications, and tendering. A new Sensory-Hydrotherapy Pool is currently at tender evaluation stage for the San Miguel Primary Education Resource Centre in Pembroke.
				The Melleha and Naxxar Primary School projects will also start in the first quarter of 2025, while refurbishment works for primary schools in Zebbug, Ta' Kercem, and L-Gharb are at the tendering stage.
			Implemented	The Government is increasing support for schools by adjusting funding based on the socio-economic needs of each institution. In addition to the €10,000 annual grant for essential student needs, schools with higher numbers of students from challenging backgrounds will receive more resources.
				As part of the Early Leaving from Education and Training Strategy – The way forward 2023-2030, the Family-Community-School Link Programme (FCSL) will offer support to families with a challenging socio-economic background through a collective and integrated approach. A pilot programme is currently being implemented in four primary schools. Over 700 interventions have already been made in its first couple of months. The FCSL acts both as an early warning system and a whole school approach to address ELET risk factors.
			Implemented	To make learning more accessible and reduce exam anxiety, continuous assessment was introduced to accredited homegrown courses in 2020/2021, initially accounting for 40% of the final mark. This was increased to 60% in 2021/2022, and by 2022/2023, continuous assessment fully replaced summative assessment, comprising 100% of the student's final mark.
			Implemented	Education and wellbeing are closely linked, as learning cannot occur if children feel unwell, and education supports long-term wellbeing. To explore this, the Ministry for Education and the Superintendent of Public Health collaborated on several studies, including the WHO Health Behaviour in School-aged Children (HBSC) study. Data for the HBSC and wellbeing studies was collected between January and March 2022, with HBSC results analysed by the WHO, and the wellbeing study findings reviewed by the MEYR Research Unit. Some HBSC study results were presented at the Institute for Education (IfE) Symposium in October 2023 and published in the IfE Journal



	National Standards for Early Childhood Education and Care Services (0-3 years)	Implemented	30 October 2021	<p>In 2024, with additional papers pending publication. Data for the national study on childhood obesity (BMI study) was collected between March and June 2022, and the first report was published on 30 December 2022.</p> <p>In October 2023, the Directorate for Quality and Standards in Education (DQSE) started working on a pilot project to introduce strategic management and internal quality assurance in childcare centres. The pilot project was implemented in 12 childcare centres in 2023-2024. The DQSE is now implementing internal quality assurance processes with 55 centres. This was developed as part of the National Standards for Early Childhood Education and Care (ECEC), which included the provision for childcare centres to start working on their internal quality assurance mechanisms. In addition, the DQSE is also working towards the accreditation of a course on internal quality assurance for all managers in childcare centres. The National Standards and Registration Criteria are still being implemented during external reviews in childcare centres. Both documents are in the process of being revised by end of 2025.</p>
	Strengthening Public Services	Implemented	2 January 2024	<p>The Training of Public Officials – This initiative focuses on providing training and development opportunities to ensure the Malta public administration delivers efficient, effective policies and programs. The Institute for the Public Services (IPS) oversees the training of public sector employees. In January 2024, IPS offered 39 training courses with 753 participants, including induction and continuous professional development courses. Additionally, 281 participants attended customised courses tailored to the needs of various ministries and departments. IPS continued to offer training throughout 2024, revising programs based on evaluations to ensure they are competency-based and personalised to the needs of public servants.</p> <p>Traineeship Schemes – In January 2024, IPS also focused on planning, promoting, and monitoring student schemes, including the Traineeship, Apprenticeship, and IPS Students Schemes. At that time, 124 apprentices, 244 trainees, and 162 trainees were engaged in public service roles. IPS developed a new IT system to streamline and monitor these schemes, which launched in 2024. This continues to provide students with valuable on-the-job experience in the public sector, ensuring they gain relevant skills while supporting public administration needs.</p>
	Schemes to strengthen the cultural and creative sector by Arts Council Malta	Implemented	31 December 2024	<p>The Services of the Employee Support Program (ESP) – The ESP initiative provides support and therapy to public servants, particularly in response to trauma, grief, and suicide-related incidents. In 2023, ESP provided 15 specialised sessions, including debriefing sessions following traumatic events. In January 2024, full-day training on guiding clients through grief and bereavement was provided, with additional dedicated training on conducting 'debriefing sessions' scheduled for February and March 2024. These efforts aim to strengthen ESP's ability to assist public servants facing difficult circumstances.</p> <p>Apprenticeship Scheme in the cultural and creative sector – The Scheme aims to strengthen the cultural and creative sector by placing artistic and creative practitioners in full-time positions within private and voluntary organisations, allowing them to collaborate and apply their unique skills. Through this initiative, artists are given dedicated time and resources to work alongside organisations, enhancing innovation and problem-solving while contributing to the overall growth and enrichment of various industries. The scheme has been launched, with the application process completed, apprentices appointed, and placements completed.</p>
	National Lifelong Learning Strategy 2023-2030	Implemented	18 November 2023	<p>Regional Cultural Cooperation Programme – This programme aims to support and maintain Malta's creative and cultural ecology by facilitating cultural activities and collaborations with creative practitioners and cultural operators. It focuses on nurturing cross-sectoral synergies, building strategic partnerships, and advocating for community-led arts and culture opportunities. The programme has been launched, with applications completed, evaluated, and projects awarded. Projects are currently ongoing, actively engaging participants and fostering collaboration within the cultural regions.</p> <p>This strategy, published in November 2023, aims to enhance the quality of learning throughout life by focusing on three key pillars: improving accessibility, fostering collaboration among stakeholders, and ensuring the quality of learning opportunities. The strategy outlines 50 actions and 16 measures, with 117 deliverables aimed at creating a more inclusive and prosperous society. The implementation of these deliverables is in line with the planned timeframe. As of the end of December 2024, 46% of the deliverables were completed.</p>
	Implementing the proposed 'Social Plan for Families'	Announced	17 May 2024	<p>The Ministry for Social Policy and Children's Rights in Malta has developed the proposed Social Plan for Families to address current challenges and enhance family well-being. The plan emphasises key life skills like effective communication, problem-solving, stress management, and teamwork to foster healthy family dynamics. Additionally, it highlights the importance of financial literacy, providing families with the tools to manage their</p>



					finances more effectively. The Social Plan for Families aligns with broader national strategies, such as "A Social Vision for Malta 2035", which emphasises Malta's commitment to social development and family well-being.
					This initiative involved comprehensive research and consultations with stakeholders to understand Malta's context and anticipate future family-related needs. The Ministry launched the proposed Plan for a public consultation on 17 May 2024, inviting feedback from various stakeholders, including Government entities and the public, to refine and improve the plan. The Ministry organised a stakeholders' meeting to discuss the policy direction in January 2025, and an interministerial consultation on the proposed measures is currently underway.
					To ensure effective implementation, a High-Level Group for Implementation and Monitoring will oversee the execution of the plan's initiatives and evaluate their impact on families.
			Adopted	20 November 2024	Malta's Children's Policy Framework 2024-2030 has been officially published and is in the early stages of implementation. The framework was finalised following a comprehensive public consultation process that was concluded in mid-2024, incorporating feedback from over 200 children and 35 stakeholders. The implementation phase involves a coordinated approach utilising national and EU funds to maximise the framework's benefits. Monitoring and evaluation are being conducted through inter-ministerial collaboration. The framework outlines a plan of action for the Government to ensure the continued protection and enhancement of children's lives in Malta. It emphasises safeguarding children's rights by ensuring access to quality education, healthcare, and social support. While the framework has been officially adopted, its initiatives are currently in the initial stages of execution. Ongoing monitoring and evaluation will inform future improvements to ensure the framework effectively addresses the needs of Maltese children.
			Announced	20 February 2025	The National Strategy for Further Poverty Reduction and Social Inclusion for the next 10 years has been launched on 20 February 2025. The strategy is in the initial stages of implementation, with ongoing efforts to engage stakeholders and the public in its execution. The Government is committed to building a more equitable and inclusive Malta through this comprehensive approach to poverty reduction and social inclusion.
					Additionally, the Government is implementing a review of key policy documents in education and introducing construction and building codes. More details on these initiatives are included in 2023. CSR4 subpart6. Additional measures addressing inclusive education and skills development are included in 2024. CSR3 subpart1 and subpart2.
CSR.2020.3					
2020 CSR 3 Subpart 1: Ensure effective implementation of liquidity support to affected businesses, including the self-employed.	N/A				
2020 CSR 3 Subpart 2: Front-load mature public investment projects	N/A				
2020 CSR 3 Subpart 3: and promote private investment to foster the economic recovery.	Reduced Excise Duty on Low-Alcohol Beer and Small Wine Producers	Implemented		1 January 2025	From 1 January 2025, the Government has implemented reduced excise duty rates on beer with an alcoholic strength not exceeding 3.5% vol, specifically targeting beer mixed with non-alcoholic beverages under CN Code 2206. This measure aims to encourage local small breweries to produce low-alcohol beer, enhancing their competitiveness. Additionally, small Maltese wine producers, each producing less than 20,000 hectolitres annually, have benefited from a 50% reduction in excise duty since 1 January 2025. The reduced rate is €0.1025 per litre, down from €0.205.
	Innovative Tech Solutions for Local Enterprises	Announced		1 May 2023	Tech.mt continues to support local enterprises through its inMalta initiative, promoting Maltese enterprises internationally in sectors such as AI, Cybersecurity, and EdTech. Tech.mt actively participates in various local events such as expos, conferences, and panel discussions in collaboration with local educational institutions, the industry and other local Government entities such as the National Skills Council and MDIA. Tech.mt's Strategic Partnership Initiative provides complimentary consultation services to strengthen local enterprises. Additionally, Malta Enterprise offers various support measures to assist enterprises in their digital transformation journey. These initiatives include financial incentives, technical assistance, and access to training programmes, enabling businesses to adopt advanced digital technologies that enhance operational efficiency, innovation and competitiveness in a rapidly evolving digital economy.



			Furthermore, the Malta Development Bank (MDB) provides favourable financing solutions to support digitalisation and innovation. In November 2022, MDB launched two schemes with the potential to facilitate up to €180 million in investments. The SME Guarantee Scheme (SGS) improves access to bank loans of up to €1 million for SMEs, with MDB guaranteeing 80% of each loan. The Guaranteed Co-Lending Scheme (GCLS) supports larger projects exceeding €1 million, with MDB directly financing half of the loan amount and covering 60% of the risk carried by the commercial bank. These schemes offer preferential financing rates, prioritising investments that drive a greener and more digital economy. MDB has sanctioned €12.1 million to two beneficiaries in the AI and digital economy sectors.	
			Science Malta, which is the Government agency responsible for promoting and coordinating scientific research, technological innovation and science communication in Malta, contributes to this initiative through the design and management of research funding schemes from which entities can benefit, enabling them to transform their innovative ideas.	
	European Digital Innovation Hub	Announced	1 January 2023	In 2022, the European Commission approved Malta's proposal for a European Digital Innovation Hub (EDIH), aimed at supporting digital transformation for SMEs and start-ups through technologies such as Artificial Intelligence, Cyber High-Performance Computing (HPC), and cloud solutions. The Grant Agreement for EU funding took effect on 1 January 2023, and the physical premises of the EDIH opened in November 2024, providing SMEs and start-ups with access to advanced technologies and services. The tender for HPC has been awarded, with contract signing underway. Work on the EDIH, known as DIHubMT, will continue throughout 2025.
	Extension of Rent Subsidy Scheme	Implemented	13 February 2023	The Rent Subsidy Scheme, first introduced in 2016, assists industrial undertakings in securing private industrial space for business expansion, supply chain optimisation, or diversification. This Scheme was revised and extended in 2023, whereby the maximum financial assistance was doubled from €25,000 to €50,000 per year for the first three years, while the duration of support was extended from three years to six years. The Scheme is ongoing until 2030.
	Targeted Aid Schemes Enhancing SME Productivity and Growth	Adopted	1 June 2023	The Government supports SMEs and start-ups through targeted aid schemes aimed at enhancing productivity, fostering innovation, encouraging growth, and enabling businesses to expand, diversify their operations, improve overall competitiveness, and access essential resources such as infrastructure and industrial space. Approximately €40 million in cash grants through the Business Enhance Grant Schemes, aimed at start-ups, enterprise development, diversification, and accessing new markets. Four grant schemes: Business Reports for SMEs, Start-up Enhance, SME Enhance (GBER) and SME Enhance (de minimis), were launched in June 2023 on an open rolling basis.
	SME Consultancy Support Scheme for Business Development and Sustainability	Adopted	1 June 2023	Development initiatives address uncertainty thus undertaking a feasibility of the research before committing to the investment could help minimise risk. The scheme by Malta Enterprise covers feasibility studies to help enterprises identify the technical, operational and commercial risks linked to the project, establish what resources are required to implement the project and what is already available and accessible. Additionally, the Feasibility Studies Scheme first launched in June 2024, will be reissued in 2025. This scheme provides non-repayable grants to help eligible enterprises assess the viability of their business ideas, identify required resources, and evaluate their potential for success, enabling informed decision-making and sustainable growth.
	Business Enhance Digitalisation Grant Scheme	Implemented	1 June 2022	The private sector continues to be incentivised towards digitalisation through a €15 million grant under the Business Enhance programme, targeting SMEs and self-employed individuals. Initially, two schemes, the Digital Intensification Grant Scheme and the SME Digitalisation Grant Scheme, were launched in June 2022, with four calls completed by December 2023. In April 2023, another scheme called Digitalise your Micro Business was introduced. On 1 January 2024, the Digitalise your Business Scheme replaced the earlier two schemes, operating on an open rolling basis.
			Both current schemes will close by end-February 2025 and will be revised and relaunched in March 2025 as four distinct schemes. These will include the existing ones, a new dedicated scheme for e-commerce websites, and a time-limited scheme for large enterprises. This transition marks a shift from Recovery and Resilience Plan (RRP) funds, now nearly fully committed, to ERDF 2021-2027 financing.	
	Venture Capital Fund	Announced	1 October 2023	The Government is establishing a venture capital framework through the Malta Government Venture Capital Limited, a company tasked with managing venture capital funds aimed at supporting startups and new industries. Collaboration with co-investors and interviews with potential startups are ongoing.

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Strengthening the start-up ecosystem		Adopted	30 September 2023	<p>The revised Start-up Finance Scheme, managed by Malta Enterprise, aims to support small start-ups that demonstrate viable business concepts and a commitment to growth. This initiative, set to expire in December 2026, is part of broader efforts to enhance Malta's attractiveness to entrepreneurs.</p> <p>In parallel, Malta Enterprise has successfully secured hosting rights for the EU-Startups Summit in Malta for 2024, 2025, and 2026, marking the first time this prominent event has been held outside Barcelona. The 2024 summit was particularly successful, drawing approximately 2,000 participants, well above initial expectations. Plans are already in progress for the next edition, scheduled for May 2025.</p> <p>Complementing these efforts, the Government is establishing a one-stop shop branded 'Start in Malta,' aimed at streamlining assistance for start-ups looking to establish operations locally. This hub will provide comprehensive support, including guidance on applying for various schemes administered by Malta Enterprise and other local entities. Development of this initiative is currently ongoing.</p> <p>The Malta Business Registry launched a new online portal in November 2023, technically equipped to ensure accessibility and to facilitate the process for registering commercial partnerships, including companies and their branches, and to be able to receive online submissions consisting of documents and statutory forms online, using a qualified and certified electronic signature in accordance with EU Regulations.</p> <p>Family businesses registered with the Family Business Office can benefit from a higher capping in tax credits on the investment made in their business than that applicable to other businesses. The Family Business Grant scheme has been revised and extended until December 2030.</p> <p>For the purpose of the framework, a Startup Consultation document was launched and closed in December 2023. Through the Start-up Framework, Malta Enterprise is seeking to develop the right business environment to increase Malta's competitiveness and attractiveness, through targeting and growing new economic niches. This strategy will contribute actively to the direction of the country's economic and social development in the years to come.</p>
	Reduction of Bureaucracy for Businesses	Implemented	30 November 2023	As part of Malta's commitment to environmental and socio-economic sustainability, the Government launched the ESG Platform in December 2021 as a voluntary initiative aimed at promoting education and awareness on enterprises' environmental, social, and governance (ESG) credentials. Since its launch, the initiative has seen growing engagement, with the number of enterprises reporting their ESG credentials increasing from 16 to 33.
	Higher capping in tax credits on investment made by family businesses	Announced	30 October 2023	In 2024, the Government initiated the digitalisation of the ESG reporting process to enhance the platform's accessibility and user experience, making it easier for enterprises to register and report their ESG credentials.
	Developing a Startup Framework	Adopted	5 October 2023	Addressing greenwashing is critical for maintaining investor trust and market confidence. The Malta Financial Services Authority (MFSA) has improved its capacity to develop and implement supervisory reforms and tools for monitoring sustainable finance and continues to support licence holders in the green transition and building a reliable sustainable finance ecosystem. Its short to medium-term focus includes integrating ESG into market monitoring and risk assessment, enhancing transparency, and combating greenwashing, closely aligning with European Supervisory Authorities. The MFSA is integrating ESG requirements into the lifecycle of authorised entities and its supervisory processes to ensure compliance. It is enhancing its expertise in Sustainable Finance through conferences, training, and certifications.
	Promoting Sustainable Investment	Adopted	3 December 2021	Raising awareness and guiding market participants remain central objectives, emphasising consistent regulatory outcomes and correct implementation of EU Sustainable Finance legislation, notably the Corporate Sustainable Reporting Directive (CSRD) and EU Green Bonds Regulation. The MFSA engages with the industry through workshops, circulars, letters, and supervisory interactions, setting clear compliance expectations. Sustainable finance is integrated into its financial education initiatives, including a 2024 consumer awareness campaign and a dedicated website portal titled "Go Sustainable – Dodge Greenwashing".
	Enhancing ESG Supervision and Sustainable Finance Oversight	Adopted	12 November 2020	Apart from offering the above-mentioned opportunities for enterprises, Malta will also be participating in the InvestEU initiative. Information related to this measure is included under 2023.CSR1.subpart3.
2020 CSR 3 Subpart 4: Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy.	Additional measures aimed at focusing investment on clean and efficient production and use of energy are included in 2023.CSR4.subpart 4.			
	Measures addressing sustainable transport are included in 2024.CSR4.subpart2.			

2020 CSR 3 Subpart 6: waste management,	EcoHive Project (Multi-Material Recovery Facility (MMRF))	Implemented	30 May 2019	While extensive work is continuing on the EcoHive projects, the Multi-Material Recovery Facility has started its operations in Htal Far in June 2023. The MMRF will help in the recycling of various materials which otherwise would end up in the landfill.
	EcoHive Project (Organic Processing Plant)	Announced	30 June 2020	The design of the Organic Processing Plant is currently being finalised and it is set to be commissioned by Q3 2027. WasteServ has concluded the basic design on the plant, prepared the detailed cost estimate, and commenced the process of submitting the Planning Authority permit. WasteServ has received the EIA permit and commenced the drafting of the Design and Building tender document. WasteServ further commenced the preparation of the documentation required to apply for EU funding.
	New Gate Fees	Adopted	1 January 2023	New gate fees to reduce landfill waste and encourage increased waste separation were introduced from 1 January 2023. Initially set at €40 per tonne for mixed waste, these fees increased to €60 per tonne in 2024. Further planned increases are: €80 per tonne in 2025, €100 in 2026, and €120 per tonne from 2027 onwards.
	Material Recovery Facility	Implemented	1 January 2023	As from January 2023, the Material Recovery Facility in Magħtab is fully operational, accepting and processing waste, to help further increase the recycling rates.
	Skip Management Facility	Announced	28 November 2022	Construction of the SMF is set to commence in January 2026.
	Thermal Treatment Facility	Announced	1 January 2021	The procurement process for the Thermal Treatment Facility (TTF) at the ECOHIVE Complex is on track and set to proceed within its projected timeline.
	Waste to Energy plant	Announced	1 January 2024	An appeal to the tender is currently in progress.
	Extension of participation in the Horizon Europe programme	Implemented	2 January 2023	The 2025 Horizon Support Schemes have been launched in January 2025, following State Aid approvals. These Schemes aim to enhance the participation of Maltese entities in the Horizon Europe Programme by supporting applicants in profile-building, networking, and proposal development for Horizon Europe projects. New Support Schemes are also being considered based on demand, and an information webinar outlining available support was held on 5 February 2025. The schemes include support for attending networking events, training and coaching for potential applicants to the European Innovation Council (EIC), Marie Skłodowska Curie Actions (MSCA), and European Research Council (ERC), as well as dedicated proposal writing assistance for Maltese-based coordinators leading Horizon Europe proposals.
	Strengthening of the National STEM Community Fund	Implemented	16 April 2024	The National STEM Community Fund aims to inspire local communities to become ever more active in STEM and to increase local communities' awareness of STEM and how relevant and accessible it really is. The fund will also thus serve to further encourage the uptake of STEM-related subjects and careers, especially by youths and students.
				Following a call for applications from 16 April to 31 May 2024, four projects were awarded funding: the Dwejra Lines Project, engaging neurodivergent youth in conservation efforts; Botanical Bridges, establishing a garden-classroom to teach biodiversity and green skills; Tech Beyond Borders, utilising technology to promote cultural and environmental awareness among vulnerable groups; and DRIVE STEM, raising awareness about engineering careers through videos, outreach meetings, and an open day event for students.
				Awardees received 70% of their funding in November 2024, with the remaining 30% to be disbursed upon approval of the final reports in late 2025. The 2025 edition of the STEM Community Fund will be launched with an increased funding at the end of March 2025.
	National Research and Innovation Strategic Plan 2023-2027	Adopted	20 March 2024	Malta's National Research and Innovation Strategic Plan 2023-2027 was launched for public consultation in 2022. Its main objectives are strengthening R&I governance, developing the local ecosystem, enhancing mission-driven directionality and smart specialization, mainstreaming R&I in public policy, and improving implementation structures. The consultation, held between December 2022 and January 2023, included extensive stakeholder participation and resulted in substantive amendments. Following these revisions, the Strategic Plan was approved by Cabinet and officially launched on 20 March 2024.
	Implementation of the National R&I Strategic Plan 2023-2027	Adopted	20 March 2024	The implementation of the National R&I Strategic Plan 2023-2027 is ongoing with several measures currently in progress. These include bridging science and policy-making, strengthening research funding, engaging the Maltese researcher diaspora, enhancing understanding of research careers, promoting gender equality in R&I, preparing for a pilot R&I mission, and reinforcing evidence-based policy-making.
	Implementation of Malta's Smart Specialisation Strategy 2021-27	Adopted	29 July 2022	Malta's Smart Specialisation Strategy (RIS3) 2021-2027, launched in January 2022, focuses on investing in research infrastructure, supporting internationalisation (including through Horizon Europe), promoting inter-agency collaboration, and incentivising industry-led innovation. In July 2022, six thematic committees were established, each addressing a specific RIS3 area. Xjenza Malta has continued to support RIS3 implementation by seeking the advice of the S3 Community of Practice Technical Support Facility on the subject of inter-regional cooperation, strengthening networking



					through European Partnerships, acting as Malta's Contact Point for the Interregional Investment Instrument (I3), monitoring progress of RIS3 implementation, and assisting in the mid-term evaluation of the Strategy.
	Guidelines for ethical practice and research integrity		Implemented	1 January 2024	Higher Education Institutions licensed by the Malta Further and Higher Education Authority (MFHEA) are required to have frameworks promoting ethical practice and research integrity. Following a dedicated workshop, the MFHEA integrated key aspects of these guidelines into its new Provider Accreditation Procedure, effective as of 1 January 2024. These guidelines support institutions in meeting Malta's Quality Assurance standards, ensuring ethical research practices involving students.
	Setting up of an agency in charge of R&D and implementation of aquaculture and fisheries projects		Implemented	7 December 2023	To strengthen the competitiveness and sustainability of Malta's fisheries and aquaculture sector, an agency responsible for research, development, and project implementation in aquaculture and fisheries has been legally established. Named Aquatic Resources Malta (ARM), the agency has appointed its Chief Executive Officer and staffed key positions. Upgrades to the existing Aquaculture Centre at Forti San Luċjan (Marsaxlokk) are ongoing.
	Investment in Research and Innovation		Adopted	1 January 2024	ARM has already initiated international collaborations, signing agreements with reputable aquaculture centres in Corsica and Sicily. The agency has successfully applied for EU-funded projects, including the Data Collection Framework and a Species Diversification project funded under the EMFAF. Additionally, ARM is actively involved in a sea urchin restocking exercise aimed at replenishing Malta's coastal sea urchin populations.
					Xjenza Malta is committed to building a strong research and innovation ecosystem that drives societal progress and positions Malta as a leader in scientific and technological advancements. Through the FUSION national research funding portfolio, it supports initiatives across various stages of research, from early exploration to market-ready solutions, including both bottom-up and thematic calls that can also address specific sector needs.
					The Government remains dedicated to fostering innovation, with plans to relaunch four key programmes in 2025: the Digital Technologies Programme, focusing on enhancing digital capabilities in alignment with Malta's AI Vision and Strategy; the Research Excellence Programme (REP), supporting early-stage, bottom-up research projects across scientific disciplines; the Technology Development Programme (TDP) Lite, aimed at fast-tracking applied research with commercial potential; and the Research Networking Scheme, enabling international collaboration and publication in open-access journals.
	Support in the Space Sector		Adopted	1 September 2024	The ESA Plan for European Cooperating States (PECS) is a five-year initiative aimed at developing a domestic space sector. On a yearly basis, ESA issues a call for PECS tenders inviting local researchers from the private, public and academic sectors to submit proposals related to work in the Space Upstream, Space Downstream or in Space Education. Malta signed the ESA PECS Charter in September 2024. The first 2024 PECS call will award five tenders to successful local bidders, while the 2025 call was launched on 8 January 2025, with over €1.5 million in funding opportunities. Applications closed on 19 February 2025.
CSR 2020.4					
2020 CSR 4 Subpart 1: Complete reforms addressing current shortcomings in institutional capacity and governance to enhance judicial independence.	Court Premises Management		Adopted	28 October 2024	In 2023, another Chamber in the Family Court was added. Space in the main Court building continued to be maximised with new offices, both for members of the judiciary and for the workers who assist them in their work and professionals in the sector.
					The establishment of a new trial by jury Hall in 2024 marks a significant step in addressing the backlog of pending trials awaiting hearings. This Hall will enable concurrent trials, thus reducing delays. This additional space and resources will support fair and transparent judicial proceedings while catering to the increasing demands of the legal system.
					The Government is advancing plans to construct a new Criminal Court, which will include three court halls, a victim's area, and offices for the judiciary and court staff. This project aims to alleviate the backlog of court cases. A tender has been awarded, with work set to commence in 2025.
					Additionally, Government is committed to establishing a Commercial Court to deal with commercial and maritime disputes. The draft legislation has recently been endorsed by the Cabinet of Ministers and will be presented to Parliament shortly. In parallel, premises have been allocated for this purpose, and the tender specifications for refurbishment of building are currently being drawn up.
	Reform in magisterial inquiries		Implemented	10 January 2024	Government has worked on draft legislation intended to reform the current system of inquests or 'in genere'. The aim of the reform is to expedite these procedures and ensure they are conducted more justly for all persons concerned. To this end, the proposed amendments aim to better define the methods and recipients of crime reporting, proposing measures to better safeguard the rights of individuals subject to these procedures, as well

	Reforms in Family Court	Adopted	20 April 2024	as victims of crime. It is hereby also worth acknowledging the fact that four Magistrates have recently been specifically tasked with undertaking magisterial inquiries.
	Enhancing Police Surveillance and Intelligence Capabilities	Announced	1 November 2024	<p>A national conference was held on 20 April 2024 to gather ideas and proposals from the general public. Key themes discussed during this conference aimed to include care and custody, maintenance, mediation, court proceedings, and the role of professionals in the social sector. Moreover, Government launched a public consultation to further involve citizens in the reform process on 30 September 2024. The insights registered are currently being evaluated and consolidated. Legislation will be drafted accordingly and will subsequently be submitted to the Cabinet of Ministers.</p> <p>This measure is split into three different projects funded through Internal Security Fund (EU Funds).</p> <p>In relation to the Procurement of Two Tethered Drones, a public consultation was launched in November 2024. Presently, the Malta Police Force (MPF) is applying for EU Funds and the tender is being drafted.</p> <p>In relation to the Automated Number Plate Recognition System, presently MPF is analysing its needs and requirements before initiating procurement procedures and acquisition of EU Funds.</p> <p>In relation to the Fusion Centre, presently MPF are working on the necessary finishing plans for the premises. The aim is to have the premises ready before MPF embarks on the procurement of the necessary software and hardware for a fully functional Fusion Centre.</p>
	Developing Criminal and Forensic Data Management Systems	Announced	20 September 2024	<p>This measure is split into two projects funded through Internal Security Fund (EU Funds).</p> <p>In relation to the Record Management System (RMS), currently MPF is conducting a Competitive Dialogue procedure for the procurement of this system.</p> <p>Regarding the Laboratory Information Management System (LIMS), tender for the system is drafted and is currently during vetting period by Department of Contracts.</p>
	Reforms in the Compilations of Evidence	Adopted	18 April 2023	<p>With regards to ongoing efforts to enhance the efficiency and fairness of the criminal committal proceedings, a public consultation was launched in 2023. The objective was to gather insights from various stakeholders and the general public. Feedback obtained from this consultation was incorporated into the draft Bill. The revised amendments will be submitted to the Cabinet of Ministers.</p>
2020 CSR 4 Subpart 2: Continue efforts to adequately assess and mitigate money-laundering risks and to ensure effective enforcement of the anti-money-laundering framework.	Address the FATF action plan	Implemented	17 June 2022	<p>In addressing the Financial Action Task Force (FATF) action plan regarding the strategic deficiencies related to the detection of inaccurate company ownership information and sanctions on gatekeepers who fail to obtain accurate beneficial ownership information, as well as the pursuit of tax-based money laundering cases utilising financial intelligence, Malta has made sure that every measure is proactive, responsive, effective and, moreover, sustainable.</p> <p>During the June 2022 FATF plenary, it was decided that Malta has addressed its action plan and that it is showing effectiveness and sustainability in the implementation of its AML/CFT reforms. The FATF plenary decided that there is the necessary political commitment to sustain implementation and improvement in the future.</p> <p>It was therefore decided that Malta is no longer subject to the FATF's increased monitoring process, and that Malta is to continue working with MONEYVAL to sustain its improvements in its AML/CFT system.</p>
	Strengthening AML Compliance and Supervision	Implemented	27 December 2001	<p>The FIAU works in close cooperation with various entities and authorities. Two of such are the Malta Financial Services Authority (MFSA) and the Malta Gaming Authority (MGA), who being supervisory authorities in terms of the Prevention of Money Laundering and Funding of Terrorism Regulations (PMLFTR) are empowered to assist the FIAU in monitoring subject persons' (obliged entities') compliance with their AML/CFT obligations. The said two supervisory authorities act as agents of the FIAU, thus supporting the FIAU in monitoring the compliance of subject persons they regulate with their AML/CFT obligations on a risk-based approach, including by conducting on-site examinations. In 2024, the MFSA and MGA carried out 29 and 18 supervisory interventions respectively on the Unit's behalf.</p> <p>The Financial Crime Compliance Function at MFSA is a dedicated AML/CFT Supervisory Function established to strengthen the MFSA's role in preventing the use and involvement of MFSA Licence Holders in Money Laundering and Financing of Terrorism ("ML/FT"). The function works closely with several entities, particularly with the</p>



			<p>Financial Intelligence Analysis Unit ("FIAU") and the Sanctions Monitoring Board ("SMB"): The MFSA's FCC Onsite team performs on behalf of the FIAU or jointly, AML/CFT compliance engagements on MFSA Licence Holders. The FCC Function adopt the same FIAU's established processes supervisory methodologies and follows the FIAU's Supervisory Plan.</p> <p>Furthermore, the FCC's Offsite and Risk Analysis Team is specifically responsible for implementing the Authority's consideration of AML/CFT within authorisation (licensing process) and ongoing supervision in accordance with the EBA's, and other supranational bodies', technical standards, guidelines, opinions, and recommendations. This team is responsible for facilitating the MFSA's coordination, collaboration, and exchange of information with both domestic and foreign authorities and counterparts in relation to AML/CFT, such as MONEYVAL, the EBA, the ECB, the National Coordinating Committee on AML/CFT, the FIAU, the Sanctions Monitoring Board, the Malta Police Force, the Attorney General, and more. This team also provides internal training to the Authority's staff jointly with the MFSA's Financial Supervisors Academy, participates in MFSA and third party-organised events, and communicates the Authority's expectations through the publication of guidance documents.</p> <p>The MGA continued to conduct AML audits on its licensees on behalf of, or in conjunction with, the FIAU (in line with the FIAU's supervisory plan), with the objective of monitoring the activities of such gaming licenses and ensuring compliance with the AML laws and regulations. In 2024, the MGA conducted a total of 18 AML/CFT compliance examinations in the gaming sector with or on behalf of the FIAU.</p> <p>Furthermore, the MGA continued conducting interviews for prospective Money Laundering Reporting Officers (MLROs) and holders of the Key AML function, to determine whether the applicants have the necessary AML/CFT knowledge and expertise to take on and meet the responsibilities associated with the MLRO function within Malta's gaming sector. In 2024, the MGA has conducted a total 37 MLRO interviews. In addition, in 2024, the MGA also conducted a total of 7 B2C licensee prudential compliance audits which integrated elements pertinent to AML/CFT.</p> <p>The FIAU Strategy spans the period from 2023 to 2026. It is driven by an exploration of new creative ways of operating to further enhance the Unit's capability of preventing and detecting money laundering and funding of terrorism.</p> <p>The Strategy is organised in 6 Pillars and broken down into objectives and goals. By the conclusion of the 2nd year of implementation of the FIAU Strategy, 25% of the goals have been concluded, while another 58% are well underway. During 2025 a number of complex goals are expected to be concluded such as the rolling out of a more sophisticated case management system combining the workflows of the Supervision and Enforcement Sections. A small number of goals have been put on hold or otherwise postponed in view of new developments that took place or that are expected to take place which require us to rethink the necessity of and/or reformulate some goals, as required. Some of these developments resulted from the new EU AML Legislative Package adopted in June 2024.</p> <p>On an operational level, throughout 2024, the FIAU continued to make the necessary advancements to strengthen its resources, including its human resources. The annual budget granted to the FIAU is projected to further increase to €11.7 million in 2025. The increased budget reflects Malta's commitment to the fight against money laundering and terrorism financing with more dedicated resources being allocated to strengthen its prevention, detection, and enforcement efforts. The FIAU's overall staff complement increased by 24.8% in the last 3 years, with a total of 171 employees at the end of 2024.</p> <p>In 2024 the Unit maintained its supervisory efforts in line with its supervisory plan, conducting 140 FIAU-led supervisory interventions. When factoring in supervisory interventions conducted with the assistance of the MFSA and MGA (as agents of the FIAU), the total number of supervisory interventions in 2024 rises to a total of 187. With respect to enforcement efforts, in 2024 the FIAU imposed a total of 109 administrative measures on subject persons, including 76 pecuniary penalties amounting to €746,655.</p> <p>In terms of our FIU function, in 2024 the FIAU's analytical function received 9,430 submissions of Suspicious Transaction Reports and Suspicious Activity Reports (STRs/SARs), with the analysis conducted by the FIAU leading to 493 disseminations to the Malta Police Force for further (criminal) investigation, and 565 disseminations to the national tax authority (MTCA). A further 5,557 disseminations to foreign FIU counterparts were also sent by the FIAU.</p>
		Implemented	1. January 2023
	Implementation of the FIAU's Strategy 2023-2026		



					Being responsible for the monitoring of the restrictions of certain cash payments (emanating from the Use of Cash (Restriction) Regulations), in 2024 the FIAU continued to witness an increase in the number of reports of suspected breaches of the said Regulations, with 99 reports submitted to the Unit and 5 cases initiated internally. The Cash Restriction Section imposed 8 administrative penalties amounting to €9,300 in the form of an administrative settlement.
					During 2024, competent authorities made a total of 24,871 searches on the Centralised Bank Account Register (CBAR) administered by the FIAU for the timely retrieval of data on bank and payment account information identifiable by IBAN, safe custody services and safe deposit boxes held by Maltese credit and financial institutions, including details on account holders and their beneficial owners. The FIAU has continued to work closely with credit and financial institutions, competent authorities as well as the system developers in order to improve the Register's functionality.
					The FIAU remains firmly committed to sharing knowledge and best practices with its partners across both the public and private sectors. During the course of 2024, the FIAU organised 4 training sessions and took part in 44 events hosted by external organisations. The Unit also organised a total of 19 Public-Private-Partnership (PPP) meetings.
					Enhanced bilateral cooperation with our foreign counterparts remains a priority for the FIAU. In 2024, the FIAU actively participated in 12 technical missions with foreign counterpart FIUs and AML/CFT supervisors where it had the opportunity to share its experience and best practices. Furthermore, during 2024 the FIAU entered into 4 Memoranda of Understanding (MOUs) with counterpart FIUs, to further strengthen cooperation and the sharing of timely financial information.
				1 January 2024	The 2023 National Risk Assessment (NRA) was launched in January 2024 and outreach sessions were held to publicly launch the NRA on the 12 and 13 February of 2024. The National Coordinating Committee on combating money laundering and funding of terrorism (NCC) Secretariat throughout 2024 continued to participate in outreach sessions with an emphasis to ensure there is a strong risk understanding.
					Additional measures addressing the tax administration, tax evasion and tax avoidance are included in 2024, CSR1, subpart4 and 2024, CSR3, subpart1.



						2022: 20% of MPI, capped at €2,864 2023: 40% of MPI, capped at €5,987 2024: 60% of MPI, capped at €9,732 2025: 80% of MPI, capped at €13,309 2026: 100% of MPI.
	Occupational Pensions		Announced	28 October 2024		This measure will result in €27 million of pension income that is not taxable. In the 2025 Budget, the Government announced plans to introduce automatic enrolment in private pension schemes with voluntary withdrawal. This initiative aims to enhance retirement savings among employees, ensuring a more secure financial future for the workforce. Additionally, the Government will match individual contributions up to a maximum of €100 per month for its employees, further incentivising participation in the pension scheme.
	Extension of incentives for people who remain in employment to officers of the Disciplinary Corps		Implemented	1 December 2023		The measure extends retirement incentives, introduced in 2016, to officers of the Disciplinary Corps who continue working after 25 years of service. These officers can increase their pension by 23% after an additional four years of service. The aim is to encourage longer employment for experienced officers while enhancing their pension benefits. This measure came into effect in the last quarter of 2023.
	Further measures related to this CSR are included in 2021.CSR1.subpart4.					
CSR.2019.2						
2019 CSR 2 Subpart 1: Address features of the tax system that may facilitate aggressive tax planning by individuals and multinationals, in particular by means of outbound payments.	Additional measures addressing the tax administration, tax evasion and tax avoidance are included in 2024.CSR1.subpart4 and 2024.CSR3.subpart1.					
2019 CSR 2 Subpart 2: Strengthen the overall governance framework, including by continuing efforts to detect and prosecute corruption.	Enhancing Police Capabilities Through Technology and Specialised Equipment		Announced	20 September 2024		This measure is split in two projects funded through the Internal Security Fund (EU Funds). For the first part, the Procurement of Specialised Vehicles Project, MPF issued a tender for the acquisition of these vehicles, which tender closed on 4 March 2025. On the other hand, the I2 software project has been adjudicated by the Project Selection Committee and presently MPF is waiting for the Grant Agreement by the Funds & Programme Division. The procurement document to kick-start procurement process is finalised. During the year 2024 there were in total 436 drug tests conducted on police officers. Measure will be continued to be implemented accordingly.
	Ongoing Drug Screening and Enforcement of the Police Drugs Misuse Policy		Adopted	20 September 2024		
	Strengthening Anti-Fraud and Corruption Reporting Measures		Adopted	20 September 2024		During the year 2024 there were 21 proton mails that were sent anonymously through the reporting system 'Break the Silence'. Measure will be continued to be implemented accordingly.
	Internal audits within the Malta Police Force		Announced	20 September 2024		Audit exercises have continued.
	Additional measures addressing the strengthening of the overall governance framework are included in 2020.CSR4.subpart1. Additional measures addressing anti-money laundering are included in 2020.CSR4.subpart2.					
2019 CSR 2 Subpart 3: Continue the ongoing progress made on strengthening the anti-money-laundering framework, in particular with regard to enforcements.						
2019 CSR 2 Subpart 4: Strengthen the independence of the judiciary, in particular the safeguards for judicial appointments and	Additional measures addressing the justice system are included in 2020.CSR4.subpart1.					



dismissals, and establish a separate prosecution service.

CSR.2019.3

2019 CSR 3 Subpart 1: Focus investment-related economic policy on research and innovation,	Extension of the Innovate Scheme	Implemented	19 May 2022	The Innovate Scheme supports Business Research Partnerships between SMEs and Research Knowledge-Dissemination Organisations to drive product, process, and organisational innovation. It provides funding for the secondment of highly qualified personnel, access to innovation advisory services, and innovation support identified through collaboration. The scheme aims to accelerate innovation, enhance business performance, and improve competitiveness by facilitating access to expertise and new knowledge. This Scheme has been revised and extended until December 2026.
	Additional measures addressing research and innovation are included in 2020.CSR3.subpart7.			
2019 CSR 3 Subpart 2: natural resources management,	Support Scheme for Sustainable Fishing Practices	Adopted	8 November 2024	This scheme was launched at the end of 2024 to provide financial assistance to fishermen investing in environmentally friendly fishing gear, allowing 775 fishermen to benefit from partial reimbursement for the purchase of sustainable fishing gear. The initiative aims to reduce the environmental impact of fishing activities, promote the protection of marine habitats, and support the adoption of sustainable fishing practices. It also seeks to enhance the competitiveness of the sector by alleviating operational costs associated with sustainable gear, improving profitability for vessel owners.
	National Policy for Sustainable Food	Adopted	31 March 2023	Malta's first National Action Plan for Organic Food was published in September 2023 following a public consultation process earlier that year. The Plan supports the needs of the agricultural sector's transition to organic production, targeting 5% of utilisable agricultural area under organic certification by 2030. The Action Plan is structured around three pillars: fostering a supportive ecosystem for producers, strengthening control and certification institutions, and developing short supply chains and markets for organic goods.
				Malta's Strategy for Resilient Food Systems 2025–2034 was launched for public consultation on 16 October 2024 until 29 November 2024. Bilateral meetings with relevant stakeholders shall be held in the coming months to refine the strategy, which is expected to be updated and finalised by end 2025.
	Carbon Farming	Adopted	1 January 2023	Progress has also been made on establishing a Food Authority to integrate regulatory, policy, and R&D functions in food supply, safety, and quality. A high-level plan was prepared in 2023, and the draft national law on the Food Safety and Security Authority has been submitted for legal vetting. Further evaluations are being conducted to assess the law's impact, ensure regulatory alignment, and uphold data protection standards, with consultations ongoing among the relevant governmental and regulatory entities.
	Agency responsible for agricultural land	Implemented	7 December 2023	Work on the Carbon Farming initiative has commenced, with the first phase launched as a pilot project in 2022, which continued throughout 2023. The project's impact was analysed, leading to the development of a structured scheme. A scientific study was commissioned in May 2023 and conducted between June and August, followed by an evaluation of findings in September and October 2023. The study provided the basis for assessing the local context and defining the necessary interventions. On 4 October 2024, the European Commission approved State Aid for an Agro-forestry scheme for land farmers under decision SA.115721 (2024/N). This Scheme was launched on 12 February 2025 and will remain in force until end 2025.
	Removal of inheritance tax on certain agricultural land	Implemented	30 October 2023	An agency responsible for agricultural land has been established under Legal Notice 284 of 2023 to oversee agricultural leases and implement measures for the protection and sustainable management of fields. The agency, Ritorsi Agrikoli Malta (RAM), supports the sustainable development of the agricultural sector, ensures responsible governance of land tenure, and facilitates projects and policies aimed at preserving natural resources. A CEO has been appointed to lead the agency, and the registration of agricultural leases by landowners is currently underway.
	Scheme for the restoration of wells in old residential homes	Implemented	7 May 2018	The removal of inheritance tax on certain agricultural land has been enacted and is now in force. This measure exempts individuals inheriting agricultural land leased to third parties and professional farmers classified under categories 4 and 5 from succession tax, provided the land is declared on the deed causa mortis. The initiative aims to support the sustainable use of agricultural land and ensure its continued cultivation by professional farmers.
	Enhancing Green Parks	Adopted	30 November 2022	The scheme for the restoration of wells in old residential homes continued over the years and was extended until 31 December 2023 through Government Notice.
				Expanded St. Clement Park to enhance green spaces for public use (completed December 2023). Completed upgrades to improve facilities and preserve natural habitats at Majjistral Park (finished February 2023).



				5 July 2022	<p>Works have been ongoing to rehabilitate and upgrade recreational areas of the Marsascula and the Ta' Qali National Park. At the latter, the design documents for a wastewater treatment plant will be completed in 2025.</p> <p>The clean-up and eradication of invasive species as well as tree planting activities in Ghajn Rihana Valley were initiated in 2022 and successfully concluded by December of the same year. The Ghajn Rihana project included the regeneration of a 1.2km stretch via the installation of timber railings, reinstatement of rubble walls, the removal of 3 tonnes of dumped material from the valley, repair of a bridge and the removal of invasive species.</p> <p>Meanwhile, removal of invasive species works at Qannotta Valley were concluded in August 2024. The tender of Wied Speranza/Qleigħa Valley was awarded and signed in October 2024, however, ERA requested that works be carried out during the summer and are expected to be concluded by end 2025.</p> <p>Government is also investing in strengthening biodiversity by investing in Natura 2000 zones as well as in Marine Protected Areas (MPAs).</p>
	Rehabilitation of valleys for Enhanced Water Management and Ecological Preservation		Announced		<p>Natura 2000 Zones: The non-native and/or invasive plant species and/or trees that are stifling native habitats and are reducing biodiversity within the Natura 2000 sites in Ghajn Tuffieħa, Għar Lapsi and Comino were identified and removed. Monitoring of these areas is continuous.</p> <p>Marine Protected Areas: ERA, in consultation with Ambient Malta, had engaged the UoM to carry out a desktop study on management possibilities for selected marine non-indigenous species that are established in Maltese waters. With respect to <i>Caulerpa taxifolia</i> var. <i>distichophylla</i>, this study outlines that the technical feasibility of physical removal of such species is deemed low and that its removal could lead to impacts on native flora. The management process would need to be consistent with a number of risks to be considered, including fragmentation and subsequent spread. Considering this, unless there is an evident increase in the abundance of <i>C. taxifolia</i> var. <i>distichophylla</i> that warrants action, the management option considered is the 'do nothing approach'.</p>
	Investment in strengthening biodiversity		Implemented	30 January 2023	<p>Malta Enterprise launched a new initiative regarding the blue economy, Blue Med. This initiative will continue to be developed to further collect information from the local and foreign sector on how we can continue to help companies based in Malta. This is being done through an economic study on the sector and the potential of new niches in this sector. A part of the study has been carried out. Applications for the SDG14 Challenge (a measure under the Blue Med with the scope of attracting enterprises operating in this sector) closed on 12 February 2024.</p> <p>The SDG14 challenge has been implemented and winners will be announced in the coming weeks.</p> <p>Project Green is leading green urban reclamation initiatives, transforming former industrial and waste treatment sites into open spaces for public enjoyment.</p>
	Blue Med		Announced	20 September 2023	<p>The former Sant' Antnin recycling plant will be converted into an open recreational area, in collaboration with Wasteserv Malta. Following the issuance of a tender and completion of evaluations in September 2023, operational activities began in November 2023, with geotechnical assessments conducted in December. Procurement procedures are now addressing the initial phase, which includes excavation, soil removal, demolition, and preparatory construction works to facilitate its transformation into an urban green space.</p>
	Green Urban Reclamation		Adopted	16 January 2023	<p>Project Green has also identified four other sites for conversion into green public spaces. Designs for these projects have been finalised, Planning Authority permits secured, and tenders issued. Publication and evaluation processes are progressing, with works expected to begin in 2025 once contracts are awarded.</p>

Investing in Greener Urban Spaces and Sustainable Community Projects	30 June 2023	Adopted	<p>Malta is implementing a €10 million community greening grant to regenerate over 80,000 square meters across various localities, with more than 5,000 trees to be planted. Projects include park developments, rainwater harvesting systems, and green infrastructure, with preparatory works, design finalisations, and stakeholder consultations currently underway.</p> <p>Several projects are at different stages of implementation, with permits granted, tenders issued, and works initiated or scheduled to begin in the coming months. In some cases, structural studies and technical consultations are ongoing to ensure alignment with environmental and infrastructural considerations. Public consultations have also been held, allowing for stakeholder input to be incorporated into project designs. Certain projects are pending approvals or require coordination with other ongoing developments.</p> <p>Significant progress has been made, with completed projects such as Ġnien I-Gharusa tal-Mosta in Mosta and Ġnien I-Indipendenza in Birzebbuga already contributing to enhanced urban greenery. Meanwhile, new sites are being developed, with final designs submitted for approval and tenders progressing through various stages of evaluation and award.</p>
	30 November 2023	Announced	<p>New Water is a €24.5 million investment by the Water Services Corporation, co-financed by the European Union, which will lead to the extension of the capacity and network of New Water in the South and Southwest regions of the island. The upgrade is expected to ensure that farmers have access to a sustainable and resilient water supply, benefiting some 350 farmers and covering an additional 223 hectares of agricultural land. This initiative reduces groundwater extraction, promotes water reuse, and ensures sustainable water supply for agriculture.</p>
	30 January 2023	Implemented	<p>Restoration works on the reservoir at Auberge d'Angleterre, with a capacity of up to 120,000 litres of water have been undertaken and these have been finalised.</p>
	20 September 2024	Adopted	<p>Complementing the extension of the primary network distribution system, which provided a reverse osmosis / ground water blend to remote areas in Siggiewi, Qattar that were formerly supplied with ground water, this project will provide for greater spatial distribution of groundwater abstraction through the activation of old boreholes covering Malta and Gozo.</p>
	25 October 2022	Adopted	<p>To meet the growing demand for drinking water, the project aimed at upgrading reverse osmosis capacity by more than 50% over the 2020 average by 2025 is deemed 85% complete, with upgrades scheduled for finalisation by end of 2025. Furthermore, a new water transfer main will be installed between the Reverse Osmosis plant in Cirkewwa and the Ta' Qali reservoirs, together with a main that will deliver water from Naxxar to Salini. A public call for tenders incorporating all four project phases will be re-issued in 2025.</p>
2019 CSR 3 Subpart 3: resource and energy efficiency, 2019 CSR 4 Subpart 4: sustainable transport, reducing traffic congestion and 2019 CSR 5 Subpart 5: inclusive education and training.	Also contributing to this CSR is the 'New IT system for the fisheries and aquaculture sector', included under 2023.CSR1.subpart3.		
	Measures addressing resource and energy efficiency are included in 2020.CSR3.subpart4 and in 2023.CSR4.subpart4.		
	Measures addressing sustainable transport and traffic congestion are included in 2024.CSR4.subpart2.		
	30 October 2021	Adopted	<p>This policy impacts all children aged 0-7 years attending education establishments. The pillar 'Monitoring and Evaluation' is still being implemented in the evaluation of childcare centres and the quality mark system has been an important incentive for childcare centres to improve their service and is now in its second year.</p> <p>The share of children aged less than three years attending formal childcare (duration of one hour or over): 36.6% (2017), 32.1% (2018), 38.3% (2019), 29.7% (2020), 24.0% (2021), and 43.1% (2022) and 51.0% (2023) (Source: Eurostat, 2025).</p> <p>The share of children between the age of three and the starting age of compulsory primary education who participated in early childhood education and care in Malta were: 99.4% (2013), 95.5% (2014), 96.9% (2015), 95.0% (2016), 93.2% (2017), 93.8% (2018), 91.9% (2019), 89.1% (2020), and 86.2% (2021) and 87.5% (2022) (Source: Eurostat, 2024).</p>
	Additional measures addressing inclusive education and training are included in 2024.CSR3.subpart1 and subpart2 and 2020.CSR1.subpart1 and subpart2.		



Annex 3

Malta reporting extracted from FENIX

CSR Subpart	Milestone reference	Measure name	Milestone/target name	Due date (Quarter)	Status in FENIX
2024.CSR4.subpart1	MT-C[C1]-R[R1]-M[1.1]	Develop a long-term renovation strategy	Entry into force of the Building and Construction Authority Act	Q2/2021	Fulfilled
2024.CSR4.subpart1	MT-C[C1]-R[R1]-M[1.2]	Develop a long-term renovation strategy	Building and Construction Authority- fully operational	Q1/2023	Completed
2024.CSR4.subpart1	MT-C[C1]-R[R1]-M[1.3]	Develop a long-term renovation strategy	Training and certification of professionals in the construction industry	Q4/2022	Fulfilled
2024.CSR4.subpart1	MT-C[C1]-R[R1]-T[1.4]	Develop a long-term renovation strategy	Professionals in the construction industry trained and certified	Q2/2023	Completed
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.5]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Entry into force of the updated Environment Protection Act	Q4/2021	Fulfilled
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.6]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Study on the feasibility of expanding Extended Producer Responsibility obligations to additional waste streams	Q4/2024	Completed
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.7]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Entry into force of legislation that may be deemed appropriate by the study on the feasibility of targeting new waste streams through Extended Producer Responsibility	Q4/2025	On Track
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.8]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Adoption of the Construction and Demolition Waste Strategy for Malta	Q4/2021	Fulfilled
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.9]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Adoption of standards for the Construction Industry	Q4/2022	Fulfilled



2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.10]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Entry into force of a new regulatory framework for the management of construction and demolition waste	Q4/2023	Completed
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.11]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Recovery of construction and demolition waste through backfilling void spaces (quarries)	Q4/2022	Fulfilled
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.12]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Setting up of six municipal regional bodies responsible for waste collection across Malta and Gozo	Q4/2022	Fulfilled
2020.CSR3.subpart6	MT-C[C1]-R[R2]-M[1.13]	Fostering effective waste management through a robust waste governance framework including reforming the waste collection system	Entry into force of revised legislation on packaging material to allow for the regional collection of packaging waste	Q4/2022	Fulfilled
2024.CSR4.subpart1	MT-C[C1]-I[I1]-M[1.15]	Investment in the renovation and greening of public and private sector buildings, including retrofitting through energy and resource efficiency measures	Contracted services for the renovation of public buildings	Q2/2023	Completed
2024.CSR4.subpart1	MT-C[C1]-I[I1]-T[1.16]	Investment in the renovation and greening of public and private sector buildings, including retrofitting through energy and resource efficiency measures	Public buildings renovated	Q4/2025	On Track
2024.CSR4.subpart1	MT-C[C1]-I[I1]-M[1.17]	Investment in the renovation and greening of public and private sector buildings, including retrofitting through energy and resource efficiency measures	Launch of call for applications for grants targeting the renovation of private sector buildings	Q1/2022	Fulfilled



2024.CSR4.subpart1	MT-C[C1]-I[I2]-M[1.19]	Investment in the renovation and retrofitting of public hospitals	Energy Performance Audit of Mount Carmel Public Hospital	Q2/2022	Fulfilled
2024.CSR4.subpart1	MT-C[C1]-I[I2]-M[1.20]	Investment in the renovation and retrofitting of public hospitals	Contracted services for the renovation and retrofitting of Mount Carmel Public Hospital	Q4/2024	Not completed
2024.CSR4.subpart1	MT-C[C1]-I[I3]-M[1.22]	Investment in the renovation, retrofitting and renewable energy in public schools	Energy Performance Audit of two Public Schools	Q4/2021	Fulfilled
2024.CSR4.subpart1	MT-C[C1]-I[I3]-M[1.23]	Investment in the renovation, retrofitting and renewable energy in public schools	Contracted services for the renovation of two Public Schools	Q1/2022	Fulfilled
2024.CSR4.subpart1	MT-C[C1]-I[I3]-T[1.24]	Investment in the renovation, retrofitting and renewable energy in public schools	Two public schools renovated	Q4/2023	Completed
2024.CSR4.subpart1	MT-C[C1]-I[I4]-M[1.25]	Investment in the construction of a pilot near carbon neutral school to serve as a model for the future and provide a future-proof learning experience to students	Contracted services for construction works of a near carbon neutral school	Q1/2022	Fulfilled
2024.CSR4.subpart1	MT-C[C1]-I[I4]-T[1.26]	Investment in the construction of a pilot near carbon neutral school to serve as a model for the future and provide a future-proof learning experience to students	Construction of a near-carbon neutral school completed	Q4/2023	Completed
2024.CSR4.subpart1	MT-C[C1]-I[I5]-T[1.27]	Renewable energy investments in roads and public spaces	Installation of photovoltaic infrastructure in public open spaces	Q2/2024	Not completed
2024.CSR4.subpart2	MT-C[C2]-R[R1]-M[2.1]	Stimulating the adoption and implementation of policies promoting the sustainability of the transport sector, including by encouraging the use of collective and multimodal transport	National Household Travel Survey	Q4/2021	Fulfilled



2024.CSR4.subpart2	MT-C[C2]-R[R1]-M[2.2]	Stimulating the adoption and implementing of policies promoting the sustainability of the transport sector, including by encouraging the use of collective and multimodal transport	Completion of an Awareness Raising Campaign on sustainable zero and low-carbon transport	Q4/2025	On Track
2024.CSR4.subpart2	MT-C[C2]-R[R2]-T[2.3]	Promoting further use of collective road public transport	Number of people in the new cohort groups with access to free public transport	Q4/2023	Completed
2024.CSR4.subpart2	MT-C[C2]-R[R3]-M[2.4]	Expediting the finalisation and implementation of a Sustainable Urban Mobility Plan (SUMP) for the Valletta Region	Publication of the Sustainable Urban Mobility Plan for the Valletta Region	Q4/2022	Fulfilled
2024.CSR4.subpart2	MT-C[C2]-R[R3]-T[2.5]	Expediting the finalisation and implementation of a Sustainable Urban Mobility Plan (SUMP) for the Valletta Region	Local Administrative Units within the Valletta Region with improved urban mobility solutions under the Sustainable Urban Mobility Plan	Q2/2025	On track
2024.CSR4.subpart2	MT-C[C2]-R[R4]-M[2.6]	Reducing the socio-economic and environmental impact of vehicles in urban areas	Agreement with Local Councils Association on the regeneration areas in urban areas	Q2/2021	Fulfilled
2024.CSR4.subpart2	MT-C[C2]-R[R4]-T[2.7]	Reducing the socio-economic and environmental impact of vehicles in urban areas	Regeneration areas created in urban areas for open and car free spaces	Q2/2025	On Track
2024.CSR4.subpart2	MT-C[C2]-R[R5]-M[2.8]	Promoting remote working in the public service	Publication of the Remote Working Policy for Government Employees	Q1/2022	Fulfilled
2024.CSR4.subpart2	MT-C[C2]-R[R5]-T[2.9]	Promoting remote working in the public service	15 office facilities that enable remote work for public service officials across the Maltese Islands operational	Q4/2021	Fulfilled
2024.CSR4.subpart2	MT-C[C2]-R[R6]-M[2.10]	Enhanced mobility management in the public service	Completion of study on enhanced mobility management in the Maltese public service	Q1/2023	Completed
2024.CSR4.subpart2	MT-C[C2]-R[R6]-T[2.11]	Enhanced mobility management in the public service	Increase in shared mobility in the public service	Q2/2025	On Track
2024.CSR4.subpart2	MT-C[C2]-I[I2]-M[2.15]	Enhancing the uptake of electric vehicles in the private sector	Open call for applications for electric vehicles and bicycles in the private sector, including scrappage scheme	Q1/2022	Fulfilled



2024.CSR4.subpart2	MT-C[C2]-I[I2]-T[T2.16]	Enhancing the uptake of electric vehicles in the private sector	Number of grants awarded for electric vehicles under the scheme for the private sector	Q2/2023	Completed
2024.CSR4.subpart2	MT-C[C2]-I[I2]-T[T2.17]	Enhancing the uptake of electric vehicles in the private sector	Number of grants awarded for electric vehicles under the scheme for the private sector	Q4/2025	Completed
2024.CSR4.subpart2	MT-C[C2]-I[I2]-T[T2.16a]	Enhancing the uptake of electric vehicles in the private sector	Number of grants awarded for electric vehicles under the scheme for the private sector	Q4/2024	Completed
2024.CSR4.subpart2	MT-C[C2]-I[I3]-M[M2.18]	Decarbonising the public service fleet	Contracted services for the supply of electric vehicles for the public service fleet	Q3/2023	Completed
2024.CSR4.subpart2	MT-C[C2]-I[I3]-T[T2.19]	Decarbonising the public service fleet	Number of electric vehicles in the Government general use vehicle (GUV) fleet	Q3/2025	On Track
2024.CSR4.subpart2	MT-C[C2]-I[I4]-M[M2.20]	Part replacement of the public transport fleet	Memorandum of Understanding for the part replacement of the Malta public transport fleet	Q2/2022	Fulfilled
2024.CSR4.subpart2	MT-C[C2]-I[I4]-T[T2.21]	Part replacement of the public transport fleet	Operational zero emission electric buses rolled out for the part replacement of the public transport fleet	Q2/2025	Delayed
2020.CSR2&3.subpart2	MT-C[C3]-R[R1]-M[M3.1]	Deepening the digital transformation through policy reform, with a focus on reducing the digital divide and promoting digital skills	Launch of a scholarship scheme for students to become ICT professionals	Q1/2022	Fulfilled
2020.CSR2&3.subpart2	MT-C[C3]-R[R1]-T[T3.2]	Deepening the digital transformation through policy reform, with a focus on reducing the digital divide and promoting digital skills	Individuals supported to mitigate digital divide	Q4/2023	Completed
2020.CSR3.subpart7	MT-C[C3]-R[R2]-M[M3.3]	Finalise and implement Malta's smart specialisation strategy, with a particular focus on fostering business R&I and strengthening public-private cooperation	Adoption of Malta's Smart Specialisation Strategy	Q4/2021	Fulfilled



2020.CSR3.subpart7	MT-C[C3]-R[R2]-T[3.4]	Finalise and implement Malta's smart specialisation strategy, with a particular focus on fostering business R&I and strengthening public-private cooperation	Inter-agency account management between Malta Enterprise and Malta Council for Science and Technology	Q4/2024	Completed
2020.CSR3.subpart2	MT-C[C3]-I[I1]-T[3.5]	Strengthening the resilience, security and efficiency of the government digital backbone and investing in appropriate digital solutions, devices and tools	Increased uptime of the Digital Backbone	Q4/2023	Completed
2020.CSR3.subpart2	MT-C[C3]-I[I1]-M[3.6]	Strengthening the resilience, security and efficiency of the government digital backbone and investing in appropriate digital solutions, devices and tools	Improved level in NIST cyber security framework	Q4/2025	On Track
2020.CSR3.subpart2&5	MT-C[C3]-I[I2]-T[3.7]	Digitalisation of the Merchant Shipping Directorate within Transport Malta	Digitisation of Ship files	Q4/2024	Completed
2020.CSR3.subpart2&5	MT-C[C3]-I[I2]-M[3.8]	Digitalisation of the Merchant Shipping Directorate within Transport Malta	Launch and availability to users of the developed IT tools and systems	Q4/2025	Delayed
2020.CSR3.subpart2&5	MT-C[C3]-I[I2]-T[3.9]	Digitalisation of the Merchant Shipping Directorate within Transport Malta	Delivery of Technical Training to personnel	Q4/2025	On Track
2020.CSR3.subpart2	MT-C[C3]-I[I3]-T[3.10]	Further digitalisation and modernisation of the public administration	Expenditure incurred in relation to the modern digital workplace and solutions to improve the front-end customer experience	Q4/2022	Fulfilled
2020.CSR3.subpart2	MT-C[C3]-I[I3]-T[3.11]	Further digitalisation and modernisation of the public administration	Acquisition of additional Microsoft 365 (or equivalent) licences	Q4/2025	On Track
2020.CSR3.subpart2	MT-C[C3]-I[I3]-T[3.12]	Further digitalisation and modernisation of the public administration	Acquisition of additional items of IT hardware and software	Q4/2024	Completed



2020.CSR3.subpart2	MT-C[C3]-I[I3]-T[3.13]	Further digitalisation and modernisation of the public administration	Increase in uptake of online services	Q4/2025	On Track
2020.CSR3.subpart3&7	MT-C[C3]-I[I4]-M[3.14]	Rolling out measures to intensify the digitalisation of the private sector	Launch of the calls for applications	Q1/2022	Fulfilled
2020.CSR1.subpart2	MT-C[C4]-R[R1]-M[4.1]	Develop and implement a health policy framework aimed at making the health system more sustainable and resilient, with a particular focus on health prevention and a strong workforce	Study on barriers and facilitators for better integration and wellbeing of the foreign workforce	Q2/2022	Fulfilled
2020.CSR1.subpart2	MT-C[C4]-R[R1]-M[4.2]	Develop and implement a health policy framework aimed at making the health system more sustainable and resilient, with a particular focus on health prevention and a strong workforce	Bespoke tool for workforce planning	Q2/2023	Completed
2020.CSR1.subpart2	MT-C[C4]-R[R1]-M[4.3]	Develop and implement a health policy framework aimed at making the health system more sustainable and resilient, with a particular focus on health prevention and a strong workforce	Report on the implementation of measures and comparing wellbeing post-intervention compared to the initial assessment	Q4/2025	On Track
2020.CSR1.subpart2	MT-C[C4]-R[R1]-T[4.4]	Develop and implement a health policy framework aimed at making the health system more sustainable and resilient, with a particular focus on health prevention and a strong workforce	Improvement of the reported wellbeing of foreign workers	Q4/2025	On Track

2020.CSR1.subpart2	MT-C[C4]-R[R1]-M[4.5]	Develop and implement a health policy framework aimed at making the health system more sustainable and resilient, with a particular focus on health prevention and a strong workforce	Report on obesity prevalence amongst 4-5 year olds in the Maltese population	Q4/2022	Fulfilled
2020.CSR1.subpart2	MT-C[C4]-R[R1]-T[4.6]	Develop and implement a health policy framework aimed at making the health system more sustainable and resilient, with a particular focus on health prevention and a strong workforce	Implementation of neonatal hearing screening programme	Q1/2023	Completed
2020.CSR1.subpart2	MT-C[C4]-R[R2]-M[4.7]	Review the national legislative framework related to the Establishment of a Blood, Tissue and Cell Centre for Malta	Review of the regulatory framework related to the Blood Bank, Tissue and Cell Centre	Q1/2022	Fulfilled
2020.CSR1.subpart2	MT-C[C4]-R[R2]-M[4.8]	Review the national legislative framework related to the Establishment of a Blood, Tissue and Cell Centre for Malta	Entry into force of the revised regulatory framework related to the Blood Bank, Tissue and Cell Centre	Q2/2024	completed
2020.CSR1&3.subpart2	MT-C[C4]-I[I1]-M[4.9]	Establishment of a Blood, Tissue and Cell Centre for Malta	Contracted services for the construction of a Blood, Tissue and Cell Centre	Q1/2023	Completed
2020.CSR1&3.subpart2	MT-C[C4]-I[I1]-M[4.10]	Establishment of a Blood, Tissue and Cell Centre for Malta	Blood, Tissue and Cell Centre open to users	Q4/2025	On Track
2020.CSR1&3.subpart2	MT-C[C4]-I[I2]-M[4.11]	Enhancing the resilience of the health system through digitalisation and new technologies	Contract signed for the procurement of Magnetic Resonance Linear Accelerator equipment solution at Sir Anthony Mamo Oncology Centre	Q2/2022	Fulfilled
2020.CSR1&3.subpart2	MT-C[C4]-I[I2]-M[4.12]	Enhancing the resilience of the health system through digitalisation and new technologies	Magnetic Resonance Linear Accelerator equipment operational and open to users	Q2/2023	Completed
2020.CSR1&3.subpart2	MT-C[C4]-I[I2]-M[4.13]	Enhancing the resilience of the health system through digitalisation and new technologies	All contracts signed for the digital pathology services at the histopathology department at Mater Dei hospital	Q2/2022	Fulfilled



2020.CSR1&3.subpart2	MT-C[C4]-I[I2]-M[4.14]	Enhancing the resilience of the health system through digitalisation and new technologies	Digital pathology services provided at the histopathology department at Mater Dei hospital	Q2/2024	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R1]-T[5.1]	Strengthen early school leaving prevention measures, with a focus on skills acquisition	Number of students (6-7 years old) trained in the Reading Recovery (RR) Programme	Q4/2024	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R1]-T[5.2]	Strengthen early school leaving prevention measures, with a focus on skills acquisition	Educators trained in the Reading Recovery (RR) Programme	Q4/2023	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R1]-M[5.3]	Strengthen early school leaving prevention measures, with a focus on skills acquisition	Implementation of measures included in the Basic Skills Strategy	Q4/2024	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R1]-M[5.4]	Strengthen early school leaving prevention measures, with a focus on skills acquisition	Data Warehouse Project / early-school leavers (ESL) general tracking system	Q3/2024	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R2]-M[5.5]	Strengthening skills development and recognition, with a particular focus on low-skilled adults	Implementation of measures included in the Roadmap on developing a guidance system, capacity building for adult learning professionals and establishing guidance networks	Q2/2023	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R2]-M[5.6]	Strengthening skills development and recognition, with a particular focus on low-skilled adults	Launch of the e-College	Q2/2022	Fulfilled
2024.CSR3.subpart1&2	MT-C[C5]-R[R2]-T[5.7]	Strengthening skills development and recognition, with a particular focus on low-skilled adults	Learners attracted towards the use of the new e-College platform	Q4/2024	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R3]-T[5.8]	Developing new education pathways towards inclusive and quality education	Setting up of two autism units (physical spaces equipped with equipment and trained education personnel) in middle schools	Q4/2021	Fulfilled
2024.CSR3.subpart1&2	MT-C[C5]-R[R3]-T[5.9]	Developing new education pathways towards inclusive and quality education	Setting-up of two new multi-sensory learning rooms (MSLR) (physical spaces equipped with equipment and trained education personnel) in colleges	Q1/2022	Fulfilled



2024.CSR3.subpart1&2	MT-C[C5]-R[R3]-M[5.10]	Developing new education pathways towards inclusive and quality education	Implementation of measures of the updated National Inclusion Policy Strategy	Q4/2025	On Track
2024.CSR3.subpart1&2	MT-C[C5]-R[R4]-M[5.11]	Implementing an effective education policy monitoring system	Implementation of the newly introduced evaluation and monitoring work plan	Q4/2025	On Track
2024.CSR3.subpart1&2	MT-C[C5]-R[R5]-M[5.12]	Reinforcing the resilience of the labour market	Assessment of unemployment benefits	Q2/2022	Fulfilled
2024.CSR3.subpart1&2	MT-C[C5]-R[R5]-M[5.13]	Reinforcing the resilience of the labour market	Monitoring process on the challenges and policy measures relating to unemployment benefits	Q4/2024	Completed
2024.CSR3.subpart1&2	MT-C[C5]-R[R5]-M[5.14]	Reinforcing the resilience of the labour market	Implementation of measures in the newly adopted Employment Strategy	Q3/2025	On Track
2024.CSR3.subpart1&2	MT-C[C5]-R[R5]-M[5.15]	Reinforcing the resilience of the labour market	Implementation of the measures set up in the newly adopted Gender Equality and Mainstreaming Strategy Action Plan	Q4/2025	On Track
2020.CSR1.subpart1	MT-C[C5]-R[R6]-M[5.16]	Reviewing the sustainability and offering of Malta's pension system	Follow-up of the Pensions Review Report with policy proposals	Q4/2022	Fulfilled
2020.CSR3.subpart2	MT-C[C6]-R[R1]-M[6.1]	Reform the method of appointment and dismissal of the judiciary	Entry into force of Act XLV of 2020; and Act XLIII of 2020	Q3/2020	Fulfilled
2020.CSR3.subpart2	MT-C[C6]-R[R1]-T[6.2]	Reform the method of appointment and dismissal of the judiciary	Additional members of the judiciary	Q2/2021	Fulfilled
2020.CSR3.subpart2	MT-C[C6]-R[R1]-M[6.3]	Reform the method of appointment and dismissal of the judiciary	Independent review of the independence of specialised tribunals	Q4/2024	Not completed
2020.CSR3.subpart2	MT-C[C6]-R[R1]-M[6.4]	Reform the method of appointment and dismissal of the judiciary	Entry into force of legislative changes deemed necessary by the independent review of the independence of specialised tribunals	Q1/2026	On Track
2020.CSR4.subpart1	MT-C[C6]-R[R2]-M[6.5]	Create a separate prosecution service	Independent review on the transfer of summary cases from the Police to the Attorney General's (AG) Office	Q4/2024	Not completed



2020.CSR4.subpart1	MT-C[C6]-R[R2]-M[6.6]	Create a separate prosecution service	Entry into force of legislative changes deemed necessary by the independent review on the transfer of summary cases from the Police to the AG's Office	Q1/2026	On Track
2020.CSR4.subpart1	MT-C[C6]-R[R2]-T[6.7]	Create a separate prosecution service	Capacity building within the AG's Office	Q4/2022	Fulfilled
2020.CSR4.subpart1	MT-C[C6]-R[R2]-M[6.8]	Create a separate prosecution service	Transfer of all non-summary cases to the AG's Office	Q4/2024	Completed
2020.CSR4.subpart1	MT-C[C6]-R[R2]-M[6.9]	Create a separate prosecution service	Entry into force of Act No. XXVIII of 2021 entitled Criminal Code (Amendment No.5) Act	Q2/2021	Fulfilled
2020.CSR4.subpart1	MT-C[C6]-R[R3]-M[6.10]	Reinforcing the institutional framework capacity to fight against corruption; Implementation of the National Anti-Fraud and Corruption Strategy (NAFCS)	Update of the 2008 National Anti-Fraud and Corruption Strategy	Q2/2021	Fulfilled
2020.CSR4.subpart1	MT-C[C6]-R[R3]-M[6.11]	Reinforcing the institutional framework capacity to fight against corruption; Implementation of the National Anti-Fraud and Corruption Strategy (NAFCS)	National Risk Assessment and follow up strategy on fraud and corruption	Q3/2022	Fulfilled
2020.CSR4.subpart1	MT-C[C6]-R[R3]-T[6.12]	Reinforcing the institutional framework capacity to fight against corruption; Implementation of the National Anti-Fraud and Corruption Strategy (NAFCS)	Two training programmes for appointed officials from the National Authorities	Q1/2024	Completed
2020.CSR4.subpart1	MT-C[C6]-R[R3]-M[6.13]	Reinforcing the institutional framework capacity to fight against corruption; Implementation of the National Anti-Fraud and Corruption Strategy (NAFCS)	Central Documentary Repository System	Q4/2024	Completed



2020.CSR4.subpart1	MT-C[C6]-R[R3]-M[6.14]	Reinforcing the institutional framework capacity to fight against corruption; Implement corruption of the National Anti-Fraud and Corruption Strategy (NAFCS)	Database collating whistleblowing data	Q4/2024	Not completed
2020.CSR4.subpart1	MT-C[C6]-R[R4]-M[6.15]	Reform the Permanent Commission Against Corruption (PCAC)	Entry into force of Act XLVI of 2020	Q3/2020	Fulfilled
2020.CSR4.subpart1	MT-C[C6]-R[R4]-M[6.16]	Reform the Permanent Commission Against Corruption (PCAC)	Budgetary and Human Resource Plans of the PCAC	Q4/2024	Not completed
2020.CSR4.subpart1	MT-C[C6]-R[R4]-M[6.17]	Reform the Permanent Commission Against Corruption (PCAC)	Creation of a digital registry of information on corruption cases held by the PCAC	Q4/2024	Completed
2020.CSR4.subpart1	MT-C[C6]-R[R4]-M[6.18]	Reform the Permanent Commission Against Corruption (PCAC)	Adoption of an internal Standard Operating Procedure by the PCAC	Q4/2024	Not completed
2020.CSR4.subpart2	MT-C[C6]-R[R5]-T[6.19]	Reform the Asset Recovery Bureau	Increase the number of staff at the Asset Recovery Bureau	Q4/2023	Not completed
2020.CSR4.subpart2	MT-C[C6]-R[R5]-M[6.20]	Reform the Asset Recovery Bureau	Entry into force of the Proceeds of Crime Act V of 2021	Q1/2021	Fulfilled
2020.CSR4.subpart1	MT-C[C6]-R[R6]-M[6.21]	A new appointment procedure of the Commissioner of Police	Entry into force of Act XIX of 2020 amending the Police Act	Q2/2020	Fulfilled
2020.CSR4.subpart1	MT-C[C6]-R[R7]-M[6.22]	Implementing the reform concerning the judicial review of decisions not to prosecute and other decisions of the Attorney General. This includes the assignment of the status of injured party at law to specific institutions when reporting a corrupt practice	Entry into force of Act No XLI of 2020 on the judicial review of decisions not to prosecute by the Attorney General	Q3/2020	Fulfilled



2020.CSR4.subpart1	MT-C[C6]-R[R7]-M[6.23]	Implementation of the reform concerning the judicial review of decisions not to prosecute and other decisions of the Attorney General. This includes the assignment of the status of injured party at law to specific institutions when reporting a corrupt practice	Independent review of the provision for injured parties (in Act XLI of 2020) to appeal the decision of the Attorney General not to prosecute	Q2/2024	Not completed
2020.CSR4.subpart1	MT-C[C6]-R[R7]-M[6.24]	Implementation of the reform concerning the judicial review of decisions not to prosecute and other decisions of the Attorney General. This includes the assignment of the status of injured party at law to specific institutions when reporting a corrupt practice	Entry into force of legislative changes amending the judicial review for injured parties to appeal the decision of the Attorney General not to prosecute	Q1/2026	On Track
2020.CSR4.subpart2	MT-C[C6]-R[R8]-M[6.25]	Reform C6-R8: Strengthening Malta's anti-money laundering/combating terrorists financing/targeted financial sanctions (AML/CFT/TFS)	Completed implementation of the action plan of the National anti-money laundering/combating terrorist financing/targeted financial sanctions (AML/CFT/TFS) strategy and action plan for 2021 – 2023	Q4/2023	Completed
2020.CSR4.subpart2	MT-C[C6]-R[R8]-T[6.26]	Reform C6-R8: Strengthening Malta's anti-money laundering/combating terrorists financing/targeted financial sanctions (AML/CFT/TFS)	Number of annual AML/CFT trainings	Q2/2022	Fulfilled
2020.CSR4.subpart2	MT-C[C6]-R[R8]-M[6.27]	Strengthening Malta's anti-money laundering/combating terrorists financing/targeted financial sanctions (AML/CFT/TFS)	Implementation of any actions required following FATF evaluation, including through legal measures	Q4/2023	Completed
2024.CSR1.subpart4	MT-C[C6]-R[R9]-M[6.28]	Aggressive Tax Planning (ATP) - Code of Conduct Group	Entry into force of a revised corporate tax return to collect information on dividends derived from bodies of persons resident in	Q2/2022	Fulfilled



			jurisdictions listed in the Code of Conduct Group list non-cooperative jurisdictions		
2024.CSR1.subpart4	MT-C[C6]-R[R9]-T[6.29]	Aggressive Tax Planning (ATP) - Code of Conduct Group	Assignment of dedicated staff for the scrutiny of taxpayers in this area of taxation	Q3/2022	Fulfilled
2024.CSR1.subpart4	MT-C[C6]-R[R10]-M[6.30]	Specific Transfer Pricing Legislation	Entry into force of the relevant enabling provision for the introduction of transfer pricing rules	Q2/2021	Fulfilled
2024.CSR1.subpart4	MT-C[C6]-R[R10]-M[6.31]	Specific Transfer Pricing Legislation	Consultation of stakeholders and drafting of specific transfer-pricing rules	Q2/2022	Fulfilled
2024.CSR1.subpart4	MT-C[C6]-R[R10]-M[6.32]	Specific Transfer Pricing Legislation	Entry into force of specific transfer-pricing rules	Q4/2022	Fulfilled
2024.CSR1.subpart4	MT-C[C6]-R[R10]-T[6.33]	Specific Transfer Pricing Legislation	Recruitment and training of staff by tax authorities to specialise on application of transfer pricing rules	Q2/2023	Completed
2024.CSR1.subpart4	MT-C[C6]-R[R10]-T[6.34]	Specific Transfer Pricing Legislation	Training events for tax practitioners and company representatives	Q4/2023	Completed
2024.CSR1.subpart4	MT-C[C6]-R[R11]-M[6.35]	Study on the relevance of measures relating to inbound and outbound dividend, interest and royalty payments	Study concerning measures relating to inbound and outbound dividend, interest and royalty payments	Q4/2022	Fulfilled
2024.CSR1.subpart4	MT-C[C6]-R[R11]-M[6.36]	Study on the relevance of measures relating to inbound and outbound dividend, interest and royalty payments	Entry into force of legislation related to inbound and outbound payments	Q3/2024	Not completed
2024.CSR1.subpart4	MT-C[C6]-R[R12]-M[6.37]	Mitigating against ATP risks by individuals	Entry into force of spontaneous exchange of information (SEOI)	Q1/2022	Fulfilled
2020.CSR3.subpart2	MT-C[C6]-I[I1]-M[6.38]	Digitalisation in the justice system	Entry into force of (i) Act No. LIII of 2020 (Amendment No. 2); and (ii) Act No. III of 2021 (Amendment No. 2) on digitalisation of the law courts	Q1/2021	Fulfilled
2020.CSR3.subpart2	MT-C[C6]-I[I1]-T[6.39]	Digitalisation in the justice system	Expenditure incurred for the digitalisation of the justice system	Q4/2023	Completed
2024.CSR4.subpart1	MT-C[C7]-R[R1]-M[7.1]	Review of existing permitting systems to streamline processes and accelerate permit-granting	Entry into force of legislation obliging the installation of solar panels on certain new buildings	Q2/2024	Not completed



		procedures for renewable energy projects				
2024.CSR4.subpart1	MT-C[C7]-R[R1]-M[7.2]	Review of existing permitting systems to streamline processes and accelerate permit-granting procedures for renewable energy projects	Online publication of shortened timelines for the application and permit-granting procedures of renewable energy installations on greenhouses	Q2/2024	Not completed	
2024.CSR4.subpart1	MT-C[C7]-R[R1]-M[7.3]	Review of existing permitting systems to streamline processes and accelerate permit-granting procedures for renewable energy projects	Online publication of shortened timelines for the application and permit-granting procedures of renewable energy projects	Q4/2024	Not completed	
2024.CSR4.subpart1	MT-C[C7]-I[I1]-M[7.4]	Strengthening and widening the electricity distribution network, through investments in the grid, distribution services and battery storage	Signature of contracts for a) the procurement of works/services for the strengthening and widening of the electricity distribution network through investment in the grid, distribution services and b) the design of battery storage	Q4/2024	Not completed	
2024.CSR4.subpart1	MT-C[C7]-I[I1]-T[7.5]	Strengthening and widening the electricity distribution network, through investments in the grid, distribution services and battery storage	Expenditure incurred in relation to a) the works/services for the strengthening and widening of the electricity distribution network and b) battery storage equipment	Q3/2025	On Track	

Source

Ministry responsible for EU Funds



Annex 4

Consistency and Complementarity with Cohesion Policy Funds

Following the European Commission's approval of Malta's Partnership Agreement in September 2022, the strategic framework for investments under the Multiannual Financial Framework, including ERDF, CF, JTF, ESF+, and EMFAF, was defined. The Inter-Ministerial Consultative Committee on European Union (EU) Funds (IMCC), set up in 2023, continues to oversee the complementarity of EU-funded programmes for the 2021-2027 period, resolve overlaps, and facilitate the exchange of information on new funds.

The 2021-2027 EU-funded programmes continue to address Malta's development priorities, fostering economic competitiveness and sustainable growth. These initiatives align with common European objectives, promoting a fair transition towards a greener and more digital economy, reinforcing social and economic resilience, and enhancing energy security. Additionally, where relevant, consideration is given to strengthening capacities in response to emerging challenges, including the ability to address security and defence-related concerns in an evolving geopolitical landscape.

Given Malta's business landscape, which is primarily composed of micro-enterprises and self-employed individuals, EU funding continues to support digitalisation, research, and innovation (R&I). The Medium-Term Fiscal-Structural Plan (MTFSP) ensures alignment by prioritising productivity enhancements and innovation-led growth. Further investments are also necessary to meet climate and environmental targets. The relevant MTFSP's initiatives which are EU funded will continue supporting energy transition, waste management and water conservation. Efforts to decarbonise transport, including investment in electric vehicle infrastructure and sustainable mobility, further complement these initiatives with those of the MTFSP. Malta's geographical constraints also require continued investment in transport infrastructure. EU funds are being allocated to improve road and maritime connectivity while enhancing urban mobility. These efforts are harmonised with cohesion policy investments, ensuring efficient resource allocation and alignment with the initiatives outlined in the MTFSP. Initiatives included in the MTFSP which are EU funded support health, education, and social integration, ensuring equitable access to services.

EU funding instruments supporting cohesion policy are by design performance oriented, and thus each programme has its own performance framework established in line with

Articles 16 and 17 of Regulation (EU) 2021/1060. Member States report on the progress attained bi-annually, in line with Article 42 of the Regulation¹. It is important to note progress reported is reflective of the nature of investment; whilst on a general level, the progress achieved so far is constrained by the delayed start of the programme, in view of the late adoption of the legal framework.

Update on the State of Play

By the end of November 2022, the European Commission approved all EU Funded Plans and Programmes under the 2021-2027, allowing Malta to shift its focus on the implementation of such Programmes and Plans.

Numerous calls were issued under the European Regional Development Fund (ERDF)/ Cohesion Fund (CF)/Just Transition Fund (JTF) 2021-2027. The project selection process is well underway. The three projects of strategic importance concerning onshore power supply in the Grand Harbour and the Freeport, as well as the second electricity interconnector were already approved by the end of 2023. As at end 2024, another three projects were approved, with EU funding approved for the expansion of the electric vehicle charging infrastructure network across Malta and Gozo, for infrastructural works within the TEN-T Core port of Valletta to eliminate bottlenecks and for the implementation of Electronic Medical Records across the public national health system. An additional five projects were approved in the first quarter of 2025, namely for the development of Hal Far Business Incubation Centre, the development of a Culture and Arts Hub in Marsa, the rehabilitation of Villa Guardamangia, the Design & implementation of a Utility-Scale Battery Energy Storage Facility in Delimara Power Station and for the procurement of Medical Equipment for Entities within to enhance the national health system.

Five aid schemes for the private sector have been launched, with an initial budget of €31.5 million. These included the SME Enhance Aid Scheme (de minimis), SME Enhance Aid Scheme (GBER), Start-up Enhance Scheme, Business Reports for SMEs, and Feasibility Studies.

¹ Such reporting can be found at <https://fondi.eu/2021-2027/transmission-of-data/>. The reports uploaded show the state of play of all programme indicators as at December 2024.



The European Social Fund Plus programme (ESF+) serves as a key instrument for supporting active inclusion and ensures enhanced education and fairer job opportunities for all citizens, through investment in human capital.

Following the launch of the Access to Employment (A2E) employment aid scheme, and the Investing in Skills (IIS) training aid scheme, representing €12 million and €10 million commitments respectively, and the Further Funds Made Affordable (FSMA) financial instrument with a commitment of €5 million, in 2023, ESF+ continued to progress steadily in 2024 with the launch of a number of calls and approval of the following projects. These include the Food 4 You Support project addressing material deprivation through food support with an investment of €5 million and the One Device Per Child project, that through an investment in digital technologies of circa €54 million, it will address early school leaving. The Endeavour and Reach High projects were also approved, providing scholarships and grants to further higher education in sectors related to national priorities and labour market gaps with an investment of €9.7 million and €4 million respectively. The Youth Guarantee and the Training For Employment projects were also launched in 2024 targeting not in employment, education or training (NEET) youths in order to enable and support young persons to have the opportunity to play an active role in society, and other individuals in acquiring relevant labour market skills and competences, with an investment of €10 million and €12 million respectively. By end March 2025, two other projects under the ESF+ have been approved. These are the Vocational Assessment, Support, Training and Employment (VASTE II) project and the Second Chance: Empowering First-Time Offenders in Malta project. Both of these projects pursue the specific objective of fostering active inclusion and employability with an investment of €18 million and €3 million respectively.

By the end of March 2025, a total of six projects were evaluated and committed under the European Maritime Fisheries and Aquaculture Fund (EMFAF). The range of investments are in the area of data collection, research on innovative practices in aquaculture, a promotional campaign, information systems for Control Activities in line with the common fisheries policy (CFP) Regulations, as well as projects related to the environment implemented by the Environment Resource Authority (ERA). The total amount of committed funds is that of €11.7 million. A second call for data collection was launched, with the submitted project currently being under review by the Project Selection Committee. In the meantime, the Managing Authority, in close collaboration with the Department of Fisheries and Aquaculture has launched the first rolling scheme aimed for fishers for on-board investments. Future calls envisaged this year are also earmarked for fishers in the areas of engine replacement, diversification, and targeting marine litter.

Annex 5

Initiatives addressing the dimensions of the Energy Union

Malta's energy policy seeks to align the local energy policy with the Energy Union framework. The Table below categorises initiatives under the Medium-Term Fiscal-Structural Plan (MTFSP) according to the five Energy Union dimensions. Indeed, through the Annual Progress Report (APR), progress on these initiatives is being reported.

Table 1
MTFSP initiatives categorised under the Energy Union Dimensions

MTFSP	Reforms and Investments	Energy Union Dimension
32	Enhancing Road Infrastructure and Promoting Sustainable Mobility	Decarbonisation - GHG Emissions & Removals
33	Soft Mobility Measures to tackling traffic congestion	
34	Implementation of policies promoting the sustainability of the transport sector	
35	Promoting intramodality	
36	Construction of a multi-modal transport hub	
37	Setting up of an Intelligent Transport System service platform	
38	Implementation of a Sustainable Urban Mobility Plan (SUMP) for the Valletta Region	
39	Regeneration areas created in urban areas for open and car free spaces	
40	Grand Harbour Clean Air Project	
41	Provision of shore-to-ship electricity at the Malta Freeport	
100	Measures incentivising lesser use of ICE vehicles	
101	Electrification and Decarbonisation of Malta's Transport Sector	
102	Mobility management in the public services	
103	More Charging Points	
116	Waste to Energy Plant	
117	Organic Processing Plant	
118	Thermal Treatment Facility	
119	Skip Management Facility	
120	Fostering effective waste management	



104	Reform to review existing permitting systems and streamline processes for renewable projects	Decarbonisation - Renewable Energy
105	Installation of photovoltaic infrastructure in various public spaces, including roads, footpaths and open spaces	
107	Designing of a 10MWh battery storage facility	
108	Free energy audits for SMEs	
109	Renewable Energy and Energy Efficiency Support Schemes	
110	Incentives for Renewable Energy and Energy Efficiency in Businesses	
111	Enhancing the primary water network	
112	Energy-efficient aeration equipment in Ta' Barkat Wastewater Treatment Plant	
113	Installations of PV panels at the Water Services Corporation	
114	Renovating a number of public buildings	
115	A second interconnector	Energy Security
106	Strengthening and widening the electricity distribution network	
107	Designing of a 10MWh battery storage facility	
115	A second interconnector	Internal Energy Market
13	Co-funded partnerships of research and innovation related to the energy transition	Research & Innovation Competitiveness
14	Co-funded partnerships of research and innovation related to the Blue Economy	



Annex 6

Initiatives aligned with the Digital Decade Strategic Roadmap 2023-2030

The Digital Decade Policy Programme (DDPP) is a key initiative by the European Commission aimed at driving Europe's digital transformation by 2030. It sets ambitious targets across four main areas: digital skills, digital infrastructure, digitalisation of businesses, and digital government. As part of this framework, each Member State, including Malta, has developed a National Digital Decade Strategic Roadmap (DDSR), outlining the policies, measures, and actions required to achieve these targets. Malta's Roadmap, developed through extensive stakeholder consultation and aligned with the national Malta Digitali Strategy (2022-27), includes 66 measures aimed at accelerating digitalisation, narrowing the digital divide, and enhancing digital public services. The roadmap is a dynamic document subject to ongoing monitoring and adjustments to reflect technological advancements, policy changes, and evolving national and EU priorities. Where relevant, initiatives under Malta's Medium-Term Fiscal-Structural Plan (MTFSP) are linked to the DDSR, highlighting Malta's strategic approach to digital transformation and its alignment with broader European digital objectives. Updates on implementation are included accordingly in this Annual Progress Report (APR).



Table 1
Linking MTFSP and DDSR initiatives

Title	MTP	DDSR
Extension of the Youth Guarantee Scheme	99	23
One Device Per Child Programme	68	2, 3
Extension of Training Schemes	53	16, 22, 25
Provision of Free Training Courses by Jobsplus	77	24
Developing a National Skills Strategy	71	14
Implementation of the Digital Education Strategy 2025-2030	90	10
Skills Development Scheme	96	21, 96
Incentives for Renewable Energy and Energy Efficiency in Businesses	110	47
Updating the Technology Assurance Sandbox	2	39
Digital Reforms related to eIDAS Regulation Implementation	9	60, 66
Accessible Electronic Medical Records	49	64
Innovative Tech Solutions for Local Enterprises	8	20, 21, 27, 43, 44, 46
Venture Capital Fund	31	53, 55
Developing a Startup Framework	25	56
Strengthening skills development and recognition, with a particular focus on low-skilled adults	70	1
Further digitalisation and modernisation of the public administration	5	62
Measures to intensify the digitalisation of the private sector	7	36



Annex 7

Reporting on the implementation of the European Pillar of Social Rights (EPSR): Description of Main Measures and their Estimated impact

Pillar principle	List of main contributing measures	Estimated impact of the measures (qualitative and/or quantitative)
1. Education, training and lifelong learning	<p>Delivery of educational courses under the <i>Belong Programme</i></p> <ul style="list-style-type: none"> Stage 1: Beginner's course in Maltese, English and Maltese Culture. Stage 2: Further learning in Maltese language and Culture. Foundation Course: Basic courses in Maltese, English, and digital literacy for students with literacy difficulties. <p>Completion of these Foundation Courses allows students to be prepared for entry into Stage 1 of the <i>Belong Programme</i>.</p> <p><i>This measure also contributes to Principle 3 – Equal Opportunities.</i></p>	<p>Malta continued to promote the integration of migrants living in Malta by encouraging them to attend the education courses offered under the <i>Belong Programme</i>. Learning the mother tongue and national culture are vital for migrants' full integration within Maltese society and national efforts to combat social segregation based on nationality, race and ethnicity. Upon completion, students are awarded a recognised certificate for each subject. These certificates can be used to enter the labour market and are required for applying for Specific Residence Authorisation (SRA) and Long-Term Residence (LTR) status.</p> <p>In 2024, the Human Rights Directorate (HRD) was awarded the Asylum, Migration and Integration Fund (AMIF) funded Supporting Pre-Integration Governance (SPRING) project to ensure that the programme is sustainable, caters for clients' needs as well as the needs of the country. Between 2018 and November 2024, over 15,270 individuals applied to the <i>Belong Programme</i>, with more than 4,340 applications received in 2024 alone (as of end-November). By 31 August 2024, the Programme had supported the graduation of over 3,660 participants from Stage 1, more than 1,490 from Stage 2, and upwards of 110 from Foundation courses. From 2018 to end-2024, the following skill kits were delivered:</p> <p>Stage 1</p> <ul style="list-style-type: none"> Over 6,590 students in Cultural Orientation (MOF Level 1) Over 5,900 students in Maltese language (MOF Level 1) Over 1,200 students in English language (MOF Level 1) <p>Stage 2</p> <ul style="list-style-type: none"> Over 2,100 students in Culture Orientation (MOF Level 2) Over 2,000 students in Maltese language (MOF Level 2) <p>Foundation Courses</p> <ul style="list-style-type: none"> Over 280 students in Basic English Over 240 students in Basic Maltese Over 45 students in Digital Literacy.
	<p>Training on the public authorities' response to anti-racism</p>	<p>In September 2024, the EU co-funded project END-RACISM-MT activities were finalised. Training was provided to over 400 public officers, by one of the project partners Kopin, in collaboration with the Government's Institute for Public Services. The training had the aim of assisting public officers in mainstreaming anti-racism across all sectors and to support them in fostering change and ensuring respect for anti-racism in key ministries. The training also raised awareness on why anti-racism is important whilst promoting anti-racist behaviours and providing an opportunity to exchange strategies on the variety of ways to combat racism and discrimination. HRD is also providing training to the Malta Police Force, with around 400 police officers trained in 2024.</p>
	<p>Diploma in Education for Cultural Mediation</p>	<p>The <i>Learning - Exchanging - Integrating</i> project was finalised, through which HRD implemented the Diploma in Education for Cultural Mediation, after its launch by the University of Malta (UoM) in 2021. This course trained professionals to facilitate harmonious relations between migrants and citizens in the host country, promoting a mutual exchange of knowledge, and the establishment of positive relations between individuals of diverse cultural backgrounds and ethnic origins. The Diploma in Education for Cultural Mediation is ongoing under the remit of the UoM.</p>
	<p>Delivery of school information sessions</p>	<p>Awareness raising on integration and Anti-Racism was carried out through engagement with several schools around Malta. School information sessions are set to be held in the academic year 2025-2026 also through the AMIF-funded SPRING project.</p>
	<p>Training to employees of public and private entities on LGBTIQ sensitisation and inclusion</p>	<p>Training was given to:</p> <ul style="list-style-type: none"> 200 public officials at various entities (ARMS, Identity Malta, IPS) (an additional 25 public officials of IDENTITA' were trained since the last report) 2 students reading for qualifications in Public Administration at the University of Malta. 90 healthcare professionals in elderly care settings (an additional 40 healthcare professionals were trained since the last report) 150 staff at the Agency for the Welfare of Asylum Seekers 575 educators in public, private, and Church schools (an additional 240 educators were trained since the last report) 417 Malta Police Force Officers (an additional 80 officers were trained since the last report) 230 employees from the Private Sector.
	<p>Skills Development Scheme</p>	<p>Supports business undertakings to provide training to upgrade skills of employees, address skills shortages, facilitate re-skilling, tackle skills mismatches and work towards developing a knowledge-based workforce.</p>



<i>This measure also contributes to Principle 4 – Active Support to Employment.</i>	<p>This incentive is mainly intended to support persons who have completed formal education and who are seeking to further their education in areas that are relevant to Maltese industries.</p>
<i>This measure also contributes to Principle 4 – Active Support to Employment.</i>	<p>While the immediate impact of this measure is evident in reports from parents and/or educators of increased interest in books, in reading and writing, its long-term contribution (alongside ongoing family support and school input) is expected to improve literacy levels, thereby enabling greater participation in society and enhancing job prospects.</p>
	<p>Children who have reading books and materials that are readily available are more likely to become good readers and writers as adults.</p>
	<p>The provision of quality professional development opportunities is envisaged to result in improved student outcomes.</p>
	<p>Increasing awareness and helping parents/guardians gain skills that promote literacy learning are expected to promote better educational outcomes for their children.</p>
	<p>Over the past couple of years, the Malta College of Arts, Science, and Technology (MCAST) continued investing in promoting multilingual proficiency amongst its students, aligning with its objective to support and enhance the integration of language learning. MCAST developed its own units for Level 1 and 2 German, Italian, French, Spanish, Arabic and Chinese languages. In 2024, a total number of 102 students applied for these courses. Such courses are offered either online or face-to-face depending on the units to enhance flexibility of learning for the students.</p> <p>Additionally, MCAST's commitment to fostering local culture and language is demonstrated through its Maltese and English proficiency courses. These were also reviewed in 2024 to ensure that they meet today's requirements. This holistic approach highlights MCAST's dedication to enhancing linguistic skills, ensuring students are well-prepared for a globalised world.</p>
	<p>Apart from the above, English and Maltese languages are also part of all MCAST courses at Levels 1-3 and within selected courses at higher levels. This shows MCAST's commitment to supporting the inclusion of literacy and language skills for all of its students particularly those at lower levels.</p> <p>Key skills at MCAST are an integral part of the curricula of all MQF Levels 1-6 students.</p>
	<p>MCAST's Gateway to Industry (MG2i) is expanding its online part-time courses offering to provide greater accessibility and flexibility to the public. By leveraging digital learning platforms, the institution aims to support individuals seeking professional development, career progression, or personal enrichment while balancing other commitments.</p>
	<p>As part of this initiative, MCAST is developing fully online programmes, such as the upcoming Master's degree in Aviation, designed in collaboration with industry stakeholders to support professionals who require flexible learning pathways. Additionally, new online courses are being explored across multiple sectors, ensuring that learners can access high-quality education remotely.</p>
	<p>Beyond industry-specific programmes, MCAST is actively evaluating broader market needs to introduce online part-time courses in diverse fields, addressing skills gaps and enabling lifelong learning. By embracing digital education, the institution is committed to making education more inclusive and adaptable, ensuring that individuals regardless of their background or profession, can upskill or reskill at their own pace.</p> <p>The IFE started offering accredited full qualifications for those interested in becoming qualified teachers or heads of school in 2018. Up until November 2024, there were a total of 561 graduates, out of which 398 gained the necessary qualification to become a qualified teacher or head of school.</p>
	<p>All those undergoing an initial teacher training course with the IFE will benefit from micro-placement. Course participants are required to spend a number of hours working in industry and reflect on the competencies learnt in order to prepare them to their own students. Micro placement offers the possibility to experience competencies that cannot be learnt at school or during a lecture and therefore it is important to equip those who have the role of preparing our future generations</p>



	for the world of work and to become active citizens. Presently, over 97 contributors from different industries collaborate with the IFE to provide the work placements where such competencies can be acquired.
Learningbox.edu.mt – an asynchronous adult learning online platform	The platform offers an opportunity to adult learners to follow learning programmes at their own pace. The eLearning College will encompass the synchronous and asynchronous courses offered by the Directorate, giving online learning greater visibility and pooling support resources for learners.
	Number of learners who made use of eLearning College (asynchronous courses) include: <ul style="list-style-type: none"> • 2021/2022 – 249 • 2022/2023 – 262 • 2023/2024 – 157 • 2024/2025 – 362
Online hub in the Msida Adult Learning Centre, for persons who either do not know how to access online courses or do not have the technology or cannot afford it.	The internet hub was created as a consequence to the pandemic, in order to lessen the digital divide since all the academic courses offered by the Centre went online. It was a necessity as some students did not have access to a personal computer. 60 students accessed the online hub in 2020/21. This increased to 120 students in 2021/2022. The online hub's popularity has decreased as a physical class is once again available for most of the courses. However, in 2022/2023 there were still about 40 learners who, despite not using the Msida Adult Learning Centre to follow their online lesson, referred to the Centre to sort out technical problems or to set up their account at the beginning of the academic year. The online hub is still operational in 2023/2024, but its demand is in decline, and it is given when required. An online session to learners was held in February 2025 on how to use MS Teams, MYSchool and the Lifelong Learning email.
<i>This measure also contributes to Principle 20 - Access to essential services.</i>	
Revision of craft course programmes to include the skills necessary for young learners to be able to turn their craft into an enterprise.	The Directorate for Lifelong Learning and Employability (DLE) is collaborating with The Malta Crafts Foundation to develop more artisanal courses, thereby enhancing the variety of artisanal courses being offered through lifelong learning. The first course included in the Course Prospectus as a result of this direct collaboration is on Traditional Maltese Hand-Painted Lettering and Sign Writing, known as <i>Tberfil</i> . The course started in February and will last till May 2025.
At the Institute of Tourism Studies (ITS), some programmes are offered on a part-time and full-time basis, which allows more flexibility. Some of the courses are also offered online only or blended.	This aims to increase the number of students and attract foreign students, whilst encouraging distance learning. Moreover, the ITS Training School has been set up and was launched in February 2023 in order to: (i) further address the need of lifelong learning, upskill and re-skill workers; and (ii) to offer a more flexible mode of study to prospective students who did not have the opportunity to take up formal education and training earlier in their lives.
Different languages, including English and Maltese for foreign workers, are incorporated within all the programmes offered at ITS from Foundation to Degree level.	This reduces the language barrier of locals and foreigners and increases in communication skills when working within the industry. Moreover, specific programmes offered by the ITS Training School aim at providing a level-playing field among all workers, both in terms of knowledge and skill uptake and also with regard to social mobility and integration.
The Foundation for Tomorrow's Schools (FTS) carried out extensive schools' renovations at Nadur, Hal-Ghaxaq and Rabat (Malta) Primary Schools, which opened their doors in September 2023. In addition, the extensive extension and renovation of the Rabat (Gozo) Middle School and the building of a Theatre Hall and Sports Complex in Santa Lucija Secondary School were completed and opened in September 2023. The rebuilding of the Primary Schools in Rabat (Gozo) and Msida was completed and opened their doors in September 2024.	This initiative is underpinned by the belief that the quality of the environment impacts teaching and learning. Once completed, the measure will benefit all the students attending these schools.
New projects by FTS include: i) Two new primary schools at Naxxar and Melleha; ii) A new Sensory-Hydrotherapy Pool at San Miguel Primary Education Resource Centre in Pembroke. Other projects include the fully refurbishment of three primary schools in Gozo, namely at Żebbug, Ta' Kerċem and I-Għarb.	During academic year 2024/25, the number of students attending these schools totals 2,227 students, distributed as follows (data as at 20.02.2025): <ul style="list-style-type: none"> • Nadur Primary School: 222 • Victoria Primary School: 365 • Victoria Middle School: 428 • Ghaxaq Primary School: 386 • Rabat (Malta) Primary School: 411 • Msida Primary School: 415
Increased support for vulnerable students within compulsory education	As from October 2022, each state school started to benefit from a €10,000 annual grant for the basic needs of students considered as coming from a challenging socio-economic background. This fund is intended to ensure that these students are not deprived of food or basic resources. Furthermore, the schools with the



	largest intake of students coming from a difficult environment will receive additional resources. Scheme 9 was also extended so that children can benefit from all the categories of support that they need. Through the scheme, as from scholastic year 2023/2024, eligible students are provided with a uniform voucher, a stationery pack and an extra-curricular activity.
The Family Community School Link Programme (FCSL)	The Family Community School Link Programme (FCSL), initiated in October 2024, is an innovative component of Malta's broader Early Leaving from Education and Training (ELET) Strategy – The Way Forward 2023-2030. Originally planned to be piloted in three schools during its first year, the programme's rapid acceptance and demonstrated efficacy, has allowed it to expand its services to ten schools.
The Malta Education Foresight Forum (MEFF)	<p>The FCSL embodies an integrated approach to public service, that aims to strengthen the support systems around students by engaging the salient adults in their lives – particularly teachers and parents. This programme not only facilitates improved education outcomes through stronger community and family engagement but also serves as a bridge between educational institutions and the broader community. It helps to create a supportive network that enables holistic student development and learning, thereby reducing the risk of early school leaving. The FCSL's success illustrates the potential of targeted interventions in education when they are aligned with the needs and realities of the communities they serve to ensure everyone has the right to quality and inclusive education.</p> <p>The MEFF is a new initiative designed to strategically enhance the educational landscape of Malta through foresight and forward-thinking policies. Central to this initiative is its steering committee, which oversees the direction of educational strategies and ensures that they align with long-term goals. Additionally, the Transformation Hub for Educators empowers teachers by involving them directly in policy-making processes, thereby recognizing and utilizing their unique insights into the educational needs of students.</p>
	Moreover, the initiative includes a network of experts who bring specialized knowledge and research capabilities to the forum. This network supports the development and implementation of innovative educational practices that are evidence-based and oriented towards future needs and aims to create a dynamic and responsive educational system that not only meets current needs but also anticipates future challenges.
A new laptop for each Year 7 and Year 8 students	A laptop will be given to secondary education students in Year 7 and Year 8 (for both state and non-state schools) and will include digital learning content, a new classroom management system, URL and End-Point Protection. The One Tablet per Child Initiative, which is now fully locally funded, is still in place for primary education students in Years 4 to 6.
Strengthening the existing scholarship and tax credit programmes for Master and Doctorate levels.	The increased budget allocated to scholarships enables a broader reach and improved accessibility to educational opportunities for a greater number of students. This enhancement aims to foster a more inclusive environment, ensuring that a larger pool of prospective scholarship applicants can avail themselves of valuable learning opportunities. The Tertiary Education Scholarship Scheme (TESS) increased to €1.8 million for 2025.
Scholarship Schemes for individuals who live below the poverty line, giving them an opportunity to improve their knowledge and education to find better employment.	Research conducted in collaboration with the Ministry for Social Policy and Children's Rights identified individuals living below the poverty line, so they can be assisted through the EU-funded Endeavour II Scholarship Scheme. Discussions are underway to provide additional funding for supplementary allowance beneficiaries, serving as an incentive to study and improve their way of living.
Catch-up Educational Sessions, for students who may need extra help with their studies to catch up with their peers.	In 2024, a total of 1,224 students attended Summer Catch-up classes, reflecting a continued year-on-year increase in participation compared to 800 students in 2023 and 783 in 2022. This upward trend highlights the growing demand for targeted educational support during the summer period.
Continuous Assessment introduced in SEC exams, whereby they will include a continuous assessment and controlled assessment. The weighting of the continuous assessment is 30%.	Students in Year 9 during scholastic year 2022/2023 are the first cohort whose school results will contribute towards their SEC/SEAC results. From school year 2024/2025, all SEC global marks will comprise an element of School Based Assessment (SBA) and a controlled assessment, the weighting of which varies according to the subject. The SBA is a task, relevant to the respective SEC syllabus, set and assessed by schoolteachers. SBA tasks will be undertaken during Years 9, 10 and 11, and completed either during lessons or as homework. A final controlled assessment will take place at the end of Year 11, set and marked by the MATSEC Examination Board.
New Lifelong Learning courses in 21st century skills	<p>The new SEC syllabi are written using learning outcomes and assessment criteria, which clarify learning goals for both students and teachers. Moreover, the new SEC syllabi are divided into three levels and allow for progression, hence widening the range of abilities which are assessed by the MATSEC Examinations Board. This change will enable students to be assessed at MQF 1-3, rather than at MQF 2-3 (which was the case in the previous SEC system).</p> <p>Between October and December 2024, as part of the scholastic year 2024/2025, the following number of participated in the below courses:</p> <ul style="list-style-type: none"> Personal Finance – Managing your Money: 70 Digital Skills – Learn to use your Smartphone and/or Tablet: 21 Digital Skills – Learn to use the Internet and email: 22 Digital Skills – Learn to use online services and shop online: 25 Digital Skills – Learn to use a desktop computer and/or laptop: 31 The Power to create and understand media: A media literacy education course (MQF 2 – Self-Paced course): 5



Increased guidelines for further and higher education providers to improve the quality of service provision.	The new Higher Education Programme Accreditation Standards and Procedures are scheduled for publication in 2025. To support providers in understanding and adapting to these changes, CPD sessions will be organised towards the end of the year. The full implementation of the revised standards is estimated for early 2026.	In 2022, the Malta Further and Higher Education Authority (MFHEA) published a series of key steering documents, including the Guidelines for Quality Assurance for Online Learning Providers in Malta, the Recognition of Prior Learning (RPL): Definitions, Principles and Guidelines, and the Guidelines for Ethical Practice and Research Integrity. The Draft National Strategic Action Plan for Further and Higher Education 2022–2030 which was also issued as part of this policy framework, was approved by Cabinet in June 2023 and officially launched on 17 July 2024. In December 2024, MFHEA presented the updated Online Teaching and Learning Guidelines for further and higher education institutions. A public consultation followed, gathering input from a wide range of stakeholders. The next step involves refining the guidelines based on the feedback received, ensuring they remain relevant, practical, and impactful.
	Establishment of an education Data Warehouse to systematically store data from various educational data sources within the Ministry for Education, Sport, Youth, Research and Innovation, enabling historical and predictive analysis.	The “Ultimate AI Launchpad – A Strategy and Vision for Artificial Intelligence in Malta 2030” refers to a pilot project to construct a rich dataset and use AI to assist in driving insights and actions to enhance the education system. The initial project will focus on delivering predictive insights to assist in identifying early school-leavers to help educators take preventative actions to drive better outcomes. The Data Warehouse has been successfully established and access granted to key officials within MEYR. Comprehensive training sessions were conducted, with feedback from key officials reviewed, deliberated upon internally and effectively integrated into the process. Access to the Data Warehouse was granted to key officials during the first week of September 2024. The tender CT2233/2023 was officially published, evaluated, and duly awarded, with work on Phase 1 of the contracted project currently in progress.
	Development of inclusive spaces within schools: (i) Autism Units within two of Malta's Middle and Secondary Schools; and (ii) multi-sensory learning rooms.	Two Autism Units (physical spaces) have been completed and become operational in Middle Schools (Handaq and Ta' Paris). Four additional Autism Units were opened: two in secondary schools (Mrieħel and Handaq), and another two at Cospicua and Tarxien Middle Schools respectively. A maximum of 16 students may benefit from the first two Autism Units set up, while a maximum of 48 students may benefit from the new four Autism Units opened. The educators supporting the Autism Units were trained in inclusive pedagogy and in the delivery of a functional curriculum.
Upskilling and reskilling of the labour force	CybaRverse – CybaRverse is a strategic partnership project funded by the Erasmus+ programme of the European Union. Digital literacy along with a responsible and safe use of technology is promoted by the Digital Education Action Plan (Action 7). The Digital Education Action Plan (2021-2027) is a renewed European Union (EU) policy initiative that sets out a common vision of high-quality, inclusive and accessible digital education in Europe, and aims to support the adaptation of the education and training systems of Member States to the digital age.	CybaRverse was an Erasmus+ project that reinvented cybersecurity education through innovative augmented reality (AR/VR) technology. The project developed immersive training modules that made complex cybersecurity concepts accessible to both IT and non-IT educators. CybaRverse created a multilingual learning platform with training available in beginner, intermediate, and advanced levels, ensuring accessibility for individuals with learning difficulties. The project established cybersecurity academies across four partner countries, organised hands-on VR workshops for educators and youth, and developed comprehensive pedagogical guidelines and best practices. Through these initiatives, the project successfully increased digital literacy, fostered collaboration among European partners, and contributed to addressing the cybersecurity skills gap across Malta and Europe.
		Following the success of the Training for Employment (TFE) project under programming period 2014-2020, Jobsplus has applied to relaunch the Training for Employment Project under the new programming period 2021-2027 which will include the Work Exposure Scheme, the Traineeship Scheme and the Training Pays Scheme. The application was approved and Jobsplus is set to relaunch the TFE in 2025. The project is set to run till the end of 2029. Moreover, the Investing in Skills has been relaunched in September 2023 till 2029 and will continue to offer employers the opportunity to invest in human capital and upskill their workforce through financial aid.
	Gender Equality and Mainstreaming Strategy and Action Plan 2022-2027	In November 2022, Malta launched its first Gender Equality & Mainstreaming Strategy and Action Plan, covering the period 2022-2027 (GEMSAp). This Strategy aims to strengthen gender equality and gender mainstreaming at all stages and in all areas of policymaking by committing the Government to direct targeted and comprehensive measures to achieve full gender equality. The Action Plan addresses various sectors including education, equal access to employment and ensuring equal pay for work of equal value, economic independence, justice, healthcare, co-responsibility and balance of work, private and family life. In 2023, the Department for Industrial and Employment Relations (DIER) has participated in the GEMSAp exercise of conducting a screening process to see whether any legislation under its remit violates the principle of gender equality. So far, no legislation was indicated as potentially or effectively breaching the principle of gender equality.
2. Gender equality		In 2024, efforts continued to implement the actions outlined in GEMSAp. Notable initiatives during the second year included the launch of a pilot project that installed dispensers in three schools across Malta and Gozo to provide free pads and tampons to students. This initiative aims to expand to all church, state, and independent schools in 2025. The Human Resources Directorate (HRD) collaborated with the National Statistics Office to publish a comprehensive publication that



	features gender-disaggregated data on various indicators, including population, crime, education, labour market, health, and politics. The objective of this publication is to highlight gender disparities and support policymakers in addressing these gaps.
GEMSAP Inter-Ministerial Committee (IMC)	In addition, a review process was done, aimed at identifying provisions that unjustly discriminate between men and women in Maltese legislation. An independent reviewer was appointed to assist in this initiative, collaborating with the GEMSAP focal points to pinpoint these laws. Once all relevant laws were identified, they were compiled into a comprehensive document and presented to the office of the Parliamentary Secretary. Work on these amendments is currently underway. Implementation of the Gender Equality and Mainstreaming Strategy and Action Plan (GEMSAP) is being monitored through the established Inter-Ministerial Committee (IMC) which is composed of focal points from all ministries. The IMC will ensure that the Action Plan is framed within an adequate timeline of work, breaking down each measure into objectives, in close cooperation with all relevant stakeholders, and ensuring their timely and effective implementation. The first Inter-Ministerial Committee was held on 5 January 2023.
Events and awareness raising campaigns to promote gender equality	Regular meetings with the IMC focal points remained ongoing to address any issues related to the implementation of the measures in GEMSAP and to provide them with useful information to further support their work. HRD gathers updates on the implementation of the measures quarterly and consolidates them into a single document, while also ensuring that the measures are implemented according to the specified timelines in the workplans.
	The Human Rights Directorate (HRD) organised and participated in various events and launched several social media campaigns to mark the significance of key International Days, all aimed at promoting gender equality and raising public awareness on issues such as women's employment and empowerment, shifting the gender balance in STEM (notably on the International Day of Women and Girls in Science), gender-based and domestic violence, equal pay, the participation of girls and women in ICT, menstrual hygiene, the co-sharing of family and care responsibilities, and conflict-related sexual violence.
	In October 2024, HRD shared a series of informative posts on the Directorate's social media platforms to raise awareness about menstruation. These posts covered topics such as hygiene tips, common myths, and the various products available, all aimed at eradicating the stigma surrounding this important issue. HRD participated in several TV and radio segments to further discuss and promote awareness on the subject. In addition, a booklet with important information on menstruation was created and this will be distributed in schools taking part of this project.
Gender Mainstreaming Strategy as per Government policy, is an ongoing measure. OPM Circular No.15/2012 ensures that policies and practices are gender mainstreamed, as well as to obtain a consolidated yearly report on gender equality and gender mainstreaming in governmental departments and entities.	The National Commission for the Promotion of Equality (NCPE) consolidates a yearly report on developments on the implementation of gender mainstreaming, following the receipt of submissions by Government departments. This report is forwarded to the Permanent Secretary responsible for Equality highlighting recommendations for the strengthening of the implementation of this strategy. Moreover, the NCPE also seeks to build up the knowledge of public officers on gender mainstreaming through the provision of training on the topic.
Equality Mark Certification for companies that foster gender equality in their policies and practices.	To date, 151 companies employing around 37,300 employees are certified with the Equality Mark.
Launch of an Equal Pay Tool	In November 2023, the NCPE launched an Equal Pay Tool which is to facilitate the application of equal pay for work of equal value between women and men within organisations that employ at least 50 employees, and which are certified with the Equality Mark. The Tool helps organisations identify and address potential pay inequalities which are not justifiable. The Tool was developed within the framework of an EU-funded project called 'Prepare the Ground for Economic Independence (PGEI)', which aimed at addressing the gender pay gap as well as the gender pension gap. In 2024, the NCPE awarded the Equal Pay Certification to three companies.
Equal Treatment in Employment Regulations	DIER has prepared a transposition blueprint outlining the way forward for incorporating the Pay Transparency Directive into the national legislative framework under its remit. One potential outcome is the amendment of S.L. 452.95 to formally recognise DIER as an equality body with responsibilities relating to gender equality in the workplace. This may also necessitate substantial amendments to the Employment and Industrial Relations Act (EIRA), particularly concerning the jurisdiction, composition, and sentencing powers of the Industrial Tribunal. Notably, this could include granting the Tribunal the authority to award moral damages.
Research on Work-life balance with a Focus on Family Size	In 2024, the NCPE published the research study 'Perceptions and Attitudes of Women and Men in Malta towards Work-Life Balance: with a Specific Focus on Family Size'. The study examined the challenges in reconciling paid work with family responsibilities, looking into the necessary support measures to encourage women and men to have (more) children.
Advancing Workplace Equality and Protection from Sexual Harassment	The NCPE presented the initial findings of the study during the Women's Day Conference in March 2024 and discussed in further detail with different stakeholders during a conference on the topic held by the NCPE in January 2025. Substantial media coverage is being given to the findings and recommendations of study. In 2023, a session of the NCPE's conference commemorating International Women's Day focused on sexual harassment, providing information on rights and responsibilities under Maltese legislation. The panel discussion explored the challenges faced, emphasised the duties of employers and workers, and promoted safer



3. Equal opportunities	Awareness on gender equality	<p>workplace environments. As a follow-up to these efforts, DIER has, in 2024, embarked on a five-year plan to transpose ILO Convention No. 190 on violence and harassment in the world of work into national legislation, reinforcing its commitment to addressing sexual harassment in the workplace.</p> <p>The NCPE raises awareness among various stakeholders about their rights and responsibilities related to gender equality through targeted training sessions, participation in traditional and social media, awareness campaigns, conferences, and the dissemination of informative materials such as leaflets, posters, and other promotional resources.</p>
	The Anti-Racism Strategy 2021-2023, Malta's first national action plan against racism and xenophobia, was adopted by Cabinet on 28 July 2021.	<p>In September 2024, the <i>Towards the Implementation of the Anti-Racism Strategy (END-RACISM-MT)</i>, a project co-financed by the EU under the CERV fund drew to a close. This project, was implemented over a period of two and a half years, supported the implementation of key measures in the Strategy. Actions taken under the framework of the project in 2024 to implement various measures of the Strategy are detailed below.</p>
	Outreach and awareness-raising activities will take place throughout and across all levels of society, particularly the grassroots. The document incorporates 22 measures. It makes anti-racism and anti-discrimination both individual and collective responsibilities across all sectors of society – the Government and the public sector, democratic and political institutions, the media, but also the private sector, civil society, and the general population.	<p>An Anti-Racism Inter-Ministerial Committee, established in 2021, aims to ensure a whole of Government approach to anti-racism and intercultural inclusion to reach all policy areas and public services. This includes the integration of anti-racism in all areas of policy and public services, allowing peer support, mutual exchange, and stimulus for best practice. The Committee, involving representatives of each Government Ministry, met three times until July 2024, with these meetings also being attended by representatives from the NCPE and also civil society through the Anti-Racism Platform. The Anti-Racism Strategy envisages the creation of intra-ministerial action plans against racism (IMARAP). Through the Anti-Racism Inter-Ministerial Committee, the Human Rights Directorate (HRD) is collaborating with each Ministry to design an intra-ministerial anti-racism action plan to address the policymaking, employment and service provision functions relevant to the Ministry and their contribution under each of these functions to achieve intercultural inclusion. This work will continue in the second NAPAR to ensure further implementation of the action plans.</p>
	Intra-ministerial action	<p>Established in 2021 through a collaboration between the Human Rights Directorate and the U.S. Embassy in Malta, the Anti-Racism Platform (ARP) brings together minority group representatives, civil society, local councils, social partners, academics, and international organisations to monitor the implementation of Malta's Anti-Racism Strategy. Since 2022, the Platform has been independently led by the local NGO Kopin, enabling shared leadership and fostering continuous dialogue, critical reflection, and improved reporting on the Strategy's impact. Between 2021 and 2023, the Platform met regularly to strengthen stakeholder collaboration and ensure the Strategy remained responsive to emerging challenges.</p>
	Anti-Racism Platform	<p>In 2024, the ARP strengthened its engagement with key ministries and national stakeholders through a series of focused discussions. These included coordination meetings with the Ministry for Health and the Agency for the Welfare of Asylum Seekers (AWAS), as well as a strategic exchange with the Ministry for Social and Affordable Accommodation on issues affecting racialised communities. A dedicated discussion with the Parliamentary Secretariat for Reforms and Equality centred on the Second National Action Plan Against Racism (NAPAR), reaffirming the Platform's advisory role in shaping anti-racism policy. ARP members also contributed to the development of the Diversity Anti-Rumours Strategy and received updates from the Human Rights Directorate on the national Awareness Raising Campaign. Three general meetings held across Malta and Gozo under the END-RACISM-MT project further enabled reflection, collaboration, and grassroots input into national anti-racism efforts. Through this work, the Platform continues to foster a whole-of-society approach, strengthening accountability, dialogue, and shared ownership in the fight against racism and racial discrimination.</p> <p>In line with Malta's Anti-Racism Strategy, the mandatory "Embracing Equality" training continues to be delivered within the Malta Police Force. This session is part of the In-Service Course for operational officers and is integrated into key stages of career development, including basic training for constables, courses for promotion to sergeant and inspector, and induction programmes for Community Police officers and Reserve Police Constables. The training, launched in 2023, continued through 2024, and is ongoing in 2025. The initiative promotes human rights and equality standards among law enforcement and immigration officers, aiming to foster a culture where racism is actively prevented, addressed, and unequivocally rejected. From 2024, ad hoc training on Understanding Hate Speech and Hate Crime has also been provided to district police officers. Additionally, Hate Crime, Supporting Victims, Human Rights and other related subjects as are included across all career progression and continuous professional development courses mentioned above.</p> <p>In 2024, the NCPE delivered training sessions to public officials involved in policymaking on the use of the Anti-Racism Policymaking Tool. This had been developed by the NCPE as part of the END RACISM MT EU co-funded project was published on 29 November 2023. The training aimed to provide visibility to the Tool and</p>



		strengthen the officials' ability to effectively deploy it in their policy work. The participants were given several hands-on exercises to aid them in developing policies capable of preventing unlawful discrimination and harassment as well as to bring about structural changes that address racial inequalities in their social and economic manifestations. This policymaking tool shall be used as a resource in the second NAPAR.
	Delivery of courses under the <i>I Belong</i> Programme	Please refer to Principle 1 - Education, Training and Life-long Learning above.
	Diploma in Education for Cultural Mediation	Please refer to Principle 1 - Education, Training and Life-long Learning above.
	Training to employees of public and private entities on LGBTQI+ sensitisation and inclusion	Please refer to Principle 1 - Education, Training and Life-long Learning above.
	Training to public officers on Malta Government Guidelines on the Recognition of Sex, Sexuality and Gender	Training to public officers in various entities takes place every year. These Guidelines provide direction to the public administration regarding the collection, use, and amendment of names, sex, or gender terminology in individuals' personal records or when communicating with service users. This training aims to ensure that existing legal protection frameworks are adequately reflected in public service provision.
	Strengthening Knowledge on Integration and Non-discrimination (SKIN)	These efforts are fostering greater trust and engagement between the NCPE and vulnerable communities, while also promoting a more inclusive public discourse around race and ethnic origin. The focus groups provide a platform for underrepresented voices to be heard, helping to shape targeted policy responses through the forthcoming Action Plan. Capacity-building sessions for NCPE staff are strengthening institutional sensitivity and responsiveness to the lived realities of discrimination. Improving the quality of future interventions. Likewise, the tailored training sessions are equipping both individuals from marginalised communities and key institutional actors with practical knowledge about rights, responsibilities, and available redress mechanisms. The awareness campaign contributes to wider public understanding, helping to shift attitudes and reduce stigma surrounding Muslims and people of African descent, thereby contributing to a more cohesive and equitable society.
	The NCPE is currently implementing the EU co-funded <i>Strengthening Knowledge on Integration and Non-discrimination (SKIN)</i> project (2022–2025), which aims to identify the needs and discrimination faced by vulnerable groups—specifically Muslims and people of African descent. As part of this initiative, focus groups on discrimination based on race and ethnic origin are being conducted with these communities, leading to the development of a report and Action Plan. The project also includes capacity-building sessions for NCPE staff to deepen their understanding of the challenges faced by vulnerable groups and to guide future improvements. In addition, targeted training sessions are being delivered to four key groups—public institutions and entities, shop stewards, people of African descent, and members of the Muslim community, covering topics such as racism, anti-Muslim hatred, Afrophobia, workplace rights and responsibilities, and the NCPE's role in promoting equality. An awareness-raising campaign is also underway to educate the public and foster greater understanding of racism and discrimination.	
4. Active support to employment	In Malta, all registered unemployed receive a Personal Action Plan (PAP) within one month of registration. Personal Action Plans (PAP) are multi-level programmes which offer jobseekers step-by-step practical support aimed at empowering and preparing them for employment. In addition, in 2022, Jobsplus has introduced the Outcomes Star. The Outcomes Star is a holistic	Increasing the number of employed persons by providing personal assistance to jobseekers in order to ensure targeted and effective response. The use of the Outcomes Star has helped Employment Advisors to identify strengths and weaknesses which previously might have been hidden, and highlighted to management possible gaps in the services being provided. This tool is being used by Jobsplus with both mainstream and vulnerable clients.



and empowering tool designed to meet the need for outcomes measurement whilst also improving keywork for service users, services and commissioners. The Outcomes Star measures the clients' willingness to change and supports them in making that change.	<p>The IAP sets short-term and long-term goals which are realistic and reachable. The IAP is updated regularly during subsequent meetings with the Employment Advisor. This update is recorded through the outcome sheet which includes the description of the task/s and its/their aim.</p> <p>Following the closure of the VASTE Programme in 2023, the PES has submitted an application to the Managing Authority under the new programming period 2021 – 2027 for the VASTE II programme for actions contributing to Priority 2 – Fostering Active Inclusion for All. Specific Objective 4.8, Active Inclusion and Employability and a number of the proposed measures are aimed specifically at creating personalized pathways for disadvantaged jobseekers including persons with disabilities. Jobsplus has developed a project to continue building on the original VASTE concept through different work packages, which will include research, assessments, informal training/development options, resources, professional services and supported employment (job coaches/mentors), which would potentially lead persons with disabilities, vulnerable individuals, those unemployed at risk of poverty and social exclusion towards employment. The overarching strategic objective of the project is to establish and further sustain several new and improved actions focused on enhancing the skills and confidence needed for the targeted clientele to be able to navigate the complexities of the labour market by promoting their employability to have a more inclusive and equitable society whereby, through suitable employment opportunities, these citizens may become active contributors in the Maltese economy.</p>
On becoming long-term unemployed (LTU), registered unemployed undergo an individualised in-depth reassessment and are provided with an Intensified Action Plan (IAP) tailored to the specific needs of LTU.	<p>The partnership with the Lino Spiteri Foundation (LSF) is also still ongoing and includes the offer of profiling and guidance, pre-employment support and support at the workplace through Job Coaching, Corporate Relations, Job Carving and Job Crafting to persons with disability and prospective employers.</p>
Moreover, since 2021, the training and assistance offered through the VASTE Programme have been expanded to include long-term unemployed. LTUs will continue to be assisted through the VASTE II Programme.	<p>Jobsplus launched the Youth Guarantee 3.0 in February 2025, targeted at youths who are neither in education, employment or training aged between 15 to 29 years. The new scheme will include activation pathways that combine personalised support, formal and informal training and work placements. Modular training programmes that align with the identified emerging sectors highlighted by the ILO (Green Economy, Blue Economy, Knowledge Economy, Care Economy, Orange Economy) which have potential to create productive, well paid and safe jobs, will also be offered. The scheme will also see the relaunch of the SEC revision classes, offered free of charge to students who fail their SEC/Ordinary level exams in up to three core subjects (English, Maltese, Maths, Physics or Biology) and the Remedial Classes targeting students attending MCAST who do not pass their end of year exams. The Scheme will also include the ALMA mobility scheme whereby the initiative will provide individuals with supervised work-related placements in another EU member state, along with the appropriate coaching and counselling amongst others.</p>
The Youth Guarantee includes a number of schemes which are designed to help young people aged between 15 to 29 to continue their education or increase their chances of finding satisfaction and success in the world of work. The YG 3.0 includes an activation pathway that combines personalised support, formal and informal training and work placements, SEC revision classes, remedial classes and the ALMA mobility scheme.	
Skills Development Scheme	
Get Qualified Scheme	
Introduced a package of active labour market initiatives aimed at making work pay. The package comprised:	<p>Please refer to Principle 1 – Education, Training and Life-long Learning above.</p> <p>Please refer to Principle 1 – Education, Training and Life-long Learning above.</p>
- the In-Work Benefit scheme provides additional income for working parents with children under the age of 23.	<p>As from 2024, the In-Work Benefit will see a €50 increment for each child in the family below the age of 23. 36,000 children are to benefit from this increase. As from 2025, The amount of social security contributions paid from parents' income will be disregarded as well as the amount of income tax paid in the computation of In-Work Benefit rates. This will positively impact around 25,000 families with approximately 40,000 children under the age of 23. Not only will their paid rate increase, now calculated based on a lower net income, but it will also allow new hardworking families to start benefitting.</p>
- Beneficiaries who were in receipt of Social Assistance for at least one year who enter into a gainful occupation are eligible for the Tapering of Benefits Scheme. The beneficiary is paid 65% of the social benefit for the first year, 45% of the social benefit for the second year and 25% of the social benefit for the third. The employer is paid 25% of the social benefit for the duration of the three years.	<p>The Tapering of Benefits facilitated a smooth transition from the unemployment register to the world of work for an average of around 1,740 beneficiaries yearly during 2020-2023.</p> <p>These measures decreased the dependency on social benefits considerably, as confirmed by a reduction of 61% in the number of Social Assistance beneficiaries between 2013 and 2023. As of January 2025, Malta's Tapering of Benefits (TOB) scheme continues to play a pivotal role in promoting employment among social assistance beneficiaries. The scheme's structure remains consistent, offering a gradual reduction in benefits over three years to facilitate a smooth transition into the workforce. A total of 1097 people benefitted from unemployment assistance tapering in 2024.</p>



5. Secure and adaptable employment	<p><i>This measure also contributes to Principle 5 – Secure and adaptable employment and Principle 14 – Minimum Income.</i></p> <p>Liaise with employers and employer representatives to offer training opportunities for MCAST staff to keep abreast of developments in industry.</p>	<p>In alignment with MCAST's strategic objective to strengthen collaborations with employers and industry representatives, the college has actively organised a series of encounter events with industry professionals throughout 2023. These events serve as a platform for networking and dialogue, ensuring that MCAST's educational offerings remain aligned with industry needs and emerging workforce trends.</p> <p>A number of 'Encounter meets industry' sessions were held in 2023, attracting more than 120 participants. Conducted for the first time at MCAST, these sessions provided opportunities for industry engagement, including discussions on apprenticeship modalities, Apprenticeship Training Agreements, and the use of Clasper for vacancy postings and attendance approvals. Encounter events were also held in 2024.</p> <p>The next Encounter – MCAST meets industry event was held on 11 March 2025. In collaboration with the National Skills Council (NSC) and the Malta Further and Higher Education Authority (MFHEA), MCAST hosted a national conference titled: "Validate to Elevate: Empowering People with Job Standards & Skills Cards". This conference explored the pivotal role of National Occupational Standards (NOS) and Skills Cards in enhancing workforce proficiency and driving industry excellence.</p> <p>By bringing together stakeholders from various sectors, the symposium enabled facilitated discussions, shared insights, and fostered collaboration to maximise the impact of these frameworks.</p> <p>This measure is intended to increase the number of non-teaching professionals following MCAST teacher education courses and other training opportunities. MCAST offers the Masters in Vocational Education Applied Research (MVEAR), which leads to the role of teacher of vocational subjects in secondary schools.</p>
	<p>MCAST to offer part-time pedagogy training opportunities for participants who are not serving as teachers (including industry professionals) to contribute to the teaching and learning process within the College.</p> <p>The MCAST Apprenticeship Recovery Plan allowed MCAST to encourage more companies to recruit students in apprenticeship programmes.</p>	<p>As of 1 November 2024, a total of 2581 full-time students are registered on apprenticeship-based course, representing the 32% of all full-time registered students. MCAST is actively encouraging more companies to recruit students through apprenticeships, as demonstrated by their recent onboarding event held at the Paola Campus from 22-24 January 2025. Over 2,300 students undertake apprenticeships yearly, and this event featured 107 companies which offered 847 placements across sectors such as Engineering, ICT, Applied Science and Business. To further support companies, MCAST launched an Employer Toolkit with resources and templates to enhance apprenticeship experiences. Through these initiatives, MCAST continues to prioritise industry engagement, ensuring that curricula and training programs remain responsive to employer needs and workforce developments.</p>
	<p>Malta Enterprise is supporting entrepreneurship with different schemes targeted at start-ups in different stages for example Micro Invest, Start-up Finance or Business Start.</p>	<p>By alleviating tax burdens, the Microinvest Scheme enables small businesses to reinvest savings into further innovation and expansion.</p> <p>By targeting innovative start-ups, Start-up Finance fosters the development of unique products and services, enhancing Malta's competitive edge. Supporting a range of sectors, including manufacturing and life sciences, contributes to a more resilient and varied economy.</p> <p>By providing early-stage funding, the Business Start Scheme assists entrepreneurs in refining their business concepts, increasing the likelihood of long-term success. Encouraging the establishment of new businesses contributes to job creation and economic dynamism.</p> <p>Please refer to Principle 4 – Active Support to Employment above.</p>
6. Wages	<p><i>This measure also contributes to Principle 4: Active Support to Employment above and Principle 14: Minimum Income.</i></p> <p>With the setting up of the Low Wage Commission in March 2023, through LN 66/2023, the social partners together with the Government, proposed how to increase the National Minimum Wage</p>	<p>An agreement was reached between the Low Wage Commission (LWC) and the social partners, whereby this resulted into an increase in the Minimum Wages for the period 2024-2027. The minimum wage will go up every year for the next four years as follows:</p> <p>The levels of the weekly minimum wage for the period 2024 to 2027 for persons aged 18 and over shall be:</p> <ul style="list-style-type: none"> As from 1 January 2024: €200.73 per week + statutory COLA award for 2024 As from 1 January 2025: €203.73 per week + statutory COLA awards for 2024 and 2025 As from 1 January 2026: €206.73 per week + statutory COLA awards for 2024, 2025 and 2026 As from 1 January 2027: €210.73 per week + statutory COLA awards for 2024, 2025, 2026 and 2027. <p>As part of the methodological approach adopted in preparing the Low Wage Commission Report, a review of Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union, which establishes a framework to improve the adequacy of statutory minimum wages, was undertaken. In 2024, transposition of this directive took place after deliberations with social partners. The Minimum Wage and Collective</p>



		<p>Bargaining Regulations of 2024 (L.N. 332 of 2024), transposed the Minimum Wage Directive. These regulations establish a framework to promote collective bargaining with the aim of achieving decent living and working conditions; and increasing the collective bargaining coverage rate and enhance workers' access to minimum wage protection rights, as provided by national law and/or collective agreements.</p> <p>The online portal with sample templates of work contracts was launched in November 2022. This portal is meant to assist employers in providing correct contracts to workers, while workers will be better informed as to what information needs to be included in their work contract. The information on the website of the Department for Industrial and Employment Relations (DIER) with regard to posted workers was also enhanced to recognise for its effectiveness in providing comprehensive information and facilitating the notification process for employers posting workers to Malta, thereby centralising information and reducing administrative burdens.</p> <p>In April 2024, DIER introduced a dedicated web portal to facilitate the registration process for employment agencies under the new Employment Agencies Regulations, which came into effect on 1 June 2024. This portal streamlines the licensing process for agencies involved in recruitment and temporary work services. By providing clear guidelines and a centralised platform, the portal assists agencies in adhering to the new regulations, promoting higher standards of professionalism and accountability.</p> <p>Ministers and Parliamentary Secretaries proposing new strategies and policies, present these drafts to social partners during Council meetings for their feedback. This feedback is compiled and presented to the respective Minister as the converged position of the social partners on the strategy or theme being discussed, for their consideration.</p> <p>Moreover, in order to provide sound strategic support to Government, social partners constantly monitor and analyse risk and opportunities and propose items for discussion at Council level, to ensure issues and opportunities are promptly and effectively tackled. Feedback from MCESD: In these instances, the Council functions as a preliminary review and testing environment for the Government, where policies and strategies can be debated and refined in a controlled setting before being formally issued for public consultation. During 2024, twenty Council meetings were held.</p> <p>In addition, social partners meet at the Employment Relations Board to discuss new employment policies. The Employment Relations Board (ERB) is a regulatory body that advises the government on employment and industrial relations matters. It operates under the Department of Industrial and Employment Relations (DIER) and plays a key role in shaping labour laws, conditions of employment, and workplace rights.</p>
7. Information about employment conditions and protection in case of dismissals	<p>An online portal was launched in 2022 with sample templates of work contracts</p> <p>Employment Agencies Web Portal</p>	
8. Social dialogue and involvement of workers	<p>The Malta Council for Economic and Social Development (MCESD) as a tripartite advisory body providing a forum for consultation and social dialogue between social partners and where necessary with organisations of civil society, allows for negotiation, consultation and information exchange between and among Government, Employers' and Workers' organisations.</p> <p>Regular MCESD meetings are held to discuss issues relating to the sustainable economic and social development of Malta. Government, through the Minister responsible for Social Dialogue, may forward specific requests for discussion or requests may be proposed by the social partners themselves.</p> <p>Transposition of the Minimum Wage Directive</p>	<p>Due to the transposition of the Minimum wage Directive, DIER published The Minimum Wage and Collective Bargaining Regulations (2024), establishing the legal framework for setting and enforcing minimum wage levels and promoting collective bargaining to improve workers' conditions in Malta. The regulations apply to all workers in Malta with a valid employment relationship under local laws and collective agreements. They do not apply to the minimum wage of seafarers, which is regulated under the Merchant Shipping (Maritime Labour Convention) Rules. They respect the autonomy of social partners and collective bargaining rights. The regulations aim to increase collective bargaining coverage and wage-setting negotiations by requiring the Government to:</p> <ol style="list-style-type: none"> 1. Enhance capacity-building of social partners to promote sectoral and cross-industry agreements. 2. Encourage fair and informed negotiations by providing access to relevant wage-related information. 3. Protect workers and trade unions from discrimination or interference during wage negotiations. 4. Introduce an action plan if collective bargaining coverage is below 80%, with measures to improve participation. <p>The action plan must have clear timelines, targets, and be reviewed every five years, with public access to the plan. It is estimated that this measure will create a more balanced industrial relations system where worker interests are systematically represented and addressed, contributing to fairer workplaces and stronger social cohesion.</p> <p>On 12 July 2022, the Work-life Balance for Parents and Carers Regulations 2022 were published. The Regulations entered into force on 2 August 2022. By virtue of these Regulations: (i) paid paternity leave was increased to 10 days; (ii) two months of parental leave against payment plus a further two months of unpaid parental leave were introduced; (iii) five days leave for carers were also introduced, one of which is paid for the public sector employees; and (iv) workers with children up to eight years of age were granted the right to request flexible working arrangements.</p> <p>In 2024, the NCPE published the research study 'Perceptions and Attitudes of Women and Men in Malta towards Work-Life Balance: with a Specific Focus on Family Size'. The study examined the challenges in reconciling paid work with family responsibilities, looking into the necessary support measures to encourage women and men to have (more) children.</p>
9. Work-life balance	<p>The Work-Life Balance for Parents and Carers Regulations 2022</p> <p>Research on Work-life balance with a Focus on Family Size</p>	



10. Healthy, safe and well-adapted work environment and data protection	<p>The Occupational Health and Safety Authority (OHSA) publishes guidance documents and organises and participates in awareness raising initiatives such as seminars, conferences, webinars, trade fairs, and in radio and TV programmes to disseminate information and raise awareness about the benefits of adequate standards of occupational health and safety (OHS). These initiatives also targeted foreign workers, who are considered as a vulnerable group.</p> <p>In 2024, OHSA initiated a recruitment drive aimed at strengthening its operations, including the engagement of additional enforcement personnel. Work is also underway on the development and deployment of an electronic software solution to improve the efficiency and security of data management within the enforcement division. Additionally, in 2024 the OHSA embarked on a legislative update of the main OHS Act to address evolving challenges in the field.</p>	<p>The NCPE presented the initial findings of the study during the Women's Day Conference in March 2024 and discussed in further detail with different stakeholders during a conference on the topic held by the NCPE in January 2025. Substantial media coverage is being given to the findings and recommendations of study.</p> <p>The work undertaken by the OHSA is expected to be conducive to a well-informed industry, where those having a duty under the OHS legislation (employers, clients, self-employed, project supervisors as well as workers) are aware of their rights and duties with regards to occupational health and safety. A decrease in trends for injury and fatality rates for all workers in all occupations is also expected.</p> <p>During 2024 OHSA organised various awareness raising initiatives including:</p> <ul style="list-style-type: none"> (a) a business breakfast for stakeholders to discuss health and safety measures for the Health and Elderly-Care Setting (b) a seminar for OHS practitioners, which focused on raising the standard of this profession, (c) a national Conference to launch the new Health and Safety at Work Act, (d) a Conference on Safe and Healthy work in the digital Age, (e) a Conference on Climate Change and the Impact on Health and Safety at Work, (f) various information sessions with social partners and other key stakeholders to explain the new Health and Safety at Work Act. <p>OHSA also participated in various Trade Fairs, Expos and other initiatives organised by other entities, both public and private. There were also various interventions in radio and TV programmes, mostly as part of the legislative preview process leading to the publication of the new Act. OHSA also participated in a meeting organised by the UNHCR to discuss labour challenges for refugees and asylum seekers.</p> <p>On 26 November 2024, a new OHS Act (Health and Safety at Work Act 2024) was brought into effect. The new Act brought important changes to the OHS legal framework including:</p> <ul style="list-style-type: none"> a) The restructuring of OHSA, with a clear delineation between the Governing Board and the Executive. A clearer function of the Governing Board has thus been established. b) More powers to OHSA, especially the power to issue administrative instruments to address urgent matters, which require fast action by OHSA. c) The introduction of a new duty on employers to appoint a Health and Safety Reporting Officer, when directed by regulations or by OHSA, e.g. to address serious and consistent breaches within that organisation. d) A new structure of penalties, which now cover failures of a purely administrative nature, shortcomings for which a special compromise procedure applies and the retention of action through Courts for serious offences. e) Increasing deterrents against breaches of the law. Penalties under Cap. 646 have increased as follows: administrative penalties have been set up to a maximum of €20,000 and up to €50,000 for fines of a special compromise procedure. Convictions through a Court may lead to imprisonment for a term of not more than two years, or to a fine of not less than €1,000 but not exceeding €50,000 or to both such fine and imprisonment. On a second or subsequent conviction such person shall be liable to a fine of not less than €2,000 but not exceeding €50,000, or to imprisonment for a term of not less than one year and not exceeding four years, or to both such fine and imprisonment. f) The publication of an offenders' register on its website to further publicize enforcement actions taken. This offenders' register will be live during 2025. g) The establishment of an independent and impartial Health and Safety Tribunal to hear and decide appeals against administrative penalties, and against decisions, orders, or administrative instruments issued by the Authority. <p>The legislative review exercise also covered the determination of criteria to enable the registration of persons competent to give advice on OHS and the review of the existing construction regulations. A new administrative instrument was issued by OHSA in 2025 to this effect. The strong recruitment drive continued throughout 2024 and is ongoing. Recruitment covered engagement of technical personnel, various managerial positions, as well as of other support staff. OHSA also launched an electronic software solution for its technical division to manage the inspections conducted by its OHS Officers, as well as the supply of tablets for Officers to facilities the management of data collected during inspections.</p>
11. Childcare and support to children	<p>The Strategic Plan for Occupational Health and Safety 2022–2027 was published during 2022, following consultation with the social partners in the OHSA Board.</p> <p>The Free Childcare Scheme assists parents/guardians in finding a better work-life</p>	<p>During 2024, the OHSA carried out 9,381 workplace inspections and OHS Officers issued 331 orders to stop work activities where unaddressed high risks were observed. In addition, the OHSA also issued around 960 improvement notices, and issued 81 administrative fines. 34 judicial proceedings were also initiated by OHSA in 2024.</p> <p>The Strategic Plan for Occupational Health and Safety gives a sense of direction and establishes the priorities for action, taking into account both the EU framework and the national context. The main priorities for 2024 were aligned with the commitments under the Strategic plan namely consolidating its resources, updating the legislative framework (particularly by introducing a new OHS Act), and investing in staff training and IT.</p> <p>Since the start-up of the Free Childcare Scheme in April 2014 until December 2024, 37,535 children have benefitted from the service at one point in time. In 2024, 4,510 children started making use of the Free Childcare Scheme.</p>



balance whilst promoting female participation in the labour market by providing free childcare services for children aged up to three years of age or until the child is eligible for kindergarten 1. to those families where both parents/guardians work and to single parents/guardians who were engaged in employment. In subsequent budgets, the scheme was further widened to include parents who were in education, as well as extended to workers working in the evening, during weekends or organised in shifts.	<p>a) The Ministry for Social Policy and Children's Rights in Malta has developed a proposed Social Plan for Families, aiming to address current challenges and enhance the well-being of families across the nation.</p> <p>a) The Social Plan for Families aligns with broader national strategies, such as "A Social Vision for Malta 2035: Shaping the Future of Our Society," which outlines the country's commitment to social development and family well-being. The Ministry for Social Policy and Children's Rights convened a stakeholders' meeting last month to discuss the policy direction of this plan. This Ministry is currently undertaking an interministerial consultation on the proposed measures to be incorporated. This initiative involved comprehensive research and consultations to understand Malta's present context and anticipate future family-related challenges. Through a combination of targeted measures and strategic initiatives, this Plan seeks to create an environment where families can thrive, overcome obstacles, and flourish within their communities. Accordingly, the proposed Social Plan for the Families focuses on four main priorities: Social Justice for Families; Healthy Relationships; Empowerment through Knowledge and Skills; and Enhancing Malta's Fertility Rate.</p> <p>The plan emphasises the importance of life skills, such as effective communication, problem-solving, stress management, and teamwork, to foster a healthy family environment. Additionally, it highlights the need for financial literacy, providing families with tools to manage their finances effectively. To ensure effective implementation and monitoring, the plan proposes establishing a High-Level Group for Implementation and Monitoring. This group will oversee the execution of the plan's initiatives and assess their impact on families.</p> <p>The Ministry for Social Policy and Children's Rights has initiated a public consultation process to gather feedback from various stakeholders, including government entities and the public, to refine and enhance the proposed plan. This collaborative approach aims to create a comprehensive strategy that addresses the diverse needs of Maltese families.</p>
b) The National Strategy for Poverty Reduction and Social Inclusion 2025-2035	<p>b) The National Strategy for Poverty Reduction and Social Inclusion 2025-2035 was launched on 20 February 2024 and is in the initial stages of implementation, with ongoing efforts to engage stakeholders and the public in its execution. The Government is committed to building a more equitable and inclusive Malta through this comprehensive approach to poverty reduction and social inclusion. This new policy adopts a strategic foresight approach that aims at understanding and anticipating future impacts of current local and global trends that may affect the livelihood of the Maltese population. In order to address the reduction of poverty and social exclusion, the wellbeing of every individual in our society needs to be ensured through a holistic and proactive approach that pre-emptively addresses challenges. This strategic initiative represents a proactive step towards fulfilling the national commitment to achieve a 3.1% decrease in AROPE (At Risk of Poverty or Social Exclusion Rate) by 2030. Government also targets to reduce the rate of children at risk of poverty or social exclusion by approximately 6% by 2030. The Strategy outlines a total of 165 policy measures built around five key principles: <i>Thriving Together</i>, which focuses on creating an inclusive and resilient community; <i>Empowerment</i>, by providing individuals with the tools and opportunities needed for self-sufficiency and a good quality of life; <i>Opportunity</i>, through equal access to essential services such as education, healthcare, and employment; <i>Solidarity</i>, by fostering mutual support to ensure no one is left behind; and <i>Dignified Quality of Life</i>, which emphasises the importance of meeting basic needs without financial hardship, while promoting economic stability and social advancement for all.</p>
c) Malta's Children's Policy Framework 2024-2030	<p>c) Malta's Children's Policy Framework 2024-2030 has been officially published and is in the early stages of implementation. The Framework was finalised following a comprehensive public consultation process that concluded in mid-2024, incorporating feedback from over 200 children and 35 stakeholders. The implementation phase involves a coordinated approach utilizing national and EU funds to maximize the framework's benefits. Monitoring and evaluation are being conducted through inter-ministerial collaboration. The Framework runs on four-core principles and outlines a plan of action for the government to ensure the continued protection and enhancement of children's lives in Malta. It emphasises safeguarding children's rights by ensuring access to high-quality support in various areas, including education, healthcare, and social support. The Four National Priorities are: Improving Children's Well-being; Supporting Families with Children; Creating a Better Environment; and Strengthening Child Participation. While the Framework has been officially adopted, its initiatives are currently in the initial stages of execution. Ongoing monitoring and evaluation will inform future improvements to ensure the framework effectively addresses the needs of Maltese children.</p>



The Maltese Social Protection Scheme provides for a number of benefit measures intended for children, namely:

- 1) Children's Allowance
- 2) Increase in the Childbirth and Adoption Bonus
- 3) Expanded eligibility for child-rearing credits

Children's Allowance: The Children's Allowance is granted to parents until their children reach the age of 16. However, this support extends until the child reaches the age of 21, provided they remain in full-time education without receiving a stipend or registering for work. Once the Children's Allowance eligibility expires, parents become eligible for a Special Student Allowance if their children pursue post-secondary education on full-time basis. This Special Allowance amounts to €500 per year for three years, as long as the child completes a full scholastic year. Parents of students who began their first year of post-secondary education in the 2023/2024 academic year received this benefit, with payments issued at the end of the school year in 2024. In its first year, the initiative supported approximately 4,800 families, with the number expected to rise to nearly 15,000 families over three years, at a total cost of €7.5 million. Approximately 10,500 families will receive their second payment in 2025, while parents of students who began post-secondary education this year (2024/2025) will receive their first payment of €500 allowance at the end of May, for three years. The estimated expenditure for this initiative is around €6 million. Additionally, the Children's Allowance will increase by €250 per child, regardless of family income. This will reflect in the increase in Child Supplement. It is imperative to highlight that this is the third consecutive increase in this regard. Moreover, the amount of income tax paid will also be disregarded from the means test. By means of this Budget Measure beneficiaries being paid under the flat rate will be shifted to the means tested cohort. This means a more beneficial rate of children's allowance.

Increase in the Childbirth and Adoption Bonus: In 2020, the Childbirth and Adoption Bonus was introduced. This bonus was increased in 2024 from €400 to €500 for the first child and to €1,000 for the second child and more. It is estimated that approximately 3,200 families benefitted from this Measure in 2024. By means of a 2025 Budget Measure, this Bonus was increased to €1,500 for the third child and any subsequent birth. This measure is expected to benefit approximately 580 families. These adjustments aim to provide additional financial support to families as they grow.

Expanded eligibility for child-rearing credits: In Malta, child-rearing credits are designed to support parents who temporarily leave the workforce to raise their children by providing credited contributions towards their social security pension. These credits help fill gaps in pension contributions, ensuring that parents are not penalised in their pension entitlements due to time taken off for child-rearing. The Government acknowledges that the traditional pension system often disadvantages working mothers who take career breaks for family responsibilities. By granting these credited contributions, the system aims to provide a fairer calculation of pension income for parents who have dedicated time to raising their children. The Government's recognition of the need for such credits indicates an ongoing commitment to supporting parents in balancing work and family. Prior to year 2024, parents engaged in an employment and took a career break to raise a family are awarded child credits for each of their first three children upon submitting a retirement pension claim. Conditions apply from the fourth child onwards. By means of a 2024 Budget Measure, this was extended also to parents who opted to form a family before entering the workforce.

The objectives of the initial health assessments and review health assessments that follow are mainly to improve the health needs and outcomes of Looked After Children (LAC).

LACHS: Number of visits carried out by age category groups and type of assessment						
January – December 2023						
	IHA new case	RHA	Ad hoc review	IHA catch-up	Educational talk	Telephone follow-up assessment
Less than 1 year	10	11	6	0	0	0
1 - 5 years	18	98	58	1	0	7
6 - 10 years	12	97	42	4	0	45
11 - 15 years	5	129	69	2	1	67
16 - 17 years	3	39	33	2	0	12
18+ years	0	2	11	0	0	0
Total	48	376	219	9	1	131
						784

Looked After Children Healthcare Service (LAHCS)

In 2021, a new healthcare service for children in alternative care was set up aiming to provide a holistic medical plan, ensuring all are properly vaccinated, have proper dental care and the children's emotional wellbeing is being adhered to.

Minors living in alternative care often come from disadvantaged backgrounds and are known to be at a greater risk for health problems than the average minor. This measure is aimed to provide adequate and ongoing healthcare.



LAGHS: Number of visits carried out by age category groups and type of assessment January – June 2024						
	IHA new case	RHA	Ad hoc review	IHA catch-up	Educational talk	Telephone follow-up assessment
Less than 1 year	9	14	7	-	0	0
1 - 5 years	8	50	17	-	0	0
6 - 10 years	6	50	16	-	0	14
11 - 15 years	3	79	27	-	0	22
16 - 17 years	1	19	8	-	0	6
18+ years	0	0	3	-	0	0
Total	27	212	78	-	0	42
IHA: Initial Health Assessment						
RHA: Review Health Assessment						
The Directorate for Child Protection Services focuses on investigating reports of child abuse and taking any necessary action so as to ensure the protection of minors. Through a highly specialised forensic system, this multi-disciplinary team engages children and their families to determine the difficulties that hinder the well-being of the minors. In accordance with the Minors' Protection (Alternative Care) Act, Cap. 602 of the Laws of Malta, all children in alternative care have to be so declared by Court decree, whereby they then become the responsibility, as per the same Act, of the Director for Alternative Care.	In 2023, Child Protection Services (CPS) worked with 3,958 cases, out of which 3,674 were children between 0 and 17 years of age. Between January and June 2024, Child Protection Services (CPS) worked with 3,240 cases, out of which 3,039 were children between 0 and 17 years of age.					
	This measure is expected to provide better quality of care and personalised care, in line with Malta's constant commitment to address de-institutionalisation. Between January and December 2023, there were 551 children and youth within the Alternative Care placements and 447 were between 0-17 years. The service records children and youth who at some point during the year lived in an alternative care placement and are followed/monitored by a service within the Directorate for Alternative Care or the Child Protection Service. Between January and June 2024, there were 534 children and youth within the Alternative Care placements and 436 were between 0-17 years.					
Strengthening the foster care system for children who cannot stay with their families by ensuring that all foster placements are given all the necessary support, in a drive to attract more foster families. Malta has also increased the benefit given to foster carers, for the second time round, in an attempt to further aid these families. In 2021, the helpline for foster carers – 1778 – was launched.	In 2023, Fostering supported 292 individuals and 50 of them were over 18 (242 minors). In 2024, Fostering supported 274 individuals and 44 of them were over 18 (230 minors).					
Support to individuals or families who are considering adoption, are in the process of adopting, and those who have adopted a child or children. The service provides training as a form of preparation for families who wish to adopt. Sessions include information on children, biological parents, inter-country adoptions, and trauma.	In 2023, the Adoption Service worked with 717 cases, out of which 156 were children between 0 and 17 years of age. Between January and June 2024, the Adoption Service worked with 569 cases, out of which 148 were children between 0 and 17 years of age.					
Every inter-country adoption benefits from a maximum of €10,000 on presentation of the						



original receipts. Local adoptions benefit up to €1,000 for those children adopted.	In 2023, the Looked After Children service Malta worked with 513 cases, out of which 436 were children between 0 and 17 years of age. In 2023, the Looked After Children service Gozo worked with 23 cases, out of which 20 were children between 0 and 17 years of age.
The professionals who work within the LAC service work with minors who reside in out-of-home care placements within the Children's Directorate (Alternative Care). Ages vary from babies to adolescents, who receive the necessary care and attention from the foster care or residential placements.	Between January and June 2024, the Looked After Children service Malta worked with 487 cases, out of which 416 were children between 0 and 17 years of age. Between January and June 2024, the Looked After Children service Gozo worked with 20 cases, out of which 17 were children between 0 and 17 years of age.
The service aims to formulate regular care plans that develop according to the needs of the children and young persons in concern. The care plan is discussed and confirmed by a Review Board. The LAC professionals ensure that the minors have stability in their placements by conducting regular visits, and also by maintaining frequent contact with the biological parents and other professionals involved in the case.	
More support to persons leaving care to facilitate their independent living and ensure a good quality of life. This support is offered whilst children are still in care, in order to monitor them during their transition into adulthood.	In 2023, the Aftercare Service worked with 316 cases out of which 112 cases were ages 0 to 17 years. Between January and June 2024, the Aftercare Service worked with 283 cases out of which 134 cases were ages 0 to 17 years.
Supervised Access Visits (SAVs) are supervised meetings between children and the non-custodial parents or other family members when access is not possible otherwise.	In 2023, the SAV Malta worked with 507 cases, out of which 48 cases were between 0 and 17 years of age. In 2023, the SAV Gozo worked with 21 cases, out of which 3 cases were between 0 and 17 years of age.
Court Services: In situations deemed appropriate by the Judge of the Family Court, a social worker is appointed to prepare a court report. Following an assessment, the social worker submits recommendations relating to care and custody of minors or on other issues. In cases of separation, Court Services may be appointed by the Family Court to investigate allegations of abuse of minors. As part of the investigation, Court Experts interview the parents and children, as well as other professionals who are or were in contact with the family. The Court Expert draws up recommendations, taking into consideration the feedback from all the involved parties.	Between January and June 2024, the SAV Malta worked with 506 cases, out of which 53 cases were between 0 and 17 years of age. Between January and June 2024, the SAV Gozo worked with 21 cases, out of which 3 cases were between 0 and 17 years of age.
BesmartOnline! is the internet helpline where the general public can reach out for support on online-related issues, especially issues relating to cyberbullying, sexting and grooming.	In 2023, the Court Malta worked with 402 cases, out of which 5 cases were between 0 and 17 years of age. In 2023, the Court Gozo worked with 6 cases, out of which 0 cases were between 0 and 17 years of age.
The Sedqa Prevention Services offer services aimed at informing the general public as well as	Between January and June 2024, the Court Malta worked with 273 cases, out of which 24 cases were between 0 and 17 years of age. Between January and June 2024, the Court Gozo worked with 2 cases, out of which 0 cases were between 0 and 17 years of age.
	In 2023, there were 1,943 reports to the Hotline and 889 reports to the Helpline. Between January and June 2024, there were 152 reports to the Hotline and 494 reports to the Helpline.
	In 2023, 17,978 children/youths were reached through the different initiatives. Between January and June 2024, 10,687 children/youths were reached through the different initiatives.



helping people to lead healthy lifestyles away from addictions.																													
Support services within the health sector offer a range of services for children and adolescents and their families who are facing some sort of difficulties with the involvement of the children themselves as well as their family members.	In 2023, the Children and Young Person's Support (CYPS) worked with 316 cases, out of which 250 cases were between 0 and 17 years of age. Between January and June 2024, the Children and Young Person's Support (CYPS) worked with 250 cases, out of which 226 cases were between 0 and 17 years of age.																												
The Support line 179 is the Maltese National Helpline. The Support line is a free phone number which is accessible on a 24/7 basis, and which offers support, information about local social welfare services and other agencies. It is also a referral system to callers who require support and a service for those who are in times of difficulty and crisis.	A total of 11,508 genuine calls were received between January and December 2023 from all ages. 175 calls were identified as minors. A total of 5,592 calls were received between January and June 2024 from all ages. 85 calls were identified as minors.																												
'Youth in Focus' provides social work intervention to adolescents and young persons, aged between 13 and 18.	In 2023, 'Youth in Focus' worked with a total of 264 cases, out of which 206 cases were between 0 and 17 years of age. Between January and June 2024, 'Youth in Focus' worked with a total of 214 cases, out of which 175 cases were between 0 and 17 years of age.																												
The Adolescent Day Programme (ADP) addresses the needs of young people who are at risk of poverty and social exclusion. The service caters for young people between the ages of 14 and 18 who exhibit challenging behaviour.	In 2023, Adolescent Day Programme (ADP) worked with a total of 32 cases, out of which 28 cases were between 0 and 17 years of age. In 2024, the ADP and youth initiatives were incorporated into the Youth Empowerment Service. Between January and June 2024, Youth Empowerment Service (YEI) worked with a total of 49 cases, out of which 49 cases were between 0 and 17 years of age.																												
'Embark for Life' addresses the needs of young people who are at risk of social exclusion. These include youth between the ages of 15 and 25, who, for various reasons and life situations, face difficulties in finding or maintaining employment.	In 2023, 'Embark for Life' (E4L) worked with a total of 125 cases, out of which 57 cases were between 0 and 17 years of age. Between January and June 2024, 'Embark for Life' (E4L) worked with a total of 99 cases, out of which 59 cases were between 0 and 17 years of age.																												
Provision of Community Services, whereby services of social work and mentoring are offered in the following communities: Qawra, Mosta, Msida, Birkirkara, Valletta, Cottonera and Zabbar.	In 2023, the Community Services worked with a total of 1340 cases, out of which 30 cases were between 0 and 17 years of age. Between January and June 2024, the Community Services worked with a total of 969 cases, out of which 31 cases were between 0 and 17 years of age.																												
Details of the 2024 Community Projects are included below:																													
<table><tr><th>Community Service</th><th>Title</th><th>Nature of Event</th><th>Description</th><th>Number of Participants</th></tr><tr><td>Valletta & Floriana Community Services</td><td>Summer Project collaboration with FES</td><td>Summer project</td><td>To explore the designated community's culture, locality's assets and traditions, and the children's individual and collective skills and talents, to enhance their sense of belonging within their community.</td><td>35 Participants</td></tr><tr><td>Valletta & Floriana Community Services</td><td>Optimist Club of Malta - Ikber Magħna</td><td>Initiative</td><td>The project, 'Ikber Magħna' led by the Optimist Club of Malta, was launched in 2023. This is aimed for children who need help in their homework.</td><td>15 Participants</td></tr><tr><td>Valletta & Floriana Community Services</td><td>Floriana Youth Centre</td><td>Group</td><td>Collaboration with the Floriana Parish Church to host a youth centre (Ages 11 to 15).</td><td>8 participants</td></tr><tr><td>Valletta & Floriana Community Services</td><td>Proġett għat-Tfal - Parroċċa ta' Santu Wistin (Catechism)</td><td>Project</td><td>This is a life-skills project for children attending catechism at Saint Augustine. Through non-formal education, the programme focuses on developing essential life skills that empower children to collaborate with others, build positive relationships, work effectively, strengthen their</td><td>10 participants</td></tr></table>					Community Service	Title	Nature of Event	Description	Number of Participants	Valletta & Floriana Community Services	Summer Project collaboration with FES	Summer project	To explore the designated community's culture, locality's assets and traditions, and the children's individual and collective skills and talents, to enhance their sense of belonging within their community.	35 Participants	Valletta & Floriana Community Services	Optimist Club of Malta - Ikber Magħna	Initiative	The project, 'Ikber Magħna' led by the Optimist Club of Malta, was launched in 2023. This is aimed for children who need help in their homework.	15 Participants	Valletta & Floriana Community Services	Floriana Youth Centre	Group	Collaboration with the Floriana Parish Church to host a youth centre (Ages 11 to 15).	8 participants	Valletta & Floriana Community Services	Proġett għat-Tfal - Parroċċa ta' Santu Wistin (Catechism)	Project	This is a life-skills project for children attending catechism at Saint Augustine. Through non-formal education, the programme focuses on developing essential life skills that empower children to collaborate with others, build positive relationships, work effectively, strengthen their	10 participants
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				self-confidence, and foster social bonds. This also paves the way to build a trusting relationship with their guardians.		
Valletta & Floriana Community Services	Kuluri	Group		Children's programme focusing on basic social skills, active citizenship and cultural activities.		6 participants
Qawra Community Services	Teens Club	Weekly group		Weekly teen sessions foster personal and social development, emphasizing relationships, leadership, empowerment, and critical thinking. Participants engage in discussions on decision-making, peer pressure, and conflict resolution while building confidence and leadership skills in a supportive environment.		15 participants
Qawra Community Services	Dawra Durella	Group		Children's programme (7 to 11 years) focusing on basic social skills, active citizenship, and cultural activities.		15 participants
Zabbar Community Services	MeTween	Programme		This project aims to provide a safe space for 11-13 year old adolescents to be themselves and socialise in an informal manner. Fostering diversity and inclusivity as core values. Cultivating life skills like problem-solving, leadership, and self-esteem through group engagements. Developing introspection and improving intra-personal communication.		10 participants
Southern Community Services	Superheroes of the Earth (Summer Camp)	Summer Programme		One of the aims of this project is to create an outlet for the children of the community to engage in activities which involve an outside space where to spend their time, being at one with nature and not only engaging in conventional crafts and games but providing another exciting hands-on opportunity to learn while having fun.		23 Participants
Misda/Birkirkara Community Services	Summer days with Pre-teens	Summer project		A space where pre-teens are offered the opportunity to experience communication skills, to build relationships with others, explore creative thinking and to gain knowledge on financial literacy.		14 participants
Cottonera Community Services	Kids Point	Programme		The aim of this project is to give the children alternative community activities during the summer holidays, with the intention of boosting children's creative and critical thinking and sensitivity to socio-educational issues. Moreover, this project will provide an opportunity for youths and others within the community to offer their voluntary service.		19 participants
Cottonera Community Services	iTeens	Group project		A project aimed at young people who would like to engage with other youth in a safe environment. Sessions are aimed at building inter- and intra-personal skills.		24 participants
Cottonera Community Services	iTeens - Summer	Summer Programme		A summer project aimed at young people who would like to engage with other youth in a safe environment. Sessions are aimed at building inter- and intra-personal skills.		24 participants
Cottonera Community Services	Cottonera Community Workshop	Weekly sessions all year round		This community-based workshop provides a supportive space for individuals passionate about carpentry or simply curious to learn. Participants are encouraged to explore their talents, unleash their creativity, and develop practical skills that prepare them for the future.		9 participants



<p>The Home-Based Therapeutic Services (HBTS) is composed of a multi-disciplinary team of professionals, providing therapeutic support to families, children, and individuals around Malta and Gozo.</p> <p>The Incredible Years® Parent and Children Programmes form one of the pillars falling under Home-Based Therapeutic Services. It works on the prevention and treatment of behavioural problems among children and parenting difficulties. Home-Based Parenting Programme can be provided for parents, in their family home setting, on a one-to-one basis.</p> <p>The Psychological Services offer a generic service and host an interdisciplinary team made up of psychologists, family therapists, psychotherapists and counsellors. The service</p>	Cottonera Community Services	Unity in the community- building bridges together.	Initiative	The Verdala Building Bridges initiative is focused on outreach and engagement, the number of participants cannot be precisely quantified as it is different every time. This initiative offers a safe and engaging space where students can share their skills, talents, and knowledge with peers through fun, informal activities. It helps them develop their abilities to contribute to and inspire positive change in their community while connecting them with local services. Through an asset-based approach, students are encouraged to tackle challenges proactively, strengthening collaboration between schools and community services.	N/A
	Cottonera Community Services	Community Connect: Empowering School Relationships in collaboration with Community Police	Initiative	To promote multicultural understanding, creates a safe space for skill-sharing, and encourages students to address challenges using community strengths. It strengthens collaboration between schools and local services while empowering students to develop their skills and contribute meaningfully to their community.	30 participants/ session
	Mosta Community Service	Movie night with Gharghur youths	One-time event	An initiative with Gharghur youths to cultivate a connection with the younger demographic of Gharghur.	40 participants
	Mosta Community Service	'My life is an adventure' Collaboration with FES	Summer initiative	to inspire students to see life as an exciting journey of learning and growth. Through engaging sessions, they develop a positive mindset, build resilience, and discover how small steps can lead to meaningful personal and collective growth.	14 participants
	Mosta Community Service	'Building a better community together' – collaboration with FES	One-time workshop	Workshop with Naxxar, Gharghur and Mosta, Summer School – Year 6 focusing on Building a better community together.	36 participants
<p>During the second half of 2023, the criteria for the HBTS (Home-Based Therapeutic Services) program were expanded, allowing the service to accept office-based clients. Additionally, HBTS now draws from the Psychological Services waiting list, providing therapy to a broader and more diverse population. However, this expansion does not apply to the Parenting (Incredible Years) team, which continues to accept referrals exclusively through FSWs (Foundation for Social Welfare Services).</p> <p>In 2023, HBTS worked with a total of 511 cases, out of which 193 cases were between 0 and 17 years of age. In 2023, the Incredible Years® worked with a total of 228 cases, out of which 2 cases were between 0 and 17 years of age. In 2023, the Psychological Services worked with 1124 cases, out of which 229 were children between 0 and 17 years of age.</p> <p>Between January and June 2024, HBTS worked with a total of 442 cases, out of which 168 cases were between 0 and 17 years of age. Between January and June 2024, the Incredible Years® worked with a total of 189 cases, out of which 2 cases were between 0 and 17 years of age. Between January and June 2024, the Psychological Services worked with 911 cases, out of which 204 were children between 0 and 17 years of age.</p>					



also offers positive parenting courses and courses for parenting when separated.	In 2023, IFSS worked with a total of 899 cases, out of which 93 cases were between 0 and 17 years of age. Between January and June 2024, IFSS worked with a total of 459 cases, out of which 61 cases were between 0 and 17 years of age.
Intake and Family Support Service (IFSS) acts as the first contact for clients who need assistance. Social workers within the service assess the case and take the necessary actions accordingly. After completing the assessment, social workers can either continue to work on the case themselves, or refer it to a more specialised service.	
Out of Hours Emergency Service: A team of social workers who are on call after office hours to intervene in special situations requiring immediate assistance, primarily cases related to child protection, domestic violence and children in care.	In 2023, the Out of Hours Emergency Service Malta dealt with 1268 persons with whom an intervention was held out of which 722 were minors aged between 0 and 17 years. The Out of Hours Emergency Service Gozo dealt with 336 persons with whom an intervention was held out of which 125 were minors aged between 0 and 17 years.
The Children's Fund is a collective voluntary effort to raise funds to support children in need who currently use the services provided by the FSWs.	For the period January to June 2024, the Out of Hours Emergency Service Malta dealt with 477 persons with whom an intervention was held out of which 298 were minors aged between 0 and 17 years. The Out of Hours Emergency Service Gozo dealt with 167 persons with whom an intervention was held out of which 72 were minors aged between 0 and 17 years.
The Fund assists children to provide them with equal opportunities in life as their peers. It tries its best to provide basic amenities for each child, and the help provided varies according to the different needs which are identified by the social workers, and which are presented in the application.	166 kids benefitted from the Children's Fund in 2023. 162 kids benefitted from the Children's Fund between January and June 2024.
Home Start Service (Malta and Gozo): Home Start provides one-to-one and other support for parents. Typically, trained volunteers visit the family's home for a couple of hours every week. Volunteers adapt their support to the needs of the parents and children.	In 2023, Home Start Malta worked with a total of 94 cases, out of which 13 cases were between 0 and 17 years of age. In 2023, Home Start Gozo worked with a total of 84 cases, out of which 50 cases were between 0 and 17 years of age.
The Government provides food packages aimed at assisting families at risk of poverty and social exclusion through the Fund for the European Aid to the Most Deprived (FEAD) as well as the State Funded Food Distribution (SFFD).	Between January and June 2024, Home Start Malta worked with a total of 33 cases, out of which 3 cases were between 0 and 17 years of age. Between January and June 2024, Home Start Gozo worked with a total of 79 cases, out of which 49 cases were between 0 and 17 years of age.
Preparatory work is underway to continue distributing food packages under the new EU Funds programming period - ESF+	SFFD 14 th Distribution (Dec 2023- Jan 2024): 12,656 persons collected from 17,556 eligible- 72.1% collection rate. SFFD 15 th Distribution (April 2024): 13,750 persons collected from 18,639 eligible- 73.8% collection rate.
The FSWs branch in Gozo provides the following children's services:	From July 2024 onwards the FEAD programme ended and the European funded scheme changed its name to Food For You Support Project. The distributions were as follows: <ul style="list-style-type: none"> • The first Food For You was in July/August 2024. Out of 2,497 persons eligible, 1823 collected- 73% collection rate. • The second Food for You distribution was in November 2024 with 2496 persons eligible, and 1840 people collected- 73% collection rate. • The third Food for You distribution is scheduled for around the beginning of April 2025, and we have 2,370 persons eligible.
<ul style="list-style-type: none"> - Homelessness Services - Domestic Violence Service - Marsalforn Community Family Centre - Victoria Community Family Centre - Court Services 	To improve accessibility, the FSWS has set up the Gozo Directorate to ensure that its services to vulnerable persons are extended to Gozo without any compromise in quality. Details on the number of service users is included below:



Services	Jan-Dec 2023 All Cases	Jan-Dec 2023 Ages 0-17	Jan-June 2024 All Cases	Jan-June 2024 Ages 0-17
- Psychological Services				
- Looked After Children				
- Fostering Gozo				
- Home-Start Gozo	339	26	168	19
- Supervised Access Visits	77	1	65	2
- Gozo General Hospital – Medical Social Work	206	43	132	27
- Gozo General Hospital – Psychiatric Social Work	82	6	49	2
- FEAD & National Food Distribution)	55	13	41	7
- Emergency On-Call Service	23	20	20	17
- Addition Prevention Programmes (TFAL 3 & 5, TOTB, Skola Safj, SAFE, Community Sessions)	65	17	31	0
	84	50	79	49
	6	0	2	0
	21	3	21	3
	8	0	1	0
	675	10	473	5
	163	1	120	0
Total	1804	190	1202	131
<p>The Foundation for Educational Services (FES) provides a comprehensive support system for parents and children throughout different stages of life. The support is provided in childcare services with care and early childhood education for children till the age of 3 years; in the Klabb 3-16 service that provides after-school care between the ages of 3 and 16 years; and the Skolasajf service which engages children in a recreational summer programme.</p> <p>The FES employs a Programme Coordinator (Inclusion) who supports those children that have disabilities and/or have been diagnosed with medical conditions. This support comprises case-specific attention for children who may have disabilities and/or have been diagnosed with medical conditions. This support in the centres is managed through the setting-up of an Inclusion Unit within the Programmes Department, where a Programme Coordinator is assigned to the Childcare service, and two Programme Coordinators are assigned to the Klabb-16 and Skolasajf services.</p> <p>The FES Social Board is giving access to those parents who are striving to find employment and/or follow a course of studies so that their children, hailing from such disadvantaged backgrounds, would have a measure of protection from poverty. Due diligence to curb potentially abuse is in place through the FES Social Cases Board and the FSWS Social Cases Board. Both boards are crucial for case management and advocacy, to help parents and children access the services.</p>				



12. Social protection	exemption of fees (even if such social cases do not benefit from the Free Childcare Scheme).	The Standards were published together with the Registration Criteria for Childcare Settings, whereby education quality and environmental quality work together. During scholastic year 2023/2024 the Directorate for Quality and Standards in Education (DOSE) started working on a pilot project to introduce strategic management and internal quality assurance in childcare centres. The pilot project was implemented in 12 centres and in scholastic year 2024/2025, it was extended to all childcare centres in Malta and Gozo. In fact, the process is now being implemented with another 55 centres. This was developed as part of the National Standards for Early Childhood Education and Care (0-3), which included the provision for childcare centres to start working on their internal quality assurance mechanisms. The Standards and Registration in their entirety are still being implemented during external reviews in childcare centres and during the licensing process. Both documents are in the process of being revised by the end of 2025.
	Implementation of the Childhood Education and Care National Policy Framework for Malta and Gozo (0-7 years).	The policy is based on five Goals: (i) Accessibility; (ii) The Workforce; (iii) Curriculum; (iv) Monitoring and Evaluation; and (v) Governance and Funding. The Directorate for Quality and Standards in Education (DOSE) is responsible for Goal 4: Monitoring and Evaluation, which is still being implemented in the evaluation of childcare centres through external quality assurance mechanisms. The quality mark system through Business Inspections Model has been an important incentive for childcare centres to improve their service and is now in its second year.
	Implementation of the emergent curriculum as part of the Learning Outcomes Framework.	The Learning Outcomes Framework was launched in 2015 and its gradual roll-out in schools started in 2018. Progress is as follows: <ul style="list-style-type: none"> - 2018/2019 – Kindergarten 1 and Years 3 & 7 - 2019/2020 – Kindergarten 2 and Years 4 & 8 - 2022/2023 – Years 1, 5 and 9 - 2023/2024 – Years 2, 6 and 10 - 2024/2025 – Year 11
	The Maltese Social Protection scheme already provides a sound degree of coverage following a short period of employment, in the form of social assistance.	Complementing the Learning Outcomes Framework, focus on the emergent curriculum will enable educators to encourage students' natural curiosity and imagination to build upon students' existing knowledge and skills. This has the potential to improve the education of all students attending early years education in Malta (i.e., childcare, kindergarten, and Years 1 and 2) and also have a lasting effect on these students throughout their lifelong educational journey as it can kindle a thirst for learning and for being independent learners.
	<i>This measure also contributes to Pillar 5: Secure and adaptable employment.</i>	Please refer to Pillar 5: Secure and adaptable employment above.
	Both the increased Carer's Allowance and the Carer's Allowance will be adjusted by the full Cost of Living Allowance (COLA), resulting in a weekly increase of €12.81. This means the increased Carer's Allowance will go up to €173.78 per week, and the Carer's Allowance will rise to €120.68 per week.	In 2025, Carers' Allowance: Carers' assistance will rise by €5.24 per week, reaching €125.92 per week (450 beneficiaries), while the increased Carers' Allowance will also increase by €5.24 per week, reaching €179.02 per week (1,200 beneficiaries).
	The increased Severe Disability Assistance would be equivalent to a net Minimum Wage. Therefore, as a result of the announced increase in the Minimum Wage and the COLA, this assistance will be increased by €17.39 per week. On the other hand, the Severe Disability Assistance will be increased by €12.81 per week and the Disability Assistance by €8.54 per week.	In 2025, the increase in disability assistance will rise by €3.49 per week to €102.62 per week (benefitting approximately 450 beneficiaries). The increase in Severe Disability Assistance will rise by €5.24 per week to €128.15 per week (approximately 3,700 beneficiaries) and the increased Severe Disability Assistance will rise by €7.42 per week to €199.61 per week (benefitting approximately 920 beneficiaries).
	Increasing the Capital means test for Sickness Assistance	In 2025, the limits will be raised by 416 per year, on top of the statutory increases provided annually through the budget (benefitting approximately 800 beneficiaries).
	In the case of beneficiaries who have been eligible for such assistance for at least 5 years	



	upon sanctioning of wills, the capital means test for a single person will be €30,000 and for a married person up to €50,000.	
	Increasing the pay of the Carer's Grant Such increase is also mirroring the increase in the national minimum wage agreed by the Government and the social partners. This will be increased by another €487 per year so that it will now reach almost €5,000 per year. Beneficiaries of Social Assistance shall receive the full cost of living adjustment	The increase in the Carers Grant for families with children with disabilities will be equivalent to half of the net national minimum wage. This grant will increase by another €193, reaching a total of €5,190 (benefitting circa 440 beneficiaries). The Carers Grant will also be paid to parents who are unemployed and have children with disabilities under the age of sixteen, whose condition is considered to be severe).
13. Unemployment benefits	In terms of unemployment benefits, the Maltese scheme provides criteria in order to include also self-employed workers under the scope of unemployment benefits. Special unemployment benefit may be awarded to an eligible person who also qualifies for the unemployment assistance and is the head of household. A higher rate of unemployment benefit is awarded if the registrant also qualifies for the means-tested unemployment assistance. Malta practices a minimum income scheme through the provisions of the Social Security Act (Cap. 318 of the Laws of Malta), with the objective to ensure that nobody falls behind, coupled with the introduction of Active Labour Market Policies (ALMP) for persons who reintegrate in a working environment.	Additional payment for low or middle-income families to help them cope with rising prices. Each family will receive between €100 and €1,500 annually. During 2024, 1,454 persons benefitted from the unemployment benefit.
14. Minimum income	A package of active labour market initiatives that was introduced to make work pay included: - the In-Work Benefit scheme which provides additional income for working parents with children under the age of 23 years. - the Tapering of Benefits Scheme benefitted persons who were in receipt of Social Assistance for at least one year and who enter into a gainful occupation. Throughout 2023, the Tapering of benefits showed an ongoing enhancement, ensuring that beneficiaries would receive an additional 10% of their benefits over the specified three years. Consequently, these recipients maintained a receipt of 75% of the benefit during their initial year of employment, followed by 55% in the second year, and finally, 35% in the third year.	During 2024, 28 persons benefitted from the special unemployment benefit. Please refer to Principle 4 - Active support to employment above.



15. Old age income and pensions	<p>- The employer is paid 25% of the social benefit for the duration of the three years.</p> <p><i>This measure also contributes to Principle 4: Active Support to Employment above and Principle 5: Secure and adaptable employment.</i></p> <p>An additional Cost-of-Living Adjustment (COLA) Mechanism is set to be implemented to mitigate the impact of rising inflation on living expenses. In December 2023, the Government introduced an additional mechanism to the of Cost-of-Living Allowance. This Additional Cost-of-Living Adjustment is adapted according to family income and the number of family members living in the same residence. This benefit ranges from €100 to €1,500 per year, with rates varying based on income and family members. With a view to ensure full benefit take-up, beneficiaries are automatically entitled for the payment through an automated procedure and without the need of going through any application process.</p>	<p>The additional Cost-of-Living benefit was paid to 106,716 households in December 2024. In 2025, there will be an additional payment for low or middle-income families to help them cope with rising prices. Each family will receive between €100 and €1,500 annually.</p>
	<p>Social Regulatory Standards for Residential Services for Senior Citizens Regulations</p> <p><i>This measure also contributes to Principle 18 – Long-term Care and Principle 20 – Access to Essential Services.</i></p>	<p>The aim of these Social Regulatory Standards is to ensure that senior citizens living in residential care homes receive the best possible care and achieve the best outcomes possible in their circumstances. The Social Regulatory Standards define the service providers' responsibilities towards their residents and ensure that service users and their families have information about what to expect when making use of these residential services.</p> <p>Given the increase in such residential services for senior citizens, the Authority introduced these Social Regulatory Standards to ensure consistency in the quality of residential services offered by different service providers.</p> <p>The estimated number of service users is 5,109.</p>
	<p>Social Regulatory Standards for High Dependency Chronic Care Services for Older Persons Regulations</p> <p><i>This measure also contributes to Principle 18 – Long-term Care and to Principle 20 – Access to Essential Services.</i></p>	<p>The aim of these Social Regulatory Standards is to set standards which ensure that persons in residential settings requiring high dependency chronic care services receive specialised assistance to meet their medical and psychological needs. In addition to physical health needs, these Social Regulatory Standards also consider residents' mental, social and personal health, and include Quality Indicators which uphold the basic principles of dignity, privacy, right of choice, security, achievement of personal potential, equality, individuality, and diversity.</p> <p>Through the implementation of these Social Regulatory Standards, all service users in such settings will receive specialised geriatric care which supports their quality of life and will be supported to achieve their goals. For service providers, these Social Regulatory Standards will provide clear guidelines on how they should respect residents' dignity, and provide them with the proper healthcare, social care and personal care.</p> <p>The estimated number of service users is 1,334.</p>
	<p>The Maltese Protection Scheme addresses old-age income and pensions. The scheme has been reviewed in terms of equality of treatment between men and women whereby all gender-based differences in benefit rates have been addressed and amended accordingly. The pension mechanism is reviewed every five years in order to ensure the adequacy and sustainability of the system. The last review has</p>	<p>In total, including the cost-of-living adjustment, each person drawing a pension for retirement, being a widow or widower, invalidity or old age pensioners will be given an increase of €15 per week, or €780 per year. As from 2024, the same indexation mechanism that already applies to those born in 1962 or after will also apply to pensioners born before 1962. As from 2024, there will be a continuation of the process that began in 2022 whereby widowed pensioners will gradually start receiving the full pension that their spouse would otherwise have received if they were still alive. Approximately 7,000 pensioners will benefit from this scheme. These changes are expected to contribute to greater financial security and improved living standards for older persons.</p>



16. Health care	been completed in 2020 and the 2025 pension strategy review is already underway.	This measure will mean that around 17,000 working pensioners will see a total increase of €27 million in their income.
	Adjustment to the tax exemption for active pensioners.	
	In the 2022 Budget, Government announced that over a period of five years, pension income will gradually no longer be considered as part of the taxable income. This was done to encourage pensioners to remain active and continue working beyond retirement age. In light of this, the amount ignored for tax purposes in 2024 was increased again by 20% to 60%.	
	In 2022, a process was triggered whereby widowed pensioners were to gradually start receiving the full pension that their spouse would otherwise have received if they were still alive. This process is ongoing.	In 2024, nearly 7,000 widowed pensioners benefited from this adjustment, receiving an additional increase beyond the general pension rise. Since 2022, widowed pensioners have been receiving incremental increases above the cost-of-living adjustment, with the aim of fully aligning their pension with their late spouse's retirement entitlement by 2027.
	Adding free medicines and treatments by extending the Government Formulary List to include: <ul style="list-style-type: none"> • Medicines for IVF patients • Medicines for asthma sufferers • Medicines for pulmonary fibrosis • Medicines for mental health challenges • Medicines for diabetes and osteoporosis. 	This measure is ongoing and addresses the inflation rate on medicines here in Malta, which is three times higher than the rest of the economy. Furthermore, expensive new drugs put Malta at a disadvantage during price negotiations due to its small market size. Therefore, the Government is addressing the issue and impact of higher medicine prices on the Maltese population.
	Continue in the administration of the COVID-19 booster vaccine, according to the advice of the health authorities. The idea to have this building within MDH has now changed as plans are now underway to locate the new Outpatients building within St Luke's Hospital.	This measure is ongoing and aimed at increasing the coverage rate among the adult population.
The Outpatients new building project at Mater Dei Hospital (MDH) will remain a priority. This project is currently underway. Works in this regard are ongoing and they have now moved on to the Cospicua, Mosta and Floriana Health Centres.		
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This new building is essential for the health sector in Malta to continue to meet the growing demand for outpatient-based specialist services. The new Outpatients will have the highest-level of smart building technology, so that the service given to the patient is the best possible. Through this investment in technology, the service will be more sustainable.		
The expected outcomes of this project include: <ul style="list-style-type: none"> • a reduction in waiting lists for consultations as a result of either the provision of new or enhanced services by the Primary HealthCare or investment in medical equipment that enables correct diagnosis at this setting. • a reduction in morbidity and mortality as a result of the increase in the capacity of health centres and community clinics, and expansion of services to meet the increasing demand for primary healthcare services which reflects the growing and ageing population. • a reduction in socio-economic inequality through increased accessibility to the services offered by the Primary Health Care in Health Centres and Community Clinics. • avoidance of up to 37 amenable deaths per annum through prevention, early detection and timely intervention. • annual cost savings of around €3.7 million owing to the transfer of up to around 116,640 patient visits per annum from MDH to Primary HealthCare. These are visits which correctly take place in MDH but following the holistic overhaul of the Primary HealthCare can take place in the latter setting. The cost saving is a result of the lower cost per consultation visit at the Health Centres when compared to that at MDH. 		
Work in various health centres will remain a priority.		



	<ul style="list-style-type: none"> better management of patients requiring urgent care as a result of the anticipated reduction in waiting time for accident and emergency (A&E) patients. This is by means of offloading from MDH the bottom two tiers of A&E patients, known as Triages 4 and 5, which deal with the least urgent of the medical emergencies.
The introduction of GP Appointment Clinics in Health Centres. This service has started at the Gzira Health Centre, Cospicua and in Birkirkara Health Centre.	This service supports the reduction in patients waiting to be seen by a GP as walk-ins. Consequently, this has a positive impact on the waiting time for service delivery as well as quality of care (the GP appointment clinic slots are scheduled at 20-minute slots dedicated to the holistic management of the patient).
An investment in the extension of the project to build a new blood bank, as well as a specialised centre for the collection of blood, processing and storage of tissues and stem cells. Work is ongoing in this regard, and the new building close to MDH is in construction phase.	This measure is expected to provide up-to-date standards of the highest quality in healthcare, in order to ensure that the services offered to citizens is based on international quality criteria.
The Government is investing in the infrastructure of the A&E Department. A tender for the expansion project at the accident and emergency department at Mater Dei Hospital closed on 14 February 2025.	The demand for Emergency Department services has continued to increase in line with the increase in the local population. Changes are also needed to operate safely in a pandemic situation. This project will also ensure that patients have a one-stop-shop service for the various emergency services offered by the hospital.
Investing in the infrastructure of the Medical Imaging Department	The demand for diagnostic services, as well as interventions using medical imaging, is increasing rapidly. The measure is expected to reduce waiting times, improve diagnostic accuracy, and increase the department's capacity to meet rising demand, thereby enhancing overall efficiency and quality of care.
The main aim of this project is to have a number of administration and non-clinical rooms that have to be relocated to make room for the installation of the 3rd MRI and CT scan together with other facilities required to cater for the increase in demand at the Medical Imaging Department (MID). The evaluation of the call for the Department of Medical Imaging's new infrastructure has been concluded. The contract for design and build was sent to the tenderer and signed.	
Investment in the infrastructure of the Department of the third Cardiac Catheterisation Suite	To date, Mater Dei Hospital (MDH) relies on two Cardiac Catheterisation Suites that have been operational since 2007. Both the demand of the population and the medical guidelines for the treatment of heart emergencies require an investment in this discipline. This project benefits all those who are critically ill and delivers a vital service more promptly.
The "Design and Build" Tender for a third cathlab using FIDIC conditions and environmentally friendly materials and processes closed on 23rd May 2024. There was one submission for this tender, which was evaluated by FMS, but the offer was rejected since it was two million euros over the estimated budget of six million euros. The tender document for the design and build has now been amended by FMS and sent again to the Department of Contracts for vetting. The process for the tendering of X-ray Fluoroscopy machine has also commenced. We are still awaiting from the Department of Contracts to allocate the budget which would be	



17. Inclusion of people with disabilities	later reimbursed (85%) through the Swiss-Maltese Co-operation (Second Swiss Contribution).	This measure benefitted the entire population of the Gozitan island so as to reduce also dependency of certain services on Mater Dei Hospital.
	In 2024, Malta continued to evaluate clinical and medical needs as well as the demand for the provision of services provided by the Gozo General Hospital, both in the immediate term, where important initiatives have already been taken, such as the installation of an MRI machine, as well as over a longer period of years.	
	Remote Patient Monitoring	It is estimated that this measure will result in lower hospital admissions among patients participating in remote monitoring for Type I Diabetes.
	Following the success of a pilot project introduced to regularly and continuously monitor the level of sugar in children under the age of 16 with Type I Diabetes, a decision was taken to roll-out this service to include older age groups. In 2022, the service was extended to include patients up till the age of 21 years. In 2023, the service was extended to include patients up till the age of 23 years. In 2024, the service was extended to include all patients.	
	Access to bilateral hearing aids, where indicated clinically.	Improvements in the quality of life will be seen by those adults who are born with hearing disabilities. It is estimated that around 300 patients suffering from hearing impairment can benefit from this measure each year.
17. Inclusion of people with disabilities	The collaboration with Hospice Malta will be maintained with a new palliative care centre – St. Michael Hospice Centre managed by Hospice Malta with Government financial support. The centre that opened in January 2025 provides day services and inpatient services for persons with chronic conditions needing palliative care, irrespective of the diagnosis.	Current inpatient palliative care services are provided by the Palliative Care Unit in Sir Anthony Mamo Oncology Centre (SAMOC) which offers services only for cancer patients. By means of the new St. Michael Hospice Centre, the total palliative care bed number in the country will double to 32 beds. Innovatively, the centre will provide care to cancer and non-cancer patients needing palliative in-patient care. The service will remain free of charge at the point of care.
	Freedom to Live: Malta's 2021-2030 National Strategy on the Rights of Disabled Persons (hereinafter NDS 'National Disability Strategy')	Efforts addressing NDS Objective 4 are expected to lead to more inclusive and barrier-free public spaces, improved service delivery, and increased awareness and sensitivity among enforcement personnel, ultimately enhancing the participation and independence of persons with disabilities in everyday life.
	NDS Objective 4: Accessibility. The CRPD is currently undertaking Disability Equality Training sessions with the Malta Police and LESA Officers. This is ongoing. Accessibility guidelines, written by an architect, were commissioned by CRPD to draft the Build Accessibility Act.	One of the initiatives under Objective 6 of the NDS aimed towards supporting minors who have siblings with disabilities. A total of 38 minors participated in three groups organised for children who have siblings with disabilities, with each minor attending only one group. For the first time during these sessions, informative meetings were introduced for the parents of the minors attending. A total of 35 parents attended these meetings. The sessions for minor siblings who have siblings with disabilities were also introduced in Gozo, where for the first programme there was a turnout of 10 minors and 10 parents. Support groups for parents who have children with disabilities were held every month. These efforts are expected to enhance the autonomy, confidence, and well-being of disabled individuals and their families, while promoting a more inclusive understanding of family relationships and parenthood within Maltese society.
	This measure also contributes to Principle 20 – Access to Essential Services.	The initiatives under Objective 9 of the NDS are expected to foster greater inclusion and visibility of persons with disabilities in the community, challenge stigma, and strengthen public understanding of the social model of disability.
	NDS Objective 6: Relationships, Family, Sexuality and Parenthood. Through the Family Unit at Agenzija Support, various programmes are provided throughout the year for parents and children with disabilities and their siblings that	The measures which address Objective 10 are expected to strengthen autonomy, choice, and community inclusion for persons with disabilities, while promoting a shift away from institutional models of care toward person-centred, rights-based support systems.



18. Long-term care	focus on positive parenting and necessary support.	
	NDS Objective 10: <i>Living Independently and in the Community, and De-institutionalisation.</i> Discussions continued with Agenzija Support to provide joint community information sessions covering general information and an opportunity to raise awareness about De-institutionalisation. Work also continued on the drafting of the Personal Assistants national legislation related to personal assistance law. The function of Personal Assistants is to provide personalised assistance to individuals with disabilities, enabling and empowering them to lead their lives independently and/or autonomously and to be included in the community. The design and dissemination of a personal assistance user's charter of rights and responsibilities and a generic job description for personal assistants was also completed in 2024.	
	United Nations Convention on the Rights of Persons with Disabilities Act (Cap. 627 of the Laws of Malta)	Provides the legal basis in respect of reasonable accommodation for disabled persons in employment, further to Article 27 of the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD), and Directive 2000/78/EC.
	Persons with Disability (Employment) Act (Cap. 210 of the Laws of Malta)	Latest Jobsplus administrative data as of September 2024 shows that 5,393 persons with registered disabilities are engaged in full-time or part-time gainful employment. This reflects a steady increase since 2015 and the introduction of the 2 per cent quota, up from 2,007 individuals in 2014.
	Amended in 2021 to allow action to be taken against those who failed to comply with the quota and refused to make the required contribution. This quota mandates that employers with more than 20 employees ensure that at least 2% of their workforce comprises persons with disabilities.	
18. Long-term care	Persons who are considered as unfit for work due to their disability/invalidity are awarded a pension according to the number of social security contributions paid.	2,350 persons were in receipt of the national minimum invalidity pension during 2024.
	Phlebotomy Service was extended to all those individuals who cannot leave their homes due to severe mobility problems.	10,700 phlebotomy interventions were made in 2024.
	Improvement of the Home Help Service - Older persons aged 75 and over, living alone, have been provided with an automatic two-hour-a-week service without the need to assess the application. Home visits were made, and service began for identified applicants. This will continue to be done as part of the operation of the Active Ageing and Community Care.	During 2024, 1,197 elderly aged 75+ have been provided with a two-hour weekly service.



Improvement of the Telecare Service: Efforts have been made to make the official application accessible online to the public, thus facilitating the application process.	As end of 2024, a total of 6,005 clients were benefitting from this service (5,832 Telecare service and 173 Telecare on the Move Service).
Kartanzjan: Following the call for expressions of interest which was published for companies, businesses and organisations to submit proposals from which seniors over the age of 60 can benefit, such as percentage discounts on purchases, the said companies, businesses and organisations are continuously contacted to submit proposals to offer discounts from which elderly can benefit. The discounts do not expire unless a business informs three months before that it wishes to end its offer.	Estimated persons over 60: 134,179 individuals.
Increase the number of beds for the elderly in long-term care facilities in Government homes for the elderly and buying of beds from the private sector.	In 2024, the number of long-term care beds were increased by 529 through various buying of beds agreements from the private sector. Total number of beds as at end of December 2024 was 4,105.
Increase the number of day centres and night shelters for the elderly especially those who have the condition of dementia.	As of December 2024, the number of persons with dementia attending Dementia Activity Centres was 22 at Dar Padova, 36 at the Miarfa Centre, 30 at the Safi Centre, and 34 at the Saint Vincent De Paul Centre. In 2024, the Dementia Care Directorate within Active Ageing and Community Care worked with stake holders to establish an updated National Dementia Strategy entitled – Reaching New Heights 2024-2031. This strategy was open for consultation and was finalised in February 2024. The strategy emphasises the need to continue investing in Day Care Centres for persons with dementia. In the later part of 2024 transport services were introduced in Miarfa and Safi Dementia Activity Centres (DACs). The Directorate is working to open a new DAC in the central area of Malta to complement the existing centres.
Extension of the Silver T service, which transports elderly people free of charge to their own locality.	In 2024, Active Ageing and Community Care collaborated with Fgura, Marsa, Isla and Valletta Local Councils and opened new Active Ageing Centres in these localities. In the meantime, AACCC continued with discussions with other local councils to be able to provide active ageing opportunities to older adults. 800 elderly benefitted from this service in 2024 and a total of 57,527 trips were made.
Training on 'Vulnerabilities in Older Adulthood' was held for the Handyman and Home Help employees within the Active Ageing and Community Care. This training focused on how the employees can be more sensitive to certain aspects and to be able to refer elderly persons for professional help.	Training for staff performing duties at the Active Ageing Centres is ongoing and during 2024 various training sessions were held on a regular basis as regarding food handling, first aid and firefighting. Hospice provided training to all Community Nurses to assist clients receiving Palliative Care in the community. Healthy eating programmes were held by Dietitians in various Active Ageing Centres and Residential Homes. Seminars regarding financial abuse and fraud were organised for elderly in residential homes, in the community, and for professionals as well. In 2024, Active Ageing & Community Care took part in 72 TV/radio slots and 127 community talks were held in local councils, Active Ageing Centres and/or NGO's.
Other specialised training was given to employees working in Active Ageing Centres and residential homes for the elderly, in collaboration with the University of Malta, about 'Enhancing Work with Older Adults using Applied Arts'. Thus, employees in Active Ageing Centres and Residential Homes were trained on how to use the arts to keep the senior citizens active.	



In collaboration with the Richmond Foundation, training on 'Mental Health First Aid' was provided to a number of employees working in direct contact with older persons – most of the employees work with the Dementia Intervention Team.	
In 2023, the Dementia Care Directorate developed a training programme for officers working with people with dementia. The training programme 'Introduction to dementia care' provides an insight into dementia care practices and topics related to caring within a residential care setting.	
As of 2025, the Carer at Home scheme has been further extended, with the benefit increasing by an additional €500, bringing the total annual allowance to €8,500.	By the end of December 2024, 1,131 beneficiaries were receiving support under this scheme.
Social Regulatory Standards for Residential Services for Senior Citizens Regulations.	With effect from January 2025, around 1,131 beneficiaries employing full-time carers will be paid €708.33 monthly (€8,500 per year). This will also be reflected pro-rata for those beneficiaries who employ a carer for less than 40 hours per week.
Social Regulatory Standards for High Dependency Chronic Care Services for Older Persons Regulations.	Please refer to Principle 15 – Old Age Income and Pensions above.
Social Regulatory Standards for Community-Based and Outreach Services Regulations.	Please refer to Principle 15 – Old Age Income and Pensions above.
<i>This measure also contributes to Principle 20 – Access to Essential Services.</i>	These Social Regulatory Standards are intended to set guidelines for service providers which ensure that all persons making use of a community service receive high quality, timely and a client-centred service. Services offered in line with these Social Regulatory Standards will ensure that vulnerable persons are supported to achieve their goals and to progress in life, by assisting them to develop new abilities.
	For service providers, these Social Regulatory Standards set out indicators which need to be met in order to ensure efficient and accountable community-based and outreach services whilst ensuring the rights, protection and empowerment of community members in fulfilling their potential.
	By the end of 2024, the Older Persons Standards Authority was established (Cap. 640) to regulate and uphold standards for residential services, geriatric facilities, and other services catering to older persons. The Authority ensures that service providers, whether public, private, or independent entities, adhere to established regulatory requirements. It is responsible for setting quality benchmarks, overseeing compliance, and investigating complaints against service providers. Additionally, the Authority exercises its legal powers to enforce regulations, safeguard the well-being of older persons, and enhance the overall quality of geriatric services.
	Service users will have a better quality of life. This could also empower service users to be autonomous and have control over their own life with the intention of being able to move on from the service. Respect will make them more likely to engage with the service. A holistic, respectful and dignified approach to care will enable the self-respect of the person while recognising their capacity and ambitions in their life.
St Vincent de Paul is committed to organise and open more outpatient clinics.	In 2024, SVP out-patients services provided care to a total of 23,736 older persons. Appointments covered a wide range of specialties, including Cardiology, Dermatology, ENT, Gastroenterology, Geriatrics, Gynecology, Neurology, Ophthalmology, Osteosarcoma, Pain Management, Phlebectomy, POCT, Surgery, Psychiatry, and Podiatry. SVP is also providing a national ophthalmic screening programme.
St Vincent de Paul is planning a new Renal Unit.	Plans are in place to open a new Renal Unit, including space for new 18 haemodialysis machines.
St Vincent de Paul opened a new intermediate care ward.	The intermediate care pilot project is in place, and Narcis Ward has received the necessary license to operate as a step-up care hospital. Admission protocols have been defined through collaboration with AAC and primary care, with SOPs fully implemented. On 6 December 2024, SVP marked a milestone by admitting the 100th patient to this unit. This pilot project aimed to care for older persons patients who otherwise would have been admitted to acute care hospital. Given the success of this pilot project, SVP is aiming to open a new block with 300 beds.
St Vincent de Paul increased the number of long-term care beds.	During the past years, apart from refurbishing all the wards, SVP increased the number of beds by means of the development of Ruzar Biffa Complex and 4 new blocks. These two major expansions increased the number of beds by 500.
St Vincent de Paul developed a new Digital Imaging Unit.	A new Digital Imaging Unit for diagnostic purposes was recently opened, including the procurement of Xray machine and ultrasound. All services are part of the national health system and are available for free.



19. Housing and assistance for the homeless	St. Vincent de Paul opened a new Dementia friendly Garden and a Therapeutic Farm.	<p>Around 20,000 square meters of open spaces have been converted in a new dementia-friendly garden and a Therapeutic Farm. The aim of these two projects is to provide SVP patrons, their visitors and general public more opportunities to spend time together, including time with friendly animals. The initiatives are in line with SVP's commitment towards holistic care and other projects already in place such as Pet and Animal therapies. Research shows that structured contact with animals or spending time in a garden can on one hand increase level of the stress-reducing hormone oxytocin and on the other decrease levels of the stress-inducing hormone cortisol. Moreover, these areas are promoting intergenerational and reminiscence activities.</p>
	St Vincent de Paul offers training to formal and informal carers.	<p>The Dementia Care Practice course began in Q4 2023, with nine students successfully completing the course. A new session started in Q1 2024, involving 20 staff members from SVP. In addition, training in de-escalation techniques was delivered in Q1 2024, with two sessions conducted, totaling 24 participants. Moreover, over 100 informal carers received training to keep on supporting their loved ones in the community.</p>
	The construction of 1,700 new social accommodation units in 13 sites around Malta.	<p>This measure is expected to reduce the waiting list for social accommodation. In 2017, which signals the commencement of this measures, the waiting list for social accommodation stood at 3,288 applicants. By the end of 2024, the waiting list for social accommodation stood at 1,679 applications. To further reduce this figure, in 2024 the Housing Authority has inaugurated a total of 392 new units in several different localities, whilst many other are still under construction at various stages of implementation. As of February 2025, there were 1,260 properties leased to the Housing Authority from the private sector under the scheme 'Nikru Blex Nassistu'.</p>
20. Access to essential services	The development of specialised accommodation pathways, in collaboration with non-governmental organisations operating in the third sector, following international design competitions co-organised with the Chamber of Architects, for persons receiving specialised care from professionals.	<p>Nine previously derelict public edifices were rehabilitated, housing around 50 persons receiving acute social care by professionals. Moreover, 'Dar Bla Hitan' and 'Dar Tereza' were recently opened in collaboration with their relevant NGOs, to assist the communities that they cater for.</p>
	The reform of the various laws regulating private residential leases entered into prior to the 1 st of January 1995, wherein tenants were in danger of eviction due to various European Court of Human Rights decisions nullifying the protection granted by these national laws. Following the reform, tenants were granted security of tenure provided that a reasonable increase in rent was paid to the landlord, with free legal assistance provided to vulnerable tenants by the Housing Authority.	<p>By the end of 2024, 1,640 beneficiaries were benefitting from the Pre-1995 Rent Subsidy Scheme, with the Housing Authority's expenditure amounting to €7,301,315. In addition, the Housing Authority also offers free legal services and support for tenants facing court cases.</p>
	MFSA is strongly committed to promote the protection and education of consumers of financial services, in line with the European Supervisory Authorities (ESAs) objectives to promote financial education.	<p>The MFSA is actively implementing a series of ongoing initiatives to promote financial literacy and consumer awareness across various segments of society. These include visits to local schools, appearances on television and radio, and targeted consumer awareness campaigns on key financial topics. The Authority is also participating in the Public Services EXPO, with its stand focused specifically on financial literacy, and is delivering talks within local councils as well as to parents and school teachers. These efforts aim to reach a wide audience, from school-aged children to older adults, fostering greater understanding and engagement with financial matters.</p>
	Free Public Transport.	<p>With effect from 1 October 2022, holders of a personalised Tallinja Card can travel for free on Day Routes, Night Routes and Special Services, with the aim of further enhancing the use of collective transport and incentivise scheduled public transport usage.</p>
		<p>With the introduction of the Free Public Transport measure, an increase in the number of passenger levels has been experienced whereby in November 2022 the number of passengers carried matched that of November 2019, and in December 2022 the number of passengers carried actually surpassed those of December 2019 (by over 2%). In 2023, 67.3 million passenger trips were recorded, marking a 36.6% increase compared to the previous year and a 17.1% rise over 2019, which was previously a record year. The upward trend continued in 2024, with 75.8 million passenger trips, representing a further growth of 12.7% over 2023 figures. The number of passengers using the Personalised Tallinja Card (and thus benefitting from Free Public Transport) increased from 275,215 in 2023 to over 309,300 in 2024, reflecting a 12.4% growth.</p>



Digital transformation of the Maltese Ship Register and its ancillary services.	<p>The digitalisation of the Malta Ship Register shall contribute towards the promotion and higher take-up of eGovernment services by making the Ship Register fully digital, thus making ship registration services more accessible, simple and transparent for citizens to make use of. The project shall also contribute towards making Government services accessible through mobile devices, allowing the re-use of public sector information, extending government transparency, as well as stimulating greater collaboration between international partners, Government, local enterprises and citizens. Through the digitalisation of the Ship Register, citizens and organisations will be able to transact securely with Government for any ship registration-related services through the introduction of online forms, e-payments and e-invoicing. The Ship Register Digital platform will adhere to Government policy for e-services including 'once-only-principle', and 'service-personalisation'. Through the introduction of Maritime Analytics, the decision-making process shall be supported and facilitated through the easier identification of gaps and opportunities.</p> <p>As at end of December 2024, 460 beneficiaries were benefitting from the 'Helper of your Choice' scheme.</p>
As from January 2023, the subsidy rate of the 'Home Helper of Your Choice' scheme increased from a subsidy of €7.00 per hour to €8.00 per hour, thus incentivising older people to choose their helper.	
United Nations Convention on the Rights of Persons with Disabilities Act (Cap. 627 of the Laws of Malta).	Provides the legal basis in respect of access to such services by disabled persons further to Articles 9, 11, 13, 19, 20, 21, 26, 28 and 30 of the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD).
Freedom to Live: Malta's 2021-2030 National Strategy on the Rights of Disabled Persons (hereinafter 'National Disability Strategy') – Objective 4: Accessibility.	Refer to Principle 17 – Inclusion of People with Disabilities above.
National Disability Strategy – Objective 12: Disaster Risk Management and Reduction.	Meetings have been held with the Emergency 112 team to pass on information from the CRPD database during the emergency call. Better information should be provided on who is requesting assistance in an emergency to enable the 112 service to dispatch appropriate assistance. The CRPD has been included in a group that will look at issues that need to be addressed in an emergency situation. This training is already provided to emergency service providers as DET training is tailored to meet the needs of trainees.
While traditionally understood as preparing for and providing for contingency during phenomena such as natural disasters, this area equally covers any other kind of emergency, and was most recently felt during the COVID-19 pandemic, and the effect it had on disabled persons everywhere, including in Malta. In this respect, aside from Malta's obligations in terms of the Convention, cited in the text of the Objective, its obligations in terms of the UN's Sendai Framework are also cited and must also be adhered to.	
The NCPE investigates cases of alleged discrimination in the access to goods and services as part of its remit.	In 2024, the NCPE received eight complaints on alleged discrimination with respect to goods and services: one on the ground of gender, four on the ground of race and ethnic origin, two on the ground of age and one on alleged sexual harassment.
The Energy Benefit to the most vulnerable in society. This entitlement consists of a direct deduction from the Water and Electricity bill.	In 2024, 13,094 families received help with part of their electricity and water bills, while 10,120 families got assistance to cover part of their rent for these services. 10,120 families benefitted from both programmes at the same time, and 92 charitable organisations also receive the Energy Benefit.
Water fountains in all state schools.	Water fountains have been introduced in all State Schools so that staff and students have good drinking water available all day.
Free school transport to all students.	<p>All students who attend compulsory education at a nationally licensed school are eligible for free school transport provided by the Government of Malta. The service entails of a morning inbound trip to school and an afternoon outbound trip. The said service is governed via two contracts namely: (i) a contract for state school transport; and (ii) another contract for students attending non-state schools (Church Schools and Independent Schools). Both contracts were signed in 2018 and are up and running to this date.</p> <p>The service is regulated by a school transport policy which stipulates the eligibility criteria:</p> <ul style="list-style-type: none"> - Students reside within a walking distance of more than 1km from school; - The school being attended is a registered and licensed school by the ministry responsible for education; - Student attends a compulsory school age, that is, between Kindergarten 1 and year 11.



<p>Online hub in the Msida Adult Learning Centre, for persons who either lack the technology or knowledge to access online courses.</p>	<p>Please refer to Principle 1 - Education, Training and Life-long Learning above.</p>
<p>Fast Ferry service – A Fast Ferry Service has been implemented between the islands of Malta (Grand Harbour) and Gozo (Mgarr). The two operators servicing this route have joined their services and work on an established new schedule with predetermined prices. The importance of the service has been widely recognised and the Government has continued to invest in making it attractive by providing a subsidy to the operators to ensure its viability and maintain it in place.</p>	<p>The fast ferry is an investment towards more efficient and cleaner mobility, which encourages the use of public transport by the public. Additionally, this service shall improve connectivity between the two islands.</p>



Annex 8

Reporting on SDGs: Description of Main Forward-Looking Measures and their Estimated impact

SDG 1: No Poverty	List of main contributing measures	Estimated impact of the measures (qualitative and/or quantitative)
SDG 1: No Poverty	An additional €8 per week, or €416 annually, for pensioners, including the cost-of-living increase.	This initiative, with a budget of €91.8 million, is expected to assist approximately 101,233 pensioners.
	Adjustment to pensions for those born before 1962 whose salaries would exceed the Maximum Pensionable Income of €23,500 if they were still employed.	This initiative, with a budget of €13 million, is expected to assist approximately 26,000 pensioners.
	Additional increase in widow/er's pensions by approximately €3 per week, in addition to the overall increase of €8 per week.	This initiative, with a budget of €1.2 million, is expected to assist approximately 7,500 pensioners.
	Adjustment of the cost-of-living bonus for pensioners.	This initiative, with a budget of €7.5 million, is expected to assist approximately 58,000 pensioners.
	Service pensioners will once again see the portion of their service pension that is not taken into consideration for the purposes of the social security pension assessment increase by a further €200, bringing the total to €3,666.	This initiative, with a budget of €1.7 million, is expected to assist approximately 8,464 pensioners.
	Benefits for service pensioners for all individuals at the age of 72. The total amount calculated from the service pension will no longer be considered when assessing the social security pension.	Approximately 240 pensioners will benefit from this measure.
	Bonus improvements for persons who do not qualify for a pension. The bonus rates will now be determined based on the actual number of social security contributions paid. The bonus will range from €550 for those with up to 1 year of contributions to €1,000 for those with up to 9 years of contributions.	Approximately 16,000 beneficiaries are expected to benefit from this initiative with a budget of €3.2 million.
	Increase in the Children's Allowance by an additional €250 per child, regardless of family income.	42,000 families with 63,000 children are expected to benefit from this initiative with a budget of €9.9 million.
	Increase in the Children's Allowance as the amount of social security contributions paid from parents' income and the amount of income tax paid will be disregarded.	This measure would increase financial support for families by raising the Children's Allowance, as parents' social security contributions and income tax would no longer be considered, helping to reduce financial pressures.
	New bonus of €1,500, for childbirth or adoption, for each third child or more in the family.	Around 580 families are expected to benefit from this initiative with a budget of approximately €290,000.
	Additional cost-of-living mechanism for low and middle-income persons and families with an annual payment ranging from €100 to €1,500.	This initiative, with a budget of approximately €48 million, is set to assist approximately 99,000 families.



The Supplementary Allowance for low- and middle-income individuals and families will be increased as follows: (i) the rate for couples will rise by €190, bringing the total to €1,289 per year, (ii) the income limit for couples will be raised to €18,000 per year, and (iii) the rate for single individuals will increase by €69, reaching €667 per year.	This initiative, with a budget of approximately €18 million will assist approximately 22,000 beneficiaries.
The Carers' Grant for families having children with disabilities, which is equivalent to half of the net National Minimum Wage, will be increased by another €193, bringing the total to €5,190 per year.	This initiative, with a budget of €100,000 will impact approximately 500 beneficiaries.
Extension of the First-Time Buyers Scheme to support young people during the critical early years after making this significant investment in their lives, helping to encourage homeownership.	This grant, amounting to €10,000, will be provided over a period of 10 years to applicants who have acquired property. The grant will be disbursed in annual payments of €1,000. It is forecasted that approximately 6,900 beneficiaries will benefit from this scheme.
Extension of the First Residence Scheme to assist first-time buyers complete their homes, offering financial assistance without any income restrictions. The grants aim to partially offset the costs associated with construction, completion, or rehabilitation work.	Owners of first residences, who, due to an increase in the number of family members, need to construct additional rooms or make various alterations to their premises, are eligible for a grant under this scheme. It is forecasted that approximately 375 beneficiaries will benefit from this scheme.
Extension of the Second-Time Buyers Scheme: Second-time buyers will receive a stamp duty exemption on the first €86,000 of their next property purchase.	These exemptions significantly reduce costs, making it easier for second-time buyers to upgrade or invest in a new home.
Increase of the National Minimum Wage by €8.24 per week in 2025, bringing it to €221.78 per week.	All workers who are on the minimum wage will have their wage increased by €8.24 per week.
The cost-of-living adjustment (COLA) for 2025 is €5.24 per week based on a formula established between all the social partners within the MCESD.	The general population will benefit from the cost-of-living adjustment, which will take into consideration inflationary pressures and provide additional financial support.



<p>A reduction in income tax by adjusting the tax bands effective as from 2025 as follows:</p> <ul style="list-style-type: none">• Single Computation: The tax-free threshold increased from €9,100 to €12,000. The 15% tax rate will be applied to income ranging from €12,001 to €16,000. Income between €16,001 and €60,000 shall be subject to a tax rate of 25%. Any income exceeding €60,000 remains taxed at a rate of 35%.• Married Computation: The tax-free threshold increased from €12,700 to €15,000. The tax rate of 15% applies to income between €15,001 and €23,000. For income ranging from €23,001 to €60,000, the tax rate is 25%. Any income exceeding €60,000 remains taxed at a rate of 35%.• Parent Computation: The tax-free threshold increased from €10,500 to €13,000. This means that the first €13,000 are not subject to taxation. The 15% tax rate applies to income ranging from €13,001 to €17,500. Income between €17,501 and €60,000 is subject to a tax rate of 25%. Any income exceeding €60,000 remains taxed at a rate of 35%. <p>Pension income will continue to be exempt from taxation for working pensioners. In 2025, the exemption amount will increase by 20%, raising it to 80%.</p> <p>Provision of the opportunity to invest in Occupational Pension Plans by employers to employees.</p> <p>The Government will contribute to Occupational Pension Plans by matching individual contributions up to a maximum of €100 per month.</p> <p>Tax exemptions for pensioners from age 61 onwards.</p> <p>Increasing widow/er's pensions, so that by 2027, all widowed pensioners will receive the full pension their spouse would have received if they were still alive. The additional increase will average around €3 per week, on top of the overall increase of €8 per week.</p>	<p>The tax-free threshold adjustment will benefit taxpayers through reduced tax liabilities.</p> <p>This measure will benefit working pensioners aged 61 or older.</p> <p>This measure will ensure that future generations will face less financial vulnerability once they are no longer of employment age.</p> <p>This measure will allow for members of the public service to start prioritising their private pension contributions through employer support. This will ensure that future generations will face less financial vulnerability once they are no longer of employment age.</p> <p>This measure will benefit pensioners aged 61 and over.</p> <p>Approximately 7,500 widows and widowers are estimated to be affected by this adjustment.</p>
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	Introducing the Ground Redemption scheme allowing the temporary emphyteusis of properties.	This scheme will enable the temporary leasing of properties eligible for redemption.
SDG 2: Zero Hunger	Establishing a Food Safety Authority for food safety and security.	The establishment of this authority will consolidate all food safety and food security activities, improving effectiveness, efficiency, and coherence in managing food-related matters.
	Change in the method of calculating excise duty on beer from degree Plato to ABV%. New excise rates include the following: <ul style="list-style-type: none"> • Standard beer at €4.60 per HL based on ABV%. • Beer produced by Small Independent Breweries at €2.30 per HL based on ABV%. 	This measure will impact breweries in Malta.
	Reduction in the excise duty on low-alcohol beer produced by small, independent breweries in Malta. The standard rate is of €0.54 per HL based on ABV%.	This measure will have a positive impact on small, independent breweries in Malta.
	Excise duty on small wine producers will be significantly lowered. Local wine producers not exceeding 20,000 HL annually will benefit from a 50% reduction of the current excise duty rate and will pay at €0.1025 per litre. Wine acquired from EU producers not exceeding 1,000 HL annually will also benefit from the reduced rate of €0.1025 per litre.	This measure will have a positive impact on small, independent wine producers in Malta.
SDG 3: Good Health and Well-Being	Enlargement of the Emergency Department at Mater Dei Hospital to enhance the capacity for handling emergency.	This measure, with an estimated cost of €18 million, will reduce patient waiting times and overcrowding while improving the management of critical cases.
	Broadening intensive care services at Mater Dei Hospital to increase the availability of intensive care beds, thereby enhancing the response to severe health conditions.	This measure, with an estimated cost of €8 million, will improve survival rates for patients with life-threatening conditions.
	Development of an Acute Psychiatric Centre at Mater Dei Hospital to enhance mental health care infrastructure, reduce stigma, and improve access.	This measure, with an estimated cost of €47 million, aims to provide increased support for patients with acute psychiatric needs, which ultimately improves recovery outcomes.
	Reduce waiting lists of certain operations through cooperation with the private sector.	This measure will reduce the waiting list at the emergency department at the Mater Dei Hospital.
	Introduction of the Navigator nurse service for patients with haematological cancer to bring a personalised, integrated approach to cancer care both during and after treatment.	This service is expected to assist around 240 patients every year who receive treatment for different haematological cancers.



Strengthening health services through the introduction of a multisensory room at Dar Kenn għal Saħħtek to reach the broadest possible range of patients in the shortest possible time.	This initiative is expected to assist approximately 280 patients each year.
All national screening will be centralised to explore new avenues and increase patients' accessibility further in the community.	This measure will enhance the current services offered to the general public.
Introduction of therapy services for patients affected by specific types of cancer. This measure, with an estimated cost of €1.7 million, involves the introduction of the Gynae-Oncology Brachytherapy Service and the Direct Visualisation Cryo Ablation System. The structural interventions, equipment procurement and service maintenance are necessary to ensure the provision of Gynae-Oncology Brachytherapy Services in Malta.	The introduction of this treatment will reduce overall costs and eliminate the logistical burden for patients.
Introduction of Occupational Therapy Services in the Community for individuals aged 16 and over. The service currently offers 15 sessions per day, five days a week, for 46 weeks, totalling 3,450 sessions each year.	This measure will have a positive impact on those individuals in need of occupational therapy services aged 16 and over.
The Occupational Therapy Service will be available in schools including Maria Regina, St. Thomas More, San Gorg Preca, and Gozo College to more effectively address the developmental needs of children with diverse requirements. The pilot project, which began in September 2023, includes three colleges in Malta and one college in Gozo, focusing on primary schools.	The participating colleges benefitting from this service have a total of 9,204 students, 8,380 students in Malta and 824 students in Gozo.
Continuation of work on the National Diabetes Strategy, 2024-2030.	This strategy, still under development, is expected to benefit approximately 46,396 patients living with diabetes.
Extend funding for mental health first aid programmes in the community and workplaces.	This measure will enhance the current services offered to the general public.
Launch of a pilot project in the community that will be open to interested Local Councils to provide necessary assistance to people close by that require help.	This measure would improve local support by allowing councils to provide targeted help to those in need, strengthening community assistance and accessibility.
Expanding outreach services through video calls and phone calls to increase accessibility to mental health issues.	This measure will enhance the current services offered to the general public.
Prioritising physical exercise and the sport sector in general by covering the first 6 months of membership of a gym for youths born in 2005, 2006 and 2007.	This measure has a target population of 8,000 youths.

Stronger support mechanism for educators is being established in enhancing workplace satisfaction and well-being and thus reducing attrition.	This measure, with an estimated budget of €10,000, is expected to impact around 8,000 educators in state schools.
Renovation and embellishment work in the Żejtun, Mosta and Imtarfa residential homes.	This measure will benefit elderly residents admitted to these residential homes.
Opening of a new Active Ageing Centre in Isla.	This measure will impact all elderly citizens in Isla, who will benefit from attending the Isla Active Ageing Centre.
Extending the support scheme to assist elderly persons requiring motorised beds.	This measure, with an estimated cost of €805,000, will assist all eligible individuals who need to rent a motorised bed or other equipment. Since the scheme began in August 2023, 160 people have benefitted, and to date, 104 motorised beds are being leased.
Continued efforts to implement the new dementia strategy by opening a new centre in the central area of Malta by providing therapeutic day care and respite for family members.	This initiative will impact all families living with dementia in the central part of Malta, who can potentially benefit from this centre.
Investing in the St. Vincent de Paule residence, including the creation of a Renal Unit, to help increase the number of life-saving dialysis machines for patients with kidney failure.	This measure, with a total estimated cost of €8.9 million, is expected to accommodate 18 additional kidney machines, along with all necessary ancillary and support services.
Investing in the St. Vincent de Paule Residence with the acquisition of a new MRI machine to improve access to care by installing a 1.5 Tesla MRI in SVP's Medical Imaging Unit.	Given the national demographic and longevity trends, this machine will complement existing national resources and address the emerging needs of older individuals.
Investing in the St. Vincent de Paule residence with the construction of a new building for intermediate care to create a new Intermediate Hospital, with an expected capacity of approximately 300 beds and 300 parking spaces.	The hospital will provide hospital-based, person-centred care for older adults (60+ years of age) living in the community who require care for acute or sub-acute health challenges that cannot be addressed by community services. The capital cost of the new hospital is approximately €30 million, with a recurrent cost of €24 million per year.
Developing a new ward for psycho-geriatric care at St. Vincent de Paule residence.	The new psycho-geriatric care ward will be licensed to accommodate approximately 20 older individuals. The estimated cost for refurbishment and training is projected to be around €100,000.
Developing a new 18-bed palliative care ward at St. Vincent de Paule residence designed to address the increasing needs of the community.	Specialising in palliative care, the ward will provide personalised care plans tailored to each patient, while ensuring a holistic approach that



		includes support and collaboration with their families. The estimated cost for refurbishment and training is approximately €50,000.
	People aged 75 or older receiving the Supplementary Allowance through the Pink Form will be eligible for more free medicines without the need for a means test.	Approximately 4,000 beneficiaries will benefit from this measure.
SDG 4: Quality Education	Implement a national screening programme for children aged 18 months and older with communication difficulties.	Using a decentralisation model, these services are delivered within the community. In fact, from the total treatment sessions, 44.34% were provided in schools, including both government and church schools.
	A special allowance of €500 will be given to all parents whose children continue their post-secondary education in support of their children's educational journey.	This initiative, with a budget of €5.6 million, will impact approximately 10,500 beneficiaries.
	Students will benefit from a €2.53 increase every four weeks in their stipend, covering a pro-rata COLA increase to help students from diverse, underrepresented backgrounds, as well as those from low-income families, helping them successfully complete their studies.	This measure, with an estimated budget of €500,000, will impact 16,800 students and aims to encourage more individuals to continue their education at the post-secondary, vocational, or tertiary level.
	Continued implementation of the National Education Strategy 2024-2030, aiming to transform the education system for the benefit of all generations.	This measure, with an estimated total cost of approximately €314,000, will impact 4 schools, 3 colleges, their respective communities, and will impact all 12,640 educators.
	Increase the income tax deduction amount for parents who send their children to independent schools. The new deductible amounts will be €3,500 for those who have children in kindergarten, €4,600 for those who have children in primary schools, and €6,500 for students in secondary schools.	There are close to 5,000 families that benefit from these school fees deductions.
	Continue to invest in modernising schools and improve its infrastructure.	This measure, with an estimated cost of approximately €7 million will benefit a target population of 4,242 people.
	Extension of Scholarship programmes to ensure that more high-quality scholarships in Science, Technology, Engineering, Arts and Mathematics (STEAM), Environment, Education, and Health are awarded.	Around 500 individuals are impacted as direct applicants to the schemes.
	Provision of a home library with a value of €150 to support children coming from disadvantaged backgrounds. Providing home libraries to children whose families fall under Scheme 9 addresses their disadvantage of being less likely to have access to books at home.	Access to books in the home contributes towards educational achievement. This measure, with an estimated cost of approximately €300,000, will assist around 2,000 families.



SDG 5: Gender Equality	Provision of a grant of €20 to each student in primary, middle and secondary schools to be spent on books at the National Book Fair.	This measure, with a total estimated cost of €678,000, will impact around 31,250 students between the ages of 5 and 16.
	Strategic measures to strengthen research, innovation and social inclusion through the National STEM Community Fund, thus empowering NGOs, schools and Local Councils to carry out STEM projects to enhance their communities. It makes STEM more accessible to citizens, and can inspire them to further use, study or work in STEM.	The measure, with an estimated cost of approximately €100,000, will impact around 100 people per project. With the increased funding, it is anticipated that at least 8 projects will receive funding, with a total of 800 people expected to benefit from such projects.
	Extension of the Get Qualified schemes, an initiative that supports the personal development of individuals for the achievement of qualifications and certifications required by industry.	This measure assists in promoting life-long learning, enhancing the country's human resources, and strengthening the skills of the workforce.
	Under the Higher Educational Qualifications schemes, a tax exemption on employment income may be claimed by a tax credit.	This measure will impact individuals who have not reached 40 years of age on the date of commencement of the course and who successfully complete a PhD, Master's Degree or Post Graduate Diploma (MQF level 7 or 8).
	Investment in the skills of public sector employees through continuous training to deliver efficiently and effectively.	This measure will possibly impact all public service and public sector employees as IPS will provide training related to various areas. Apart from the individual benefits for employees receiving training on areas and skills related to their line of work, the Public Administration will benefit from a better skilled and trained workforce.
	Strengthening reforms that support the National Strategy and Action Plan for Equality in combating gender-based violence. As part of this initiative, the Commission on Gender-Based Violence and Domestic Violence (CGBVDV) will develop a research plan aligned with the priorities outlined in the National Strategy on GBV & DV (2023-2028). The training provided to service providers and prosecution officers in recent years will be assessed, and any training gaps will be addressed in collaboration with the Inter-Ministerial Committee overseeing the National Action Plan.	This initiative, with a total budget of about €125,000, aims to inform policy formation, raise awareness, provide training programmes for professionals, and strengthen service provision and support structures.
	Strengthening of reforms that positively impact the National Strategy and Action Plan for Equality against domestic violence to establish effective approaches for the 16 Days of Activism campaign in 2025.	Through this measure, with a total budget of about €565,000, CGBVDV shall carry out an evaluation of the 16 Days of Activism awareness-raising campaign implemented in 2024. In 2025, CGBVDV shall develop and implement two thematic campaigns in Q2 and Q3 on GBV and DV, in line with the National Strategy on GBV and DV (2023-2028), and the 16 Days of Activism national awareness-raising campaign in Q4.



SDG 6: Clean Water and Sanitation	Development of a national plan for irrigation water management.	The initiative will improve water accessibility for farmers and provide assistance in their adaptation to climate change.
	Extending the water purification equipment scheme for 2025.	This scheme has the potential to impact approximately 1,600 households in Malta and Gozo.
	Investment in upgrading a high-quality water supply network.	Through this investment, totalling €16 million, approximately 20 km of the water supply network will be replaced to improve the water quality for customers served by this network.
	Continuation of works on the production of the New Water for safe crop irrigation.	Works, amounting to €26 million, will continue to provide better access to reclaimed water as an alternative to groundwater abstraction in agriculture. This project will be extended to cover Malta Southwest area.
	Upgrading a number of existing sewage networks across Malta.	This investment, with a total allocation of €45.9 million, will improve the Ċumija wastewater treatment plant capacity of the North agglomeration to meet future demand in the northern region of Malta. It will also strengthen the St. Paul's Bay to Xemxija sewer network, upgrade Marsa's Triq Diċembri Tlettax sewer network, and eliminate sewage overflows in Triq is-Sajjeda and il-Menqa.
SDG 7: Affordable and clean energy	Allocation of financial incentives to restore old house wells.	The scheme has the potential to impact 80 households with a budget allocation of €80,000.
	Schemes for renewable energy: Installation of photovoltaic panels.	This measure has the potential to impact approximately 1,300 households around Malta and Gozo, for PVs, and 110 households for batteries with a budget allocation of €4.1 million.
	Schemes for renewable energy: Installation of energy battery systems.	This measure has the potential to impact approximately 1,300 households around Malta and Gozo, for PVs, and 110 households for batteries with a budget allocation of €4.1 million.
	Schemes for renewable energy: Installation of heat pump water heaters.	This measure, with a budget allocation of €1.8 million, has the potential to impact approximately 1,250 households interested in installing pump water heaters, solar water heaters, and water or electric heaters with panels.
	Schemes for renewable energy: Installation of solar water heaters.	This measure, with a budget allocation of €1.8 million, has the potential to impact approximately 1,250 households interested in installing pump water heaters, solar water heaters, and water or electric heaters with panels.
	Schemes for Renewable Energy: Incentives for the private sector to develop large renewable energy installations.	This measure has the potential to allocate 8MW for systems less than 40KWp, 15MW for systems between 40KWp and less than 1MWp and 38MW for systems of 1MWp and over.

Investment in renewable energy sources by harnessing wind energy.	This investment, amounting to approximately €1 billion, will increase the share of locally produced renewable energy, thereby further reducing GHG emissions from local power generation.
Investment in renewable energy sources by developing solar projects in our territorial waters.	This measure has the potential to allocate a capacity of 50MW.
The second Malta-Sicily interconnector will enhance network stability, contributing to energy security, resilience, and a more diversified energy mix. This €300 million investment is a key step in the country's transition to climate neutrality, aligning with the objectives of the EU Green Deal and the REPowerEU initiative.	This project will reduce GHG emissions from local fossil-fuelled power plants and facilitate the increased importation of electricity sourced from renewable energy.
Investing in mass energy storage through onshore batteries to further support the increased penetration of local renewable energy sources.	This investment, amounting to €47 million, will enable a more efficient and flexible operation of the electricity grid, reduce congestion, and facilitate the increased integration of renewable energy sources (RES), as well as the optimisation of the energy mix during periods of excess RES and peak demand. Based on the project's cost-benefit analysis (CBA) and assuming an economic lifespan of 15 years, the total potential CO ₂ savings attributed to the measure amount to 281,746 tonnes.
Developing a national policy to promote more renewable energy projects.	This national policy will positively impact the offshore renewable energy market and electricity consumers in Malta.
Conducting preliminary market consultations on offshore renewable energy.	These preliminary market consultations will positively impact the offshore renewable energy market and electricity consumers in Malta.
Continuation on the third phase of works to strengthen the lighting infrastructure across Malta.	This measure will impact the general public.
Extending the scheme for purchasing new electric vehicles and motorcycles from a maximum of €2,000 for motorcycles up to a maximum of €8,000 for cars and small vans.	This measure aims to accelerate the adoption of electric vehicles (EVs) in Malta, thereby contributing to a reduction in greenhouse gas emissions and improving air quality. Increased EV usage can decrease reliance on imported fossil fuels, supporting Malta's environmental objectives and promote a more sustainable transport ecosystem.
The Scheme for the purchase of new electric vehicles and pedelecs includes a scrappage scheme intended to provide further financial support amounting to €1,000 for cars and vans, to applicants who, while purchasing and registering a new electric vehicle or pedelec, scrap their old vehicles. An additional €1,000 financial grant applies for scrapping old vehicles registered in Gozo. Exemption from registration tax and from payment of the annual road licence fee for electric and plug-in hybrid vehicles.	These initiatives are part of the Government's efforts to strengthen actions towards increasing the uptake of electric vehicles through various measures and to reduce the transport sector's carbon footprint.



SDG 8: Decent Work and Economic Growth	Extension of schemes consisting of a grant equivalent to a full refund of VAT paid on bicycles and electronic bicycles. Scheme which incentivises the purchase of bicycles assisted by an electric motor. Grant for those who convert their vehicle to run on gas instead of petrol.	These initiatives are part of the Government's efforts to strengthen action towards the adoption of more sustainable modes of transport, leading to reduced traffic congestion, and lowering the transport sector's carbon footprint. Furthermore, the use of cleaner fuel alternatives and non-motorised transport contributes to improved air quality.
	Scheme to promote converting petrol or diesel vehicles to electric vehicles.	This measure is part of the Government's efforts to strengthen actions towards reducing the transport sector's carbon footprint.
	Renewal of the 'Irrinova Darek' scheme, which aims to assist low- and middle-income families in renovating their homes with more sustainable and energy-efficient solutions. The scheme also helps to makes energy performance improvements more affordable and contributes to broader environmental goals by reducing energy consumption and lowering utility costs.	This four-year programme aims to improve approximately 6,250 homes, aligning with national renovation targets and long-term energy efficiency strategies. This measure is also part of the Government's efforts to strengthen actions towards increasing accessibility and social inclusion.
	Adoption of the 'Equal Pay for Work of Equal Value' law.	Employees of subcontractors working at a user, undertaking work in the private sector will receive the same pay as employees of the user undertaking performing equivalent tasks.
	Works at the Aquatic and Sports Centre in Victoria, Gozo, are near completion, and the complex will start operating in the second quarter of 2025. This project will promote healthy living and enhance the well-being of citizens of all ages	Aquatic sports groups and the general public will benefit from this initiative on the island of Gozo and will boost sports tourism in Gozo by hosting water sports tournaments and other related activities.
	A grant of €150 given to workers who work atypical hours in certain sectors. The atypical In-Work Benefit is provided to employees who work shifts on weekends or after 6pm, with an annual income (main emoluments) not exceeding €25,000. The industries covered include accommodation, food services, manufacturing, transport, storage, and wholesale and retail trade.	This measure, with an estimated budget of €7 million for 2025, will have a total cost dependent on the number of applicants who meet the eligibility criteria. It serves as a recognition of employees' hard work and acknowledging their efforts throughout the year.
	Extending the concession on a reduction in stamp duty from 5% to 1.5% when family businesses are transferred inter vivos to the children and younger generations.	Through this measure, individuals transferring their family business to children and younger generations will benefit from a reduction in stamp duty.
	Continuation of the implementation of the Malta Strategy for Financial Services.	This measure is an integral part of the long-term strategy for Financial Services in Malta whose impact is expected to strengthen the sector and employment within it.
	Developing legislation to further strengthen Malta's attractiveness in the field of financial services, including family offices, the rental of aircrafts, Fintech, AI, and Limited Partnerships.	This measure is an integral part of the long-term strategy for Financial Services in Malta, whose impact is expected to strengthen the sector and employment within it.

Extension of the Highly Qualified Persons Rule measure.	The Highly Qualified Persons Rule has been launched in order to recruit the highest qualified professionals available worldwide, as a measure to attract top talent and skills in the financial services, remote gaming and aviation sectors.
Direct investment in athletes and sports.	This measure, with an estimated cost of approximately €1 million, will impact around 1,000 Maltese athletes annually.
Support to athletes and sportspeople through the assistance of Sport Malta to the Maltese Olympic Committee, so that athletes and sportspeople can continue with their professional training both locally and abroad.	This measure, with an estimated cost of approximately €1 million, will impact over 1,000 Maltese athletes annually.
Ensure the continuation of work on the National Motorsport Centre project.	This measure will impact the 700 members registered with the Malta Drag Racing Association, as well as over 6,000 other drag racing enthusiasts, and tens of thousands of car enthusiasts who have an interest in the completed track.
Establishment of an OHSa centre in Gozo to serve as an extension of its current operations in Malta, aiming to foster a safer working environment for Gozo's industries. The primary goal of this hub is to provide Gozo businesses and workers with direct access to localised Occupational Health & Safety (OHS) resources and expertise.	This initiative aims at raising awareness and promoting preventive measures related to workplace safety on the island, ensuring compliance with national and EU OHS regulations in Gozo. The expected outcomes of this measure include a tangible reduction in OHS-related incidents in Gozo's workplaces, increased awareness and application of safety standards by employers and employees, improved access to OHS services and information for Gozo businesses, and the development of Gozo as a model for workplace safety within Malta.
Creation of an official register by OHSa which compiles a list of experts in the Health and Safety sector based on their qualifications and experience. OHSa plans to have two registers: one for professional practitioners who have acquired a degree-level education in Health and Safety, and another for practitioners with a lower level of education, holding a minimum of 60 ECTS. This will ensure that listed practitioners continue their professional development by attending courses and seminars, keeping them up-to-date with new technologies and practices.	The introduction of this measure will help address the negative impact of unqualified project supervisors in health and safety matters, raising standards in the construction industry and enabling clients to identify and appoint competent project supervisors.



Work will continue on the integration of the skills pass in the hospitality industry to improve service quality in restaurants and hotels for both locals and foreign tourists. The introduction of obligatory training and assessments are now compulsory for an applicant and part of the Identity Single Permit Application process. This benchmark, which was introduced in 2024 and is to be rolled out completely by 2026, facilitates access to skilled employees in the hospitality and tourism industry.	The aim of this measure, which amounts to approximately €3.5 million, is to ensure a quality level for EU/Non-EU employees in the hospitality and tourism industry as well as to introduce quality access through rigorous assessments in the basic knowledge, skills and attitudes needed in the hospitality and tourism industry. The introduction of this measure guarantees quality employment in the hospitality and tourism industry in Malta, thereby attracting skilled TCNs, EU and Maltese citizens to the industry.
Development of the infrastructure for the Digital Identity Wallet.	This measure will make it easier to access digital public services (nationally and across borders) whereby citizens and residents can securely identify and authenticate themselves. It will also contribute to the protection of personal data as it gives control to the users and increases transparency on who is requesting access to the data. Moreover, it will improve security, facilitate the uptake of digital services, and enhance fraud prevention.
Continuation of work in the San Ġwann industrial estate to create facilities that will house laboratories and workspaces for companies involved in light industrial activities.	This measure, with a budget of approximately €41 million is aimed towards the development of a dedicated building that will provide Class-5 industrial workshops, offices, and laboratories, along with multi-level parking facilities for industries related with life sciences.
Continuation of work on the incubation centre in Hal Far.	This measure, with a budget of approximately €31 million, aims to provide offices, lab spaces, and industrial areas to support the growth and establishment of SMEs and enterprises, encouraging them to expand their product and service offerings within a collaborative environment.
Work on an SME Park in Hal Far, designed for small and medium businesses.	This measure, amounting to approximately to €35 million, is set to benefit several sectors, including the traditional garage-type industries such as mechanics, marine mechanical services, carpentry/woodworks, aluminium works, metal/wrought iron works, panel beaters, and sprayers amongst others, through the development of an industrial complex.
Introduction of a visa for esports athletes to further demonstrate Malta's commitment to being a global hub for gaming and esports, attracting international events and investments.	This measure aims to foster talent through a visa that promotes the seamless mobility of esports professionals, enabling Malta to attract world-class talent in gaming and esports. By easing entry for skilled athletes and professionals, the visa supports the growth of the gaming sector and the economy of Malta. It is expected that this measure will contribute towards the achievement of the KPI target of 1.0% of GDP by 2030 relating to both the video game and esports sectors set by the Government.



SDG 9: Industry, Innovation and Infrastructure	Investment in the working conditions of public sector employees by continuing to conclude important collective agreements.	Employees within the Public Administration will continue to benefit from improved working conditions and competitive salary packages comparable to those in the private sector.
	Implementation of a digital and integrated IT system for tax and customs.	Once the Integrated Tax and Customs Automated System is in place, MTCA will increase its efficacy through increased revenue collection and reduced tax evasion, faster and more transparent tax and customs processing, enhanced compliance monitoring and fraud detection, improved trade facilitation and ease of doing business, and reduced manual paperwork and operational inefficiencies.
	Through the Cancer Research and Innovation Hub Malta (CRIHM), a number of projects are being carried out to advance cancer research and treatment in Malta by bringing together leading researchers in a single hub.	This measure, with an estimated total cost of about €1 million, will support 6 projects involving approximately 20 researchers. It will also include roadshows with a van for the general public, reaching approximately 2,000 people.
	Through the Foundation for Information Technology Accessibility (FITA), organisations are being guided to provide support to disabled individuals and senior citizens in overcoming or removing barriers to education and employment through ICT.	Empowering and integrating disabled persons and senior citizens will help them rely less on family and state support. Ensuring that the necessary steps are taken to minimize the digital divide through strategic measures enables individuals to contribute productively to society and the economy. This measure, with an approximate cost of €250,000, will assist up to 1,200 clients, including persons with disabilities and the elderly.
	The R&I FUSION Programme, a national funding programme that drives and supports local Research and Innovation (R&I), as well as providing the necessary support for researchers and technologists to turn their innovative ideas into a market-ready reality. FUSION is supported through local funds and is managed by the Malta Council for Science and Technology (MCST) as the Managing Authority. The main objectives of FUSION are: to raise the level and profile of locally funded research; to ingrain R&I at the heart of the Maltese economy; to spur knowledge-driven and value-added growth; and to sustain improvements in the quality of life.	This measure, with an estimated maximum cost of approximately €6.3 million, is expected to receive around 50 applications in 2025.
	Through the Horizon Support Measures Scheme, the participation of researchers and Maltese entities shall be facilitated through the provision of networking opportunities as well as assistance to enhance their proposals in order to utilise the funds from this programme and to encourage further participation.	This measure, with an estimated maximum cost of approximately €200,000, is expected to support 20 new proposal submissions and 10 researchers or entities to attend brokerage and networking events through the Horizon Support Schemes.



SDG 10: Reduced Inequalities	Through the European Space Agency (ESA) programmes, Malta will benefit by enhancing its role within the European and global space community, providing new and exclusive opportunities for cooperation, knowledge exchange, and technological progress for the local emerging space research. Opportunities for the internationalisation of space business and cross-border cooperation, beginning with R&D activities, are also stimulated through ESA.	This measure, with an estimated cost of approximately €1.7 million, is expected to receive around 10 applications in 2025.
	Continuing construction work in the Grand Harbour to improve port and quay infrastructure by installing systems that allow large vessels, such as passenger or cargo ships, to switch off their engines while berthed in the port and connect directly to the national grid.	This investment aims to enable the berthing of larger cruise ships alongside the quay. The proposed investment will provide a permanent berthing structure that runs parallel to the shore which would enable the berthing of vessels that are 250m LOA and over. The investment, covering works at Pinto and Lascaris Wharves, amounts to €11.6 million.
	Continuing construction works at the Deep Water Quay to improve the port and quay infrastructure.	This project will help reduce air pollution and improve the quality of life for people living in the South and around the Grand Harbour. The first phase, covering the northern part of the Grand Harbour and Boiler Wharf, is co-funded under CEF Transport with an eligible investment of approximately €25.8 million.
	Continuation of work on the European Digital Innovation Hub (DIHubMT).	This measure, which amounts to €2.5 million, will help in supporting further the upskilling and reskilling of the Maltese workforce, facilitating access to technology to SMEs driving further digital innovation, helping support speed up digital transformation in the local ecosystem, and fostering an entrepreneurial mindset.
	For individuals born in 1976 or later, the required period for social security contributions, whether paid or accredited, will increase to 42 years, up from the current requirement of 41 years.	Individuals born in or after 1976 will be impacted from this measure.
	The amount of social security contributions paid from parents' income and the income tax paid will no longer be considered in the calculation of In-Work Benefit rates.	This measure, with a budget of approximately €15 million, is expected to impact approximately 25,000 individuals.
Increasing the Marriage Grant for spouses upon marriage or civil union, to €500 per spouse, amounting to €1,000 for both.		Approximately 3,000 individuals are expected to benefit from this measure, which has a budget of €500,000.
Prospective self-employed parents undergoing IVF treatment will be entitled to a benefit payment of up to 60 hours at the national minimum wage rate for the prospective mother, and 40 hours at the same rate for her spouse.		This measure will compensate self-employed parents willing to undergo IVF treatment.



Extension of paternity leave to self-employed fathers, with a payment equivalent to 10 days (or 80 hours) of work, at the same rate as maternity leave.	This measure will benefit self-employed who find it difficult to have leave benefits due the nature of their work.
Revising the amount of capital assets for non-contributory assistance, whereby: (i) the threshold for couples or married individuals will increase from €23,300 to €26,000 (ii) the threshold for single individuals will rise from €14,000 to €16,000.	This measure will help married and individuals with increased financial assistance.
Introducing a new Medical Social Assistance scheme specifically for individuals whose medical conditions prevent them from working.	This initiative, with a budget of around €500,000, will impact approximately 1,500 beneficiaries.
More people will be entitled to free medicines, given that increases in contributory pensions will no longer be considered when assessing eligibility for Free Medical Assistance.	Approximately 4,000 beneficiaries will benefit from this measure.
Individuals who successfully complete a rehabilitation programme and secure a permanent job will be eligible for two years of accredited social security contributions.	This initiative will help former drug addicts to enter the workforce.
Scheme for Severe Disability Assistance: The weekly assistance will rise by €3.49, bringing the total to €128.15 per week.	This initiative, with a budget of around €1.1 million, will impact approximately 3,741 beneficiaries.
Scheme for Increased Carer's Assistance: The weekly assistance will increase by €5.24, raising the total to €179.02 per week.	This initiative, with a budget of around €3 million, will impact approximately 1,138 beneficiaries.
For cases where individuals care for two family members with high or medium dependence, were entitled to receive one rate of increased Carer's Allowance or Carer's Allowance up to 2024. In 2025, they will receive one and a half times the benefit rate they are entitled to.	This measure will benefit carers for their services within the community.
The weekly allowance for families with children who have physical or mental disabilities will be increased by €5.00, to reach a total of €35.00.	This initiative, with a budget of €652,000 will impact 2,370 families who have 3,900 children.
The Carers' Grant will also be available to non-working parents of children under 16 who have disabilities and whose condition is classified as very severe and requires continuous and constant care from the parent.	This measure will support parents who are not employed due to the ongoing care they provide for their children with disabilities.
Continuation of the review of the Wage Regulation Orders (WRO). The conditions specified in these Orders include: maximum hours of work, minimum wages, minimum overtime rates, special rates, birth leave, marriage leave, bereavement leave, injury leave, leave for jury service	The streamlining of the WROs will have a positive effect on the employee's entitlements and benefits, within specific sectors, due to the elimination of certain anomalies which hindered the employee's welfare.



and sick leave. All the latter conditions of employment vary from one WRO to another.	
Initiation of renovations in a Government building in Valletta to transform it into a hub for providing various psychosocial services to the LGBTQ+ community and their families.	This €2.5 million initiative is expected to improve LGBTQ+ inclusion, reduce mental health issues and HIV preventable deaths, and foster human capital development by reducing bullying and creating a more supportive environment. Additionally, it is anticipated to reduce societal costs associated with hate crimes and enhance labour market efficiency through increased inclusion.
Elimination of the tax on sanitary products.	This initiative will have an impact by reducing financial burdens for women and individuals who menstruate, while making sanitary products more affordable. It will also contribute to gender equality by addressing period poverty and improving hygiene and health outcomes.
Launch of the consultation of the Economic Migration Policy. This policy is based on the following four main guiding principles: (i) retention and stability (ii) protection of employee rights and the enhancement of working conditions (iii) labour migration with labour market needs (iv) skills-based approach to migration. This policy outlines thirty-two recommendations guided by these four principles.	This policy aims to ensure that economic migration addresses future labour market needs and enhances workforce retention.
Introducing a register of retired persons interested in offering mentoring services. This register will allow Jobsplus to inform employers about the skills of these individuals. In turn, these individuals will start receiving a grant for the mentoring services they provide at work, which will not affect their pension.	This initiative has a multifaceted impact on mentors, enterprises, and individuals. Mentors benefit by staying active within the workforce while contributing to the development of new workers. Enterprises gain additional free assistance, enabling them to train future employees effectively. Meanwhile, individuals receive guidance from highly experienced mentors, who provide training in various areas such as technical skills, communication, workplace ethics, and teamwork. By fostering these interactions, the measure helps strengthen an intergenerational culture within the workforce.
Tax refund for persons earning less than €60,000.	Through this measure, which amounts to €28 million, over 250,000 persons earning less than €60,000 will receive a bonus ranging from €60 to €140.
Parents who qualify for the Carer's Grant will be covered by social security contributions accredited based on the same principles used for credits granted to all those receiving Carers' Assistances. Thus, affected parents are protected in terms of their rights to a pension in the future.	These credits are awarded at retirement age or at least not before the end of the claim.



A grant increase of €50, bringing the total to €350, for seniors aged 75-79 living in their own homes or in a self-funded residential home.	This initiative, with a budget of €15.6 million, will impact approximately 44,000 beneficiaries.
Individuals aged 80 years and older living in their own homes or in a self-funded residential home will continue to receive a total of €450 annually.	This initiative, with a budget of €1 million, will impact approximately 20,000 beneficiaries.
Introducing a tax reduction on medical accessories for women undergoing cancer treatment.	This measure will contribute towards a reduction in the prices of products which are essential for women's health, and a reduction in the prices of certain cancer-related products.
Scheme for wheelchair-accessible vehicles used for the transport of passengers for hire or reward.	This measure is part of the Government's efforts to strengthen actions towards increasing accessibility and social inclusion.
Extending the Carer at Home scheme through an increase of €500, amounting to €8,500 per annum.	This measure, with a budget of €8 million for 2025, will benefit about 1,200 elderly citizens.
Increasing the Therapy Tax Credit Scheme for parents of children with disabilities from €500 to €750 to assist with the costs of specialised therapies.	This measure will benefit parents of 2,045 disabled children.
A new scheme to help parents who do not pay taxes, either due to unemployment or reliance on social benefits, cover the costs of specialised therapies for their children with disabilities.	Currently, there are 2,045 children with disabilities whose parents can benefit from the Tax Credit Scheme linked to therapies, or from schemes aimed at parents who do not pay income tax.
An Evening Centre for persons with severe disabilities: A pilot project in the Centre of Malta to offer, for the first time, an evening service for individuals with severe disabilities. This initiative will provide opportunities for social engagement through various activities while giving families valuable respite time in the evening.	Persons with disabilities who are still on the waiting list for the day centre service will be given the opportunity to attend, provided there is an available place in the centres.
Opening of an additional Day Centre to provide essential support for the diverse needs of older individuals with disabilities. This centre aims to assist Aġenzija Sapport in implementing its service improvement strategy for day centres. It will address the varying age and skill levels of disabled individuals by assigning them to suitable units based on their specific needs. Moreover, it will help reduce the waiting list by creating space for elderly individuals with disabilities currently attending the day centres.	This will create available spots in existing centres for younger individuals who are eligible for the service but are currently on the waiting list due to limited vacancies. Through this project, more needs will be addressed, individual abilities will be further developed, and families will receive much-needed respite.

**SDG 11:
Sustainable
Cities and
Communities**

Road infrastructure works in Gozo will continue along It-Tabib A. Tabone, the road connecting Rabat to Marsalforn, part of Triq Ta' Wara s-Sur in Victoria, and part of Triq il-Għajn in Fontana. These construction works include the replacement of all underlying services and the installation of stormwater culverts. These improvements will further enhance Gozo's main road network.	The planned reconstruction of these roads aims to reduce traffic congestion, shorten journey times and decrease both carbon emissions and GHGs.
Structural consolidation and restoration works will commence on the aqueducts along the road connecting Rabat to Ta' Pinu, Gozo.	The restoration works, amounting to about €2.6 million will strengthen efforts to promote the island as a unique tourist destination and provide opportunities to create new cultural experiences.
Structural consolidation works and emergency interventions will be carried out at Għar Gerduf Cave.	The Għar Gerduf Cave preservation project, with an investment of about €36,400, will strengthen efforts to promote Gozo as a unique tourist destination while creating opportunities for new cultural heritage experiences.
Restoration schemes will be introduced for sites and niches of historical or artistic significance in Gozitan villages. This initiative aims to enhance the characteristics of the Gozitan Urban Conservation Area, primarily through restoration and beautification efforts. These schemes are co-financed by the Sustainable Urban Development Fund.	This scheme will enhance the traditional streetscapes and alleys of Gozitan villages, while enriching the cultural tourism experience.
Other restoration schemes for sites and niches of historical or artistic significance in Gozitan villages will be launched, this time co-financed by the Planning Authority.	These schemes will improve and protect the urban and historical image and characteristic setting of the UCAs within Gozitan cities and towns.
A scheme aimed at offering financial assistance to individuals and organisations for renting spaces to build floats and grotesque masks for the Gozo Carnival.	With a total budget of €100,000, this scheme aims to strengthen Carnival in Gozo as a cultural event that attracts visitors from Gozo, Malta, and beyond, boosting the island's economy. It will also provide support to carnival enthusiasts and organizations, helping them continue to hone their talents, trades, and crafts.
Continuation of work on the construction of the Gozo Museum.	The Museum will be preserving and exhibiting archaeological, historical, and artistic artifacts related to Gozo from the national collection, thereby benefitting the general public. In addition, the Gozo Museum will enhance the island's tourism experience, providing visitors with a more engaging and immersive cultural experience.
Extension of the tax incentives for individuals buying or selling properties that have been built more than 20 years and have been vacant for over 7 years.	This scheme will benefit individuals buying or selling properties through tax incentives.
Extension of the fiscal incentives for properties located in a UCA area.	This scheme will benefit individuals buying or selling properties through fiscal incentives.



Extension of the fiscal incentives for new properties developed according to approved criteria to increase aesthetic appeal and cultural identity and preserve traditions.	This measure would attract premium buyers and investors who appreciate traditional architecture, increase property value, boost tourism in heritage areas and increasing demand. It will also encourage the use of locally sourced, natural materials that are long-lasting and reduce maintenance costs. Many traditional designs include natural ventilation and passive cooling techniques. Thick walls, shaded areas, and courtyard designs reduce energy consumption thus promotes sustainable living with minimal reliance on artificial heating and cooling. Such measure would also support traditional craftsmanship and local artisans. This measure is part of the Government's efforts to strengthen actions towards reducing the transport sector's carbon footprint.
Development of a national strategy emphasising cycling as a viable alternative mode of transportation.	This project focuses on creating cycle paths, pedestrian walkways, and beautification areas in urban environments to build a more sustainable, efficient, and intelligent transportation system that improves mobility, reduces congestion, and encourages both active and public transport options nationwide. The total investment in these initiatives is estimated at €7.4 million.
Implementation of the first phase of the Connections for Safer Active Mobility (C-SAM) project.	By utilising digital technologies and real-time information, the ITMS will optimise traffic flow, reduce congestion, and encourage the use of low-emission transport options. This project, amounting to approximately €3.3 million, will integrate road-based transport systems, improve safety, and boost efficiency in roads.
Investing in Intelligent Traffic Management System (ITMS) to improve traffic management and consolidate all transport networks into a cohesive Intelligent Transport Systems (ITS) platform. The ITMS will support the creation of Malta's National Access Point, in line with the ITS Directive, ensuring seamless data access and enabling smarter mobility solutions.	This project is expected to increase access to the ferry service and contribute to a reduction in traffic congestion.
Development of an underground parking project near the ferry areas as part of the Grand Harbour regeneration in Valletta.	This initiative contributes towards transforming local road design into safer, more accessible, and environmentally-friendly spaces. Planned investment under the Vjal Kulhadd Scheme amounts to €10 million and another €10 million under the framework agreement led by Public Works Department.
Reintroduce the Vjal Kulhadd Scheme to assist Local Councils in improving road designs in their locality.	This investment, with an allocated budget of €10 million, aims to support Local Councils in making roads less car-centric and more pedestrian-friendly. Residents as well as the general public are expected to benefit from this investment.
The Department of Public Works will continue to strengthen its relationship with Local Councils. This collaboration aims to facilitate the process for the Local Councils to implement infrastructural works in their localities, including maintenance and emergency works	This measure aims to contribute to improved road safety, increased road longevity and enhanced stormwater management.
Traffic reorganisation project at Tal-Barrani, Qormi and Kirkop.	



Restructuring of the Boiler Wharf in Senglea.	This measure will ensure adequate facilities to maintain essential equipment in the event of a maritime crisis.
Commencement of the initial phase of the Culture Hub project in Marsa.	It is estimated that there will be 22,500 potential visits annually, 60.0% of which are tourists, assuming the hub will be open 300 days per year. It is expected that this project will aid the regeneration of Marsa and surrounding areas by providing a space to host and celebrate performing arts and the carnival tradition. The first phase of this measure will cost about €22 million.
Financial support for Creative Malta will be given to local filmmakers to promote the Maltese film industry.	This measure, which amounts to €12 million, will enhance the representation of the Maltese identity and history on a global stage, strengthening cultural heritage and fostering national pride. It will also provide a platform for local filmmakers and artists, encouraging creative expression and collaboration within the community. This measure will also assist in building a sustainable ecosystem for the Maltese film industry, driving innovation and creative opportunities. This measure is expected to increase local film production output by 25.0%, contributing to the diversification of Malta's cultural economy. Moreover, there will be a boost in employment opportunities, growth in jobs related to film production, including technical, artistic, and administrative roles.
Investment in the new National Agency for the Performing Arts.	This measure, which amounts to €1.6 million, will increase awareness on the richness and diversity of performing arts in Malta. It also aims at improving infrastructure and working conditions for performing artists whilst creating opportunities of engagement for audiences, students and society at large.
Restoration of Villa Portelli, which includes the introduction of solar panels and digital engagement tools designed specifically for Gen Z audiences and a core thematic experience that focuses on climate change and sustainability.	This measure will aid to valorise the cultural heritage and enhance the touristic and historical value of this site. Through these innovative tools, this immersive and educational experience will raise awareness on environmental challenges and sustainable practices.
Other restoration works at Villa Guardamangia, the Inquisitor's Palace and the Manoel Theatre.	This measure will aid to valorise the cultural heritage and enhance the touristic and historical value of this site.
Opening of new green spaces in various localities across Malta including Luqa, Uja, St Julians, Birzebbuga, Ghaxaq, Mtarfa, Mellieħa, Hamrun, Pembroke, Birkirkara, Mosta, Marsaxlokk, Mqabba, Birgu, Pieta, San Pawl il-Baħar and Kirkop.	These projects, with a total investment of approximately €17 million, will effectively contribute to: <ul style="list-style-type: none"> • increase the percentage of permeable surfaces by reducing surface runoff.

	<ul style="list-style-type: none"> • increase the total number of trees, thereby enhancing amenity and ecological value. • increase the total number of shrubs and herbs to further enrich biodiversity. • expand tree canopies. • improve accessibility for sustainable mobility. • utilise sustainable materials and practices, thus enhancing amenity and ecological value.
Continuation of works on the social housing site in Hal Farruġ.	This measure, with a budget of approximately €40 million, will assist 267 individuals and/or families who will be allocated an apartment to rent as social housing.
Extending the Rent Benefit scheme, by increasing the maximum annual income limit across all categories by €1,000.	The measure, with an estimated budget of €97,500, will assist approximately 65 individuals and families in 2025.
The installation of new lifts in various housing estates across Malta aims to improve accessibility, comfort, and the quality of life for residents, particularly the elderly and those with mobility challenges. This initiative also promotes independence, reduces social isolation, and enhances the community's perception of housing facilities.	With a budget of €2 million, approximately 34 lifts will be installed across 34 different blocks. The project is expected to impact around 200 individuals and families.
Scheme for affordable housing, 'Deposit Guarantee'.	The aim of the scheme is to assist individuals who, despite being eligible for a home loan, lack the necessary liquidity to pay the required 10.0% down payment at the signing of the promise of sale. Approximately 180 beneficiaries will benefit from this scheme.
Scheme for affordable housing, 'Equity Sharing'	This scheme is intended for applicants over the age of 30 who are unable to purchase their residence without the assistance of the Housing Authority. The scheme applies to individuals who intend to buy at least fifty percent of the property, with the remaining portion to be purchased by them at a later stage. Approximately 75 beneficiaries are set to benefit from this scheme.
Scheme for affordable housing, 'Social Loan'	This scheme will assist individuals over the age of 18 in purchasing a residential property by covering the required deposit and providing a monthly subsidy for loan repayments to the bank, for those whose yearly income does not exceed €21,900. Approximately 20 beneficiaries are set to benefit from this scheme.



SDG 12: Responsible Consumption and Production	Scheme for affordable housing, 'New Hope'	This scheme is designed to provide an effective remedy for individuals or couples who are currently unable to access the property market, despite being deemed bankable under the ordinary lending practices of local commercial banks. Approximately 20 beneficiaries are set to benefit from this scheme.
	Scheme for affordable housing, 'Sir Sid Darek'	The scheme aims to encourage residents of apartments owned by the Housing Authority and the Government Property Department to become owner-occupiers, continuing to use the property as their ordinary residence. Approximately 225 beneficiaries are set to benefit from this scheme.
	Investment in a new Skip Management Facility (SMF) to separate mixed bulky waste. The SMF aims to: <ul style="list-style-type: none"> • reduce the amount of mixed bulky waste sent directly to landfill, thereby decreasing landfill volume. • aid in the identification of illegally disposed hazardous waste. • recover recyclable materials that benefit other waste processing plants, ensuring better feedstock for facilities. • contribute to a healthy waste management economy. • achieve waste disposal targets set by EU directives. • generate revenue from waste admittance while promoting civic responsibility through the implementation of fees. Introduction of tax Incentives for food producers and retailers to promote near-expiry product distribution.	The SMF shall segregate approximately 47,000 tonnes of mixed bulky waste, most of which consists of construction and demolition waste, arriving at the ECOHIVE Complex in skips.
	The Public Abattoir will be upgraded with modern technology and enhanced facilities, improving operational management for both farmers and abattoir staff.	This initiative aims to reduce food waste and improve food availability for vulnerable segments of society through measures such as food banks.
SDG 13: Climate Action	Investment in improving operations at the Fish Market.	With a budget of up to €915,000, this upgrade will boost the abattoir's sustainability, reduce waste, and contribute to the circular economy.
	Introducing new ferry routes from the Bugibba Ferry Landing to Sliema, connecting to the existing inner Grand Harbour ferry service and the fast ferry service between Gozo and Malta.	A digital auction system totalling €10 million will be implemented to achieve more transparent and efficient pricing and sales mechanisms.
	Insurance coverage to farmers to mitigate and manage climate-related risks.	This initiative aims to encourage a shift to sustainable transport, reduce CO ₂ emissions, and ease traffic congestion. With a budget of up to €60,000, this initiative will provide financial protection against adverse impacts and helps mitigate economic losses caused by unforeseen events.

SDG 14: Life Below Water	Assistance for fishermen in adopting environmentally friendly practices, equipment, and gear.	Financial assistance amounting to €450,000 will support the transition to more environmentally friendly fishing practices. This will help reduce ghost fishing and enhance biodiversity protection.
	Investment in infrastructure within fishing ports, featuring pillar systems and winches.	Registered fishermen will benefit from enhanced and safer ancillary infrastructure works amounting to €250,000 for berthing fishing boats in various ports across Malta and Gozo.
	Investment in enhancing digital processes in the fisheries and aquaculture sectors through European Funds. This new system will facilitate real-time data exchange with the European Commission, supporting Malta in addressing an EU pilot initiative.	With an investment of €5.3 million, an enhanced, coherent, real-time data collection and sharing system has been implemented, eliminating paper-based processes. This advancement reduces human error, improves data accessibility, and enhances services for fishermen.
	Launching a new aquaculture centre, a purpose-built facility costing €15 million and equipped with the latest technology, that will enable officers to perform their duties more efficiently and effectively in support of the aquaculture sector.	This project will strengthen research capabilities for both marine species production and conservation.
SDG 15: Life on Land	Introduction of incentives for non-commercial farmers leasing agricultural land from the Government to collaborate with interested commercial farmers for its cultivation.	This €300,000 incentive will enhance the availability of productive agricultural land for commercial farmers.
	Launch of a pilot project offering agricultural land for lease to new farmers or those looking to expand their operations, guided by principles of fair pricing and farmer categorisation	This initiative will make more farmland available to new and young farmers, encouraging both the expansion of existing agricultural activities and new entries into the sector. Additionally, agricultural land will be prioritised for food production, thereby enhancing food security.
SDG 16: Peace, Justice and Strong Institutions	Extending the scheme for the last time for former members of the corps who subsequently found employment in the public sector.	This initiative, with a budget of €970,000, will impact approximately 1,500 beneficiaries.
	Relaunch of the scheme for individuals who joined the public service after 15 January 1979, which ensures that a limited number of former apprentices and student workers who began their courses before that date are compensated.	This initiative, with a budget of €210,000, will impact approximately 11 beneficiaries.
	Compensation payments will start to be made to former employees of the Telemalta Corporation, who were employed between January 1978 and 15 January 1979 and did not qualify for a pension scheme similar to the one that was in place until early 1979 for public service employees due to changes in the Corporation's policy.	This initiative, with a budget of €755,000, will impact approximately 175 beneficiaries.
	Compensation payments will start to be made to former workers of Malta Drydocks and Malta Shipbuilding who were arbitrarily transferred in 2003 to Industrial Projects and Services Ltd, resulting in a loss of income.	This initiative, with a budget of €105,000, will impact approximately 420 beneficiaries.



Compensation payments will start to be made to former workers of the Gas Board who were integrated into the Enemalta Corporation.	This initiative, with a budget of €500,000, will impact around 110 beneficiaries.
Provision of a one-time grant to former workers of International Aeradio Ltd. or their heirs, under the same terms as the scheme for individuals who served in the Corps and later joined Government employment.	This initiative, with a budget of approximately €255,000, will impact around 30 beneficiaries.
Allocating nearly €25 million to more than 50 Public Social Partnerships that the Government maintains with various voluntary organisations working within the field of residential children's homes, residential adults and families; addictions, domestic violence, mental health, and outreach and community services.	The Ministry for Social Policy and Children's Rights (MSPC) entered into 35 Public Social Partnership Agreements (PSPs) with 25 Non-Government Organisations. These partnerships are expected to enhance the quality, reach, and responsiveness of social services, foster innovation in service delivery, and strengthen community-based support systems by leveraging the specialised expertise and trusted presence of voluntary organisations.
Launch of financial schemes to support those working in the field of animal protection by actively supporting NGOs in their operations, while also raising public awareness about animal welfare.	Infrastructure for both animals and sanctuary volunteers will be upgraded, leading to enhanced health and safety standards and a reduction in the spread of zoonotic diseases. The following financial allocations were made: <ul style="list-style-type: none"> • €60,000 for Free Veterinary Services to NGOs, • €85,000 for the Animal Welfare Grant Fund Support Scheme, • €70,000 for Sanctuary Maintenance, and • €100,000 for the Neutering Campaign.
Strengthening of reforms through the implementation of the National Strategy and Action Plan on Combatting Trafficking of Human Beings in Malta, by strengthening the anti-trafficking framework, enhancing comprehensive victim protection, justice, and remedies. Increase strategic partnerships at regional and international levels to tackle human trafficking and an increase in targeted prevention and early identification of potential victims and individuals at risk.	These efforts are anticipated to lead to greater trust in institutions, improved safety and support for victims, enhanced cross-border cooperation, and a stronger national capacity to prevent exploitation and dismantle trafficking networks.
Setting up of an agency for public consultation and research affecting social partners. The agency will act as a knowledge hub, sharing research findings and consultation results with policymakers, social partners, and the public.	Through its research and consultation activities, the agency will improve the Government's ability to develop and implement policies grounded in empirical evidence and stakeholder input. This initiative aims to foster greater transparency in decision-making and aims to build trust in public institutions and reinforcing democratic governance, ensuring that governance structures are more inclusive, effective, and responsive to societal needs.

Implementing a new process to enhance the land registry system through legislative and administrative changes.	This process will benefit the public by increasing accessibility to the new digital system. With the proposed changes, the public will be able to access the system online 24/7, simplifying the process and reducing the need for physical visits or intermediary services. This will result in greater transparency, higher efficiency, and an overall improved user experience.
Enhancing the registration process for lands and properties transferred to the Government by ecclesiastical entities.	The process will enable a faster and more transparent land registration system, allowing for improved land management and increased availability of land for public use. Once a plot of land or property is registered on behalf of the Government of Malta, the relative file will be transferred to the Lands Authority. The general public will then have the opportunity to track their case directly with the Authority.
Negotiation for a new sectoral agreement for the members of the Malta Armed Forces to boost recruitment in specialised and high-risk post.	This measure, which will add approximately €12 million to the current budget, will impact over 1,700 officers and soldiers. As a result, they will see an increase in their take-home pay, leading to enhanced motivation within the Force.
Negotiation for a new sectoral agreement for the members of the Civil Protection Department (CPD) to enhance the rights, working conditions, and salaries.	This measure will impact over 400 civil protection officers employed by the CPD.
Upgrade in the scheme for those with over 25 years of service who reach 29 years of service.	Since the introduction of this scheme, a total of 28 personnel have already benefited, including two from the AFM and 26 from the MPF. In 2025, it is projected that 124 individuals will benefit from the scheme, with 57 from the CPD, 28 from the AFM, 27 from the MPF, and 12 from the CSA. Additionally, in the coming years, it is estimated that 1,686 AFM personnel may benefit from this scheme.
Extension of Community Policing nationwide to enhance the relationship between law enforcement and local communities, by promoting trust, cooperation, and mutual support. By involving citizens in decision-making, Community Policing will promote a more responsive and citizen-centric approach to law enforcement.	This initiative can be measured through crime rates, with a potential decrease in certain types of offenses due to proactive community involvement and the early identification of issues. The implementation of Community Policing in Malta has the potential to create a safer, more cohesive society through a collaborative and inclusive approach to law enforcement.
Launch of services for Police Patrol and Community Support Officers (PCSOs) to increase police presence, acting as a deterrent to criminal activity while enhancing residents' sense of safety and security. This increased police visibility is expected to reduce fear of crime and enhance residents' overall well-being. As PCSOs strengthen relationships between	The introduction of PCSOs has the potential to improve the representation of diverse communities within the police force, promoting more inclusive and equitable law enforcement practices. The combination of heightened patrolling and community involvement is anticipated to contribute to a reduction in crime rates.



the police and the community, these will also foster social cohesion and inclusivity.	
Renovation of police stations to create modern and inviting facilities that boost public confidence in the police force. Clean, accessible spaces reflect a commitment to serving the community, while upgraded stations with welcoming areas encourage more community engagement and foster positive interactions with law enforcement.	Improved working conditions create a more positive and professional environment for officers. More welcoming and accessible stations are likely to lead to an increase in walk-ins, particularly for non-urgent issues.
Opening of a second hub for victims of domestic violence in Mtarfa to provide easier access for victims in the central, western, and northern regions of Malta, thus reducing travel time and logistical barriers.	This hub may result in an increase in victims seeking and receiving help, potentially decreasing repeat incidents. It will also likely shorten response times, enhancing the overall efficiency of the support services through ensuring that support services are more evenly distributed across Malta. Furthermore, immediate access to resources helps mitigate the psychological and physical impacts of abuse.
Introduction of panic alarm facilities in cases of domestic violence.	This measure, with a budget of €600,000, will mainly impact the victims of domestic violence who file a Police Report, and their risk assessment turns out to identify them in extreme danger.
Introduction of a support service for victims of domestic violence when appearing in court. This service will include childcare for those with children, as well as a carer-in-residence service for victims who are responsible for older adults or individuals with disabilities who depend on them.	This measure aims at providing assistance to victims requiring childcare and carer-in-residence during court hearings.
Reform of restorative justice through the implementation of electronic monitoring.	It is anticipated that the introduction of electronic tagging will help reduce the prison population.
Continuation of the project for new halfway houses designed to support the rehabilitation of prisoners.	Half-way houses play a crucial role in assisting prisoners with their reintegration into society. This initiative will mainly support female prisoners.
The establishment of the Malta Education Foresight Forum (MEFF) to enhance collaboration between the education sector, external and Governmental entities, as well as industry.	This measure, with an estimated budget of €200,000, will impact approximately 59,250 students and 12,640 educators.
Construction of a large, modern studio on the Malex House site for local artists, producers, and international companies filming in Malta.	This measure, which amounts to €3 million, will benefit the local arts community, as Malta currently lacks such a facility.

Renovation of Television House to keep up with the current and future demands of the industry. This new space will include a museum dedicated to the history of broadcasting in Malta, allowing visitors to explore the technological advancements over the years.	The planned upgrades to Television House, which will amount to €17 million, are essential to resolve the space shortage at the Creativity Hub.
Reforms in the Family Court to enhance civil court procedures, clarify the roles of professionals like mediators and children's advocates, and establish new frameworks for providing greater support. It also aims to introduce legislative changes that improve the overall experience of justice for those involved. A public consultation process was held in October 2024.	The reform aims to create a more effective and efficient justice system.
Enhancement of the role of Children's Advocate to further enhance the legal rights and services for children whose guardians or parents are involved in court litigation. The Agency will be supported by specialised panels to represent clients in civil litigations, criminal matters, and to provide advice and representation for victims of crime. Memoranda of Understanding (MOUs) with other relevant stakeholders will also be encouraged to ensure that clients in need of Legal Aid services receive the necessary attention. Furthermore, children will be represented by a curator, who acts as a guardian to protect their rights.	This reform will ensure that children involved in court cases are provided with the appropriate legal advice, information, and representation by the Children's Advocate, safeguarding their voice and rights under the law.
Reforms in the compilations of evidence and inquiries will introduce an accelerated disclosure and committal process, moving away from traditional oral committal proceedings where every witness testifies in person. Instead, expedited processes will increasingly rely on pre-documented evidence.	This change aims to significantly reduce the duration of committal proceedings and improve the overall efficiency of criminal proceedings. These legislative measures are expected to represent a significant advancement in enhancing the efficiency and fairness of criminal committal proceedings.
Reforms in the compilations of evidence and inquiries, the Government is advancing legislation to reform the inquest system with the goal of expediting procedures and ensuring fairness for all parties involved. This initiative aligns with the recommendations of the Venice Commission from its Opinion of 17 December 2018, which suggested that magisterial inquiries should fall under the responsibilities of the Attorney General. The proposed amendments aim to clarify the role of the Attorney General in inquest proceedings while redefining the reporting methods and recipients for criminal activity.	These reforms are intended to enhance the protection of the rights of individuals involved in these processes, as well as victims of crime. As part of this reform, four magistrates have already been appointed to focus exclusively on magisterial inquiries, addressing current backlogs. This enables current sitting magistrates to be relieved of these inquiries, allowing them to concentrate on clearing their own backlogs and managing ongoing cases.
Establishment of a Commercial Court to address commercial and maritime disputes more efficiently and effectively. Currently, cases related to the Companies Act are handled by the Civil Court (Commercial Section), but the proposed change aims to elevate this section into a	The creation of this dedicated court, along with the expansion of court facilities, will streamline the handling of commercial cases, ensuring a faster and more efficient judicial process, reduce the backlog of pending cases and improve access to justice. The creation of a Commercial Court, which will have broader competence to handle cases involving maritime



distinct Commercial Court with an expanded mandate, including maritime matters.	issues, and the strengthening of the Magisterial Inquiry Section, where four magistrates have already been appointed, are part of efforts to promote specialisation and efficiency.
	Increase ethical standards and quality of service expected by citizens from the Judiciary through constitutional amendments. To effectively implement this initiative, a Constitutional amendment will be required. This amendment will be introduced alongside changes to the process for appointing the Chief Justice, with the proposal to involve the judiciary in the appointment process. The forthcoming constitutional reform will mandate consultations with the incumbent Chief Justice before appointing a new Chief Justice.
	This measure aims to improve the quality of service provided by the judiciary to citizens.
	Investment in the Court's infrastructure to enhance court facilities, thereby ensuring smooth and efficient operations. To support this, the Court Service Agency has optimised available space by constructing new courtrooms and offices for judicial staff. Moreover, the Agency is also in the process of identifying vacant properties that could be repurposed to provide additional office space or court halls.
	This investment helps to reduce case loads and address space constraints, resulting in an additional 502m ² of usable space in the Malta Law Courts' main building.
	As the primary beneficiary of a €10 million investment under the EU Recovery & Resilience Programme, the Court Services Agency is advancing its efforts to digitalise the Law Courts. This investment has enabled the outfitting of all court halls with overhead projectors and new audio systems to facilitate proceedings. Additionally, a new Wi-Fi system has been installed in the Courts' Main Building.
Upon completion, this state-of-the-art building will accommodate multiple sittings, significantly reducing the backlog of court cases. The project aims to deliver a modern court facility that meets the needs of both the judiciary and the public using court services.	This digitisation initiative aims to increase access to justice and improve efficiency within the judicial system.
	Development of a new court facility, fully accessible to individuals with special needs and includes criminal chambers, a dedicated victims' area, and additional offices for judiciary members, all equipped with the latest technology. This will be achieved through specialised services provided by professionals, individuals with various skills who offer their services voluntarily, as well as private companies.
Establishing a one-stop shop in the South of Malta for voluntary organisations, offering training, resources, and research support.	
This initiative will provide over 1,800 voluntary organisations, registered with the Voluntary Commissioner, with 24/7 access to the centre.	

SDG 17 Partnerships to achieve the Goal	<p>Launching of a volunteer bank, allowing individuals, including professionals, to contribute their free time to this national project. This bank will support voluntary organisations by providing access to services collected in a centralised database.</p>	<p>This measure will support over 1,800 voluntary organisations, registered with the Voluntary Commissioner, by helping them find new volunteers.</p>
	<p>Incentivising businesses that make Corporate Social Responsibility (CSR) donations by offering a tax credit of up to €500 for contributions to CSR initiatives supporting social, environmental, and animal welfare organisations.</p>	<p>This measure will impact enterprises that donate to voluntary organisations in the social sector (approximately 180 organisations), as well as those involved in environmental and animal protection (around 110 organisations).</p>
	<p>Investing in Public Administration technology by upgrading the Malta GeoHub portal to enable authorised Government employees to access specific authoritative spatial data sets shared by different ministries. This will help Government policy makers to access Government spatial data from one central source.</p>	<p>The availability of one source of verified and updated spatial data will ensure a consistent approach to decision making across Government whilst keeping stakeholders informed of key geospatial parameters.</p>
	<p>Hosting the Organisation for Security and Co-operation in Europe (OSCE) Ministerial Summit. The conference represented the culmination of work carried out by the Chairpersonship, including the Economic and Environmental Forum held in Prague and its preparatory meetings held in Vienna and Malta, as well as the High-Level Conference on Climate Change hosted in Malta.</p>	<p>The conference had a positive cooperation among the representatives from the 57 participating States and 11 Partners for Cooperation. It also served an opportunity to finalise pending issues related to the administrative functioning of the OSCE.</p>
	<p>Chairing the Council of Europe in Strasbourg on matters related to the engagement and empowerment of young people in democratic life, enhancement and promotion of the protection of children, combating violence in discrimination and promoting equality, and safeguarding the European Convention on Human Rights system.</p>	<p>Through this measure, which amounts to €7.8 million, Malta will be seeking justice and accountability for Ukraine, preserving democracy and Rule of Law Principles, and protecting cultural heritage and promoting a shared European identity.</p>
	<p>Launch of the Malta Vision 2050 to guide Malta's economic, social, and environmental development over the next 25 years. The vision will focus on economic diversification, quality of life, sustainability, and innovation while addressing key societal challenges.</p>	<p>Malta Vision 2050 will impact the following areas:</p> <ul style="list-style-type: none"> • Sustainable Economic Growth: The vision will focus on building upon established sectors, such as tourism, gaming, financial services, and the blue and green economies, while accelerating the growth of emerging industries that promise to redefine Malta's future. • Quality of Life: The Vision will focus on creating a blueprint for an inclusive society characterised by high living standards, efficient infrastructure, and sustainable mobility solutions. • Self-Sustainability: The vision will explore strategies to enhance the country's autonomy in critical areas, including resources, skills, and infrastructure.



• Smart Land Usage: The vision will address the strategic, efficient, and sustainable use of land, together with balancing development needs with environmental conservation.