

# Malta

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Valletta, Malta's capital and a UNESCO World Heritage Site, features beautifully crafted wooden balconies, *gallarij*, symbolizing the city's unique architecture and historic charm.

 **VisitMalta**





Valletta, capital city of Malta. Photo: Unsplash

# *A small island haven for big business*

Malta offers an ideal climate in more ways than one. Its Mediterranean appeal for holidaymakers is matched by its business-friendly outlook, robust regulatory environment and innovation ecosystem, which have seen the nation emerge as a magnet for international investment.

**M**alta thrives on its contrasts. Home to Neolithic temples that predate the Pyramids, the nation is also a startup hub and with a buoyant technology sector. Its vibrant tourism industry caters equally for sun worshipers seeking idyllic Mediterranean beaches and those preferring cultural and gastronomic adventures. The ambience of a cosmopolitan European destination nestles comfortably alongside a laid-back Mediterranean feel that is uniquely Maltese.

It's a formula that Malta has translated into sustained economic success. GDP grew by 5.6% in 2023, with further increases of 4.6% in 2024 and 4.3% in 2025 forecast by the European Commission. Strong exports are one of the factors driving this expansion, led by the electronics, professional and financial services sectors. Key to this are close and enduring ties with Germany, which has become Malta's largest export market, second largest import market and a leading source of tourist arrivals. "There are many themes over which Malta and Germany share a common viewpoint," remarked Prime Minister Robert Abela at his November 2023 meeting with Chancellor Olaf Scholz in Berlin. Describing the summit as "very positive," Abela went on to emphasise the "great potential for enhanced collaboration in emerging sectors," highlighting high-end manufacturing, pharmaceuticals, financial services and aviation as areas for mutual benefit.

As host to around 60 German firms and with foreign direct investment flows from Germany of 14.1 billion

euros, opportunities in Malta exist across a host of sectors. Already a significant player in financial and professional services, and with a burgeoning technology sector, in recent years, efforts have been made to further leverage Malta's business ecosystem by establishing the nation as a startup hub. Those efforts are paying dividends, with the country hosting the prestigious EU-Startups Summit in May 2024, showcasing the advantages on offer for entrepreneurs and investors to the more than 2,000 attendees.

**"There are many themes over which Malta and Germany share a common viewpoint."**

**Robert Abela**  
Prime Minister of Malta

Opening the event, Prime Minister Abela noted that work was ongoing to improve the legislative environment and reduce bureaucratic processes for startups, further boosting the appeal of location that already offers incentives such as tax breaks and grants for early-stage companies. This is complemented by the work of the Malta Digital Innovation Authority (MDIA) which has invested in a dedicated innovation hub designed to entice and nurture new ventures. "Malta is attractive and has a competitive advantage

over other countries due to our ecosystem," explains Kenneth Brincat, CEO of MDIA. "We are a very business-friendly country."

Alongside its strength in emerging sectors, which also include gaming, AI and blockchain technology, more traditional industries retain prominence. Malta is a leading European jurisdiction for captive insurance, serving as a gateway for major companies across the continent, and has a notable presence in reinsurance markets too. The country's insurance sector as a whole is forecast to grow 3% to more than US\$2 billion in 2024. With rising demand for technology solutions, Malta's Financial Services Authority has invested in developing a regulatory framework designed to reflect the sector's evolution, maintaining its appeal to firms in Germany and beyond.

Similarly flourishing is the country's tourism sector. A longstanding pillar of the economy, 2023 saw a new standard set with almost three million arrivals. The strong post-pandemic recovery has prompted authorities to explore ways to maximise the industry's potential. Efforts have focused on expanding tourism flows beyond traditional areas to reach all regions of Malta and Gozo. This strategic push has driven improvements in quality standards across the sector, sparking investment in hotel renovations, new developments, and high-end dining experiences. Just as a rising tide lifts all boats, Malta's well-founded appeal as a tourist destination will continue to propel its surging economy into 2025.

# “We are raising the quality of the experience and products we offer across all levels”

Carlo Micallef honed his skills at home and abroad, developing new tourist markets and deploying increasingly creative strategies to rekindle and reinvigorate post-pandemic travel to Malta. Now CEO of the Malta Tourism Authority (MTA), Micallef shares his passion for this vibrant island country.



**Q: Where did you start your career?**

My background is in marketing. After graduating from the University of Malta, I started working in advertising for a real estate company. I came up with different concepts, especially since there was a drive towards changing the economic scenarios around accommodation for first-home buyers. My first job taught me a lot because the company owner was an experienced businessman who was a visionary.

**Q: How did you get involved in the tourism sector?**

I saw an advertisement in the paper for a marketing executive at the National Tourism Organisation of Malta and another job related to advertising. It was as if the universe was pointing me in the right direction. I applied for both and was offered the roles, but I chose tourism because I thought marketing Malta abroad would enable me to have the greatest impact.

**Q: What early experiences influenced your vision for MTA?**

I was the first person in charge of the Russian market in Malta—no one wanted it in 1997 because it was new back then and western people still saw Russia as something different. From there, the former minister of tourism, Michael Refalo, believed I could overcome what

ever challenges he could throw my way, and once I succeeded, he gave me harder ones!

**“Malta’s selling points are its climate, history, gastronomy, art, culture, English language skills, diving and the warm welcome to tourists.”**

**Q: How did you work your way up?**

After four years, I was senior manager of marketing, responsible for both the UK and Russian markets. From there, I became head of the hospitality division where we host foreign journalists, media, travel agents, etc. I did everything from meeting our guests, accompanying them to the hotels, preparing programmes and hosting them, to giving them tours around Malta. I started from the very bottom, and I tend to think of this role as a pastime, not just a job. I am lucky to have found a job like this, and I am always looking forward to what comes next.

**Q: What did you learn from your time as director for the Nordic region and Benelux?**

I grew professionally as I started meeting with top managers and owners, learning about their perspectives and understanding their motivations to get them to come to Malta. I was then put in charge of developing new business and we started expanding into Eastern Europe, the Middle East, North America and Australia. I learned that we should cater to what the market aspires to experience when visiting Malta. We started conducting focus groups, testing our campaigns and learning what the market wanted from us, which, in turn, changed the way we approached the market.

**Q: How important is the German market?**

Germany is important for us as a market that travels all year round and fits well with the products that we offer. German tourists who come to Malta enjoy sports activities like triathlons, marathons, trekking and biking. They are also attracted to good food and the experience of Maltese cuisine and wines, as well as our cultural infrastructure, like museums and cathedrals.

**Q: How did the pandemic affect your approach to marketing?**

There were suggestions of closing offices abroad because we weren't getting any tourists, but I insisted on keeping them open and continuing to market Malta. Malta's selling points are its climate, history, gastronomy, art, culture, English language skills, diving and the warm welcome to tourists. During this time, the marketing team filmed activities across Malta with their mobile phones to show off their piece of heaven and posted on social media platforms like Instagram, Facebook and X.

**Q: What strategies did you adopt to maintain momentum?**

Throughout this time, we maintained contact with tour operators and airlines we were working with within Malta. We did a lot of webinars and seminars du-

ring the height of the pandemic with travel agencies in Asia to try and sell Malta to them. We also sent wine and cheese samples and even had a sommelier from Malta to discuss the history of wine and what cold cuts and cheese would go with certain wines, and we retained them.

**Q: How has Malta rebounded after the pandemic?**

In May 2022, the minister called to offer me the role of CEO, tasked with jumpstarting the travel sector. Our goal for 2022 was to attract 1.8 million tourists, but we hosted 2.3 million in the end. The following year, we wanted to beat the 2019 record of 2.75 million, and we recorded just fewer than three million guests.

**Q: How are you responding to the demand for more luxury accommodation?**

We are raising the quality of the experience and products we offer across all levels. Luxury hotel brands are being attracted to Malta. We are also being selective about how and where we market Malta: we target those demographics that choose destinations for the complete experience. We also want people to know that Malta is not just about the sun and the sea: Malta is more than just an island in the Mediterranean.





# Malta's tourism sector diversifies to thrive

Tourism is a significant contributor to Malta's economy, generating up to 20 percent of its GDP and benefiting businesses across the archipelago.

According to Statista, 2023 saw travel and tourism contribute €2.6 billion to Malta's economy, generating over 50,000 jobs and exceeding pre-pandemic industry employment numbers. Leisure visitors were responsible for 86 percent of sector spending in Malta during the same period.

Malta's popularity is unsurprising. The island punches well above its weight, offering a warm year-round welcome, clean seas and the opportunity to explore the archipelago's rich 7,000-year history. Travel providers are increasingly catering to niche markets such as sports and active tourism, gastronomy and culinary travellers, short break seekers, and art and culture enthusiasts. "Malta is not the typical Mediterranean island; it is considered a modern, cosmopolitan European hub, similar to Milan

or Berlin but blessed with the beautiful climate and attractions of an island," says Carlo Micallef, CEO of the Malta Tourism Authority (MTA). "Malta is a vibrant place that is open for business all year round. We have the Mediterranean joy of living, while being professional and delivering what we promise."

**"Malta is a vibrant place that is open for business all year round."**

**Carlo Micallef,**  
CEO, Malta Tourism Authority (MTA)

Germany is one of Malta's most significant economic and trading part-



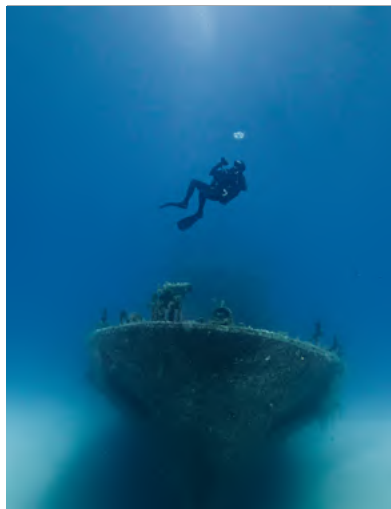


ners. Around 60 German companies operate in Malta, with the German government's own figures calculating direct investment at over €17 billion. German visitors are the fourth-largest national visitor group—after the UK, France and Italy—with numbers steadily rising, year on year. “The German market is performing well, showing a 23 percent increase from 2023 data, and we are continuously improving connectivity with the German market,” comments Micallef. “Germany’s population is large enough for it to become number one.”

The MTA is also increasingly focused on protecting the environment and conserving resources. Green projects—via collaborations with organisations such as Malta Enterprise, Water Services Corporation and ERA—are designed to make sustainability an integral part of business practice. In December 2023, the MTA conference debated issues around how to respond locally to the global climate challenge. Current initiatives include a new ‘Green Key’ eco-certification scheme for hotels, together with the promotion of low-impact farm-to-fork gastronomic experiences and cleaner, greener island travel options like electric buses and e-bike tours. “We are launching a lot of initiatives to ensure Malta’s tourism industry is sustainable and climate friendly,” explains Micallef. “We have a good lifestyle that welcomes everyone.”



[visitmalta.com](https://visitmalta.com)





# RETHINK Malta

Malta's business landscape evolves with innovation at the forefront, driven by visionary CEOs transforming ideas into growth. Discover the leaders redefining success on the island.

## MALTA DIGITAL INNOVATION AUTHORITY



**"Our small size creates a perfect ecosystem."**

**Kenneth Brincat, CEO, MDIA**

The Malta Digital Innovation Authority (MDIA) was established in 2018 as one of the first technology regulators in Europe. Led by CEO Kenneth Brincat, MDIA serves the dual role of regulating technology across Malta while also promoting digital innovation. "Given that

innovation can be easily stifled by regulation, we strive to balance regulation and promotion," says Brincat. Initially focusing on blockchain and associated technologies, Brincat has broadened MDIA's remit to include AI, cybersecurity and more. "One key

change was to create a technology-neutral legislative framework, allowing us to adapt to any emerging technology," Brincat says. The result was to create an ecosystem that was more flexible, agile and business friendly – giving Malta a competitive edge as a startup and investment destination. "Our small size creates a perfect ecosystem," Brincat continues, highlighting how MDIA can guide new businesses through processes such as arranging visas and recruiting talent. "We know each other, making processes more efficient."

Further boosting Malta's appeal is a new digital innovation hub, designed to provide support for founders and entrepreneurs. "The hub is particularly important for investors in Germany, as it will support startups through grants," explains Brincat, "and provide expertise and a pool of professionals in various sectors to assist startups in their initial stages."



[www.mdia.gov.mt](http://www.mdia.gov.mt)

## KM MALTA AIRLINES



**"The German market is very important to us."**

**David Curmi,**  
Executive Chairman,  
KM Malta Airlines

KM Malta Airlines is Malta's new national carrier, replacing Air Malta. Led by Executive Chairman David Curmi, the airline is Malta's connection to Europe, serving the 98% of visitors who arrive by air. "For anyone traveling to Malta, there is a very good chance we are the first people they meet," says Curmi. Flying to Munich, Berlin and Düsseldorf, Malta's strong ties with Germany have shaped company strategy, including a recent increase to 20 flights per week. "These are important airports, with Munich being the most crucial as a connecting hub for both passengers and cargo," says Curmi. "The German market is very important to us."

## EBO.AI

**Q: What is EBO.AI's ethos?**

We are using technology to lower the bar of digital inclusion in Europe. The better the access to healthcare, the better are clinical outcomes, well-being and social cohesion. Coupling the profit motive with one relating to social justice gives meaning.

**Q: What is your vision for the future?**

AI can help us to radically transform the way we envision what governments should do, what healthcare systems should provide and how citizens should interact with these entities. Digital is not about tech-



**"We are using technology to lower the bar of digital inclusion."**

**Dr. Gege Gatt,**  
Founder and CEO, EBO.ai

nology. It's about people. It's about culture. It's about adoption.

## MERCURY TOWERS

**Q: What does Mercury Towers mean for Malta?**

The Mercury will truly put Malta on the map, from an architectural point of view. The overarching vision was to create a space where people of all ages can meet and spend the whole day, and we've managed to attract some of the most incredible international brands in the world.

**Q: What opportunities exist for German investors?**

In recent years there have been increased commercial transactions between the two countries. German



**"The Mercury will truly put Malta on the map."**

**Neal Debono, COO, Mercury Towers**

investors can look at the Mercury and see a strong partner—a safe haven, a comfortable space to start off any operation.

## MALTA HOTELS AND RESTAURANTS ASSOCIATION



**"The industry has now progressed into a fully mature sector."**

**Tony Zahra,**  
President, MHRA

One of Malta's leading industry bodies, the Malta Hotels and Restaurants Association (MHRA) represents its members to government and on key policy-making boards, working to develop the nation's vital tourism sector. "Our job is to future proof," says MHRA President Tony Zahra. "The idea is to determine what Malta is capable of handling without placing strain on resources." For Zahra, that means optimising the industry's offering to ensure maximum return. "We may need to focus more on quality than at present," he says, with the German market an important source of visitors. "The industry has now progressed into a fully mature sector."

# Emerging as a Key Player in European Financial Services

Malta, a small Mediterranean island marked by consistent year-on-year growth, is increasingly becoming a significant player in the European financial services sector.



**Jesmond Gatt, Chairman,**  
Malta Financial Services Authority

**T**his success stems from its strategic location and commitment to an investor-friendly environment, supported by a robust regulatory framework. The island's pro-business atmosphere prioritises quality, thus attracting international investors, particularly in the insurance sector, where

German companies find substantial opportunities.

## A Secure and Strategic Investment Environment

Jesmond Gatt, Chairman of the Malta Financial Services Authority (MFSA), highlighted Malta's commitment to creating a secure and innovative environment for investors. Malta's brief stint on the Financial Action Task Force's (FATF) grey list in 2021 demonstrated the country's commitment to compliance and a prudent regulatory environment. "We were one of the countries grey-listed for the shortest time, largely because we were proactive and started addressing issues early," Gatt noted. This period allowed Malta to reinforce its financial systems, emerging stronger and more resilient.

## Technological Advancement: The Future of Finance

Technological advancement is central to Malta's financial strategy. This focus ensures that Malta remains competitive globally, with the MFSA overseeing a broad regulatory portfolio that includes traditional banks and emerging FinTech solutions. The MFSA has been investing in technology and digital transformation, witnessing a rapid technology-enabled transformation across financial institutions and a growing interest in FinTechs.

This has prompted the MFSA to develop a sophisticated, technology-driven regulatory framework. Jesmond Gatt mentioned that when Malta launched its regulatory framework for digital assets in 2019, it attracted significant company interest despite a rigorous licensing process. With the onset of the MiCA Regulation, Gatt emphasised that Malta is well-prepared for the new regime and continues to attract serious operators seeking licenses.

## Developing Talent for the Future

The MFSA has partnered with the University of Malta to offer a postgraduate programme in financial regulation and compliance. This initiative addresses ta-

lent shortages while preparing for future industry needs.

## The German Connection: Opportunities for Growth

Malta presents numerous opportunities for German companies, with Gatt noting that several German licensees already operate in Malta. "We're leaders in Europe in the captive insurance sector, and we see great potential for German companies in this area," he stated.

## Building Confidence and Stability

As Malta strengthens its position as a financial hub, its focus on stability and regulatory excellence continues to attract international investors. With a strong regulatory framework, an emphasis on education and innovation, and a commitment to high standards, Malta is well-equipped to support modern investors seeking growth opportunities in a dynamic financial landscape. "Investors need stability and confidence for the long term, and Malta has it," Gatt concluded.

**MFSA** MALTA FINANCIAL SERVICES AUTHORITY  
[www.mfsa.mt](http://www.mfsa.mt)

## ■ AX GROUP



**Michael Warrington,**  
CEO, AX Group

### Q: What does AX Group specialize in?

One of our key divisions is construction, particularly restoration. In Valletta, we have restored three properties, including the five-star boutique Rosselli Hotel, the Saint John Boutique Hotel and Palazzo Lucia, which now serves as offices for the Ministry for the National Heritage, the Arts and Local Government.

### Q: How has the business evolved?

Although primarily property-based, 27 years ago, we became the first family company to list on the Malta Stock Exchange. Over time, our structures have evolved, taking on more corporate characteristics while still being a local family-owned business with a strong corporate and social focus.

# Your Mediterranean life in the heart of Malta

Nestled in a serene corner of Rabat, Malta, just a short distance from the ancient citadel of Mdina, lies the highly coveted Verdala Terraces—the epitome of luxurious, tranquil, and contemporary living.



**T**his lavish collection of duplexes, panoramic mansions, and penthouses offers an unparalleled level of sophistication, all enveloped by the natural beauty of the Maltese countryside. Each residence has been meticulously designed to ensure the ultimate in comfort and style. Open-plan layouts, uninterrupted wall, and extensive use of floor-to-ceiling windows create seamless and visually stunning living spaces.

The residences within the Grand Mansions offer privileged front-row seats to some of the most breathtaking scenery in all of Malta's open

countryside. The high-quality cladding and smart, staggered design of each terrace create a tranquil escape that is both private and inviting. The Royal Mansions also present an exclusive residential offering, where discerning residents can enjoy the privacy and tranquillity of private verandas with views of the picturesque countryside, beautifully landscaped gardens, and charming piazzas that encircle the residences.

High-end amenities, such as an outdoor infinity pool offering breathtaking panoramic views, landscaped gardens, 24-hour security,

concierge services, ample parking spaces, and private garages, enhance the allure of the Verdala destination for discerning buyers. Additionally, at the heart of this exclusive residential community lies the 5-star Verdala Wellness Hotel, where residents can enjoy holistic spa therapies.

Benefitting from its Special Designated Area status, both EU and non-EU nationals can acquire properties with the same acquisition rights as Maltese citizens.

Interested buyers are invited to call or email the Verdala Sales Team at +356 7974 7428/9 or via [verdalaterraces@axgroup.mt](mailto:verdalaterraces@axgroup.mt).



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