



# Malta Report

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## Sustainable Governance Indicators 2022

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## Executive Summary

In 2020 and 2021, Malta had to deal with a period of extensive upheaval, which included the coronavirus pandemic, the election of a new prime minister and extensive constitutional reform.

As elsewhere, the pandemic impacted economic performance, healthcare resources and governance issues. Overall, the government responded well to the crisis. Widespread testing was the cornerstone of Malta's strategy. The percentage of the population vaccinated was estimated at 87.7% (at the time of writing), among the highest in the European Union. The cumulative mortality rate from COVID-19 at the end of August 2021 was 46%, lower than the average across the European Union, though the indirect death toll could have been higher. Dealing with the pandemic required an increase in public funding for healthcare. However, the cost was absorbed by the island's strong economic performance in recent years. This allowed for rapid action during the pandemic to expand number of beds and provide adequately for emergency intake. Indeed, only 15% of the population reported unmet needs during the pandemic, one of the lowest rates in the European Union.

In Malta, public support for government pandemic procedures was extensive, though toward the end of 2021 protests against COVID-19 measures increased and a group of individuals filed a civil court case against the superintendent of public health, arguing that the measures were disproportionate, and as such unconstitutional and a breach of human rights.

Economic performance during the pandemic declined. GDP fell by 10.9% in 2020, but rose by 9.7% in 2021. The government put in place a number of economic packages in response to the pandemic, which included tax deferrals, cash injections, guarantees on the possibility to opt for soft loans and unemployment benefits. The European Commission predicts that Malta's economic growth for 2022 will reach 6% of GDP, among the highest in the European Union.

Though Malta dealt well with the pandemic, the political climate remains tumultuous. For decades, voices have raised concerns about the fraying of institutions due to the limited separation of powers, a lack of independent checks and balances, and the further entrenchment of Malta's highly partisan

two-party system, which has facilitated a system of clientelism and patronage. The further capture of state institutions by such practices (e.g., placing backbench legislators on government boards, and expanding the number and remit of persons of trust) further weakened the model of government. The system imploded with the assassination in 2017 of Daphne Caruana Galizia, a journalist who was covering a number of corruption allegations at the political level. The situation worsened with the arrest of the alleged mastermind in November 2019, a prominent businessman and a close friend of the prime minister's chief of staff. Mass demonstrations followed, demanding the immediate resignation of the prime minister.

The government survived, but 2020 began with the election of a new prime minister, Robert Abela, and the downgrading of Malta from a full to a flawed democracy in the Democracy Index. The government responded by heeding the calls of local and international organizations for the further reform of government institutions, which had been haphazardly addressed under the previous administration.

A whole raft of constitutional reforms have been introduced. The Office of the President will now be elected by a two-thirds majority in parliament. The judiciary is no longer appointed by the prime minister. Its independence has been further enhanced by the transfer of disciplinary control from parliament to a judicial commission. Reforms of the Office of the Attorney General have taken place and a new less partisan manner of appointing the police commissioner has also been adopted, while much greater resources are being provided to investigative bodies. Further reforms include amendments to the appointment of members to the permanent commission against corruption, amendments to the laws regulating the Office of the Ombudsman, amendments to the laws regulating the appointment of permanent secretaries, amendments to the laws on the appointment of persons of trust, amendments to the laws pertaining to the National Audit Office and amendments to the process of judicial review of the decisions of the attorney general. Procedures for various appointments have also been updated, including appointment procedures for the heads of regulatory bodies and politically appointed representatives abroad, who are to be scrutinized by a new consultative parliamentary committee before taking office. A new law now ensures that ministers, members of parliament and senior officials accused of breaching codes of ethics are accountable to the Public Standards Office.

The statutes of limitations has been removed in cases of alleged corruption by politicians and senior officials. In tandem with these reforms, an overhaul of public administration has also taken place to ensure a more efficient client-centered apparatus.

Though these reforms are extremely efficacious, Malta remains in a state of flux. In June 2021, the island was grey listed. The Malta Employer Association (MEA) utilized responses from a survey distributed to its members to determine their views on why this had occurred. The MEA cited money laundering, defective rule of law, weak institutions, a lack of transparency and institutional corruption. In July 2021, the public inquiry into the assassination of Daphne Caruana Galizia published its conclusions, stating that “the state had to shoulder the responsibility for the assassination because it had created an atmosphere of impunity generated from the highest levels in the heart of the administration.” Government scandals still surface regularly. In one such case, an opposition member of parliament alleged that a suspected money launderer used insiders at Transport Malta to erase over €3 million in traffic contraventions. Conflicts of interest are still evident in the hiring of personnel, allocating direct orders and permits, and tendering processes. The sanctioning of illegalities and irregularities continues. Finally, the government remains hesitant to fully distance itself from the old guard who were involved in nefarious activities.

The political landscape in Malta, however, is evolving. EU membership has been a catalyst for socioeconomic change and multi-level governance has altered the political culture. Increasingly, CSOs are making their voices heard locally, and – along with opposition parties – are interacting with and appealing to EU institutions. A rise to over 10% of foreign-born residents has resulted in numerous minorities raising their voices and demanding greater access to the political market. The number of resignations from government positions has never been higher, as the government seeks to shed its renegade elements. The number of co-options to parliament has also never been higher, with the government attempts to adopt a more technocratic approach toward the selection of ministers. De-alignment and realignment of voters, resulting in the shifting of the party system toward a dominant one-party system, has encouraged even government members to talk about the need for electoral reform, which will provide for a credible and electable opposition. Systemic change is allowing for greater transparency and scrutiny of government. As the island shifts from a political culture based on status to one of contract, the electorate are less willing to accept the fallout, and inequalities, generated by a politics of clientelism and patronage. Citizens and residents alike are demanding accountability and higher standards from their government. What started as a whimper may evolve into a roar for change, which may resonate beyond the institutions and finally reach the ears of the political class. Only time will tell if they heed the cry.

Citation:

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## Key Challenges

In 2019, Malta was at the center of a number of tempestuous events with both national and international ramifications. The way forward was contextualized in terms of government reforms, and a number of advisory reports were authored at the local, EU and global level.

Indeed, in 2020 and 2021, extensive institutional reform has taken place in the three branches of government in order to strengthen the separation of powers. The focus has been on reining in the power of the executive, and strengthening the power of the judiciary and the legislature. The process is not yet complete. While prime ministers in Malta today have less power than their predecessors, they do retain control over most appointments on the political and higher administrative levels. Parliament remains a part-time institution. Though strengthened by an increase in the number of parliamentary committees, and a new rule empowering the speaker's office to draw up reform plans and oversee the parliament's budget, legislators prioritize their private sector careers over parliamentary business, dangerously blurring the lines between their private interests and their public-service duties.

However, the process is ongoing. It is important that the reforms take place in an orderly manner respecting the synergy between the institutions and recognizing that Malta is a parliamentary democracy. Any shift toward a hybrid system may hinder good governance and political stability. However, for the reforms to be successful, there needs to be recognition of the importance of electoral and party system change, and the need to now support the fourth and fifth estates.

The electoral system allows for multi-seat electoral districts. Since its inception in 1921, this has facilitated entrenched clientelism and political patronage on a large scale, encouraging a politics of division and distrust. Although the single transferrable vote (STV) system was intended to promote a multiparty system in Malta, it eventually gave rise to a strong two-party

system. Amendments passed in the 1980s and 1990s have only worsened the situation. Thus, Malta has the only European parliament with only two parties. The situation has worsened further as the parliamentary opposition party has become increasingly divided, performing poorly in recent elections.

This has led to a dominant one-party system, and a rising number of voters becoming disenchanted with the system and refusing to vote. Changes to the electoral system and the Party Financing Act must take place. These changes need to provide support for minority parties. Proposed changes include introducing a threshold at the national rather than constituency level for parties to enter parliament, state financial support for all political parties, corrective mechanisms that are extended to all parties (e.g., the recent measure to increase the representation of female members of parliament), as well as improving access to the media.

In recent years in Malta, the poles of power have shifted. We have seen a rise in power of the liberal and left-wing elements, and a decline in the power of religion, the church and the conservatives. This has impacted on the effectiveness of the right wing, including the current opposition. The result is a vacuum in the power continuum, which has been filled by supra-national and local government, civil society, and the media. To some degree, these institutions have taken over the role of the new opposition, and their presence needs to be recognized, acknowledged and where appropriate supported.

The Maltese political model is predicated on a unitary system. However, EU membership has resulted in multi-level government and the federalizing of the system. Brussels is now part of the body politic, as are local government bodies. Proper recognition of these interests would prove beneficial.

The fourth estate is an essential component in a democratic system and needs attention. New media laws are being discussed. These should include the further fine-tuning of anti-SLAPP legislation in the context of foreign court judgments, a reform of the freedom of information act, better protection for journalists and state aid to support media houses.

CSOs have contributed positively toward the liberalization and democratization of the political system. The fifth estate has grown in stature since EU membership, supported by EU funding and legislation. Government recognition and funding of this sector, including its incorporation into the MCESD, has also strengthened it. However, they need to be supported further. Better mechanisms need to be introduced to ensure their inclusion in decision-making. This will assist the shift from a relationship based on information-sharing to engagement.

The above changes, if effected, should in the long run support a new model of politics. One which will help lessen the current divisive and corrosive environment, and strengthen social solidarity and the notion of the collective, based on inclusivity and underpinned by a better distribution of power. A system where there is greater respect for both the letter and the spirit of the law. This new model may also allow the island to deal more effectively with its two major challenges: the need to protect its environment and ensure that economic development is sustainable; and the need to recognize that Maltese identity since EU membership has evolved, and that the population needs to embrace its own more diverse and eclectic character.

In the case of the first issue, there is agreement over the need to protect the environment and, since 2020, new initiatives have been rolled out. However, decisions negatively impacting the environment continue to be taken. The Planning Authority is often seen as lacking when it comes to timely action, especially within the context of enforcement. An undertaking by the minister of environment to introduce a register where all meetings with stakeholders and lobbyists are logged has not transpired. Though new legislation has been introduced to regulate developers, sub-standard buildings continue to surface. The government continues to refuse to ratify the European convention that would oblige it to protect heritage buildings and respect its threatened landscapes. Several issues are leading to planning and environmental disasters in the country, including amendments to building height guidelines, the rampant destruction of heritage houses, and the development of open spaces and massive projects in small villages. The government is proposing a reduction in penalties for environmental breaches. The wild birds regulation unit remains under the Ministry of Gozo in breach of EU practice. Malta has also been taken to the European Court of Justice for violating a ban on bird trapping. Reforms in the direction of a sustainable economy need to be taken more seriously.

In the context of the second issue, Malta's foreign-born population has increased enormously in recent years, shifting in percentage terms from one of the lowest to one of the European Union's highest. The introduction of measures addressing the integration of all types of migrants has become imperative. Such measures have indeed been drawn up, but now must be implemented. However, an increase in the number of migrants arriving, a subsequent large-scale rise in dissenting voices and a return to a suboptimal detention policy has hindered the process. Nevertheless, in an island country the size of Malta, with a negative birthrate, integration is a sine qua non for future stability.

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## Party Polarization

Political-system polarization has been a permanent feature of Maltese politics since parties began to emerge in the 19th century. As in other countries in Southern Europe, the state in Malta has long been divided by the single dominant cleavage of class, characterized on the one hand by a conservative, traditional and religious elite, and on the other by a nascent liberal, progressive and anti-clerical counter-elite. These two groups have aspired to and represented different models of the state; for many years, the danger of political crisis was never far from the surface, and in the early years of independence, bouts of violence sporadically erupted. However, agreement on an appropriate state model slowly emerged, and Malta's status as a neutral republic and member of the European Union has ultimately generated consensus. In the last 30 years, violence generated as a result of political discord has been rare. Nevertheless, parties continue to tap into previous divisions in order to further their own short-term interest, and to generate support based on party identification. This situation is further exacerbated by a number of variables:

- Many pressure groups are led by individuals who are also activists in a political party.
- The two main political parties own their own sound, print and visual media, which are used to fan controversies.
- The winner-take-all political system generates a zero-sum game in which parties in opposition tend not simply to oppose governments, but to lay siege to them, often circulating false stories and spreading unsettling rumors.
- The introduction of multilevel government in 2004 now means that these conflicts have been replicated both at the local and the supranational/international levels, extending the battlefields to the villages and beyond the shores of Malta.

- As in other states, the need to bring perpetrators of political violence to justice has also continued to entrench polarization.

Parties have proven reluctant to abandon the old rules of the game since these are perceived as generating immediate gains. In addition, the electoral system has long provided incentives for political parties to engage in patterns of behavior that ensure the pursuit of such strategies. However, Malta has also shown increasing volatility in voting patterns, a shift from a party-identification to an issue-based voting model, and a consequent process of dealignment within the party system. This was illustrated by the unprecedented electoral landslides of 2013 and 2017, and further collaborated by recent monthly surveys. Though smaller parties have made in-roads with the voters, despite being handicapped by meager resources and a lack of media exposure, there is a growing awareness that small parties should be allocated more resources. The increase in small parties and the growing number of undecided voters may in the long term soften party polarization, which to some extent has already been affected by the fragmentation of the main opposition party and a growing perception that the Maltese party system is mutating toward a one-party system. (Score: 4)

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# Sustainable Policies

## I. Economic Policies

### Economy

Economic Policy  
Score: 8

Economic planning is at the forefront of Malta's policymaking process and a clear-cut assignment of tasks to government institutions is its strength. Strong ties between public institutions, the economic planning ministry, and social partners exist through the Malta Council for Economic and Social Development (MCESD). This system has provided the ideal foundation for strong economic performance.

Indeed, provisional GDP estimates for the third quarter of 2021 indicate an increase of 11.9% over the same period in 2020 and a 9.7% increase in volume terms. The island is heavily dependent on tourism and therefore its economy was severely impacted by the pandemic in 2020. Nonetheless, the European Commission's 2021 autumn economic forecast places Malta's economic recovery on the path of robust growth for 2022 and 2023. The shift toward the provision of internationally focused services has undoubtedly contributed to the country's long-term economic prosperity and high employment rates. The pandemic-induced crisis did not have a negative impact on employment rates thanks to a comprehensive public package of incentives and subsidies. Indeed, employment rose by 2.7% during 2020. A moderate level of inflation due to international energy prices, increased domestic demand and tourism services is expected to characterize 2022 and 2023.

The country's recent grey listing by the Financial Action Task Force has significantly reduced the country's attractiveness to foreign investors. Nonetheless, the international ratings agency Fitch Ratings has confirmed an A+ rating for the island. Moreover, Malta received a score of 70.2 on the Heritage Foundation's 2021 Index of Economic Freedom, giving it an overall rank of 36th place. In Europe, Malta is ranked 21 out of 45 countries, a score which corresponds to the regional average.

The government is also working to diversify the economy and attract investment in leading technologies. The pandemic has highlighted even more the importance of a highly diversified economy, and – while tourism and aviation maintenance activities were hindered – the country’s consolidated pharmaceutical and medical device production sector experienced an increase in demand.

Rapid economic growth has brought several challenges to the fore. First is the substantial dependence on financial services and property development. Second, this growth has sparked a massive building program and consequent import of labor, while also increasing demands on infrastructure and social services to a degree that may prove unsustainable for an island country measuring just 316 square kilometers. An IMF review mission cautioned against the risks associated with the country’s fast-paced growth.

Finally, Malta ranked 33rd on the UN Sustainability Index 2021, with key indicators such as poverty and quality education performing well, but with challenges persisting on indicators such as the quality of overall infrastructure and sea cleanliness.

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## Labor Markets

Labor Market  
Policy  
Score: 9

Unemployment rates are at historically stable levels in Malta. Eurostat figures for October 2021 indicated that Malta had one of the lowest unemployment rates in the European Union, at 3.6% compared to the European average of 6.7%. Malta also had one of the lowest youth-unemployment rates in Europe, at 8.2% as compared to the EU-27 average of 15.9%. The overall labor market activity rate was estimated at 77.2% during the second quarter of 2021, with the highest rate being recorded among persons aged 25 to 54. This is largely attributable to a broad range of measures undertaken by the government to reduce unemployment, including the Strategy for Active Aging, the Youth Employment Guarantee Scheme, extended training programs, a reduction in

income tax, tapering of social benefits and an in-work benefit scheme. Extensive benefits have been made available to enterprises and individuals during 2020 and 2021 in a bid to counteract the negative effects of the pandemic on the economy. These measures include vouchers, wage support and rent subsidies. Indeed, Malta's labor market slack rate was one-third of the EU rate, confirming that the impact of the pandemic on the labor market was contained with certain industries never being fully locked down, government infrastructure projects continuing and new employment opportunities surfacing.

Malta possesses a consolidated support system for the unemployed, consisting of social benefits and retraining opportunities. Meanwhile, schemes to help low-skilled individuals find employment have been introduced in recent years. While Malta's strong labor market has lifted wages, the average annual gross salary was estimated at €19,594 in 2019 with variances based on sex and district of residence. The minimum wage remains relatively low at €69.76 a week and has increased at one of the lowest rates (1%) in the European Union (an EU average of 6%). Emphasis on the need to introduce a living wage has increased.

Various measures have also been introduced to increase labor market participation rates among women. In the last five years, 30,000 women have joined or rejoined the workforce. Policies worth noting include the introduction of free childcare centers in 2014, along with the strengthening of breakfast and after-school clubs. Paid maternity leave, adoption and assisted procreation policies are all now well established. The government has also established a collective maternity fund financed by the private sector, with the goal of reducing discrimination. The in-work benefit scheme has also been extended for single-earner households with children. Presently female participation in the labor force stands at 48.3% (EU average 51.09%).

Until recently, Malta had one of the highest gender pay gaps in the European Union. However, this has now been reduced to 11.6%, which is lower than the EU average of 14.1%. Data recently released by the National Statistics Office has highlighted the fact that the average annual wage for men is €20,974, while for women it is €17,771. Women are also statistically more present in lower-paid occupations, even though their average educational levels are higher than those among men.

The Maltese labor market is also facing challenges related to an aging workforce (the number of persons aged 65 and over is expected to increase by 44% by 2035). A small proportion of the workforce would prefer to work more hours. At 1.7%, this rate is half the EU average. Moreover, companies

are still reporting skills shortages, a skills mismatch and a growing reliance on foreign labor. A recently launched employment policy highlights the need to create a better skilled workforce and better salaries. Nonetheless, it warns that foreign labor is still required. A labor shortage is also being felt in various governmental areas of operation. For instance, one in every seven medical professionals is foreign-born. As of September 2020, the number of foreigners that are living and working in Malta stood at 69,919, which means that the number has effectively quadrupled since 2013. In 2021, the government relaxed the rules for work permits for non-EU nationals. The constant flow of low paid imported labor points to a structurally weak economy, which needs to be addressed with best practice models that facilitate better training of workers and incentives for older cohorts to remain in the labor market.

Malta does not have a unified labor market, but is split into a number of sectors. Nevertheless, tensions have risen in all of them due to recruitment problems. The strongest level of demand has come in the digital and financial sectors, where wages continue to climb. However, other sectors can be characterized by low pay and precarious work conditions. The influx of foreign workers and the higher rate of labor-force participation among women contributed to a moderation of unit labor costs. In 2020, estimated hourly labor costs stood at 14.5 compared to the EU average of 28.5. Moreover, concerns related to working conditions remain present, as some employers continue to exploit gaps in the law and employ workers at less than the minimum wage.

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## Taxes

Tax Policy  
Score: 7

Malta's income-tax system ensures that a portion of income is nontaxable for all three tax categories (€9,100 for single individuals, €12,700 for married individuals and €10,500 for parents). Parents also receive a tax rebate on school fees, cultural activities and creative education. No sales or inheritance tax is levied on a person's primary residence. Moreover, first-time property buyers have been benefiting from a capped duty waiver since 2014, while similar benefits were also extended to second-time buyers at the beginning of 2018. Other measures contributing to greater equity have consistently been introduced in Malta's latest budgets. For instance, for the fifth consecutive year, the 2022 budget did not introduce any new taxes. Moreover, tax refund checks will be issued and the part-time tax rate was reduced from 15% to 10%.

The burden of taxation falls mainly on people in fixed and registered employment. A recent study conducted by the Central Bank of Malta indicated that Malta's shadow economy has stabilized over the last decade and now stands close to 21% of GDP. Figures published by the European Central Bank in 2018 had indicated that Malta was among the countries with the highest number of cash transactions in the European Union, a fact that strongly suggests tax evasion. However, tax-evasion controls have since been consolidated. A number of mitigating measures have recently been introduced to consolidate previously introduced actions in this area. Legislation was officially introduced in 2021 to cap cash transactions on high-value items such as property, jewelry and works of art at €10,000. A 2019 European Commission report stated that the offshore holdings of the Maltese stood at €5.2 billion, or nearly 48% of annual GDP, among the highest such rates in the European Union. Government estimates indicate that Malta loses an estimated €120 million to tax evasion every year, principally in VAT and income taxes. However, actual figures could have been closer to €300 million during pre-pandemic periods. It is also calculated that Malta loses up to 4% of its GDP through profit-shifting. The European Union's latest VAT Gap Report indicated that, in 2019, Malta was the EU member state with the highest VAT gap increase and a gap rate that stands at 23.5%.

With a corporate taxation rate of 35%, Malta has one of the highest tax rates applicable to companies in the European Union. However, as a result of the full imputation system and the tax incentives provided to companies registered in Malta, the actual tax rate is estimated to be as low as 5%. Nevertheless, the G7 in 2021 has agreed to the creation of a minimal corporate global tax rate of 15% for companies generating a turnover of over €750 million. Malta has provisionally signed up to the principle of 15% with reservations over a number of clauses including the €750 million threshold. While the immediate

impact would be on 20 companies, the long-term impact is as yet unknown. The government is working on redirecting its focus on small and medium-sized companies, and on working with the European Union on negotiating carve outs and concessions. Moreover, the Maltese tax policy does not include additional taxes on dividends paid to shareholders, apart from the fact that they are entitled to tax credits. Special tax incentives are also available for industrial research and development projects and innovation activities conducted by SMEs. Professionals in the gaming, financial services and aviation sectors can pay a flat tax rate of 15% on personal income up to €5 million.

The island's global residency program allows individuals with a certain income to benefit from a flat 15% tax rate. Moreover, in June 2021, the country introduced the Nomad Residence Permit for digital professionals working remotely and earning a minimum of €2,700 per month.

Fiscal incentives to enhance the competitiveness of various economic sectors and attract foreign direct investment are available. Indeed, corporate taxation is regarded as an important source of revenue for the island. However, this has raised concerns about exploitation by companies conducting aggressive tax planning. The Maltese government has transposed the provisions of the European Union's Anti-Tax Avoidance Directives, which aim to prevent companies from aggressively exploiting differential tax rates across EU states. Moreover, the country's recently approved Post-Covid Recovery and Resilience Plan (RRP) pledges to tackle tax avoidance.

Malta made a formal submission of its Recovery and Resilience Plan to the European Commission on 13 July 2021. On 16 September 2021, the Commission gave its green light to the plan. The plan addresses the urgent need to foster a strong recovery, promote sustainability, and better prepare Malta for the challenges and opportunities of the green and digital transitions. To this end, the plan consists of 17 investments and 30 reforms. They will be supported by €316.4 million in grants. 53.8% of the plan will support climate objectives and 25.5% of the plan will foster the digital transition. The reforms address bottlenecks to lasting and sustainable growth through a strengthening of the rule of law and fighting corruption, and tackling challenges related to health and skills. The plan also aims to increase Malta's gross domestic product by 0.7% to 1.1% by 2026.

As indicated by credit agencies, Malta's continued growth has ensured sufficient fiscal resources. In small states, the tendency has always been that ecological sustainability is a lower priority. This time around, public opinion has had a marked impact on the issue and better organized NGOs have put the issue firmly on the agenda. The battle between the two – business and public –

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## Budgets

Budgetary Policy

Score: 7

Budgetary developments since 2013 have demonstrated that Malta is set to meet most standards of financial sustainability. As of June 2015, Malta was no longer subject to the European Union's Excessive Deficit Procedure. Indeed, deficit levels decreased, and the island went on to register surpluses between 2016 and 2019.

Pre-pandemic projections anticipated that the government would be able to maintain a surplus between 2019 and 2021. Nonetheless, the pandemic disrupted this growth pattern, and budgetary expenditure shifted drastically to cater for a broad range of subsidies and incentives that the government provided to keep the economy afloat. The government was expected to register a surplus of €14 million in 2020 and public debt as a percentage of GDP was expected to fall from 43.2% to 40.4%. However, the government recorded a deficit of 10.1% of GDP in 2020. It has also been confirmed that the budget deficit will amount to €1.6 billion or 12% of GDP. This policy was assisted by the EU budgetary escape clause valid for 2020 and 2021.

Projections presented by the Maltese government in its 2021 Stability Programme and the European Commission figures indicate that the

government deficit in 2023 could range from 4.7% to 3.9%. European Commission figures project gross public debt at 63.6% in 2023. In its recommendations on the program, the European Commission stressed the need to prioritize fiscal reforms that will address the problem of sustainability with regards to the healthcare and pension systems. In this regard, the government has introduced a number of measures intended to contain these challenges (e.g., gradual increases to the age of pension eligibility and incentives to defer early retirement). Malta faces a medium risk to fiscal sustainability over the medium term, according to the latest debt sustainability analysis. Recommendations for Malta included prioritizing sustainable and growth-enhancing investment, in particular investment supporting the green and digital transition, and strengthening the coverage, adequacy and sustainability of healthcare and social protection systems.

Air Malta, a state-owned enterprise, continues to register losses of over €170,000 daily in view of COVID-19-related losses, which has led the government to request permission from Brussels to provide state aid amounting to €290 million. Meanwhile, the country's energy provider, Enemalta, was given a positive review by the S&P Global Ratings agency in 2021, despite the pandemic.

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## Research, Innovation and Infrastructure

R&I Policy  
 Score: 6

Given Malta's very limited access to natural resources, the country's business R&D sector continues to hold considerable potential. However, Malta has traditionally been one of the EU member states with one of the lowest investment levels in this area. In 2019, Malta was last in the EU in terms of government R&D spending. Data published by Eurostat in 2021 highlighted the fact that, at 0.7% of GDP, Malta had one of the lowest R&D expenditures in Europe when compared to the EU average of 2.3%. Figures published by

the European Commission in 2021 indicate that there were 478 female researchers and 1,068 male researchers working in Malta during 2017.

As of 2021, the European Union has made €5 billion in funds for R&I available throughout the European Union through Horizon Europe. This constitutes the largest funding scheme for R&I endeavors to date. The program was officially launched in Malta in February 2021 and should provide much needed funding for local R&I projects.

The European Innovation Scoreboard 2021 identifies Malta as a moderate innovator and highlights the fact that the country's performance relative to the European Union has increased over the years, though it remains below the EU average. The country's R&I strategy for the period 2020–2027 highlights smart specialization as the key to harness innovation. The sectors that have been identified as having potential for growth are health and well-being, sustainable use of resources for climate change mitigation and adaptation, smart manufacturing, marine and maritime technologies, aviation and aerospace, and digital technologies. With 10%, Malta has the sixth highest share in the European Union for green innovations in energy-intensive industries.

Other significant actions include the FUSION program, which focuses on the analyses of companies' or researchers' ideas for commercial viability purposes, the introduction of research clusters, and the applied research framework. The applied research framework is administered by the Malta College of Arts, Science and Technology (MCAST), the research trust, the Center for Entrepreneurship and Business Incubation (CEBI) within the University of Malta, the Malta Information Technology Agency (MITA) Innovation Hub, and the Malta Life Sciences Park, which provides high-end facilities for the chemistry, biology and digital-imaging sectors. The Malta Digital Innovation Authority has also been active since 2018 and is tasked with promoting digital innovation activities. Furthermore, Esplora, Malta's Interactive Science Center, is intended to instill a broader interest in science and innovation within the general public.

Despite limited funding, Malta still contributes to cutting-edge R&D. For instance, researchers at the University of Malta have developed state-of-the-art diving safety equipment, while Malta's first space mission, Project MALETH, aims to advance medical research in the area of diabetes.

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## Global Financial System

Stabilizing  
 Global Financial  
 System  
 Score: 6

Malta is a small economy and as such is not a principal actor in the regulation of financial markets. However, it possesses consolidated links with regional and international organizations which help it through shared intelligence, to combat high-risk or criminal financial activities, ensuring fair cost and risk-sharing among market actors when a market failure occurs or is likely to occur, and to enhance information transparency in international markets and financial movements. The Central Bank of Malta, the Malta Financial Services Authority (MFSA) and the Ministry of Finance collaborate closely with similar bodies abroad. Malta has a sound regulatory framework for the fight against terrorism financing. This ensures rapid implementation of targeted UN financial sanctions on terrorist financing and the financing of weapons of mass destruction.

The Central Bank of Malta operates within the European System of Central Banks. Malta is also a member of MONEYVAL, a European committee of experts evaluating anti-money-laundering measures. Supranational regulatory regimes have strong influence on Maltese banking regulations. For instance, the 2014 European Bank Recovery and Resolution Directive was transposed into Maltese law in 2015. In the same year, the Central Bank of Malta introduced the concept of a central credit register, which requires Maltese banks to report end-of-month balances of exposures exceeding €5,000. Legislation was also officially introduced in 2021 to cap cash transactions on high-value items such as property, jewelry and works of art at €10,000.

The Financial Intelligence Analysis Unit (FIAU) helps to combat high-risk or criminal financial activities. The FIAU is responsible for the collection, collation, processing, analysis and dissemination of information related to combating money laundering and the funding of terrorism. The unit is also

responsible for monitoring compliance with relevant legislative provisions and issuing guidelines aimed at curbing money laundering. Throughout its years of operation, the FIAU has signed memos of understanding with other national FIAUs, and spearheaded the transposition of the European Union's Fifth Anti-Money Laundering Directive (AMLD) into Maltese law in 2020. Among other elements, this directive continues to build on the existing framework, adding provisions related to virtual currencies, broader access to information and stricter control for transactions above specified thresholds.

Policies within the Maltese financial sector have raised concerns at the European and international level in recent years. A report published by MONEYVAL in September 2019 noted recent progress insofar as the competent authorities have improved their understanding of the threats and vulnerabilities, and have undertaken certain actions to mitigate the risks. However, the report also stressed the fact that the Maltese anti-money laundering framework is not equipped to tackle offenses, particularly those of a more complex nature. MONEYVAL emphasizes that the FIAU is weak and too small in terms of the size of the island's financial-services sector. Nevertheless, Malta passed the MONEYVAL test in 2021 following a series of reforms that beefed up the island's anti-money laundering regime. The Maltese police force included the Economic Crimes Unit and National Counterfeit Unit. These were relatively weak, securing few convictions or sanctions for money laundering. However, the creation of a more robust financial crimes unit has led to a number of high-profile prosecutions for money laundering and other financial crimes.

However, Malta was still grey listed by the Financial Action Task Force (FATF) in 2021, despite the country being largely or fully compliant with all 40 of the FATF recommendations. The main reasons attributed to the grey listing were money laundering, defective rule of law and justice system, institutional corruption, lack of transparency, and weak institutions. This could potentially have a far-reaching impact on the island's economy, and as a result the FIAU is spearheading efforts to rectify shortcomings and remove Malta from the list. Meanwhile, FATF President Marcus Pleyer has since noted that good progress on the grey listing action plan has been made, although key points of action still need to be addressed.

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## II. Social Policies

### Education

Education Policy  
 Score: 6

Due to a lack of natural resources in Malta, economic growth is intrinsically linked to human resources. Attracting investment and sustaining employment depend very much on the skill and education levels of the workforce. Malta's IQ world ranking is 10th.

The government has implemented a number of programs since 2013 seeking to encourage more students to pursue educational opportunities. Some of these have entailed fiscal support, such as the provision of support for students at risk of failing and/or who have failed admission to higher-education institutions, as well as the extension of services and facilities at the Malta College of Arts, Science and Technology (MCAST) in order to better address learning challenges at different educational levels. The Malta Visual and Performing Arts School was officially inaugurated in 2018, catering specifically to secondary students with special talents in the arts. A secondary school for students gifted in various sports disciplines is also operational. New vocational subjects have been introduced in schools with the aim of complementing the traditional academic route. A "One Tablet per Child" scheme is in place. New schools have been built and others modernized. To eliminate possible financial obstacles, exam fees were eliminated in 2019.

At 16.7%, Malta had the European Union's highest school drop-out rate, with 28% of adults having attained a tertiary level of education, in 2020. This latter figure indicates substantial growth compared to the figure of 10.3% in 2005. The government has continued with its efforts to reduce the drop-out rate and the country's second early school leaving strategy has been published. Experts recommend that compulsory education should be extended to 18 years of age in conjunction with an overhaul of the education system.

In 2021, Maltese students took second place in the global Supertmatik Mental Maths Challenge. The island's 2018 PISA scores remain relatively unchanged from previous years, with Malta falling within the lower range of the middle third due to scoring below the OECD average in reading, mathematics and science. However, the mean performance level in mathematics has improved relative to 2010. The country's gender gap (in favor of girls) in reading, mathematics and science was higher than the average OECD gap. Some 13% of disadvantaged students in Malta were able to score in the top quartile in terms of reading performance (OECD average 11%). New PISA findings have been postponed until 2025 to reflect pandemic-related difficulties.

Malta provides a high level of equitable access to education at all levels. A total of 80% of all schools are free, and various measures exist to support students who need help. Children with special needs are mainstreamed. Access to higher education is open to all due to the absence of tuition fees and the availability of stipends for students. The provision of free state preschool facilities for children three years and over has been greatly expanded.

The Maltese educational system continues to be characterized by a lack of alignment between education and the needs of the economy in various sectors. Reforms have been slow due to a number of difficulties including teacher recruitment, high student-teacher ratios, expanding student populations (due to relatively high birth rates among migrant communities that make up 9% of the school population) and delays in the building of new schools. Throughout October and November 2021, the first skills census was conducted with the aim of gathering much needed data that will serve as the basis for future policies to counteract present shortcomings. Meanwhile, the education system continues to be broadly exam-based, though there has been a shift toward a mixed assessment method, with substantial emphasis placed on a large number of subjects. This makes it more difficult for students to focus on core foundation subjects. Integration challenges for foreign students still persist and cyberbullying is increasing. More than 500 cases of bullying were reported in 2019.

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## Social Inclusion

Social Inclusion  
 Policy  
 Score: 7

Malta has a consolidated social benefits system that supports those with low incomes. In addition, healthcare and education are available free of charge. A failure to adjust pension and welfare benefit levels previous to 2013 had increased the risk of poverty among the unemployed and the elderly, significantly increasing their risk of social exclusion. To this end, budgetary measures have been introduced in recent years with the aim of raising benefit levels within the lower pension band, while also creating incentives to bring people back to work. The 2022 budget reiterated this stance, and included another rise in pensions as well as a range of allowances and bonuses aimed at ameliorating the conditions of disadvantaged groups. Various schemes and benefits have been introduced with the aim of counteracting the negative effects that the pandemic could have on some strata of Maltese society.

Social security expenditures totaled €93.6 million between January and September 2021, 3.4% higher than the expenditure for the previous year. Between 2010 and 2019, the in-work but at-risk-of-poverty rate increased from 5.28% to 6.5%. In 2020, primarily due to temporary contracts, 19.9% of the population was at risk of poverty or social exclusion, slightly lower than the EU average of 21.9%. According to the latest European Statistics on Income and Living Conditions Survey, single-parent households, households with three or more dependent children, and women across all age groups are more prone to poverty.

Despite low unemployment rates, Malta's economic-inactivity rate remains high among those with mental-health problems, women and the elderly, which affects the ability of these groups to access government benefits. Rising house prices have long been regarded as a source of concern, with the increasing

demand for rental accommodation directly affecting lower-income Maltese tenants. To this end, new rent regulations were introduced in 2021 with the aim of creating appropriate safeguards for renters. The 2020 budget introduced a range of measures to ensure that vulnerable groups have adequate access to housing options. These included subsidies to help young people acquire their first property and subsidies for rental accommodation. The 2022 budget highlighted the fact that 1,200 social housing apartments are currently nearing completion, while a number of new measures (e.g., an intergenerational living program) are in the pipeline. Data on the number of homeless individuals in Malta is absent or incomplete. However, estimates indicate that there could be around 300 individuals living in this condition, while another 3,000 live in garages. Meanwhile, food price increases have been double the EU average, with the number of families making use of food banks increasing 10-fold over the last four years and doubling at the height of the pandemic. Increased food prices were the driver behind the increased rate of inflation at the end of 2021.

The number of disabled people in the workforce has increased significantly since a new enforcement policy was implemented in 2017, although there remains room for improvement. The 2020 budget also provides new and expanded financial support for disabled persons unable to work, while the 2022 budget removed the means test for severe disability assistance. Foreigners, and particularly migrants from outside the European Union, are also likely to be at risk of poverty and social exclusion. The country's first migrant-integration strategy was launched at the end of 2017. Nonetheless, integration remains a key concern, facilitating marginalization, particularly in localities with large non-EU migrant communities where children of African parents face poverty.

Several budgetary measures have been introduced over the last few years to address cross-cutting social problems. These include supplementary benefits for children, breakfast at school, free school transport, greater support for low-income working parents through the creation of after-school clubs for their children, an annual fiscal incentive for people to invest in pensions programs, an annual €10,000 grant for schools to assist disadvantaged students, a bonus for senior citizens over the age of 75, and free public transport for the elderly and students. There is greater emphasis on increasing the minimum wage to reflect the true cost of living, subsidizing water and electricity costs for those most affected by the pandemic, and introducing digital cash for low-income earners.

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## Health

Health Policy  
 Score: 7

Malta provides quality healthcare to all citizens, with extensive inpatient and outpatient hospital services offered for free. This is reinforced by agreements with the United Kingdom and Italy to service patients in need of special treatments that are unavailable locally. Vulnerable groups are entitled to state support for a list of prescription medications, and all citizens are entitled to free medicine for an extensive list of chronic diseases (e.g., high blood pressure and diabetes). Couples are entitled to IVF services, which had a success rate of 18.38% in 2020, 4.20 percentage points lower than in 2019. This is in part due to the lack of pre-implantation genetic testing. The government also supports oncology patients, providing otherwise expensive treatments for free.

Although Malta has experienced the largest real-terms growth rate in total health spending in the European Union over the last 10 years, its public funding healthcare share remains low at 63.5% when compared to the EU average of 79.7%. Health-related public expenditure was increased by an additional €130 million during 2020 to cater for pandemic-related expenses. Despite the island's small size, Malta implemented a robust COVID-19 prevention and containment strategy. Ad hoc hospital facilities were set up, an efficient network of drive-thru testing facilities provided free access to swab tests from February 2020 onward and the country was declared the nation with the world's highest vaccination rate in 2021.

The crowd-sourced data platform Numbeo currently ranks the Maltese healthcare system 17th among 36 European countries. However, gaps in the system are still prevalent. The state-run mental health hospital is regarded as providing sub-par services, abortion remains a criminal offense and the country consistently holds one of the highest obesity rates in the European Union. The COVID-19 pandemic has highlighted structural weaknesses in the

healthcare sector, including low hospital capacity and insufficient investment in prevention, which accounted for 1.3% of total healthcare spending in 2018, which is less than half the EU average of 2.9%. Strengthening health promotion and prevention, and filling gaps in the healthcare workforce are key priorities. Commitments to enhance the use of digital healthcare, ongoing reforms to primary care, and investment in physical infrastructure and the healthcare workforce will help to build a more resilient healthcare system. Ensuring access to innovative medicines is a major challenge in Malta and has been a policy priority.

Malta fares well in terms of self-reported unmet need for medical care due to financial reasons with just 6% of the total population reporting such a need, compared to the EU average of 13%. Much has been done to reduce patient waiting times and it was recently announced that surgery waiting lists have been halved. In addition, 89% of the Maltese population in the highest income quintile report being in good health, compared with 58% of those in the lowest. These income-based disparities were much larger in Malta than on average in the European Union.

Healthcare delivery in Malta is dominated by the public sector with only a small number of private hospitals. Malta has fewer hospital beds per 100,000 inhabitants than many of its European counterparts. While the country's overall stock of doctors and nurses is close to the EU average, the number of specialists remains relatively low. Health-related expenditure is forecast to increase by 2.7 percentage points by 2070 compared to the EU average of 0.9 percentage points. Private and public GPs act as partial gatekeepers to public outpatient hospital services. However, many people choose to seek outpatient care directly from private specialists without a referral, often to circumvent long waiting lists for certain specialists in the public sector, essentially creating a de facto two-tier healthcare system. Strengthening primary care and the provision of outpatient services has been high on the government reform agenda in recent years.

The European Commission has indeed expressed concerns about Malta's ability to sustain growing long-term care demands, and has recommended that Malta take action to ensure the sector's sustainability. To this end, a new public-private partnership contract for three existing hospitals was agreed in 2015. However, the National Audit Office has recently identified more than 60 contractual breaches and gross negligence.

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## Families

Family Policy  
 Score: 7

With a 22% difference between men and women, Malta has the highest gender-based employment gap in the European Union. However, women’s participation in the informal economy (which accounts for 21% of GDP) may make this figure somewhat inaccurate. Malta also has the largest share of inactive women due to care responsibilities in the European Union. In the Global Gender Gap Index for 2021, Malta was ranked 84th out of 156 countries. Women score low in terms of formal political and economic engagement. However, the latest index has shown a slight improvement, which might be boosted further by the gender corrective mechanism legislation that was introduced recently, and women score well in terms of educational attainment.

Malta ranked 13th within the European Union on the 2021 Gender Equality Index, scoring 62 out of 100 points. The country has moved toward gender equality at a faster rate than the EU average, but remains slightly lower than the overall EU average of 68. Mean monthly earnings almost tripled for women and men between 2006 and 2014, but the gender gap persists, with women earning an average of 11% less than men. However, the gap widens to 16% among high-income earners. Women only make up 7.4% of managerial positions in the workforce and, though women with a high level of education make up 34.5% of the female workforce, only 13.4% of women held managerial roles.

Since 2017, nearly 40,000 women have (re-)joined the workforce. Labor market participation rates are high for women aged 30 or less, but this figure decreases for subsequent age brackets. In recent years, new workplace policies

were designed to ensure that employed parents retain or are able to return to their jobs. This has included parental leave (both maternity and paternity leave), reduced working hours, career breaks, the introduction of financial and tax incentives for mothers returning to work, free childcare centers, school breakfasts, after-school clubs, tapering of benefits, in-work benefits, and lifelong-learning programs. These measures are enabling more women to enter and remain in the labor market. However, research indicates that the pandemic has had a negative influence on mental health. Personal work-life balance became increasingly precarious with job losses, and reduced support from childcare, school facilities and extended families. The pandemic thus exacerbated gender inequality in the family, since women continue to be the primary care givers. Female participation in the workforce declined in 2020 and 2021, and reached pre-COVID-19 figures in 2022.

The parents of more than 15,800 children are benefiting from free childcare facilities. As a result, Malta experienced a large boost in the labor market participation rate and currently surpasses the EU average (77.3% compared to 72.1% in 2021). Since 2015, employers have been legally obliged to contribute the equivalent of 0.3% of each employee's salary, irrespective of the employee's gender, to the Maternity Leave Trust Fund. The 2022 budget has introduced and continued to consolidate measures that benefit families, such as the extension of free childcare to support parents that work shifts and weekends, an increased bonus of €400 for every child born or adopted, increased allowances to support families with disabled children, and in-school support for materially disadvantaged students. The introduction of free childcare services for jobless parents is also being explored.

Citation:

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The Budget Speech 2022 (English) p. 34, p. 10, p. 11, p. 17

Malta Today 25/06/2021 Free Childcare for Families with Jobless Parents Proposed

Malta Today 25/06/21 Covid19 effect on families

The Journal.mt More than 40,000 women joined or rejoined the workforce in 2017

NSO Malta 2021 Malta Labour force

NSO News release March 2019

## Pensions

Pension Policy  
Score: 6

Government expenditure on social security benefits amounted to €93.6 million up to September 2021, with an increase of €2.9 million for retirement pensions alone. Indeed, pensions represent a substantial public expenditure with projections indicating that pension-related expenditure will increase by 3.4% of GDP by 2060. This has been a major concern at the EU level and the sustainability of pensions has been a recurring point of concern in the European Commission's Country Specific Recommendations over the last few years.

The Maltese pension system is based on a pay-as-you-go model as well as a means-tested noncontributory system. Until recently, pensions were not linked to inflation and considerable erosion in real value occurred. Although this has been partially rectified, the real value of pensions today cannot make up for decades of decline. Low tax ceilings have also meant that pensioners have been required to pay income tax on their pensions. As it stands, Malta's pension system protects against absolute poverty, but does not constitute an adequate income replacement. Indeed, nearly 30% of pensioners are at risk of poverty and women, who receive 42% less than men in pensions, face the second highest gender pension gap in Europe.

In 2014, the parliament voted to introduce a third pillar to the pension system. However, it will be some time before this reform can reduce the stress of pension costs on public finances. Second-pillar pensions have not yet been introduced, though this is increasingly regarded as an important addition to the pension system. The government has introduced tax incentives for private individuals opting to invest in a private pension plan in Malta. These tax incentives are also applicable to corporations and employers. However, labor unions have called for greater government support for work-based pensions. A government scheme aims to encourage increased voluntary saving through a system of occupational pensions.

The Pension Strategy Group public consultation document published at the end of 2020 highlighted the importance of creating a multi-source, socially equitable pension system.

A number of measures have been taken since 2013 to address core shortcomings. The 2022 budget continues to build on previous years. The budget foresees raising tax exemption ceilings, and increases in retirement pensions, widows' pensions, invalidity pensions and noncontributory age pensions. These increases will be coupled with other measures that target more

specific issues for this cohort. These include adjustments for widows' pensions, benefits for service pensions, an increase for pensioners (mainly women who have stayed home to look after children) who do not qualify for a contributory pension. The government is also considering proposals that address instances where older married individuals experience pension-related difficulties upon separation. This is a scenario that largely affects women that would have been out of the workforce for a long time to take care of the family home.

Citation:

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 Long-Term Pension Projection For Malta: 2016-2070 p. viii  
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## Integration

Integration Policy  
 Score: 4

Malta's geographical location places it at the center of migration flows from Africa to Europe. On a per capita basis, the island has been known to receive a high number of migrants and asylum-seekers, with the numbers having increased drastically over the last decade. It is estimated that Malta received 20% of the persons rescued or intercepted by search and rescue teams following departure from Libya between January and August 2019. However, between January and October 2021, the island saw a 73% reduction when compared to the same period in 2020. Due to COVID-19 Malta's ports were closed for a number of months. Access to closed detention centers was further restricted. In addition, all irregular migrants that disembarked in Malta were automatically detained. Additional legal and social issues emerged during the COVID-19 crisis, including a substantial rise in homelessness. Furthermore, access to healthcare, welfare, employment and judicial services were restricted, while residence cards were invalidated due to unemployment. The report by the CPT in 2020 stated that conditions of detention appeared to be bordering on inhuman and degrading treatment as a result of institutional neglect.

Malta was given a score of 48 out of 100 on the 2020 Migrant Integration Policy Index, which states that Malta's current policies do not encourage the

public to see immigrants as neighbors, equals and fellow citizens. It concludes that obstacles emerge for immigrants in Malta with regard to reuniting with their families, settling long-term and achieving citizenship, and participating in education and public life. Being unable to vote further restricts their access to public life.

Malta has begun to consolidate its policy approach to integration only recently, with a migrant/integration policy launched at the end of 2017. Under the current government, the Ministry for Home Affairs is responsible for migration together with various governmental stakeholders. The Human Rights Directorate is responsible for the provision of integration courses, including Maltese and English language classes, as well as cultural-orientation classes, awareness campaigns and integration measures. The unit is also implementing the EU-funded “I Belong” program. Meanwhile, the Agency for the Welfare of Asylum-Seekers is responsible for the provision of some services, including employment, housing, education, healthcare and welfare information. The agency is also a facilitator between public services and serves as a pre-integration functionary. The Office of the Refugee Commissioner spearheads important initiatives, such as the new initial reception centers, the creation of a work registration system and detention policy reform.

A large number of migrants have been granted subsidiary or humanitarian protection. UNHCR figures indicate a rejection rate of 21% for the first seven months of 2019. In 2016, the government introduced a new migration strategy, which terminated the practice of automatic detention. Moreover, refugees and asylum-seekers granted protection are eligible for unemployment benefits. Maltese legislation has now been brought in line with EU Directive 2003/86 and the relevant domestic law was amended in 2017 to facilitate family reunification, especially in the case of refugees. These reforms aim to lessen the hardship on migrants seeking work and their own accommodation. Furthermore, the Malta Declaration was signed by all EU member state leaders in February 2017 as the first step toward concrete solutions for combating illegal migrant routes across the Mediterranean. Coordination centers were set up in Malta and Libya in 2020 in a joint effort to reduce migratory pressures originating in North Africa.

Evidence of poverty and homelessness among migrants indicates the need for the government to allocate more resources to this group. A recent ministerial policy, which limits access to employment for asylum-seekers from a list of “safe countries,” is regarded by the Malta Refugee Council and various NGOs as a way to push migrants even closer to poverty.

The incidence of rent-related exploitation has also increased. Integration difficulties in communities with large migrant populations remain especially pronounced, while numerous riots in detention centers have highlighted ongoing difficulties. Malta's migrant relocation system has often been characterized by disorganization, a lack of coordination, deficiencies in information provision, a lack of sensitivity toward migrant experiences, and low-quality conditions at the migrant reception center and other migrant service centers.

Improved watchdog and oversight mechanisms are needed to ensure that the migrant workforce is not exploited. The current system for the care of young unaccompanied migrants (which account for about a fourth of all arrivals) remains inadequate. Current arrangements fail to ensure the appointment of legal guardians with sufficient experience in asylum issues. There is also a need to build capacities within local communities to prevent migrants from becoming ghettoized. The issue of citizenship for the children of asylum-seekers born in Malta also needs to be urgently reassessed. Currently, these children have no right to citizenship. Statistics indicate that the number of foreign students in the country's primary and secondary schools has increased by 700% over the last 10 years, which may also lead to integration challenges in the future. Indeed, a study of this cohort found that a third of these students have been bullied at school, while almost half experience name-calling on a daily basis.

Citation:

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<https://humanrights.gov.mt/en/Pages/Intercultural%20and%20Anti-Racism%20Unit/I-Belong-Courses.aspx>

<https://homeaffairs.gov.mt/en/MHAS-Departments/awas/Pages/AWAS.aspx>

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<nts/the%20office%20of%20the%20refugee%20commissioner/Pages/Refugee.aspx>

<https://www.mipex.eu/malta>

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Report to the Maltese Government on the visit to Malta carried out by the European Committee for the prevention of torture and inhumane or degrading treatment or punishment 17-22 September 2020

Internal Security  
Policy  
Score: 6

### Safe Living

Malta is generally considered a safe place to live. A CrimeMalta 2021 report noted that crime rates had decreased during 2020, partly due to the exceptional pandemic-related circumstances.

Nonetheless, cases of fraud have increased, and conflicts between criminal organizations involved in drug-trafficking and money laundering occur from time to time. Femicide is also a concern in a society still underpinned by patriarchal societal notions. Malta ranked 36 in the Women's Peace and Security Index. A report by the Women's Right Foundation stated that, though Malta had implemented the Istanbul Convention in 2018, the laws in place do not fully protect women who experience domestic violence. Only one in three sexual assaults are reported to the police in Malta, and between 2010 and 2015 25% of murders committed were related to domestic violence and femicide. The car bombing of a well-known Maltese journalist in 2017 has since garnered intense international attention, but the arrest of the alleged murderers and the alleged mastermind has enabled police to resolve other murders and high-profile robberies.

The state faces few external security threats, making it difficult to assess local readiness or the state's ability to protect citizens if such threats were to materialize. This is particularly significant given Malta's geographic location and open borders with other Schengen-area members. Numbeo recently ranked Malta 53rd worldwide on its Safety Index, based on data compiled in mid-2021.

Malta is affiliated with Interpol and is party to several cross-border security cooperation efforts, particularly those coordinated by the European Union. Frontex operations in the Mediterranean area are also of pivotal importance to the island, particularly within the context of irregular migration and drug smuggling.

Malta's Secret Service is small, and depends heavily on intelligence from foreign intelligence services. The country has the fourth-highest number of police per 100,000 inhabitants in the European Union. Four police commissioners have resigned over a five-year period. In 2020, one of the first moves of the new prime minister was the removal of the current police commissioner. Changes to the process of selecting the head of police, with the goal of enhancing oversight were introduced. A policy revision that no longer requires police officers to have demonstrated clean conduct for the purposes of rehiring and promotion was not received well. A transformation strategy for the island's

police force is ongoing. Nonetheless, a 2021 Eurobarometer survey highlighted the fact that trust in Malta's police forces is below the EU average. Nonetheless, 71% say that they trust the army. A total of 19 murders have remained unsolved in the last 10 years. Overall, the institutional capacity for dealing with organized crime has not kept pace with the rapid change in Malta's economic and social structures. A 2021 Council of Europe report highlighted the fact that prosecutions in the area of human trafficking have typically resulted in acquittal's and proceedings are lengthy.

Meanwhile, the annual World Risk Report found Malta to be the second-safest country in the world when it comes to natural disasters.

Citation:

Prof. Saviour Formosa (2021) CrimeMalta Observatory Annual Crime Review 2021

Times of Malta 12/02/2020 Malta's Femicide Problem

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<https://www.coe.int/en/web/anti-human-trafficking/-/greta-calls-on-malta-to-strengthen-and-guarantee-protection-for-victims-of-trafficking>

World Risk Report 2021 p. 57

Times of Malta 21/01/2020 Robert Abela Announces new method of selecting Police Commissioner

## Global Inequalities

Global Social  
Policy  
Score: 4

The Maltese government has very limited opportunities to help shape or advance social inclusion beyond its borders. What little influence of this kind it has acquired is related to its participation in international organizations (such as the UN and WHO) and EU Ministerial Councils. In 2020, Malta reported that its overseas development aid (ODA) amounted to 0.44% of GNI.

Malta supports EU efforts to address the refugee crisis, while also providing support for the UN Global Compact for Safe, Orderly and Regular Migration. Moreover, through the European Union, Malta contributes to the EU Emergency Trust Fund supported by the Joint Valletta Action Plan and the Malta Declaration during Malta's EU presidency in 2017. Projects implemented by Maltese non-governmental development organizations (NGDOs) also contribute significantly to development projects in other countries. The state also provides an increasing number of scholarships to

young people from less developed states. During the current pandemic, Malta has provided a number of African countries with tens of thousands of vaccine doses to help them fight the spread of COVID-19.

Malta's development policy attaches special importance to countries in the Horn of Africa and Sub-Saharan Africa, the main source of asylum-seekers and clandestine immigrants to Malta. To this end, a Maltese High Commission was opened in Ghana, making it the country's first mission to sub-Saharan Africa. Malta's development policy also seeks to assist with development in Mediterranean states, notably North Africa and the Palestinian territories, providing scholarships and other forms of aid. Malta is one of 26 states serving as a permanent member of the Committee on the Exercise of the Inalienable Rights of the Palestinian People. Malta also actively assists other small states throughout the Commonwealth by making available its acquired experience and expertise as a developed small island country. To this end, a Commonwealth small center of excellence has been set up on the island. In general, Malta follows the lead of the European Union, with its policies on tariffs in line with those agreed to in Brussels.

Between 2015 and 2018, Malta used its role as chair of the Commonwealth Heads of Governments Meeting to press for development in a number of areas, including polio eradication, financial support for poorer Commonwealth states, combating climate change and women's rights. In June 2019, Malta additionally hosted the Summit of the Southern EU Countries with the aim of exploring issues of common interest in the Mediterranean region.

During the pandemic, Malta's ports were frequently closed to asylum-seekers. In 2022, Malta along with Italy is being investigated by the International Criminal Court with regards to complaints of pushing migrants back to Libya. EU policy currently encourages the surveillance of refugees and migrants entering the European Union. FRONTEX uses drones to focus on Libya's SAR where Libyan coast guards push refugees back. These missions mostly start from Malta.

Citation:

Times of Malta 17/10/2021 Malta Is Urged to Stop Inflating Its Aid Figures

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European Council 03/02/17 Malta Declaration by members of the European Council on the external aspects of migration

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Times of Malta 28/11/2015 Commonwealth can bridge divide on climate change

Times of Malta 27/11/2015 Financial services: 'some of best growth opportunities in Commonwealth'  
 The Malta Independent 12/06/2019 Summit of the Southern EU Countries Being Held in Malta on Friday  
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### III. Environmental Policies

#### Environment

Environmental  
 Policy  
 Score: 3

Malta's environmental challenges are complicated by large population density, a constant challenge to create employment opportunities, attract foreign investment and improve standards of living. In line with the European Union's environmental targets, Malta is set to achieve a 19% reduction in GHG emissions and increase the share of renewable energies in the energy mix to 11.5% by 2030. The country accounts for less than 0.1% of the EU-27 GHG emissions and has reduced its emissions at a faster pace than the EU average since 2012. While energy industry emissions dropped by 63% between 2005 and 2019, emissions in the transport sector grew by 22% over the same period, though during the pandemic they temporarily declined by over 70%. The drop in GHG emissions is due to the launch of an electricity interconnector with Sicily and a shift from heavy fuel oil to natural gas. The volume of plastic waste in Malta has increased by nearly one-third over the last decade, making the country one of the worst performers in the European Union. However, Malta was among the first to ban some single-use plastic items, ahead of EU deadlines. Shortcomings are largely a result of the country's continued high dependence on cars, the growing dependency on air conditioning, and the slow reduction in the island country's forest and parkland area.

Several initiatives to fulfill these targets have been undertaken. These include the generation of photovoltaic power, the establishment of photovoltaic farms, construction of an interconnected electricity system with Sicily, a shift to the sole use of electric cars paired with a phase-out of fuel-inefficient cars, plans for a more bicycle-friendly road network, the promotion of car-sharing facilities, free public transport for young people and senior citizens, grants for electric scooters and cars, and the construction of a gas-fired power station.

Building permits in 2020 fell by 37.2% for new residential buildings. However, building permits for Gozo have increased threefold since 2015, with one in every six involving projects in outside development zones. In 2021, the Gozo regional council warned of substantial damage to the environment due to

rampant over development. The Maltese countryside is protected from unsustainable development through a regulatory process of permits and enforcement. Nonetheless, a third of all outside development zone (ODZ) permits approved in 2020 were for dwellings. This is coupled with the fact that the number of ODZ permits on Malta's sister island, Gozo, has increased by 240% since 2013. The entity responsible for the issuance of permits, the Planning Authority, is often seen as lacking when it comes to timely action, especially within the context of enforcement. An undertaking by the minister to introduce a register where all meetings with stakeholders and lobbyists are logged has not transpired. Though new legislation has been introduced to regulate developers, sub-standard buildings continue to surface. The Planning Authority has over 5,000 pending enforcement notices, 14 date back to 1993. In 2010, the government refused to ratify the European convention that would oblige it to protect heritage buildings and respect threatened landscapes. Many government road-building projects have not followed proper planning procedures. Moreover, the government is proposing to reduce the penalties for breaches of environmental regulations and introduce the right to petition a tribunal to waive infringement fines. In 2020, the minister of environment set up the Intelligent Planning Consultative forum, bringing together representatives from different organizations. One of its members, Flimkien ghal Ambjent Ahjar, resigned from the organization in February 2022 stating that several issues are leading to planning and environmental disasters in the country. These issues range from the quiet amendments made to building height guidelines in 2014 to the rampant destruction of heritage houses to the development of open spaces and massive projects in small villages (e.g., Sannat and Qala).

An agency called Ambjent Malta was also established in August 2018. Rather than being a regulatory institution, it is intended to bring together all of the country's environmentally related directorates. Its aim is to improve people's quality of life and appreciation for the environment. However, the government decision to hand over the management of one of the few woodland areas in Malta to the local hunting association undermines this objective. The decision has also generated considerable objections among the general public and NGOs. The government once again allowed autumn hunting in 2021 despite flagrant abuses. The wild birds regulation unit remains under the Ministry of Gozo since it was removed from the Ministry of Environment in 2020 in breach of EU practice. Statistics indicate that the number of illegally shot birds has trebled over the last six years. Malta has also been taken to the European Court of Justice for violating a ban on bird trapping.

Citation:

Malta's 2030 National Energy and Climate Plan p. 5

European Parliament Climate Action in Malta – State of Play p. 1

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<https://www.southeusummit.com/europe/malta/malta-develops-massive-projects-to-secure-its-energy-future/>  
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 Malta Today 27/01/20 Hunting regulator pulled out of environmental ministry and given to hunter minister  
 Malta Today 04/02/22 Illegally shot birds have trebled in four years  
 Malta Today 28/01/22 Environmental culprits to get petition rights on fines  
 Times OF Malta 19/02/22 FAA quits intelligent planning forum in protest

## Global Environmental Protection

Global  
 Environmental  
 Policy  
 Score: 6

Malta's small size has traditionally hindered it from being a key player in international global policy forums. Nonetheless, since independence, it has been influential in the Law of the Sea and was instrumental in the adoption of the Protection of Global Climate for Present and Future Generations of Mankind resolution, which gave rise to the United Nations Framework Convention on Climate Change and the Kyoto Protocol in 1988. Moreover, Malta has played a dynamic role in efforts to meet climate resolutions agreed to in Copenhagen in 2009 with former UN Secretary-General Ban Ki-moon describing Malta as a key player in the efforts to "seal the deal."

Malta is party to a large number of multilateral environmental agreements. As an EU member state, Malta is bound by the obligations of the European Union's extensive environmental acquis. When Malta joined the European Union, it adopted some 200 environmental laws, which are now part of the overall Maltese legal framework. Nonetheless, the island fell five places in the United Nations Sustainable Development Goals since 2019.

In the run-up to the Paris Summit on Climate Change, Malta's prime minister hosted a special session on Climate for Leaders during the 2015

Commonwealth Heads of Government Meeting (CHOGM) in Malta. More than a quarter of the 2015 CHOGM participants attended the Paris Summit and the 2015 CHOGM was used as a forum within which support was consolidated. In 2016, Malta became one of the first countries to complete domestic preparations for the ratification of the Paris Agreement and subsequently deposited its Instrument of Ratification to the United Nations together with other EU member states.

In October 2017, Malta hosted the European Union's Our Ocean Conference. The conference led to the adoption of 437 tangible and measurable commitments, among other deliverables. The Ocean Tracker (an interactive map that follows over €10 billion in commitments made by governments, businesses and NGOs), which was launched at the EU level, was one of the commitments made during this conference. More recently, Malta's prime minister stressed the grave danger that climate change poses to small island states during the UN-led COP26 Climate Summit. Malta also doubled its contribution to the green climate fund in a bid to help developing countries navigate the challenges associated with climate change.

However, Malta remains an insignificant, if active, player in global environmental protection, attempting to play a role in climate diplomacy with a focus on islands. To this end, in 2020, Malta appointed an ambassador to deal specifically with island and small state issues.

Citation:

Times of Malta 12/12/2008 U.N. Secretary-General Recalls Malta's Climate Change Initiative

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The Malta Independent 30/09/2016 Malta among first countries to finalize preparations for ratification of Paris Agreement

<http://ourocean2017.org/>

European Commission Press Releases 22/10/2019 EU makes 22 new commitments for clean, healthy and safe oceans and launches The Ocean Tracker

Times of Malta 02/11/2021 Small Island States in 'Grave Danger,' Robert Abela Warns COP26 Climate Summit

The Journal.mt 21/08/21 Malta's Climate Change Battle, A holistic effort is a must

# Robust Democracy

## Electoral Processes

Candidacy  
Procedures  
Score: 9

Elections are regulated by the constitution and the General Elections Act. Malta uses a single transferable vote (STV) system. Candidates can stand either as independents or as members of a political party. Parties can field as many candidates as they wish, and candidates may choose to stand in two electoral districts. If elected in both districts, a candidate will cede their second seat. The system allows for a diversity of candidates and restrictions are minimal, though legal restrictions based on residency, certain official functions and court judgments exist. There have been persistent calls for electoral system reform on the basis of several issues, namely the lack of an official national minimum threshold; the fact that candidates are no longer listed alphabetically, giving an advantage to certain candidates; and the lack of correctives to encourage the election of female candidates. The latter has been partially addressed. At the next election, if the percentage of women elected falls below 40%, a corrective measure will come into play. However, this corrective mechanism only comes into play for the two major parties and is, therefore, said to militate against the interests of smaller parties. Recent provisions ensure greater proportionality. However, the reality is that this has only increased the dominance of the two main parties. Each of the two main parties receive €100,000 annually, which may be used for campaigning. There has been increased calls to ban party funding from the private sector and replace it with a more developed system of state funding. Meetings of the electoral commission are closed and there is an absence of representatives from non-parliamentary parties. As a result of the introduction of the new gender correction mechanism, a minimum of four members from the 10-member electoral commission must now be women.

Citation:

Malta Today 05/07/17 Now is the time for Electoral reform

OSCE/ODIHR (2017) Election Assessment Mission Final Report – Malta

[https://www.maltatoday.com.mt/news/national/85019/who\\_is\\_lecturing\\_whom\\_malta\\_land\\_of\\_clientelism#.YdVcvM0zGP8](https://www.maltatoday.com.mt/news/national/85019/who_is_lecturing_whom_malta_land_of_clientelism#.YdVcvM0zGP8)

Lejn Rappreżentanza Ugwali – Kummissjoni Mahtur mill-Prim Ministru ta' Malta, OPM.

[https://www.maltatoday.com.mt/news/national/95619/public\\_policy\\_professor\\_questions\\_feasibility\\_of\\_optional\\_fulltime\\_mp\\_proposal\\_in\\_gender\\_equality\\_reform#.YdVdec2mj3E](https://www.maltatoday.com.mt/news/national/95619/public_policy_professor_questions_feasibility_of_optional_fulltime_mp_proposal_in_gender_equality_reform#.YdVdec2mj3E)

[https://www.maltatoday.com.mt/news/national/20914/the-scent-of-money-20120910#.YdVdpM3X\\_5M](https://www.maltatoday.com.mt/news/national/20914/the-scent-of-money-20120910#.YdVdpM3X_5M)  
Malta Today 10/09/21 Women are on Malta electoral commission after legal changes

Malta Today 28/02/20 Gender mechanism only serves big parties AD Says as government welcomes PN agreement

Media Access  
Score: 5

Malta has both state and private media. However, an overall media authority is absent. The Maltese constitution provides for a broadcasting authority (BA). Owing to its composition and appointment procedure, the BA is not perceived as an independent regulator as it is controlled by the two big parties. There is a lack of transparency with regards to appointments. Its job is to supervise broadcasting and ensure impartiality. However, the BA focuses on the PBS (public broadcasting service) and not private outlets. It also does not monitor campaign coverage but rather acts on complaints. During elections, the BA provides for equal time for the two major political parties on state television on its own political debate programs as well as airtime for political advertising. However, smaller parties or independent candidates do not receive equal treatment by the state-owned media or any media. The PBS management is appointed by government, which is said to negatively impact its independence. The fault lies with the two main parties, as they alone can change this state of affairs. Several two-to-three member organizations, which call themselves a movement, now receive almost the same amount of news coverage as much larger civil society groups. Furthermore, as both parties own media outlets, their voice is much more dominant. The BA and the Press Act require party-run media to allow for a right of reply to an aggrieved party or individual. Access to newspapers becomes increasingly restricted at election time; unrestricted access is obtainable at a cost. The Media Monitor 2020 stated that only 12% believe that the media in Malta provides information free from political pressure and that public service media are free from political pressure. Overall, the political independence of the media scores a very high 94% risk level. Access to the media for minorities is not addressed, and there is an issue of unequal representation of women both in terms of participation and visibility. Malta ranked 81 in the 2021 World Press Freedom Index. The Media Monitor noted that Malta is the only EU member state where political parties have such extensive media ownership

Due to increased competition and the proliferation of privately owned radio and television stations and online news outlets all candidates can now access time in the media to present their views, albeit at a cost. However, the 2017 OSCE election assessment mission report stated that independent candidates and small parties enjoyed little visibility outside of social media. In 2022, the Nationalist Party has taken the state broadcaster to court over what it describes as political bias and propaganda.

Citation:

<http://www.ba-malta.org/prdetails?id=246>

Social Media during the 2013 General Election in Malta. Department of Information Malta  
[www.consilium.europa.eu/media/.../1-st-panel-oswald-main-slide-speaker...](http://www.consilium.europa.eu/media/.../1-st-panel-oswald-main-slide-speaker...)

Sammut, C (2007) Malta and the Media Landscape  
 Monitoring Media Pluralism in Europe: Country Report Malta 2018  
 2019 World Press Freedom Index: Reporters without Borders  
 Times of Malta 28/04/19 Reporters without Arguments. Mark Anthony Falzon  
 Malta Today 22/04/19 Reporters without Brain cells Raphael Vassallo  
 Media Monitor 2020 European University Institute  
 World Press Freedom Index 2021  
 Times of Malta 05/02/22 PN Launches constitutional case over PBS Labour Propaganda

Voting and  
 Registration  
 Rights  
 Score: 8

Malta's electoral laws are effective and impartial, and are controlled by a constitutionally designated electoral commission. While there is no legal obligation to vote, turnout at general elections is high at over 90%. Maltese law states that any individual sentenced to a minimum prison term of one year cannot vote in elections. In the absence of postal or electronic voting mechanisms, residency qualifications are an obstacle to voting since voters are required to physically cast their ballots in Malta. However, since the 1980s, Maltese nationals living abroad have been able to avail themselves of subsidized travel for voting purposes. Overseas Maltese cannot as yet vote at embassies. Although this capability has long been discussed, nothing has yet transpired. The need to change the system and allow voting overseas is now critical since the pandemic has restricted travel. Amendments to the Electoral Law in 2018 lowered the voting age to 16, making Malta the second country where this has happened. Other changes have helped patients cast their votes during a hospital stay. Notwithstanding, legislation must be harmonized to ensure full voting rights for individuals with mental disabilities. Residents who are not citizens may not vote in national elections, yet in line with EU law, they may participate in local or European Parliament elections. There have been requests for better and more timely information for EU citizens exercising their right to vote. Third-country immigrants and refugees do not have the right to vote. Recommendations have been made to increase transparency in the system. These include a secrecy mechanism for assisted voters as well as laws enabling international observers to examine the election process, the setting of deadlines and publishing of all records of complaint. Malta has now shifted from a manual to an electronic ballot-counting system, which was used for the first time in the European and local council elections of May 2019. In 2022, as a result of the pandemic, the Electoral Commission is setting up a system to ensure that all individuals in quarantine can vote. In Freedom in the World 2021, Malta scored four out of four for free and fair elections.

Citation:

<http://www.timesofmalta.com/article/view/20130115/elections-news/ad-on-voting-rights-for-maltese-abroad-party-financing.453281>

<http://www.timesofmalta.com/articles/view/20130220/local/Should-prisoners-in-Malta-be-allowed-election-vote-.458430>

Should Migrants have the Right to Vote? Times of Malta 23/06/14

<https://www.timesofmalta.com/articles/view/20171015/local/counting-halls-electronic-voting-and-legal-changes-on-electoral.660402>

<https://www.timesofmalta.com/articles/view/20180305/local/16-year-olds-granted-the-vote-in-national-elections.672453>

Times of Malta 19/11/18 Government considering ways for Maltese abroad to vote in embassies

Malta Today 02/12/18 Labour ministers shoot down voting right proposal for non-EU nationals

Malta Today 13/11/18 Voting counting hall transformed as electronic system in place for European elections

[https://en.wikipedia.org/wiki/Voting\\_age#Malta](https://en.wikipedia.org/wiki/Voting_age#Malta)

Malta Independent 26/03/19 PD requests extension of voter registration period

Freedom in the World 2021

VOLT MALTA 28/09/21 Amidst pandemic restrictions Malta should legalize voting in election from abroad Volt Malta says

#### Party Financing

Score: 4

Malta passed its first party-financing law in July 2015, which requires that political parties should be subject to international standards of accounting and auditing; cannot accept donations from companies associated with the government; cannot accept donations from entities, foundations, trusts and nominees whose beneficiaries are unknown; donations in excess of €7,000 must be recorded online and reported to the Electoral Commission; and donations from individuals must be capped at €25,000. As a consequence of this legislation, political parties have been required since 2016 to publish details on the financing of their electoral campaigns. flaws of the new legislation include the absence of a requirement to use a designated bank account or to disclose donations to entities owned by political parties as well as an excessive disclosure threshold, a failure to cap spending at €2 million, and a lack of detailed and timely reporting. It has also been noted that there is insufficient harmonization of the regulations relating to the Financing of Political Parties Act (FPPA) and General Elections Act, raising concerns over which act would take legal precedence. The Electoral Commission lacks the power to ensure compliance since it is unable to control sources of income beyond donations. In addition, the role of the Electoral Commission, as the appropriate body to act as investigator and adjudicator with regard to the FPPA, has been undermined by a Constitutional Court ruling, which states that this concentration of authority breaches Article 6 of the European Convention. One result is that Electoral Commission cannot investigate or impose fines for breaching the law. Therefore, the precise role of the party-financing watchdog remains uncertain and the act urgently needs to be revised. Several unsuccessful attempts have been made to alter the law. In the meantime, members of the Electoral Commission, which is meant to act as a watchdog on the political parties, are appointed by the two major political parties. Delays in the publication of party accounts continues to be the norm.

The Electoral Commission thus remains toothless in light of alleged breaches of the law, including the Nationalist Party's adoption of schemes, which include a loan scheme where funds were received through subsidiaries and lacked legal transparency, as well as allegations that the Panama-based company Egrant was set up as a vehicle to raise funds for the Labour Party.

## Citation:

<http://www.timesofmalta.com/articles/view/20150721/local/pns-conditional-yes-to-party-funding-bill.577469>  
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 Party Financing a lost opportunity Malta Today 23/07/2015  
<http://www.timesofmalta.com/articles/view/20160917/local/pn-refusing-to-disclose-cedoli-scheme-donor-details.625240>  
<http://www.timesofmalta.com/articles/view/20160911/local/cedoli-make-3m-as-pn-prepares-for-an-election.624637>  
 tvn.com.mt 09/12/15 Malta off GRECO blacklist thanks to legislation on party financing  
 Times of Malta 07/11/17 Four Electoral Commission Members opted not to apply party-financing law fearing human rights breach.  
<https://www.timesofmalta.com/articles/view/20170708/opinion/Sound-party-finances.652699>  
<https://www.timesofmalta.com/articles/view/20170312/editorial/time-to-clean-up-party-funding.642120>  
<https://www.timesofmalta.com/articles/view/20180510/local/pn-appeals-party-funding-investigation-decision.678761>  
[https://www.maltatoday.com.mt/news/national/84425/adrian\\_delia\\_high\\_rise\\_development\\_PN\\_nationalist\\_financing#.YdVtDlopwQQ](https://www.maltatoday.com.mt/news/national/84425/adrian_delia_high_rise_development_PN_nationalist_financing#.YdVtDlopwQQ)  
 Malta Today -8/10/12 Constitutional Court finds for PN in party financing case  
 Times of Malta 14/10/18 State of limbo looming for party financing watchdog  
 The Malta Independent 05/06/19 PD Warns of dormant financing of Political Parties Act  
[https://www.maltatoday.com.mt/news/xtra/75392/pn\\_warned\\_us\\_in\\_2014\\_that\\_subsidiaries\\_could\\_be\\_used\\_to\\_hide\\_party\\_donations\\_\\_owen\\_bonnici#.YdVtXFosaiE](https://www.maltatoday.com.mt/news/xtra/75392/pn_warned_us_in_2014_that_subsidiaries_could_be_used_to_hide_party_donations__owen_bonnici#.YdVtXFosaiE)  
[https://www.maltatoday.com.mt/news/national/85197/malta\\_state\\_financing\\_nationalist\\_party\\_cedoli#.YdVtylqsvl4](https://www.maltatoday.com.mt/news/national/85197/malta_state_financing_nationalist_party_cedoli#.YdVtylqsvl4)  
 Lovin Malta 20/05/21 Its official Malta's party financing law is broken  
 Lovin Malta 19/01/22 Every single company owned by PN and PL is late in filing their accounts

Popular Decision-Making  
 Score: 3

The constitution of Malta allows for three types of referendums: constitutional, consultative and abrogative. None of these types however fulfill the criteria for popular decision-making defined by the SGI. However, Malta has had several consultative referendums, the most recent being a 2015 referendum seeking to end spring hunting. In the latter case, the referendum was triggered by a citizens' initiative. Some local councils have also resorted to referendums, but while this may influence central government decisions, they are not binding.

## Citation:

[http://www.maltatoday.com.mt/lifestyle/environment/38168/spring\\_hunting\\_referendum\\_is\\_revolutionary#.ViNoVn4rKM8](http://www.maltatoday.com.mt/lifestyle/environment/38168/spring_hunting_referendum_is_revolutionary#.ViNoVn4rKM8)  
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<http://www.timesofmalta.com/articles/view/20140330/local/-Spring-hunting-in-dustbin-of-history-.512723>  
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<http://www.timesofmalta.com/articles/view/20160826/local/help-us-oppose-pas-firework-factory-plans-gharb-local-council.623151>

**Access to Information**

Media Freedom  
 Score: 6

Private media operates free from government interference. Mechanisms exist to ensure that state media operate independently from government

interference. Since 2014, we have witnessed further progress on this issue. The prime minister appoints all the directors of the State Media Board, as well as all the members of its editorial board. In Malta, media independence more generally is influenced by who owns a given media outlet, as well as the source of its revenues. In many cases, media organizations depend on commercial and public expenditures for these revenues. COVID-19 has made this more acute. Furthermore, journalists in all media often display a clear party preference close to that of the media organization's owner, whether the outlet is owned by a party or not. This, rather than government interference, is the primary reason that Malta's media suffers from a lack of public trust. Eurobarometer surveys have consistently shown that less than a quarter of respondents trust local media. By contrast, trust in the government has wavered between 52% and 58%. Malta's ranking in the World Press Freedom Index fell to 81st, with Malta characterized as problematic. The following issues were highlighted: the use of defamation lawsuits to target journalists; and a media climate deeply divided as a result of political party ownership of media outlets, which stifles debate and encourages propaganda. The situation was further compromised during the COVID-19 crisis through the opaque allocation of state funds to independent media. This ranking has been influenced by the murder of journalist Daphne Caruana Galizia. But this was an exceptional, tragic event. Recent events, especially the failure of the courts to stop the publication of evidence given behind closed doors or which the courts had specifically banned from publication, demonstrate the power that the press enjoys in Malta. Government does attempt to influence private media, however, to what extent and how successfully remains speculative. According to the 2021 Malta Media Pluralism Monitor, the protection of freedom of expression indicator receives a relatively low risk score of 28%, although it is up four percentage points from the MPM2020. The protection of the right to information indicator received a medium risk score of 61%, which is on the higher end of this spectrum and up 13 percentage points from the MPM2020. The journalistic profession, standards and protection indicator received a medium risk score of 36%, down four percentage points from the previous MPM (MPM 2020, 40%). The independence and the effectiveness of the media authority indicator received a low risk score of 28%, down nine percentage points from the previous MPM (MPM 2020, 37%). Lovin-Malta filed a court case in 2021 to determine whether propaganda on political party TV stations should be declared unconstitutional.

Recent amendments to the press laws have abolished criminal libel, introduced the concept of mediation, and banned the filing of multiple libel lawsuits based on the same journalistic report. At the time, the OSCE welcomed the changes, but offered additional recommendations, noting that a more balanced approach is needed with regard to the defense of truth. In 2021, the government

produced six draft acts, and appointed a commission of experts to review and report on these drafts.

Although state and party-related activities dominate the media, the reality of media diversity and a recent increase in competition, notably because of online portals, ensure that the system is essentially pluralist and that a range of opinions remain available.

However, there have been calls for reform of the public broadcasting service in order to ensure transparency and objectivity. Government pressure on media houses in election years is increasing. One such case is that of the General Workers Union (GWU), which is closely aligned with the government. The union has suspended the chief editor of its newspapers it is alleged after he refused to not publish certain stories that were said to paint the government in a bad light.

Citation:

Journalists' institute calls for reform of libel laws. Times of Malta 18/07/2015

Cabinet mulls brave new defamation law. Malta Today 11/11/2015

<http://www.timesofmalta.com/articles/view/20161001/local/institute-of-maltese-journalists-calls-for-decriminalization-of-libel.626631>

<http://www.timesofmalta.com/articles/view/20160713/local/justice-minister.618702>

<http://www.timesofmalta.com/articles/view/20160714/local/repealing-blasphemy-law-a-victory-for-freedom-of-speech-says-humanist.618859>

<https://rsf.org/en/ranking>

Standard Eurobarometre 84 Autumn 2015

Malta Today 29/11/17 OSCE analysis of Malta's upcoming media law

Legal analysis of the draft law of the Republic of Malta to provide for the updating of the regulation of media and defamation matters and for matters consequential or ancillary thereto, Commissioned by the office of the OSCE Representative on freedom of the media from Dr. Joan Barata November 2017

Draft law of the Republic of Malta to provide for the updating of the regulation of media and defamation matters and for matters consequential or ancillary thereto 2017

Special Eurobarometer 452. Media Pluralism and Democracy November 2017

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Centre of Media Pluralism and Media Freedom: country report Malta 2021

Media Pluralism  
Score: 6

Maltese media outlets, including visual media, electronic media and print publications, are primarily owned by a mix of actors, including political parties, the Catholic Church, private entrepreneurs, the General Workers' Union (GWU), a major left-leaning trade union and increasingly by civil society groups. Thus, Malta's media landscape reflects a plurality of ownership. Pluralism of opinion within the media depends entirely on editorial discretion, although the broadcasting authority and the courts may impose rights of reply when this is deemed necessary. Malta is one of the few countries with legislation defining a right of reply. The state media has expanded the range of viewpoints presented and has had few legal cases brought against it in recent years, a significant change. The state fulfills its

obligations better now than in the past. However, competition for market share has forced privately owned and politically owned media alike to publish dissenting opinions more often. The 2021 report on media pluralism in Malta by the Center for Media Pluralism and Media Freedom (CMPF) at the European University Institute, assigned the country a medium score (35%) in terms of basic protection of journalists against violence. The score remains unchanged from previous reports. As in the previous MPM report, Malta continues to receive an overall high risk score in the area of market plurality, with three indicators clearly hitting the high-risk band (news media concentration, online platforms concentration and competition enforcement, and media viability). The news media concentration indicator also received a high-risk score of 89%, nine percentage points up from the MPM 2020 (80%). Media legislation, namely the Broadcasting Act, contains specific limitations to prevent a high degree of horizontal concentration of ownership in the audiovisual media sector. However, the report alleges that there is a worrying lack of data pertaining to the market share of individual news outlets. The online platforms concentration and competition enforcement indicator also received a high-risk score of 83% due to a lack of available data with regards to advertising revenue and audience concentration, as well as a lack of specific regulation for the market. As per the MPM2020, political independence received a high-risk score, with three indicators being rated high risk (political independence of media, editorial autonomy, and the independence of PSM governance and funding). There is no law that makes government office incompatible with media ownership, and political parties own, control or are editorially responsible for nationwide television and radio services. However, media ownership is quite transparent and Malta scored well in terms of freedom of expression. In a 2019 Eurobarometer survey, respondents in Malta reported low trust in the media, with only 30% saying Maltese media provided trustworthy information. Some 85% of respondents said they came across fake news and only 12% believed that the media provided information free from political or commercial pressure. Moreover, only 12% believed that the public service media was free from political pressure compared to 39% in the European Union.

Citation:

<http://www.timesofmalta.com/articles/view/20130428/opinion/Making-PBS-a-fit-national-entity.467423>  
<http://www.timesofmalta.com/articles/view/20130423/local/new-pbs-chairman-tanks-the-pm.466622>  
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Media Pluralism in Malta, A Test Implementation of the Media Pluralism Monitor 2015

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Malta today 31/12/2019 One TV Chairman Jason Micallef opposes scrapping political party media

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Times of Malta 28/02/20 Maltese trust in democracy plummeted last November – Eurobarometer

Standard Eurobarometer 92 public opinion in the European Union Malta Autumn 2019

Access to  
Government  
Information  
Score: 4

The Freedom of Information Act was passed in 2008 and only came into force in September 2012. Since this time journalists have had better access to information from government bodies. However, exemptions compromise the bulk of the legislation. Under Article 5(4), no Maltese citizen is entitled to apply to view documents held by the Electoral Commission, the Employment Commission, the Public Service Commission, the Office of the Attorney General, the National Audit Office, the Security Service, the Ombudsman Office and the broadcasting authority, when the latter is exercising its constitutional function. Under Article 3, only Maltese and EU nationals who have been resident in Malta for a minimum of five years may access information. The prime minister also holds the power to overrule the Information and Data Protection commissioner, despite the latter's declaration that a request for information should be approved. Moreover, there are a number of laws that still contain secrecy provisions to which the act does not apply. While this may be justified in some cases, it might undermine the essential workings of the act, as it could be in the political interest of the prime minister to suppress the publication of documents, which might embarrass or undermine his administration. The act does not meet the standards of the Council of Europe's Convention on Access to Official Documents. In the 2021 Media Pluralism Monitor, Malta received a medium-risk score of 61% for the protection of the right to information, up 13 percentage points from the MPM2020. The monitor also stated that "journalists continue to consistently encounter difficulties when requesting government information. These include rejections, unnecessary delays, no reply scenarios, and the application of diversionary tactics." The data protection commissioner stated that the law needs to be revised, since a number of exceptions found in the law are not subject to the public interest test. The process to revise the law has begun.

Citation:

Aquilina, K, Information Freedom at Last. Times of Malta, 22/08/12  
 Freedom of Information Act Comes Fully into Force. The Independent 02/09/12  
 In spite of fines ministry offers no reply to Times FOI request Times of Malta 9/5/2015  
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 Government says no to most Times of Malta requests for information Times of Malta 11/06/16  
 Times of Malta 12/08/17 Freedom of information requests tripled in three years  
 Times of Malta 27/08/16 Has the Freedom of information Act worked?  
 Times of Malta 30/11/17 Over 400 Freedom of information requests in 3 years  
 Malta Independent 26/08/19 Freedom of information act: pulling off the cloak of secrecy  
 Malta Independent 17/10/19 Freedom of information: Transparency needed  
 The State's Duty to Inform, Edited by the Parliamentary Ombudsman Malta 2015  
 Times of Malta 25/05/2021 Malta's data protection commissioner on three years of General Data Protection Regulation (GDPR)

### Civil Rights and Political Liberties

Civil Rights  
Score: 7

The state generally respects human rights, and human rights are subject to judicial protection. Malta affords the highest possible level of protection to civil and political human rights, as enshrined in Chapter 4 of the constitution. These rights are legally enforceable before the courts, and the sphere of rights enjoyed by individuals has expanded greatly since independence, thanks to decisions by the Constitutional Court and the European Court of Human Rights. Delays in the administration of justice have often been the cause of complaints, but continued attempts to reform matters have brought improvements. Persons under interrogation have a right to be assisted by a lawyer. A new section in the Superior Court of Appeal has been created with the aim of increasing the system's efficiency and effectiveness. In respect to LGBTQ+ rights, Malta continues to occupy top spot in the European index of LGBTQ+ rights, which covers 49 countries. Greater focus on gender equality has improved matters considerably as has the transposition into domestic law of the Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence (Istanbul Convention). However, NGOs representing women claim that the government was not fully compliant with the convention because the country adopted a gender-neutral approach to violence. The government has now committed to including femicide as an article within the law. A massive backlog of domestic violence cases leading to year-long court delays has been identified. There has been a similar development regarding disabled persons in Malta and a national disabilities strategy has been finalized. The civil rights of immigrants and asylum-seekers – including the removal of automatic detention, a shift to open reception centers and a more efficient processing system, improved rights enabling applicants to access their own files, and better family reunification measures – have improved, although one needs to truly assess the impact of COVID-19 restrictions on these measures, as a number of small riots at the main refugee centers indicates otherwise. In 2020, amendments to the Refugees Act formalized the Temporary Humanitarian Protection (THP) status, establishing it as a legal norm. THP is now included in the International Protection Act. It is granted to “an applicant for international protection who does not qualify for refugee status or subsidiary protection status, but who is deemed to qualify for protection on humanitarian grounds.” In 2021, 32 asylum-seekers filed a human rights violation complaint against the Maltese government, alleging that in the spring of 2020 the cabinet decided to leave them for weeks on two tourist boats outside territorial waters as a precautionary measure against COVID-19. In May 2021, the government introduced a new policy denying asylum-seekers from safe countries the right to work for nine months after arriving in Malta. Human rights organizations described the policy as “discriminatory and inhumane.” A relatively high number of asylum-seekers

have been accorded humanitarian protection status. However, the rate of recognition for actual refugee status remains low. Better access to housing and support for migrants to integrate with the community needs to be made available. A recent report highlighted the right to marry, as migrants who do not have residency permits face a number of barriers when wishing to marry. A Human Rights and Equality Commissioner has been appointed, and a new integration policy launched in 2019 ratified the relevant conventions on statelessness. A 2021 NAO report has reported positively on the administration of the prisons, which contrasts sharply with accusations of abuse made by journalists. The Council of Europe's commissioner for human rights has also called for the decriminalization of abortion in Malta. There is a growing debate on this topic, though the issue remains very divisive. The UN Committee for the Rights of the Child has recommended that Malta's marriage law be amended to forbid people between 16 and 18 from getting married. Freedom in the World 2021 allocated Malta a score of 55 out of 60 on civil rights and 35 out of 40 on political liberties. Shortcomings cited included the degree of government influence over state media, racial abuse against irregular immigrants and the continued prevalence of domestic violence.

Citation:

The Malta human rights report 2015 The people for change foundation.

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#### Political Liberties

Score: 7

The constitution of Malta and its chapter on fundamental human rights provide for a broad range of political liberties. The incorporation of the European Convention on Human Rights into the Maltese constitution as well as membership in the European Union has also enhanced political liberties in Malta. The Maltese judiciary serves as the ultimate guarantor of Maltese rights and liberties, and governments respect court decisions. Maltese citizens also have the right to take a case before the European Court of Human Rights (ECHR), and several individuals have done so with success. The Ombudsman also plays a part in the protection of political liberties. In 2021, the government proposed a constitutional amendment bill, which would grant judicial powers to administrative organs. However, the bill was said to be in breach of the separation of powers and rule of law doctrines, and was defeated. Maltese civil society organizations are demanding the revocation of a controversial legal notice (legal notice 456 of 2021), which allows the director general of the law courts to remove judgments from the courts' online portal at his discretion. A traditionally clientelistic and partisan approach to politics has in the past hindered the exercise of individual political liberties, although this seems to be less marked today, as the Maltese are strong users of social media, and frequently use these platforms to air their views on political issues. U-turns in Maltese politics because of these pressures have become more frequent, but the problem has not gone away. In the World Economic Forum's Global Competitiveness Index 2019, there was an improvement in the country's score for transparency of government policymaking and this continues to be an important challenge. In Freedom House's Freedom in the World 2021 index, Malta scored 90 out of 100 points overall and 35 out of 40 for political rights. The report cited a number of problematic issues, including the difficulties faced by small parties in entering parliament, the shortcomings of the 2015 Financing of Political Parties Act, the shortcomings of the FOI act, the ineffectiveness of measures intended to investigate corruption, the lack of transparency in the allocation and terms of public contracts, and the influence still wielded by powerful economic interest groups in national politics. Emphasis was also placed on the positive ongoing constitutional reform process. The right to protest publicly is among the freest and safest in the world. Trust in the government remains high and well above the EU average. Excessive delays in court cases and the costs of such delays often deter people from seeking legal solutions, although the picture has improved sharply on this issue. Lengthy pre-trial detention remains a problem. The 2020 country report on human rights practices in Malta cited unlawful detention and continued allegations of high-level government corruption as significant issues. However, it also noted that the government was increasing efforts to identify,

investigate and prosecute government officials who committed abuses. Nevertheless, Malta has one of the European Union's weakest systems for allocating legal aid and lawyers appointed under this system have at times been found to have failed to fulfill their duties. Legal aid lawyers are very poorly paid. The current threshold to be eligible for legal aid is also very low, though this has been increased to include individuals with an annual income of up to €13,000. Malta is one of 11 EU member states that do not provide third-country nationals with electoral rights.

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Non-discrimination  
 Score: 5

The Maltese constitution's chapter on fundamental human rights forbids discrimination on the basis of race, religion, gender or politics. Other laws forbid discrimination on the basis of physical disability or handicap. In Malta, the civil courts and the Constitutional Court are staunch defenders of anti-discrimination legislation. Aggrieved citizens may take cases to the Constitutional Court, the Employment Commission or the Ombudsman Office, while public servants may also bring a case before the Public Service Commission. A bill on the issue of equality was presented to parliament in 2018, but many of its clauses proved to be highly controversial and strong opposition from many quarters has delayed many of the bill's provisions. This act will give legal protection to victims of discrimination, and harmonize equality and non-discrimination laws. Government policies are mainly non-discriminatory, but the 1989 reform of the public service did not incorporate all the recommended changes of the board. This has created loopholes that

could be utilized and result in discrimination. Discrimination on grounds of political affiliation remains a problem. Since 2013, the government has strengthened the rights of several minorities, including women, the LGBTQ+ community and disabled persons. A new mechanism will come into play during the 2022 general election, which will increase the number of women in Malta's parliament. According to the European Institute for Gender Equality, Malta increased its score to 65 points from 63.4 in comparison to the GEI 2020 edition and improved its ranking to 13th from 14th. Malta also registered the second highest progress on gender equality (an increase of 10.6 points) since 2010. Nonetheless, women remain disadvantaged when it comes to earnings and pensions, although budgetary measures have led to some improvement on the latter issue. Women are still under-represented in parliament, on state boards and in the workforce compared to women in most EU member states. Malta also has a number of independent commissions to protect the rights of vulnerable groups, such as children and disabled people. The government increased the fine for employers who discriminate against disabled people. The 2020 annual ombudsman report stated that the accelerated promotion of four armed forces officers after the 2013 election was illegal. In 2018, the National Commission for the Promotion of Equality highlighted the discrimination faced by sub-Saharan migrants in accessing employment, in employment itself, in accessing housing and when contacting school authorities as parents. There have been allegations of racial profiling by police and of a lack of racial insensitivity reflected in comments made by members of government. This is still an area that lags seriously behind.

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## Rule of Law

Legal Certainty  
Score: 6

Since Malta joined the European Union, the predictability of the majority of decisions made by the executive has steadily improved, with discretionary actions becoming more constrained. Overall, legal certainty is robust, though there continue to be instances where the rule of law is misapplied by state institutions. These shortcomings are generally highlighted by NAO and Ombuds Office reports. However, governments do generally respect the principles of legal certainty, and the government administration generally follows legal obligations. The evidence for this comes from the number of court challenges in which government bodies have prevailed. The rule of law is what one might consider a work in progress. The judicial system has been strengthened and more legislation put into place. The Ombuds Office and the National Audit Office (NAO) continue to provide strong oversight over many aspects of public administration. The appointment of a commissioner for standards in public life has already begun to bear fruit. These reports from public bodies demonstrate that government institutions do sometimes make unpredictable decisions, notably in the use of direct orders by ministries in concessions of public land to private business operators and a lack of transparency in the allocation and terms of public contracts. The publication of an annual report by the head of the public service, setting out how the service has implemented the recommendations of the NAO and the Ombuds Office, is a significant step forward.

Parliament is slow to legislate on articles of the law that have been declared unconstitutional and need to be revised. Several laws and practices enacted before EU membership are now in breach of the Maltese constitution or the European Convention on Human Rights, notably in the case of property acquired by the government decades before membership. The government has in some cases made subsidiary law that violates primary law. There is no overarching sentencing policy that ensures legal certainty. Instead, sentences that ignore clear provisions in the constitution and which are instead based on other laws still take place. However, the higher courts have become stronger in enforcing constitutional provisions. Since the Maltese legal system does not include the doctrine of judicial precedent, this may also mitigate against legal certainty. The length of court cases also undermines the process. There has also been a critique of the arbitrary issuance of freezing orders in courts. The recent practice of placing members of parliament on regulatory boards is also unconstitutional, and has been condemned by the commissioner for standards in public life. Two recent decisions by the courts, which ruled that the defendants did not enjoy legal standing, are said to have set a dangerous precedent for NGOs, which rarely have a direct interest in any matter that is

the subject of judicial proceedings instituted by them. The main opposition party (Nationalist Party) has recently set up its own injustice commission to become operative once in government. Kevin Aquilina (an academic and legal expert) states that these commissions contribute to subverting the ombudsman and commissioners, which harms the rule of law and the principle of legal certainty by undermining rulings given by these institutions. Malta has become the first jurisdiction to provide legal certainty to the cryptocurrency sector.

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Judicial Review  
Score: 7

Judicial review is exercised through Article 469A of the Code of Organization and Civil Procedure and consists of a constitutional right to petition the courts to inquire into the validity of any administrative act or declare such act null, invalid or without effect. Recourse to judicial review is through the regular courts (i.e., the court of civil jurisdiction) assigned two or three judges or to the Administrative Review Tribunal and must be based on the following: that the act emanates from a public authority that is not authorized to perform it; or that a public authority has failed to observe the principles of natural justice or mandatory procedural requirements in performing the administrative act or in its prior deliberations thereon; or that the administrative act constitutes an abuse of the public authority's power in that it is done for improper purposes or on the basis of irrelevant considerations; or as a catch-all clause, when the administrative act is otherwise contrary to law. Malta has a strong tradition of judicial review, and the courts have traditionally served as a restraint on the government and its administration. The EU barometer has noted important improvements with respect to judicial independence in Malta through reforms

enacted by the government between 1920 and 1921. Individuals who feel that their human rights have been breached also have recourse to the European Court of Human Rights (ECHR). Fully 90% of the human-rights cases that have been taken up by the ECHR Court have produced rulings that Malta has violated the complainant's human rights. However, the vast majority of these have dealt with pre-1979 legislation.

The role of the Office of the Attorney General, which unlike in other several EU member states has never been a political office, underwent reform in 2019. The attorney general will retain responsibility for prosecutions and criminal matters, but a new state advocate will be responsible for all government advisory and legal representation functions in the field of constitutional civil and administrative law. A new state advocate has been appointed under the new legislation after being unanimously recommended by the appointments commission following a public call. These reforms are in line with the recommendations of the Venice Commission. The European Commission 2021 Rule of Law report on Malta, however, stated that “the removal of the attorney general can be carried out by the president of Malta following a resolution adopted by a two-thirds majority in parliament. Similar changes have been introduced for the State Advocate In its October 2020 Opinion, the Venice Commission recommended that an expert body should decide on the grounds for removal, or that an appeal to the Constitutional Court should be possible against a decision of a parliamentary committee, before the plenary of parliament takes the final decision on the removal.”

Recent judiciary reforms have included the establishment of a commercial section, the reform of the Family Court, and the creation of a new section in the Appeals Court to help speed up case processing.

The 2021 Justice Scoreboard noted that, while more cases were being dealt with and the time needed to resolve cases had fallen, the percentage of resolved cases and pending cases remains high. The report emphasized the lack of internet-based tools for legal-rights education, and information for children. Information for the eligibility of legal aid has been made more transparent by a new IT system. In a survey, nearly 70% of the public and of firms rated the independence of the courts and the judiciary as good or very good, an improvement relative to 2018. Reasons cited for the lack of independence included pressure from the government, politicians and economic groups. Nonetheless, this is more of a perception than a confirmed statistic colored by smallness. There is general agreement among international bodies that the judiciary is fairly independent and efficient and provides strong protection of property rights. The appointment of more judges, improved planning processes and increased use of ICT have had a visible effect on the

judicial process. Increased scrutiny of the bench by the Commission for the Administration of Justice should help to increase public confidence in the courts. The number of judges as a percentage of the population remains low, indicating difficulty in finding suitable candidates to take up the post. Online information on published judgments is available, and enough information is now provided to monitor the stages of a proceeding. Delays and deferments may still lengthen the process and judges must enforce more discipline.

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Appointment of  
Justices  
Score: 5

Since 2020, Superior Court judges and magistrates are appointed by the president, acting in accordance with the advice of the Judicial Appointments Committee (JAC). This has contributed to strengthening judicial independence. The new system of judicial appointments, adopted in July 2020, was assessed by the Venice Commission in its opinion of October 2020. The Venice Commission welcomed the reform, positively assessing the new composition of the JAC, the publication of judicial vacancies, the JAC's direct proposals regarding judicial candidates to the president of Malta, the submission of detailed reports on candidates by the JAC and the presentation by the JAC of the three most suitable candidates for appointments.

The independence of the judiciary is further safeguarded through a number of constitutional provisions, including the security of tenure of judges and magistrates and the inviolability of their salaries.

The number of female judges in the court of first instance has increased substantially, but the number of female judges still remains low for the court of second instance.

The reform of the procedure for dismissing magistrates and judges has also strengthened judicial independence. Under the new system, the dismissal procedure has been placed under the remit of the Commission for the Administration of Justice, which is largely composed of members of the judiciary, as opposed to the previous system where parliament was in charge of the procedure. In its October 2020 opinion, the Venice Commission considered the reform to be generally in line with existing standards.

Steps have been taken to depoliticize the appointment of the chief justice. The chief justice is appointed by a two-thirds majority of all members of parliament.

Concerns have been raised about the significant number of specialist tribunals that continue to operate, with many of these involving executive power.

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Corruption  
Prevention  
Score: 5

A number of institutions and processes work to prevent corruption. These include the Permanent Commission Against Corruption, the National Audit Office, the Ombuds Office and the Public Service Commission. The judiciary also plays an important part in ensuring accountability.

Since the start of its tenure, the government has introduced a number of reforms. In 2013, it reduced elected political figures' ability to evade corruption charges by removing statutes of limitation on such cases and introduced a more effective Whistleblower Act, although this needs further reform. In 2016, it passed a law on standards in public life, and in 2018 the government and the opposition agreed on the appointment of the person who

will oversee the workings of this law. In 2019, the government appointed the Police Governing Board to assist in reforming the corps and to extend oversight more generally.

A new targeted anti-fraud and corruption strategy was approved by the government. While investigative and prosecution bodies have improved their capacity for dealing with corruption cases, as shown by the increase in the number of cases opened, investigations continue to be lengthy, depending on their complexity, and few high-level cases result in convictions. The reforms concerning the appointment of the police commissioner and of the commissioners of the Permanent Commission against Corruption, as well as the reorganized cooperation between the police and the attorney general are recent. The results of these reforms are yet to be seen. Concerning the rules on integrity for public officials, including members of parliament and ministers, further changes are envisaged. Specific guidelines were put in place to mitigate the risk of corruption in public procurement during the COVID-19 pandemic.

According to the European Commission 2021 report on rule of law in Malta, “Since October the Attorney General has taken over the prosecution of certain serious crimes including high-level corruption. A total of 14 prosecutors are dedicated to financial crimes and, since the second quarter of 2020, a task force on complex financial crimes has been in place. The number of financial crimes cases investigated and solved has increased substantially, following the recent increase of resources and capacity of the financial crimes investigations department (FCID) that took place between 2019 and September 2020<sup>69</sup>. However, the investigation and prosecution of corruption remains a lengthy process, especially in those cases that require large financial data analysis or that are considered complex. There are currently several high-level corruption cases that remain pending before the court.”

There is a separate Code of Ethics that applies to ministers, members of parliament and public servants, and a recently appointed commissioner for standards in public life (who is selected by a two-thirds majority vote in parliament) has already produced results. Ministers and members of parliament are also expected to make an annual asset declaration. The Public Accounts Committee of the unicameral House of Representatives can investigate public-expenditure decisions to ensure that money spent or contracts awarded are transparent, and conducted according to law and general financial regulations. Unfortunately, this committee tends toward a partisan approach which diminishes its effectiveness. Internal audit systems can also be found in every department and ministry, but it is difficult to assess their effectiveness.

Money laundering is criminalized under the Prevention of Money Laundering Act, which stipulates procedures for the investigation and prosecution of money laundering, and establishes the Prevention of Money Laundering and Funding of Terrorism Regulations. However, Malta has faced various calls for reform in this sector. In 2021, Malta was grey listed by the FATF. The government has embarked on a program of reform involving the updating of legislation, strategic plans, and stronger monitoring and enforcement.

Conflicts of interest remain common across both parties. The 2020 GAN report states that the public-services sector carries a low corruption risk for businesses operating in Malta, while Malta's land administration suffers from moderate risks of corruption. It additionally says that corruption risks at Malta's border are moderate, but that Malta's public-procurement sector carries a high corruption risk for business. In 2020, the prime minister appointed a committee to review the Vitals hospital deal, which involved the leasing of three government hospitals by an international consortium and was mired in numerous allegations of corruption, including the non-fulfillment of public-procurement regulations. Malta's Planning Authority (MEPA) has been under scrutiny for decades due to allegations of corruption and other irregularities in its decision-making process. This situation is exacerbated by the prevalence of the face-to-face relationships common in small countries, and the fact that most of Malta's parliamentarians aside from members of the government serve on a part-time basis, and thus maintain extensive private interests. Many also sit on government boards, a practice which the new commissioner for public standards has deemed to contravene the spirit of the constitution. According to a 2018 report by the European Greens, Malta loses 8.65% of its GDP to corruption. How this figure was arrived at has been contested. According to the 2021 Corruption Perception Index, Malta scored 54 out of 100 points, an improvement of one point from the previous year. In 2022, the Nationalist Party proposed 12 legislative bills focused on fighting corruption. The bills included the creation of a special magistrate to focus solely on corruption by public officers and the introduction of a new crime for abuse of public office. However, the bills have not found the requisite support needed in parliament to become law.

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# Good Governance

## I. Executive Capacity

### Strategic Capacity

Strategic  
Planning  
Score: 7

Each government ministry has a director and unit responsible for strategy and planning. In 2015, a new unit focused on information and the implementation of standards was introduced in the office of the prime minister to facilitate coordination between various stakeholders when implementing projects. These are strongest in the Ministry of Finance, the Malta Planning Authority, the Malta Transport Authority, the Ministry of Justice and Home Affairs, and the Education Ministry. The influence of strategic planning units over fiscal and education policy has increased. A Budget Implementation unit also monitors the implementation of policies with relevance to the budget. In 2020, the Malta Financial Services Authority (MFSA) and the Malta Police Force have been overhauled. A special cabinet committee was set up to review constitutional reform. However, the number of strategic planning commissions has mushroomed in recent years. The coronavirus pandemic has played an important part in this development. Overall Malta, was among the countries that handled the pandemic best, maintaining the economy, employment and health security. This success was due to many of the reforms previously carried in the public service.

Within ministries, the permanent secretary is responsible for developing strategy, including identifying key performance indicators, and determining timeline and budgets. Strategic plans normally run over three-, four- or five-year cycles and are often developed in the course of consultation with internal and external stakeholders. Internationally recognized benchmarking methodologies are used to track progress. Ministries increasingly employ consultants to produce reports on current policy issues, a practice that may be regarded as forward planning. The Management Efficiency Unit coordinates separate ministry plans and the Malta Information Technology Agency (MITA), which reviews government IT requirements, also assists. Usually

when a policy is to be reformed or updated a strategic plan is released for consultation. It has been proposed that the annual government budget be instead shifted to a multi-year timeframe to ensure a greater degree of continuity and long-term planning. However, the performance audit by the Audit Office regarding the Vitals global healthcare deal clearly indicates the absence of strategic planning units in government decision-making. The audit states, “The NAO was unable to audit the process of negotiations held between government and the VGH as information made available was severely limited. As a result, it was not possible for this Office to understand how key changes to the concession came about, the precise role played by those involved in negotiations and whether critical changes were appropriately endorsed.” The audit further states, “Records of meetings held by the Steering Committee were provided to the NAO, facilitating this Office’s visibility over the strategic management of the project. However, of note to this Office were the concerns expressed by the PS Ministry for Health (MFH) (referred to as the PS MEH-Health in the preceding paragraph) regarding his involvement with the Steering Committee. Although minutes retained indicated his attendance at a few meetings, the PS MFH asserted otherwise, claiming that he was only invited once, expressed reservations regarding the project that were not captured in the minutes and was subsequently not invited to any other Steering Committee meeting.”

Citation:

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Dec 2021 – An audit of matters relating to the concession awarded to Vitals Global Healthcare by Government Part 2 | A review of the contractual framework – download abridged – download

Expert Advice  
Score: 5

Consultation processes involving academic experts has always been rather intermittent, but since 2013, such experts have been involved in a greater number of areas including family issues, gay rights, care of the elderly, health issues such as diabetes, IT in schools and others. With the exception of standing parliamentary committees, which regularly consult with academic

experts, the government tends to consult with outside experts in an issue-based and ad hoc manner. Academic input is at the line ministry level. Policy issues have at times been the focus of studies directly commissioned from faculties, institutes and other bodies. Information required by the government may also be contracted out on an individual basis. In recent years, EU funds have been sourced to conduct research and consultation processes on a greater scale.

In addition, the process of developing important strategic plans and policies is being opened to consultation by stakeholders, including NGOs and the general public. Web-based consultation processes have become more refined, and calls for consultation more frequent. Nonetheless, gaps in the consultation process remain. In some policy areas, consultation remains sketchy or minimal, while in others, policy areas stakeholders are brought in only at a late stage. Occasionally, experts selected for the consultation process are accused of having conflicts of interest. One such example is the attempt in 2021 to update legislation with regard to prostitution. Different expert views and government input on whether and how the sector should be decriminalized resulted in the policy area becoming so contentious that reform was put on the back burner.

Citation:

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### Interministerial Coordination

GO Expertise  
Score: 5

Government ministries in Malta traditionally enjoy almost complete autonomy in several areas of policy. The government office was primarily tasked with overseeing budgetary matters. Consequently, the fallout for governments from policy failures has been significant. The present government initially faced the

same problems, but in recent years has worked to bring policy under greater central control. However, as the hospital privatizations demonstrate, this has not been very successfully. Today the Prime Minister's Office (PMO) enjoys greater control mainly through the cabinet, and through the central control of permanent secretaries in ministries. As early as March 2013, the government appointed a minister as part of the PMO to oversee implementation of the government's manifesto and more recently introduced a specific strategy to implement the government's program. This strategy operates on a three-year planning cycle in conjunction with the budgetary cycle implementation program. Ministries have full responsibility for the policy, and draw up action plans that are monitored on a monthly basis by the PMO. Areas of concern are flagged and brought to the attention of the public service and cabinet. More resources are being put into building the capacity of the public service through a centrally controlled Institute for Public Service (IPS), which coordinates training at all levels. The PMO has recently demonstrated an improved ability to respond to policy implementation failures. For example, during the period under review, the PMO heightened its overview of ministries to make up for a number of policy failures that occurred during the previous legislature, although certain ministries still make occasional efforts to evade oversight.

Sansone, K Justice to be transferred to OPM – Labor MP is Commissioner Against Bureaucracy Times of Malta 18/06/13  
<http://www.timesofmalta.com/articles/view/20151029/local/over-32m-in-government-consultancies-in-one-year.590017>

Line Ministries  
Score: 5

Since 2013, a sustained effort at coordination has been made in the Prime Minister's Office (PMO) and in line ministries. During the period under review, the government established an office within the PMO to coordinate the policies contained in the ruling party's electoral manifesto. In a new review strategy, ministries monitor the outputs of policies previously discussed with the cabinet. The OPM then monitors policies until they are implemented and supports the ministries in their implementation. Coordination meetings are also organized by the OPM bringing together the various ministries. Decisions taken by ministries have more than once been rescinded by the PMO, a practice less common in the past. The PMO may also seek to review its policies with the help of the Management Efficiency Unit and occasionally employs consultants. In several areas, it is forced to seek legal advice from the Attorney General's Office. Cabinet meetings have allowed experts to give direct advice to ministers, a departure from the past. From time to time, cabinet meetings are held in different regions for the purpose of consultations. However, coordinated consultation has become more focused through weekly meetings of permanent secretaries under the direction of the head of the public service. Specialist ad hoc committees and interministerial cabinet committees are set up to facilitate coordination between the PMO and ministries. During the pandemic, coordination between the PMO and the ministries increased.

Citation:

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Cabinet  
Committees  
Score: 6

Malta's EU presidency helped to strengthen and refine Malta's cabinet and ministerial committees. Since the 2017 election, greater stress has been placed on such committees, which report to the cabinet. Most of these committees remain focused on issues that cut across ministerial portfolios, but some ad hoc committees are more focused on single ministerial policies. The new prime minister, who took office in 2020, has advocated for the use of special committees, and immediately set up a special cabinet committee for constitutional reform. In October 2020, the government set up a Cabinet Committee on Governance to implement all the recommendations on good governance and rule of law which have been submitted by the Venice Commission, GRECO and MONEYVAL. Another committee was tasked with exploring the decriminalization of personal cannabis use.

Citation:

Harwood Mark, *Malta in the European Union 2014* Ashgate, Surrey

<https://www.pressreader.com/>

Ministerial  
Bureaucracy  
Score: 6

The public service has been at the heart of recent efforts to enhance collaboration at all levels, within ministries and across ministries. The government office (GO) has gone to great lengths to enhance ministries' personnel capacities for this purpose. This is done through focused training and targeted recruitment efforts. In nearly all cases, it is now compulsory for top senior managers to hold post-graduate degrees, and existing personnel are offered bursaries and time off to pursue such qualifications.

In 2017, the first 12 key performance indicators (KPIs) for the public service were put into place. This is a new concept for Malta's public service, and is designed to establish clear objectives that need to be attained within a specific time-frame. A "mystery shopper" for government departments was also introduced, with the aim of identifying shortcomings in service delivery and allowing such situations to be remedied. A recent study has demonstrated the impact on policy coordination resulting from these reforms. The 2020 study by the Audit Office on Government Implementation of the SDGs states that "the governance structure for poverty is appropriately designed, functions in an efficient and effective manner, and has addressed most of the strategic actions set. This governance structure takes the form of an interministerial committee,

which is responsible for the implementation of the National Strategic Policy for Poverty Reduction and Social Inclusion 2014–2024. The Committee is chaired by the Ministry for the Family, Children’s Rights and Social Solidarity, and includes the ministries responsible for education, employment, culture, health.” However, the report recommends that outside experts should be included.

Citation:

<https://www.pressreader.com/>

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Dec 2020 – A review of implementation of Sustainable Development Goal 1 – Malta’s efforts at alleviating poverty – download

Informal  
Coordination  
Score: 7

The government tendency toward informal coordination mechanisms has increased since Malta joined the European Union in 2004. Many directives from Brussels cut across departments and ministries, and ministries have to talk to and work more closely together. Preparations for the EU presidency in January 2017 and the actions taken during the presidency itself raised this informal coordination to unprecedented levels. Government longevity has also helped to strengthen this informal consultation process. As senior managers remain in their place, they build networks which they can employ informally. This also applies at ministerial levels. Informal consultation also takes place within party structures, since these are seen as a link to the grassroots level.

Digitalization for  
Interministerial  
Coordination  
Score: 7

The use of digital technologies in Malta has now become widespread both to support interministerial coordination and for client use. The government is determined to make full use of digital technologies, including blockchain. A total of €40 million have been earmarked for the digitalization of public services over the next five years. Individual government ministries can access policies by other ministries that may touch on their own policy formulation, as well as any policies that come from the cabinet.

Each government ministry has its own information management unit (IMU), The IMU’s primary role is to ensure that the information technology used is aligned with the ministry’s strategic priorities. IMUs are also involved in applying government-wide policies, standards and protocols aimed at ensuring that IT systems are mutually compatible and secure, and that staff members understand and adhere to government policies and procedures.

All CIOs are a part of a CIO Forum chaired by the permanent secretary (strategy and implementation) within the Prime Minister’s Office. Various topics and issues are discussed during the monthly meetings. However, the CIO Forum also serves as a venue in which ideas and projects can be shared

across ministries. This serves as a platform for CIOs to unite their efforts toward achieving a digitalized public administration.

In 2017, a total of 21 mobile apps for government services were launched. Moreover, the [servizz.gov.mt](https://servizz.gov.mt) website went live, offering access to about 800 services and the associated forms. The [publicservice.gov.mt](https://publicservice.gov.mt) website was also launched to disseminate information and news about the country's public services. The 2019 Ombudsman report focused on efforts to upgrade this technology in such a way as to facilitate the monitoring of ministries. The 2021 audit report on IT assets recommended improving the integration of IT systems across ministries, ceasing the duplication of data, producing more detailed inventories of the location of IT assets (since work from home had increased) and making better use of the application of best practices. The report concludes, "The work being done by the IMUs, to assess future needs and optimize the utilization of IT assets was not being carried out at department level. ... once there is a single integrated asset management system in place for all the ministries and departments, the task force can then assess how this data can: assist in the optimization of daily action and operations." Malta's reputation as a front-runner in this field within the European Union was acknowledged by the European Commission in its most recent Digital Economy and Society Index (DESI), which stated that Malta has already fulfilled the 2025 gigabit society objectives.

Citation:

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Nov 2021- IT Audit: IT Asset Management across Government Ministries and Departments – download

RIA Application  
Score: 6

### Evidence-based Instruments

Initial progress in this area was slow, but various reforms have sped up reforms. The government has continued to conduct several ad hoc reviews of existing laws and regulations in specific areas aimed at reducing administrative burdens. It now has a structure in place, which has been slowly built over the last four years. The process is now more systematic. Within the existing framework, the cabinet is required to approve regulatory impact assessments (RIAs) for government notices, regulations and by-laws (i.e., subordinate regulations). The OECD 2019 publication on regulatory practices states that Malta lacks a systematic approach toward reviewing whether laws and regulations achieve their intended policy goals. Accessibility to the process has been improved through the introduction of an online portal. However, it concludes that there is a need to engage in more consultation when introducing primary legislation. This process is detailed in the Small Business Act, Chapter 512 in Maltese law. Recent reports from the European Union have continued to confirm steady progress. To ensure that reviews contain sufficient detail, the International Accreditation Forum (IAF) process was introduced. Each ministry has now drawn up its review structure according to these standards. More trained staff have been employed and the general improvements made in the capacity of the public service are now producing results. However, the Office of the Attorney General, which also has a legislative unit, continues to present a final review when legal issues are under consideration. The institutions involved in the process include the Parliamentary Office for Reforms, Citizenship and Simplification of Administrative Processes, the Office of the Principle Permanent Secretary, the Cabinet Office, the Ministry for European Affairs and Equality (though this has now been dissolved and European affairs has been merged with foreign affairs, it is uncertain if the competence has been taken over by the latter ministry), and the Ministry for Justice, Culture and Local Government.

Citation:

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Service F. F. Bezzina and V Marmara, (2021) Reforms in a Small Island State: The Case of Malta, Springer Publishing UK.

OECD Better regulatory practices across the European Union 2019

Quality of RIA  
Process  
Score: 5

Malta's policy on regulatory impact assessments (RIA) is taking bold steps forward. Stakeholder engagement is not required by law when defining a negotiating position for EU directives/regulations, but is required when transposing EU directives. Stakeholder engagement is currently required for all subordinate regulations as part of the RIA process, as well as for some primary laws in selected policy areas. Recent better-regulation initiatives have been targeted at improving the accessibility of the regulatory process, for example through the introduction of a central portal for online consultations. Each online consultation is accompanied by a feedback report that summarizes the views of participants and provides feedback on the comments received. COVID-19 has placed consultation with stakeholders center stage. While consultation remains superficial in some areas, a more sophisticated reaction from the public has led to more robust consultation with stakeholders. The 2019 OECD report on regulatory practices in the European Union states that there is a need to engage in more consultation when introducing primary legislation specifically in the early stage before a referred regulatory decision has been identified. In small states such as Malta, truly "independent" bodies are generally absent or rare. Fortunately, several civil society groups have become more proactive and now come forward with proposals of their own rather than (as in the past) being merely reactive.

Consultation activities have been codified to support environmental impact assessments. Guidelines initially allowed for an open, transparent and inclusive consultation process. However, in April 2016, the Planning Authority was separated from the Environmental Authority, a reform that may have confused this process. Critics have also charged that consultation sometimes involves only selected interest groups. Overall, because of the extensive developments taking place in Malta, this area requires serious study. In 2018, stakeholder engagement in the process of developing regulations was on par with the OECD average. In 2020, the government launched a €450,000 project to improve the Environmental Resource Authority's regulatory process. A recent study by Bezzina and Marmara found a clear improvement in the RIA process.

Citation:

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 More development to be included in planning process, Times of Malta 19/04/2016  
 A Master Plan in Reverse Times of Malta 10/10/2016  
 Malta Independent 04/02/20 450,000 euro project launched to strengthen ERA regulatory process

Sustainability  
 Check  
 Score: 4

Regulatory impact assessments are a compulsory regulatory tool in Malta but were below effective levels. Strong training programs within the public service has raised the effectiveness of this regulatory process. European Commission reports highlight this progress. In the past, subsidies for public transport programs were increased and this was greatly extended in the 2022 budget, which promised free public transport by October 2022. Furthermore, the efficiency of the power-generation sector has been improved, which is of the cleaner type and current plans include moving Malta on to the European gas pipeline grid, while water management has also been greatly improved. Meanwhile, a more holistic approach has been adopted to ICT tools that ensure greater coordination, and that policies and programs are better assessed for sustainability. Other areas are use of ICT in schools and greater use of digital platforms. Until recently, sustainability checks were common mostly in areas involving planning and the environment; however, these have now successfully been extended to the economic sphere, as EU and credit-rating reports indicate. However, strong questions need to be asked about the lack of progress in areas touching on planning.

In sum, assessments are not based on an exhaustive set of social, economic and environmental indicators. Some projects are, but most are not. Malta’s small size always brings into debate what should be prioritized, with the economy more often than not taking precedence. This can be attributed to the need to maintain a standard of living based on free education, free healthcare and sustainable pensions.

Citation:  
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Quality of Ex  
 Post Evaluation  
 Score: 6

In recent years, ex post evaluations have been carried out for most significant policies. Various tools are used, and supported by enhanced digital processes. Improvements in ministerial coordination have also contributed to this development, along with ongoing review by the Office of the Principal Permanent Secretary. A “mystery shopper” for government departments was introduced in 2017, tasked with identifying shortcomings in service delivery so that they could be remedied accordingly. The National Audit Office performs audits to determine whether government entities have adequate

systems of internal controls in place, with follow-up audits conducted to determine whether identified weaknesses have been dealt with. In 2021, NAO notes that “in the case of the audits included in this Report, 66% of our recommendations were either fully implemented or very significant progress was made thereon. 25% of the recommendations were partly implemented. Thus, a total of 91% of our recommendations were implemented to varying degrees. On the other hand, 9% of the recommendations were not implemented or little progress was made.” These audits are based on international standards. Progress has been made since the 2019 OECD report on regulatory policy and governance, which indicated that Malta was well below the OECD average in terms of the ex post evaluation of regulations. But Malta still lacks an entity that can take legal or regulatory action against consultants who present flawed reports, or who mislead the Environment and Resources Authority or Planning Authority.

Citation:

Follow Up Reports by the National Audit Office 2018 <http://nao.gov.mt/en/recent-publications>

Malta Today 03/07/2018 Environment Impact Assessments still unregulated after 20 years

<https://nao.gov.mt/en/press-releases/4/1260/follow-up-reports-by-nao-2020-vol-2>

### Societal Consultation

Public  
Consultation  
Score: 6

The government has an obligation to consult with the public. In addition, a ministry for dialogue has been established. New policies and legislation must be published for consultation. A formal consultative structure, called the Malta Council for Economic and Social Development, works well in facilitating consultation between business associations, trade unions and government. The government has also setup a separate Council for Economic and Social Development for Gozo and a consultative council for the South of Malta. NGOs concerned with social policy tend to be regularly consulted. However, environmental NGOs are rarely integrated and frequently ignored in the policymaking process. The Planning Authority has its own consultation processes, but the views of non-governmental actors are taken into account to only a very questionable extent. Overall, Malta has seen a substantial increase in the number of policy areas open for public consultation. Malta today has a proliferation of NGOs, and increased consultation has created wider scope for them to act. However, greater progress could be achieved if NGOs were to become more professional and officialdom less sensitive to feedback, although this has become less so in the last two years with a number of significant U-turns on policy. Nevertheless, the number of consultation processes has multiplied as the government has become more conscious of the need to bring NGOs and the public into the policy-development process. The government has also facilitated the process by engaging in online consultations and

creating multiple portals. NGOs regularly protest and complain about the lack of consultation, notably on environmental issues. In 2022, media organizations protested about the lack of transparent consultation on the Daphne Caruana Galizia inquiry follow up. However, the government has appointed a board of media experts to discuss reform following the inquiry. The dialogue process would be facilitated with civil society participation in an RIA arrangement for primary legislation and included at an early stage of the reform.

<http://www.timesofmalta.com/articles/view/20151005/local/second-public-consultation-on-regulation-of-drones.587085>  
<http://www.timesofmalta.com/articles/view/20150909/local/policy-launched-to-facilitate-use-of-tables-and-chairs-in-public.583770>  
<http://www.timesofmalta.com/articles/view/20150910/local/energy-rules-consultation.583796>  
<http://www.timesofmalta.com/articles/view/20151028/local/consultation-document-on-language-policy-for-early-years-launched.589986>  
<http://www.timesofmalta.com/articles/view/20150918/local/consultation-document-on-free-access-to-bills-published.584900>  
[https://meae.gov.mt/en/Public\\_Consultations/Pages/Home.aspx](https://meae.gov.mt/en/Public_Consultations/Pages/Home.aspx)  
<https://www.transport.gov.mt/strategies/public-consultations-2236>  
<https://mtip.gov.mt/en/Pages/Public%20Consultations/Public-Consultations.aspx>  
<https://family.gov.mt/en/public-consultation-online/Pages/default.aspx>  
<http://www.timesofmalta.com/articles/view/20151010/business-news/Final-consultation-on-green-economy.587604>  
<http://www.timesofmalta.com/articles/view/20150829/local/white-paper-on-schools-role-in-alleviating-traffic-congestion-launched.582378>  
<http://www.timesofmalta.com/articles/view/20150915/local/white-paper-to-reduce-inspections-bureaucracy-launched.584533>  
<http://www.timesofmalta.com/articles/view/20160203/local/green-ngos-have-open-invitation.601085>  
<http://www.timesofmalta.com/articles/view/20160114/local/700000-scheme-for-ngos-launched.598666>  
[http://www.maltatoday.com.mt/news/national/69495/green\\_ngos\\_to\\_get\\_collective\\_50000\\_in\\_government\\_funds#.We2bzVuCyM8](http://www.maltatoday.com.mt/news/national/69495/green_ngos_to_get_collective_50000_in_government_funds#.We2bzVuCyM8)  
[http://www.maltatoday.com.mt/lifestyle/health/69774/watch\\_conference\\_highlights\\_ngos\\_contribution\\_in\\_health\\_sector#.We2cCluCyM8](http://www.maltatoday.com.mt/lifestyle/health/69774/watch_conference_highlights_ngos_contribution_in_health_sector#.We2cCluCyM8)  
[http://www.maltatoday.com.mt/news/national/64883/social\\_dialogue\\_minister\\_stresses\\_role\\_of\\_ngos\\_in\\_outreach\\_programmes#.We2ciluCyM8](http://www.maltatoday.com.mt/news/national/64883/social_dialogue_minister_stresses_role_of_ngos_in_outreach_programmes#.We2ciluCyM8)  
 Malta Today 02/01/20 How Civil Society Rocked the establishment in 2019  
<https://www.maltatoday.com.mt/news/national/30293/five-mepa-public-consultations-close-today-20130930#.YbydLDGdP0k>  
[https://www.maltatoday.com.mt/news/national/86291/maltasicily\\_gas\\_pipeline\\_public\\_hearing\\_sessions\\_draw\\_to\\_a\\_close#.YbydXzEVE7Q](https://www.maltatoday.com.mt/news/national/86291/maltasicily_gas_pipeline_public_hearing_sessions_draw_to_a_close#.YbydXzEVE7Q)  
[https://www.maltatoday.com.mt/news/national/105802/new\\_zoo\\_regulations\\_are\\_out\\_for\\_public\\_consultation\\_at\\_last#.YbydeTFJMxA](https://www.maltatoday.com.mt/news/national/105802/new_zoo_regulations_are_out_for_public_consultation_at_last#.YbydeTFJMxA)  
 Malta Today 08/06/21 Everyone but the government it seems is finally waking up to the development problem  
 Shift News 17/06/21 Malta ignores OGP letter, signals lack of attention to transparency and accountability issues NGOs  
 Times of Malta 14/01/2022 NGOs concerned at lack of transparent consultation on Daphne inquiry follow up

## Policy Communication

Coherent  
 Communication  
 Score: 7

The Labor Party, now in government since 2013, has been credited with strong communication strategies under the present leadership, particularly during election campaigns. Once in government it initially adopted normal channels,

including the Department of Information, which is the state's primary communication channel, as well as individual ministerial communication channels. However, the run-up to the 2017 EU presidency helped refine the party refine its communication strategy and tools, and it today has a broad strategy which includes an e-government service. Ministers give daily briefings when launching policies and projects. These are normally associated with campaigns that include social media. Overall, this strategy seems to be working well, with the government enjoying unprecedented levels of trust compared to the EU average, though trust ratings dipped slightly in 2019 – to 58% compared to 63% in 2018.

Citation:

How the Maltese government spend over 2.5 million in social media ads. Malta Today 07/11/17

Times of Malta 06/11/18 MFSA spends €210,000 for communications advice

<https://timesofmalta.com/articles/view/trust-in-malta-government-is-highest-in-the-eu-survey.697362>

<https://www.independent.com.mt/articles/2019-08-06/local-news/Eurobarometer-58-of-Maltese-trust-the-government-6736211853>

<https://www.independent.com.mt/articles/2018-12-22/local-news/63-of-Maltese-trust-government-Eurobarometer-6736201196>

Euro -barometer trust ratings 2019

Malta Today 14/02/2022 GWU suspends chief editor Victor Vella

## Implementation

Government  
Effectiveness  
Score: 6

Government efficiency has continued to improve, although strong economic growth and the government's ambitious plans have created challenges for the administration. Central to this improvement has been the Prime Minister's Office and the work of the Principal Permanent Secretary's Office. Policy implementation is measured against agreed upon KPIs and benchmarks, policies are monitored and shortfalls highlighted. Templates are sent out to ministries with deadlines and then assessed and reviewed. Every February, the first round of audit closing meetings commence. In November 2021, the PMO and the Ministry of Finance stated that 82% of measures announced in the previous year had been successfully implemented. This success is due to a greatly improved public service. The overall ability to implement policies is further evidenced by the overwhelming support enjoyed by the government. Although problems remain, such as backlogs stretching back several years. These problems include insufficient oversight of service providers, a lack of controls related to personal emoluments, insufficient verification and enforcement procedures, missing documentation, deficiencies in stock management, and a lack of adherence to public-procurement regulations. Meanwhile, improvements have been evident in the quality of projects implemented, including roadworks, several infrastructural projects and social housing. One questionable feature is the high amount of direct orders traditionally dished out by governments under the pretext that procurement policies take too long.

## Citation:

Gozo projects lacking good-governance rules Times of Malta 16/12/2015

Briguglio, M An F for Local Councils Times of Malta 12/12/16

Report by the Auditor General Public Accounts 2015

[http://www.maltatoday.com.mt/news/national/80417/half\\_of\\_nao\\_recommendations\\_implemented\\_auditing\\_is\\_not\\_a\\_witchhunt#.We2pXVuCyM8](http://www.maltatoday.com.mt/news/national/80417/half_of_nao_recommendations_implemented_auditing_is_not_a_witchhunt#.We2pXVuCyM8)

[http://www.maltatoday.com.mt/environment/townscapes/79047/no\\_value\\_for\\_money\\_in\\_fekruna\\_bay\\_expropriation\\_nao#.We2pt1uCyM8](http://www.maltatoday.com.mt/environment/townscapes/79047/no_value_for_money_in_fekruna_bay_expropriation_nao#.We2pt1uCyM8)

[http://www.maltatoday.com.mt/news/national/79029/labour\\_urges\\_pn\\_to\\_stop\\_ignoring\\_nao\\_reports\\_pointing\\_fingers\\_at\\_azzopardi#.We2p4VuCyM8](http://www.maltatoday.com.mt/news/national/79029/labour_urges_pn_to_stop_ignoring_nao_reports_pointing_fingers_at_azzopardi#.We2p4VuCyM8)

The following reports are obtained here <http://nao.gov.mt/en/recent-publications>

Performance Audit: An evaluation of the regulatory function of the Office of the Commissioner for Voluntary Organizations –

REPORT BY THE AUDITOR GENERAL ON THE PUBLIC ACCOUNTS 2017 –

An investigation of matters relating to the contracts awarded to ElectroGas Malta Ltd by Enemalta Corporation

Report by the Auditor General on the Workings of Local Government for year 2017 –

Performance Audit: A Strategic Overview on the Department of Fisheries and Aquaculture's Inspectorate Function –

Follow-up Audit: Follow-up Reports, 2018 by the National Audit Office

[https://www.maltatoday.com.mt/news/national/97895/74\\_of\\_2019\\_budget\\_implemented\\_accountability\\_exercise\\_shows#.XaluQ5IzaM8](https://www.maltatoday.com.mt/news/national/97895/74_of_2019_budget_implemented_accountability_exercise_shows#.XaluQ5IzaM8)

National Audit Office: Report of the Auditor General public accounts committee 2019

[https://www.maltatoday.com.mt/news/national/112571/social\\_housing\\_waiting\\_list\\_halved\\_since\\_2017\\_housing\\_authority\\_says#.YbxkHxd7Cc](https://www.maltatoday.com.mt/news/national/112571/social_housing_waiting_list_halved_since_2017_housing_authority_says#.YbxkHxd7Cc)

The 2020 Auditor General report on the public accounts

Ministerial  
Compliance  
Score: 6

The cabinet is the most important organizational device at the disposal of the government providing incentives and support to ensure ministers implement the government's program. Second to this are the weekly meetings of permanent secretaries. Meanwhile, the powers of the Prime Minister's Office have increasingly been used to drive policy implementation. The ministerial secretariat is generally responsible for overseeing the implementation of a program. However, this function has become more centralized; the government can now show how much of its program has been implemented. A yearly report provides details on each budget measure, indicating when it was implemented and by which ministry. A list of unimplemented measures is also included. 2021 has seen greater progress in terms of policy implementation. In addition, the Management Efficiency Unit in the PMO provides ministries with advice and capacity-building tools. Informal coalitions, for instance between civil society groups, businesses and individual ministries, can drive implementation in certain policy areas, such as the extension of LGBTQ+ rights, tourism or the construction sector. Parliamentary committees have also become useful in making policy implementation more efficient, for instance in the area of social affairs. However, bipartisan cooperation is all but absent in every sphere.

## Citation:

PM wants powers to appoint ministers who are not MPs Times of Malta 15/02/16

Implementation of government measure 2018 Publicservice.gov.mt

[https://www.maltatoday.com.mt/news/national/97895/74\\_of\\_2019\\_budget\\_implemented\\_accountability\\_exercise\\_shows#.XaluQ5IzaM8](https://www.maltatoday.com.mt/news/national/97895/74_of_2019_budget_implemented_accountability_exercise_shows#.XaluQ5IzaM8)[https://www.maltatoday.com.mt/news/national/112454/budget\\_measures\\_implementation\\_rate\\_up\\_in\\_2020#.Yb7wwLJVnsw](https://www.maltatoday.com.mt/news/national/112454/budget_measures_implementation_rate_up_in_2020#.Yb7wwLJVnsw)  
Times of Malta 04/10/2021 Over two-thirds of 2021 budget measures fulfilled – government

Monitoring  
Ministries  
Score: 6

The Prime Minister's Office (PMO) monitors the implementation activities of most line ministries and the structures for doing so effectively are being continually refined. The PMO has an office dedicated to monitoring which is increasingly fine-tuning the system. The PMO does not have a unit to assess policies in the ministries. Instead, the ministries themselves must do this work according to impact assessment procedures and the policy cycle. If problems surface in a ministry, the PMO steps in to assist. Furthermore, the cabinet office, which is part of the PMO, monitors policy implementation by line ministries, ensuring that they implement the decisions made by the PMO. However, because of constituency demands and the likely imminence of a general election, cracks have begun to appear in the system.

Citation:

<http://www.timesofmalta.com/articles/view/20151010/local/around-70-per-cent-of-last-budget-measures-implemented-pm.587638>

Bartolo insists that ministries should support each other, pull the same rope Independent 10/06/15

Times of Malta 17/10/18 79% of budget measures implemented

[https://www.maltatoday.com.mt/news/national/97895/74\\_of\\_2019\\_budget\\_implemented\\_accountability\\_exercise\\_shows#.XaluQ5IzaM8](https://www.maltatoday.com.mt/news/national/97895/74_of_2019_budget_implemented_accountability_exercise_shows#.XaluQ5IzaM8)

Times of Malta 15/02/22 Chris Fearné says he opposes Marsascala marina project

Monitoring  
Agencies,  
Bureaucracies  
Score: 5

Malta is a unitary state. As such, monitoring of bureaucratic agencies is undertaken by parliamentary oversight, such as through parliamentary committee sessions, a Parliamentary Public Accounts Committee (PAC), the National Audit Office and the Office of the Ombudsman. In 2018, the Office of the Principal Permanent Secretary committed his office to a review of all cases that had been investigated by the Ombudsman the previous year as a means of ensuring the rule of law and good governance. The 2017 Ombudsman report emphasized difficulties in receiving timely information, and further indicated problems related to the inappropriate disclosure of government information – specifically problems with binding parties signing government contracts to secrecy, and in areas where essential health and energy services in sectors have been partially or fully privatized. The 2020 ombudsman report again emphasized the need to update the FOI act in order to ensure transparency of administration and the need to discuss the ombudsman report in the relevant committees of parliament to ensure appropriate monitoring. In terms of citizen complaints, the highest number concerned issues of fairness and balance, followed by delays and failures to act. The Department of Local Government assesses the performance of local-government bodies. There is also an internal audit office within ministries. The Prime Minister's Office, through the Office of the Principal Permanent

Secretary, has become more involved in monitoring processes. Nonetheless, National Audit Office reports still point to some problematic areas. The main problem lies with ministers themselves rather than with the bureaucracy, as many problems highlighted by independent offices originate from ministerial secretariats.

Citation:

73% of budget measures to be implemented by the end of 2016 Malta chamber of commerce

Task Funding  
Score: 5

Task funding remains a contentious issue. Although many new schemes have been put in place, funding remains inadequate. Local councils in Malta are primarily municipal bodies, and cannot raise revenue through local taxes. However, as they are an integral part of the political system, and under party control, they come under pressure to carry out tasks beyond their remit. Nearly all funding for local-government activities comes from the central government, with a small fraction sourced from local traffic fines. Other funding comes from EU financed projects, or one-off donations from government or the Planning Authority. As of 2019, the regional committees were allocated a fund containing more than €3 million. These committees have now been relieved of all expenses relating to local tribunals, as these costs are now borne by the Local Enforcement System Agency (LESA), which is under central control. In 2021, €500,000 was made available to local councils to finance capital projects, while another fund was established to finance open green spaces. In 2020, the total allocation for local councils was €48 million. The 2020 auditor general report on local government stated that “a number of Local Councils face financial distress and are heavily reliant on Government grants to sustain their operations. This is mainly due to inappropriate financial planning and management which could result in funds not being utilized economically and efficiently. Allocation of funds intended to cover administration costs also did not suffice.” The report concludes that in 2020 24 councils ended in deficit and/or with negative retained earnings.

Citation:

44 local councils request devolution of government property Malta Today 11/09/2015

Money for local councils Times of Malta 14/02/2015

<http://www.timesofmalta.com/articles/view/20151228/local/councils-shortcoming-identified-by-nao-unacceptable-parliamentary.597069>

<http://www.timesofmalta.com/articles/view/20160706/local/auditor-general-criticises-funding-scheme-as-hasty.617914>

<http://www.timesofmalta.com/articles/view/20160111/opinion/Auditing-local-governance.598374>

<http://www.timesofmalta.com/articles/view/20151226/local/councils-christmas-dinner-bills-give-auditor-a-headache.596707>

Local government culture fund 2018 – 2020

35.5 million budget for 68 local councils in 2017 The Malta Independent 04/07/17

The Independent 12/12/18 A total of 30 local councils benefit from the capital projects fund

Financial Allocations to local councils January -December 2018

Constitutional  
Discretion  
Score: 3

Local councils have no constitutional right of implementation autonomy, and all their activities and responsibilities are monitored and can be challenged by the Department of Local Government. All by-laws have to be approved by the central government and decisions taken may be rescinded. These constraints are intentional, to prevent local councils from assuming responsibilities independent from the central government or adopting policies which conflict with those of the central government. Consequently, local councils intent on taking decisions that conflict with the central government, for instance in the area of local planning, must resort to sui generis tactics, often working with civil society organizations, in order to support the views of the locality.

National  
Standards  
Score: 6

The Department of Local Government and the National Audit Office (NAO) work together to ensure that local councils meet basic standards. The former entity is responsible for monitoring and reporting on the performance of individual local councils. Central departments set the benchmarks for services provided by local councils. The NAO independently investigates local council activities both from a purely auditing perspective and from a “value for money” perspective. It is this latter perspective that has by and large driven reform of local councils. However, not all local councils responded positively to the recommendations of the NAO, with some even failing to present their accounts on time. A NAO 2020 review of follow-up actions undertaken by local councils noted that performance has consistently fallen below expectations and over 70% of recommendations remain unaddressed. National standards at the local level are reinforced through the councilors’ code of ethics and the Local Councils Association. The ombudsman has also proposed introducing a commissioner for local government within his office. In 2017, within the Ministry the Local Government, a division was established in preparation for the 2019 local council reform bill, which aims to strengthen regional councils by more precisely defining their role, suppling them with financial resources and recognizing regional governance in the constitution. However, not all the reforms envisaged in this act have as yet been realized, with the pandemic being only partially at fault. In 2021, the number of regional councils was increased from five to six to more accurately reflect the situation on the ground.

Citation:

<http://www.timesofmalta.com/articles/view/20151226/local/councils-christmas-dinner-bills-give-auditor-a-headache.596707>

<http://www.timesofmalta.com/articles/view/20160111/opinion/Auditing-local-governance.598374>

<http://www.timesofmalta.com/articles/view/20160706/local/auditor-general-criticises-funding-scheme-as-hasty.617914>

<http://www.timesofmalta.com/articles/view/20151228/local/councils-shortcoming-identified-by-nao-unacceptable-parliamentary.597069>

Report by the auditor general on the workings of local government for the year 2019

White paper on local government 2018

NAO Local Government 2020

Effective  
Regulatory  
Enforcement  
Score: 5

For the most part, government agencies in Malta enforce regulations effectively and without bias. This said, the close personal relationships inevitable on a small island have undoubtedly greased the cogs of the administrative machine in order to facilitate positive outcomes in many cases. Certain powerful interests such as the construction lobby also wield influence over the decision-making process. A number of protests in 2019 expressed civil society anger against government support for development proposals running counter to the vision of a sustainable economy. Finally, the government's reliance on direct orders for large purchases, along with allegations of mismanagement in tendering processes, has left it open to accusations of favoritism. In 2013, the government strengthened the fight against corruption by reducing elected political figures' ability to evade corruption charges, and introduced a more effective Whistleblower Act. This act has been reformed for a third time. The recommendation of the 2017 ombudsman's report to regulate lobbying has not been met. The Chamber of Commerce has also called for greater transparency in a set of proposals made to government. This is interesting as it highlights growing concerns among its members, who are normally guilty of such practices, about the current situation. However, nearly all government entities replied positively to the recommendations issued by Ombudsman's Office. Furthermore, the Commissioner for Standards in Public Life has ruled against the practice of members of parliament sitting on government boards. Judicial reviews and European Commission investigations have frequently given the lie to accusations of bias or wrongdoing, and the government has strengthened its efforts on several scores. However, as in Iceland and Luxembourg, the country's small size impacts negatively on efforts to ensure bias-free governance. There is now growing agreement that the current STV electoral system, which has facilitated a two-party system, has contributed to Malta's failings, including the country's grey listing. There is, therefore, a growing consensus in favor of change.

Citation:

<https://www.timesofmalta.com/articles/view/20181020/local/possibility-of-state-aid-rules-breach-in-db-groups-its-project-raised.692024>

<https://www.timesofmalta.com/articles/view/20181020/local/possibility-of-state-aid-rules-breach-in-db-groups-its-project-raised.692024>

<https://www.timesofmalta.com/articles/view/20181027/local/we-have-nothing-to-hide-nothing-to-fear-on-pembroke-project.692678>

<https://www.timesofmalta.com/articles/view/20180828/local/274-million-svdp-deal-was-never-appealed.687770>

[https://www.maltatoday.com.mt/news/national/82086/pana\\_committee\\_report\\_confirms\\_malta\\_tax\\_system\\_eu\\_conformity\\_financial\\_organisations\\_say#.YcnWkMwzqPs](https://www.maltatoday.com.mt/news/national/82086/pana_committee_report_confirms_malta_tax_system_eu_conformity_financial_organisations_say#.YcnWkMwzqPs)

[https://www.maltatoday.com.mt/news/national/109527/chamber\\_calls\\_for\\_reform\\_of\\_public\\_procurement\\_after\\_nao\\_report\\_slams\\_st\\_vincent\\_de\\_paul\\_contract#.YcnXF8zP13o](https://www.maltatoday.com.mt/news/national/109527/chamber_calls_for_reform_of_public_procurement_after_nao_report_slams_st_vincent_de_paul_contract#.YcnXF8zP13o)

Malta Today 06/03/2020 scales tips in favour of developers

Domestic  
Adaptability  
Score: 7

### Adaptability

The capacity of government structures to adapt to change improved during the period of EU accession and since membership. Malta's preparations for assuming the EU presidency required further adaptation to changing scenarios, especially at the ministerial and bureaucratic levels as well as ambassadorial and consulate levels. It also required the expansion and international training of personnel. Malta is also seeking election to the UN Security Council for 2023/24. Consequently, there is greater awareness of the need to respond to international developments. Better coordination among the bureaucracy has also contributed to improvements. Departments are required to submit a strategic plan that is linked to their policy objectives, and which makes a contribution to wider national and corporate programs. On this basis, they are then required to submit a business plan specifying the necessary human and budgetary resources (typically in a two-year rolling plan format). These plans are approved and translated into the organizational leadership-performance plan. These are revised and updated every six months to ensure that they remain relevant and suitable to current conditions. In this way, organizations and their mandates are allowed to evolve gradually so as to remain "fit for purpose." In addition, the government of Malta uses a number of structured review processes, including spending reviews (led by the Ministry for Finance), and strategic/operational/capacity reviews carried out in-house consultancy firm (the Management Efficiency Unit, or MEU) or external consultants. Similarly, there is a structured internal audit program led by the Internal Audit and Investigations Department (IAID). These latter interventions aim to stimulate significant organization change as needed, and generally focus on specific issue areas.

Malta is presently under substantial pressure to update and improve its regulatory and enforcement capabilities, particularly in the area of finance. Malta's grey listing by the FATF is one example of this pressure, and expertise and funding has been allocated to ensure this. This is supported by recent credit agency reports. Environmental protection also requires strengthening. However, success in this field has been marginal.

Parliament has also demonstrated a greater willingness to engage with international forums. This has increased the government's capacity to address international issues such as climate change, international financial institutions, security policy and humanitarian crises. However, the fact that parliament remains a part-time institution slows down the process, leaving the task to the public service.

Citation:  
[https://www.maltatoday.com.mt/business/business\\_news/110608/no\\_immediate\\_impact\\_on\\_maltas\\_ratings\\_from\\_greylisting\\_fitc#.YbxWkGAzqko](https://www.maltatoday.com.mt/business/business_news/110608/no_immediate_impact_on_maltas_ratings_from_greylisting_fitc#.YbxWkGAzqko)  
[.maltatoday.com.mt/news/national/107615/moodys\\_give\\_malta\\_positive\\_governance\\_rating\\_1#.YbxWomCZOa4](https://www.maltatoday.com.mt/news/national/107615/moodys_give_malta_positive_governance_rating_1#.YbxWomCZOa4)  
[https://www.maltatoday.com.mt/news/national/102995/fiau\\_flagged\\_61\\_cases\\_of\\_suspected\\_money\\_laundering\\_to\\_the\\_police#.YbxXY2DP23A](https://www.maltatoday.com.mt/news/national/102995/fiau_flagged_61_cases_of_suspected_money_laundering_to_the_police#.YbxXY2DP23A)

International  
 Coordination  
 Score: 5

Malta does not have the institutional capacity to actively shape a wide range of international efforts. However, Malta has sought to do this within its immediate Mediterranean region and increasingly within the European Union. Since 1975, Malta has been a rapporteur of the UN Committee on the Exercise of the Inalienable Rights of the Palestinian People. It continues to support good-governance efforts in Libya and Tunisia and co-operates closely on refugee and migration issues with neighboring countries. Malta accepts more asylum-seekers per capital than almost all other countries and was one of the few EU member states to honor in full the EU relocation program by taking in its full quota. Since 2020, Malta has sought to extend its actions in sub-Saharan Africa and has provided COVID-19 vaccines to a number of African countries, among other supports. It is now providing scholarships to young diplomats from the Mediterranean and a number of African states. Indeed, over the last four years, Malta has done as much as it could on several international issues. One such issue concerns Libya, as Malta continues to seek ways to assist the country’s peace process and aid humanitarian efforts. In 2019, Malta also increased the financial contribution it makes to support global issues. In June 2020, Malta will officially launch its bid for a non-permanent seat on the UN Security Council for the 2023 – 2024 term.

Citation:  
[https://www.maltatoday.com.mt/news/national/111958/watch\\_malta\\_lays\\_out\\_red\\_carpet\\_for\\_libyan\\_national\\_unity\\_pm\\_dbeibah#.Ybxdq2Azqko](https://www.maltatoday.com.mt/news/national/111958/watch_malta_lays_out_red_carpet_for_libyan_national_unity_pm_dbeibah#.Ybxdq2Azqko)  
[https://www.maltatoday.com.mt/news/national/106441/927\\_million\\_in\\_goods\\_breaching\\_libya\\_sanctions\\_seized\\_by\\_malta\\_customs#.YbxZ2AVxBc](https://www.maltatoday.com.mt/news/national/106441/927_million_in_goods_breaching_libya_sanctions_seized_by_malta_customs#.YbxZ2AVxBc)  
<https://www.maltatoday.com.mt/news/national/17391/malta-releases-libya-s-frozen-assets-holds-on-to-gaddafi-s-money-20120411#.Ybxei2DJa3A>  
 Ministry of Foreign and European Affairs website.  
[https://www.maltatoday.com.mt/news/national/112657/covid19\\_malta\\_to\\_send\\_135000\\_astazeneca\\_vaccines\\_to\\_rwanda#.Ybx-2BTZBc](https://www.maltatoday.com.mt/news/national/112657/covid19_malta_to_send_135000_astazeneca_vaccines_to_rwanda#.Ybx-2BTZBc)

**Organizational Reform**

Self-monitoring  
 Score: 6

The government has stepped up its efforts to monitor wide-ranging aspects of government work, especially from within the PMO. The Office of the Principal Permanent Secretary bears primary responsibility for this and has been carrying out its responsibilities in an appropriate manner. Unfortunately, most ministers seek, aided by their staff, to avoid such monitoring. This is

evident from cases that come to light and which raise serious questions about good governance. Nevertheless, responding to EU supervision has helped. The NAO and the ombudsman also continue to provide essential monitoring functions. Over the last two years, Malta has been working to improve this aspect of governance. Currently, it has resolved many of its outstanding issues with the European Commission. In 2019, the government announced the creation of a new entity to monitor public-private partnerships. The PMO is currently overseeing an overhaul of procedures in a number of ministries and public organizations, following recommendations made by MONEYVAL, the Venice Commission and GRECO.

Citation:

Government to set up entity overseeing and monitoring public private partnerships Maltachamber.org.mt 28/01/19

Times of Malta 17/01/2020 Venice Commission Reforms without delay, Robert Abela

[https://www.maltatoday.com.mt/news/national/113875/fearne\\_blames\\_konrad\\_mizzi\\_sideletter\\_for\\_41\\_million\\_extra\\_spend\\_for\\_steward#.YbxOVpenWko](https://www.maltatoday.com.mt/news/national/113875/fearne_blames_konrad_mizzi_sideletter_for_41_million_extra_spend_for_steward#.YbxOVpenWko)

[https://www.maltatoday.com.mt/news/court\\_and\\_police/112032/mandatory\\_hotel\\_quarantine\\_for\\_returning\\_maltese\\_residents\\_challenged\\_in\\_court#.YbxO-Zdruko](https://www.maltatoday.com.mt/news/court_and_police/112032/mandatory_hotel_quarantine_for_returning_maltese_residents_challenged_in_court#.YbxO-Zdruko)

Institutional  
Reform  
Score: 7

There can be little doubt that the government's determination to ensure that Malta retains a strong position within EU structures has had an impact on institutional reform. But the actual force behind the improvements has been public services, not the cabinet. Unfortunately, ministers remain constrained by the demands of their constituencies and without electoral change this will remain so. The administrative service's strategic capacity has improved greatly, and the continued focus on training and development in collaboration with tertiary institutions is paying dividends. This collaboration has helped place greater focus on what the service needs in terms of human resources and capacity-building.

Citation:

<https://publicservice.gov.mt/en/institute/Pages/About/aboutips.aspx>

[https://publicservice.gov.mt/en/institute/Documents/IPS\\_PROSPECTUS.pdf](https://publicservice.gov.mt/en/institute/Documents/IPS_PROSPECTUS.pdf)

<https://investinyourfuture.gov.mt/project/public-administration/developing-the-maltese-public-sector-capacity-to-implement-better-regulation-37060628>

Malta Today 17/01/2020 Rule of Law and good governance are at the top of the country's agenda, Malta PM tells ambassadors

F. Bezzina, E. Camilleri & V. Marmara, (2021), Public Service Reforms in a Small Island State: the case of Malta, Springer Publications.

[https://www.maltatoday.com.mt/news/national/93924/auditor\\_general\\_flags\\_interference\\_by\\_government\\_officials\\_in\\_mount\\_carmel\\_hospital\\_recruitment\\_#.YbxSJJeGNBc](https://www.maltatoday.com.mt/news/national/93924/auditor_general_flags_interference_by_government_officials_in_mount_carmel_hospital_recruitment_#.YbxSJJeGNBc)

## II. Executive Accountability

### Citizens' Participatory Competence

Political  
Knowledge  
Score: 6

A relatively large amount of policy information is made available to citizens, and this information is in general easily accessible. There are several channels to access this data. There is a Freedom of Information, but restrictions mean that information requested is not always available. Access to contracts between government and private investors remains problematic. In 2021, 30 government ministries and entities appealed against a decision by the information and data protection commissioner, which ordered the disclosure of information on public expenditure requested by the news media. The data protection commissioner has stated that “the law allowing public access needs to be amended to remove hurdles.” Information is available through a number of mediums. Parliamentary debates are televised, information leaflets are distributed door to door, and competition between media outlets has improved public access to information with leading media outlets hosting their own investigative television series. The National Statistics Office and the Department of Information regularly make information available to citizens, as do the ombudsman and the National Audit Office. Some of the more complete reports assessing government policy however come from the European Commission. Unfortunately, many use social media to gain information, a highly unreliable medium. A 2019 European Commission paper indicates that percentage of individuals using the internet to interact with government authorities is below the EU average. However, the share of those using it to obtain information is close to the EU average. Consultation documents uploaded on government websites have improved the amount of information available in a highly digitized society.

#### Citation:

Maltese more likely to trust government than the media study shows, Times of Malta 02/06/17  
 Standard Eurobarometre 86 Autumn 2016 Media use in the European Union  
 Standard Eurobarometre 88 Autumn 2017 Media use in the European Union  
 Over 400 freedom of information requests in three years. Times of Malta 30/11/17  
<https://www.independent.com.mt/articles/2019-02-20/local-news/Maltese-people-trust-political-parties-more-than-the-written-press-Eurobarometer-survey-6736203951>  
 Times of Malta 04/09/2019 Central link trees to remain for a little while longer  
 European Commission Digital Government Fact sheet 2019 Malta  
 European Commission Standard Eurobarometer 91 June 2019  
 Reporters without borders 09/02/22 Malta Press freedom groups raise concerns over unprecedented obstructions to freedom of information  
 Times of Malta 25/05/21 Freedom of information law needs to be revised  
 Lovin Malta 14/06/2021 Information blackout on St Vincent de Paul contract as three FOI requests get rejected

Open  
Government  
Score: 5

Malta provides a mixed picture with regard to open-government issues. Since the country obtained EU membership, governments have found themselves increasingly pressured to provide information through more open and transparent channels. Malta has a Whistleblower Act. The National Statistics Office (NSO), which was last reformed in 2015, regularly makes freely accessible information available on various matters. The NSO also responds to researchers and the media seeking access to information relating to a great diversity of subjects. Every ministry, department, public corporation and public sector board must publish annual reports and information on their websites. Hence, a vast quantity of information can be accessed online through government websites or EU portals. Information can be obtained under the Freedom of Information Act. However, this remains contested territory. Governments tend to be reluctant to publish public contracts, citing commercial sensitivity. This can be valid in some cases, but not in others. The data commissioner, who had to adjudicate a case relating to documents pertaining to the Vitals hospital deal, was not allowed to view the documents in question. Such information may ultimately be obtained through a laborious process that involves submitting a request to NAO to investigate the matter. However, leaks are common, which demonstrates that secrecy is no longer an option. Ombuds Office reports tend to show that politicians and public authorities generally have a negative attitude toward disclosing information. This remains a challenge today, undermining the overall openness and transparency of public administration. The 2020 ombudsman report stressed the need to amend the FOI act to increase transparency, and for the ombudsman to be given more clout in situations when the executive and the public authorities are not prepared to provide information requested to facilitate investigations.

Citation:

Ministers should not only invite selected journalists to public events standards commissioner says. Times of Malta 06/02/19

'Humanly impossible' to establish number of vacant state properties Times of Malta 05/02/19

2017 Parliamentary Ombudsman Report

Times of Malta 16/10/19 Court rejects Times request for hospital deal documents

Ministry of Justice Annual Report 2018

Ombudsman annual report 2020

### Legislative Actors' Resources

Parliamentary  
Resources  
Score: 5

The passage of a new act in 2016 giving parliament financial autonomy over its internal budget decisions (the Parliamentary Services Act), and an increase in funding in the 2017 and 2018 budgets, has left members of parliament in Malta with more resources than previously. Members of permanent

parliamentary committees enjoy support from newly appointed research officers as well as academics and specialists. Greater participation of members of parliament in international conferences has helped bridge the resource gap, but much more is required. These developments have improved the process for evaluating EU legislation and other social issues. Additional resources must be allocated to the parliamentary scrutiny committee dealing with pipeline aquis. Furthermore, despite improvements, legislators have too few resources to support their legislative work. In 2020, the opposition leader made a request for more parliamentary resources. Staff members are too few in number, and fully occupied by their primary duties. Part of the fault lies with the present setup. Members of parliament do not give up their private professional activities, since their role as legislator is a part-time occupation. This results in constraints on the amount of time dedicated to parliamentary business, and may also produce conflicts of interest. Members of parliament can now be fined for not attending sittings. Meeting times have changed to make it easier for female members to participate. However, to date, no child support is provided during parliamentary sessions. Meanwhile, the vested interests of members of parliament, who are also members of a profession, remain an obstacle. The practice of back-bench lawmakers sitting on government boards or working in government departments, and large cabinets that include a majority of government-party parliamentarians, also undermines their ability to monitor the government effectively.

Citation:

Camilleri, I. Parliament is out of touch with Brussels. No feedback to Brussels' documents. Times of Malta 14/06/11

Its too early to talk about what is in store for me Times of Malta 11/10/2015

MPs express different opinions on pay rise for politicians, full-time parliament proposals. Malta Today 6/01/2015

<http://www.timesofmalta.com/articles/view/20160111/local/new-law-will-make-parliaments-administration-autonomous-of-the.598431>

Parliamentary service Act Chapter 562 ACTXL11 of 2016

Most PN proposals to improve parliamentary work included in PL manifesto – government Times of Malta 19/08/17

The PN has seven suggestions for a better functioning parliament Times of Malta 18/08/17

Speaker concerned about incomplete security coverage around parliament. Times of Malta 30/11/17

Times of Malta 22/01/2020 Executives dominance of Parliament

Times of Malta 20/01/20 PN requests more parliamentary resources

Malta Employers Association; Parliamentary Reform: Towards a More Productive Parliament Position paper February 2020

Obtaining  
Documents  
Score: 4

Parliamentary committees may request documents from the government, though the government is not obliged to comply. For example, the government could refuse to release documents, because the documents could contain commercially sensitive information or it is too soon to make the information public. However, by reference to the NAO or Ombuds Office and reports by the Officer in Responsible for Standards in Public Life, much more information can be obtained and documents consulted. Numerous ombudsman

reports have stressed the need for more openness. The speaker of the house has made a number of rulings on the issue of documents being made available to the house. Another route is through the parliamentary question and ministerial statement processes. However, in 2021 (up to October), a total of 19 government members of parliament failed to answer questions filed by opposition members of parliament.

Citation:

Said Pullicino, J (ed) 2015 The State's Duty to Inform Office of the Parliamentary Ombudsman Annual Report 2020 Parliamentary Ombudsman

Ruling delivered by the speaker following the request for tabling of documents sitting nos 79 6th February 2018/ sitting nos 80 7th February 2018[https://www.maltatoday.com.mt/news/national/10588/nao-study-reports-on-success-of-](https://www.maltatoday.com.mt/news/national/10588/nao-study-reports-on-success-of-teleworking#.Ybs73oatQoRhttps://www.maltatoday.com.mt/news/national/103437/damning_report_finds_collusion_between_vitals_and_government_on_hospitals_deal#.Ybs8NlaGMoQ)

[teleworking#.Ybs73oatQoRhttps://www.maltatoday.com.mt/news/national/103437/damning\\_report\\_finds\\_collusion\\_between\\_vitals\\_and\\_government\\_on\\_hospitals\\_deal#.Ybs8NlaGMoQ](https://www.maltatoday.com.mt/news/national/103437/damning_report_finds_collusion_between_vitals_and_government_on_hospitals_deal#.Ybs8NlaGMoQ)

[https://www.maltatoday.com.mt/news/national/102476/majority\\_of\\_national\\_audit\\_office\\_recommendations\\_implemented\\_annual\\_report\\_shows#.Ybs8f4aP\\_l4](https://www.maltatoday.com.mt/news/national/102476/majority_of_national_audit_office_recommendations_implemented_annual_report_shows#.Ybs8f4aP_l4)

Ruling by the Speaker concerning the tabling of documents already in the public domain sitting No 328 Monday 1th May 2020

The Shift 22/10/2021 19 Government MPs stonewall questions from opposition MPs since reopening of parliament

Summoning  
Ministers  
Score: 7

A parliamentary committee may call any minister unless precluded from doing so by a vote within the committee. In 2012, the house speaker ruled that committees have the authority to devise their own rules and approved this method. Since 2013, with few exceptions, ministers have freely appeared before various committees to provide explanations or answer questions. In fact, the number of such committee meetings has increased. Konrad Mizzi, a former minister, in 2021, initially refused on a number of occasions to appear before the public accounts committee to testify on electro-gas.

Citation:

<http://www.timesofmalta.com/articles/view/20150824/local/security-committee-to-discuss-visa-scam.581745>

<http://www.timesofmalta.com/articles/view/20160919/local/public-accounts-committee-expected-to-examine-state-hospital-contracts.625475>

<http://www.timesofmalta.com/articles/view/20160118/local/committee-wrapping-up-long-oil-procurement-debate.599271>

Times of Malta 13/10/2021 Konrad Mizzi refuses to appear in parliament as witness for a second time

Summoning  
Experts  
Score: 9

Parliamentary committees may summon experts to make presentations or help committees evaluate policies under discussion or shed light on issues under investigation. While the Parliamentary Accounts Committee has long used this process, it has recently become more widespread, with experts being called more frequently before the Social Affairs Committee, the Economic Policy Committee and to a lesser extent the Environmental Committee. However, problems may arise due to the government's reluctance to reveal commercial information, as in case of the hospital management contract.

Task Area  
Congruence  
Score: 6

Citation:

Let MPs summon Vitals deal stakeholders. PN tells government, Times of Malta 06/01/1  
Standing Orders of the House of Representatives Subsidiary Legislation Constit.02 Article 164  
Financial scrutiny of Vitals to remain secret: Request to publish due diligence exercise denied by Data Protection Commissioner, Times of Malta 03/10/18

There are presently 16 standing committees, several of which are fully congruent with ministerial portfolios. These include health, foreign affairs, environment, economic and financial affairs, and social affairs. The main monitoring committee is the Public Accounts Committee, which is chaired by a member of the opposition. Since 2016, committees have become more involved in monitoring ministries, though they also retain an advisory role. Ad hoc committees are also established from time to time. The Standing Committee on Foreign and EU Affairs, for example, scrutinizes pipeline aquis, because of the scale of this task, three subcommittees were created: one acting as a clearinghouse, and the other two dealing with the various policy areas in line with ministerial portfolios. This standing committee also works very closely with the other standing committees. In 2018, a new Standing Committee for Standards in Public Life was inaugurated to assist the new commissioner in this area. This figure was empowered to look into breaches of ethics committed by members of parliament and those appointed within the public service on a position-of-trust basis. A new Petitions Committee has also been created. Additionally, a number of joint committees facilitate policy development and implementation across ministries.

Citation:

<http://www.timesofmalta.com/articles/view/20160118/local/committee-wrapping-up-long-oil-procurement-debate.599271>  
<http://www.timesofmalta.com/articles/view/20151024/local/zonqor-university-site-selection-to-be-discussed-during-parliament.589443>  
<http://www.timesofmalta.com/articles/view/20150724/local/committee-to-consider-whether-gay-men-should-donate-blood.577877>  
<http://www.parlament.mt/standing-committees?l=1>  
The Parliament of Malta web page  
Parliament Annual Report 2020

## Media

Media Reporting  
Score: 5

Maltese media outlets often publish what can be described as “infotainment,” or sensational or superficial content. Two reasons may explain this: First, in the country’s highly polarized and very small society, media outlets tend to follow their owners’ political lead, which here is often political parties or people with business and political connections to a political party. Second, the competition for readership and audiences is fierce, and revenue constraints restrict the quality of publications’ output. High-quality analysis of government policies remains rare, but is on the increase. One such example of

this is the detailed scrutiny of the Vitals case on government involvement in the privatization of government hospitals. Improvements to the Freedom of Information Act in 2012 has improved media reporting, though numerous restrictions still exist and newspapers are often unable to obtain relevant data. The 2021 Media Pluralism Monitor has repeated much of its earlier criticism of the media in Malta, assigning Malta a medium-risk score for the fundamental protection of journalists, and a high-risk score for market pluralism and political independence. Media outlets in 2021 have been criticized for leaking information which may jeopardize the ability for several high-profile cases to receive a fair hearing. This includes the murder trial of Daphne Caruana Galizia. State media provides space to a diverse range of opinion and independent media programs. However, it has also come under criticism for increasing editorial control over content. Malta is one of the few countries in Europe in which there is no media-literacy policy aimed at giving citizens the critical skills needed for active participation in the contemporary exchange of information. Foreigners have been allowed to own a broadcasting media license since 2000.

Citation:

Aquilina, K Information Freedom at last, Times of Malta 22/08/12

<https://www.timesofmalta.com/articles/view/20180309/local/maltese-journalists-basic-protection-takes-a-dip-report.672768Media>

Media Pluralism Monitor 2021

Malta Today 06/03/2019 Editors Sound warning over future of the press

Malta Today 11/02/2022 From Vials to where...timeline of a privatisation gone wrong

Times of Malta 14/10/21 TVM's counter current affairs

### Parties and Interest Associations

Intra-party  
Decision-Making  
Score: 5

Political parties are increasingly coming under pressure to consult beyond party membership. This shift has been driven by voter volatility, with voters less constrained by party loyalties. Rank and file views today are also made known through social media, and in most cases these are discussed and taken note of. However, most of this internal consultation takes place within the official organs of parties, such as the parliamentary group and the executive. Recently, the Nationalist Party (PN) decided to open the second round of voting for the party's leaders to its members. However, these members are only allowed to vote after party delegates have made an initial choice from among the contenders. The result has been the election of leaders who do not have the support of a number of the old stalwarts of the party. The Labor Party's recent selection of a new leader took place through a vote that was open to all party members. The Labor Party has also altered its statute to ensure that the deputy leader can no longer be a member of parliament in order to allow the party to strengthen communication with its grassroots.

Citation:

[https://www.maltatoday.com.mt/news/interview/111722/the\\_pns\\_rejuvenation\\_is\\_a\\_work\\_in\\_progress\\_\\_michael\\_piccinino#.YbscEMoVxBc](https://www.maltatoday.com.mt/news/interview/111722/the_pns_rejuvenation_is_a_work_in_progress__michael_piccinino#.YbscEMoVxBc)

[https://www.maltatoday.com.mt/news/national/96011/analysis\\_the\\_pns\\_bitter\\_internal\\_battle\\_splitting\\_along\\_class\\_lines#.YbschsoVxBc](https://www.maltatoday.com.mt/news/national/96011/analysis_the_pns_bitter_internal_battle_splitting_along_class_lines#.YbschsoVxBc)

[https://www.maltatoday.com.mt/news/national/112741/bernards\\_sisyphean\\_predicament\\_the\\_pn\\_leaders\\_predicament#.YbseFMoVxBc](https://www.maltatoday.com.mt/news/national/112741/bernards_sisyphean_predicament_the_pn_leaders_predicament#.YbseFMoVxBc)  
[https://www.maltatoday.com.mt/news/national/103776/daniel\\_micallef\\_confirmed\\_as\\_pl\\_deputy\\_leader\\_for\\_party\\_affairs#.YbsfxsoVxBc](https://www.maltatoday.com.mt/news/national/103776/daniel_micallef_confirmed_as_pl_deputy_leader_for_party_affairs#.YbsfxsoVxBc)

Association  
Competence  
(Employers &  
Unions)  
Score: 7

Economic interest associations have structures capable of formulating relevant public policies. The greater resources commanded by economic interest associations enable them to employ highly qualified personnel and consult qualified academics according to the policy issue involved. The larger trade unions have their own research officers and can also draw on the expertise of the Center for Labor Studies (CLS) at the University of Malta which was established to facilitate the trade union sector. Trade unions also use existing studies or academic and specialist support. EU support funds and structures such as internship programs have strengthened non-economic interest associations, allowing them to produce detailed research in their area of expertise. Their strength was demonstrated during the pandemic and through close consultation with government.

[https://www.maltatoday.com.mt/news/national/110982/business\\_aviation\\_groups\\_ask\\_maltese\\_government\\_to\\_reconsider\\_covid19\\_travel\\_measures#.YbsiXsqZOa4](https://www.maltatoday.com.mt/news/national/110982/business_aviation_groups_ask_maltese_government_to_reconsider_covid19_travel_measures#.YbsiXsqZOa4)

<https://webmail.gov.mt/password>

[https://www.maltatoday.com.mt/news/national/109254/covid19\\_government\\_launches\\_20\\_million\\_financial\\_package\\_and\\_tax\\_credits#.Ybsi98qZOa4](https://www.maltatoday.com.mt/news/national/109254/covid19_government_launches_20_million_financial_package_and_tax_credits#.Ybsi98qZOa4)

Association  
Competence  
(Others)  
Score: 6

Malta has a large number of noneconomic interest associations. Though typically short on resources, they access external support through international membership or regional federations, which helps them, on occasion, to formulate extremely well-informed policy papers. EU funds and other structures (e.g., the internship programs) have also helped them improve their policy capacities. In the recent budget, the government earmarked financial support for NGOs. A number of NGOs have worked proactively in various policy areas, such as rent reform, transport reform, prison reform and constitutional reform. Few organizations employ full-time staff, but many have academics as part of their leadership structure, thereby utilizing their expertise. In some cases, organizations are able to attract research support on a voluntary basis from like-minded academics and other volunteers. Nonetheless, many of them still need to become proactive, rather than reactive to events or government proposals. Partisan NGOs at times muddy the waters. However, the majority of NGOs campaign on specific issues, with environmental groups being a classic case of dispassionate campaigning.

[https://www.maltatoday.com.mt/comment/blogs/112169/great\\_so\\_now\\_the\\_eu\\_is\\_responsible\\_for\\_daphnes\\_murder\\_too#.YbsloMqZOa4](https://www.maltatoday.com.mt/comment/blogs/112169/great_so_now_the_eu_is_responsible_for_daphnes_murder_too#.YbsloMqZOa4)

[https://www.maltatoday.com.mt/comment/blogs/110583/all\\_hail\\_the\\_new\\_colonialism#.YbsnfT67ako](https://www.maltatoday.com.mt/comment/blogs/110583/all_hail_the_new_colonialism#.YbsnfT67ako)

### Independent Supervisory Bodies

Audit Office  
Score: 9

The National Audit Office is an independent institution reporting exclusively to parliament, and is charged with scrutinizing the fiscal performance of public administration. Both the auditor general and his or her deputy are appointed by a resolution of the House of Representatives, requires a majority vote of no less than two-thirds of the body's members. The auditor general enjoys constitutional protection and works closely with the Public Accounts Committee. The NAO can open investigations without a prior request by parliament or the prime minister. The office audits all central government ministries, local governments and EU-funded projects, and publishes special reports on key and often sensitive policy areas. A 2019 report on constitutional reform by the Commissioner for Standards in Public Life recommended that the auditor general, as a designated officer of parliament, should not be additionally designated as a public officer, in order to emphasize his/her independence from the government. In 2020, the NAO proposed amendments to the constitution, which aim to strengthen the office. Among the articles recommended was Article 5a, "The Auditor General or any person authorized by him shall have the right to audit all the Ministries, departments and offices of the Government of Malta, including the Office of the President, the House of Representatives, and the Superior and Inferior Courts of Malta and (5)(d) The Auditor General or any person authorized by him shall have the right to obtain information from any recipients of public funds in relation to any audit being undertaken by the Office."

<http://www.timesofmalta.com/articles/view/20160202/local/nao-stands-by-its-findings-in-gaffarena-scandal.600970>

<http://www.timesofmalta.com/articles/view/20160627/local/spend-more-on-primary-health-care-nao-urges-government.616991>

<http://www.timesofmalta.com/articles/view/20151110/local/NAO-finds-25-permits-issued-just-before-poll.591562>

Report by the Auditor General on the public accounts 2016

Annual Report on the working of local government 2016

Performance audit: outpatient waiting at Mater Dei hospital

Ombudsman annual report 2016

<https://www.timesofmalta.com/articles/view/20171215/opinion/Eventful-year-for-NAO-Charles-Deguara.665670>

<https://www.timesofmalta.com/articles/view/20171114/local/most-nao-recommendations-addressed.663116>

<https://www.timesofmalta.com/articles/view/20181008/local/audit-office-adopts-new-strategy-to-improve-governance.691098>

<https://www.independent.com.mt/articles/2018-11-28/local-news/Electrogas-NAO-flags-shortcomings-in-due-diligence-says-Gasol-departure-not-in-line-with-contracts-6736200040>

<https://nao.gov.mt/en/press-releases/4/1230/presentation-of-the-cooperative-audit-report>

Commissioner for standards in public life; Toward Higher Standards in public life October 2019

National Audit Office (NAO) 2020 Proposed amendments to the Constitution: Strengthening of the National Audit Office's Legal Framework

Ombuds Office  
Score: 7

The ombudsman is elected by a two-thirds majority of the House of Representatives, and is held in high esteem by the public. A recent Venice Commission report stated that the institution was independent, autonomous and credible. The appointment of three commissioners (on the environment and planning, health and education) to investigate complaints as well as the office's wide-ranging powers to initiate inquiries considerably increased its standing as a watchdog for good governance. A secondary function of the ombudsman is to act as a catalyst for improving public administration. The ombudsman has stated that in pursuing these initiatives he has generally found collaboration from ministries, government departments and public authorities and that there have even been cases where public authorities have sought his advice. The Ombudsman Office, however, is not empowered to deal with human-rights complaints and its recommendations are not binding. A recent clarification confirmed that the office has jurisdiction over complaints emanating from the armed forces of Malta. In his 2017 report, the ombudsman drew attention to the lack of jurisdiction his office has over privatized entities, particularly in the health and energy sectors, and the need for a remedy. He also drew attention to the problem of obtaining information from government on sensitive issues. In a recent report presented to parliament, the ombudsman reiterated the same issues, while complaining of the lack of respect accorded to office by the public administration. In his 2018 case notes presented to parliament, he also complained that parliament was failing to act on investigative reports handed over for remedial action. The ombudsman has further recommended that the office be granted a constitutional mandate and be accorded the same protection as that of the auditor general; that parliament be obliged to debate its reports; that a deputy ombudsman be appointed to strengthen the office; and that the remit of the office be extended, allowing it to investigate the public administration's administrative actions, inactions, decisions and process. A start toward reform were the constitutional amendments introduced by Act XLII of 2020, which strengthened the independence and autonomy of the ombudsman by entrenching the method of appointment, removal and suspension of the ombudsman, his right to conduct investigations on his own initiative, and his right to access information and other essential functions. It has been alleged that some comments made by the ombudsman were seen as being politically charged. However, in the 2020 Ombudsman Annual Report, the president of Malta is quoted as stating that "no institution was more independent ... and gave objective and fair and final opinions."

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Data Protection  
 Authority  
 Score: 8

Malta has an information and data protection commissioner who is appointed by the prime minister in consultation with the leader of the opposition and who heads the country's data protection authority, the IDPC, which is both effective and independent. As of March 2020, the IDPC is comprised of a total of 12 officers, including a commissioner, a deputy commissioner, a head compliance officer, the head of the legal unit, two legal counsels, one legal officer, an executive officer, a senior technical officer, a case officer, an administration and accounts officer, a projector administrator and two general-duty officers. The IDPC is not subject to the Public Administration Act.

The IDPC website provides information about the protection the office provides in various fields. It also provides assistance to citizens who believe their privacy has been invaded. Malta also abides by EU legislation and decisions by the Advocate General of the European Court in this area, and in May 2018 transposed the EU General Data Protection Regulation (GDPR) into law. Maltese courts can also be called upon to adjudicate complaints relating to data privacy infringements. A recent ruling by the Information and Data Protection Appeals Tribunal clarified that the data protection commissioner has the right to issue enforcement orders when a government ministry fails to issue certain information. In 2021, the office investigated 40 data-subject complaints, the largest share of which had to do with the unauthorized disclosure of personal information. The office also received 104 personal-data breach this year. The office can issue fines, reprimands and warnings. As part of its regulatory function, the office is also responsible for the enforcement of the freedom of information legislation.

A recent ministerial decree introduced the right to be forgotten. Since 2013, the decree has enabled 86 judgments to be anonymized or removed from the law courts public database. As a result, the decree has proven to be controversial, with several media organizations and lobby groups objecting to the rules.

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