



Malta's next advantage

From attractiveness to advantage –
geopolitics, capital and sovereign AI
in a fractured world

EY Attractiveness Survey
Malta

October 2026

■ ■ ■
The better the question.
The better the answer.
The better the world works.



Shape the future
with confidence

An aerial photograph of a coastal town, likely in Malta, showing a dense grid-like street pattern. The town is situated on a rocky coastline, with waves crashing against the shore, creating white foam. The water is a deep blue-green color. The overall scene is dynamic and scenic.

Cost-effective



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Foreword



Ronald Attard

EY Country Managing Partner for
Malta and Cyprus and Europe Central
Risk Management Leader

It is once again our pleasure to present the EY Malta Attractiveness Survey, now in its 22nd edition. Over these 22 years, our initiative has changed and grown. And so has Malta. We have diversified our economy, attracted investment, talent and entrepreneurship, and built an economy that is far more resilient and internationally connected than many would have imagined two decades ago.

While some things have stayed the same over these two decades, the economic and geopolitical landscape has changed considerably. Artificial intelligence is reshaping industries. Supply chains are being redesigned. Energy security has become a strategic priority again. Geopolitical fragmentation is pushing countries and companies to rethink long-held assumptions. Through all of this, Malta has shown remarkable resilience and adaptability.

This survey brings together the views of investors who have already chosen Malta. They see it not only as a destination for foreign direct investment (FDI) but also as a dynamic, evolving hub that supports innovation and growth.

In last year's edition, we reported a substantial rebound in investor confidence. This year, we are pleased to report that this momentum has held. Eighty-one percent of investors view Malta as an attractive location for FDI. That is broadly stable on last year's 79% and one of the strongest readings in over a decade. Ninety percent of companies plan to expand or maintain their operations in Malta over the next 12 months. Capital, talent and opportunity can all move. Investors have choices, so it matters that they keep choosing Malta. This consolidation reflects wider recognition of Malta's value in a fractured world, where stability and predictability are increasingly sought after.

But the headline hides a more important story. For the first time in the 22-year history of this survey, telecommunications infrastructure has overtaken corporate taxation as the highest-rated factor in Malta's appeal, by a clear margin (81% versus 73%). The conversation has moved. Tax remains an important part of Malta's offer, but it is no longer the whole story. Investors increasingly choose Malta for what it enables: trusted digital connectivity and

capability. In many ways, this takes us back to our roots. For centuries, Malta prospered by connecting continents, markets and people. Ships and trade routes once carried opportunity. Today, fibre and digital networks do. Connectivity has always been part of Malta's DNA. What has changed is the form it takes.

It is also a lesson in what happens when a country invests ahead of demand rather than behind it. The same survey shows the other side. Transport and logistics infrastructure is the lowest-rated factor, with only 14% of investors rating it attractive. Fifty-seven percent consider Malta's infrastructure planning for population growth inadequate. Pressure on roads, housing, utilities, energy and public services is now part of everyday life and business in Malta. Infrastructure has become the thread that runs through this year's results. It is no longer only a technical or planning issue. It is a competitiveness issue, a quality-of-life issue and, increasingly, an attractiveness issue. And its definition is widening. Alongside roads, ports and buildings, the future economy will depend just as much on less visible infrastructure: reliable energy, resilient networks, data and computing capability. Every conversation about artificial intelligence leads back to computing power, and every conversation about computing power leads back to energy.

At the same time, some investors describe Malta's attractiveness as "increasingly viewed as more conditional, sector-dependent and less compelling than in the past." Investors are not asking whether Malta is attractive today. For the most part, they believe it is. They are asking whether it can stay attractive tomorrow. Can infrastructure keep pace with growth? Can productivity keep pace with rising expectations? Can quality of life be protected as we succeed? These are the questions of a mature economy. Tellingly, 84% of investors want Malta's future development to focus on better growth rather than scale alone, while just 2% want less. They are not asking for less growth. They are asking for better growth.

The message is twofold and unambiguous: we still believe in Malta, and we now need it to transform. It must shift from quantity to quality, from volume to value, and from a trusted edge to a trusted advantage.

That is why the theme of Future Realised 2026 is Malta's next advantage. Trust remains essential. But in a world transformed by technology and uncertainty, trust alone is no longer enough. The economies that succeed will combine trust with capability, innovation, productivity and execution. Malta cannot outscale larger economies, nor should it try. Its opportunity is to become one of Europe's most agile jurisdictions. Malta is proudly European, with the access and stability that brings, yet small enough to decide, adapt and collaborate at speed.

In an era of global fragmentation and rapid technological change, this small-state agility will decide its competitive advantage.

The findings in this report point to a practical plan for the next decade. Invest in skills and productivity. Modernize physical, digital and energy infrastructure, and plan it ahead of demand. Harness sovereign artificial intelligence (AI) responsibly. And strengthen the areas that already put Malta high on global investors' shortlists.

We invite you to read this report with an action mindset. The results of the EY Malta Attractiveness Survey 2026 (MAS 2026) presented here are intended to inform national dialogue, together with The Malta Chamber of Commerce, our partner in Future Realised.

Together, we must harness this confidence and turn it into a productivity-led, AI-ready economic model. Five priorities stand out from this year's findings:

- 1 Talent:** moving from labor-led to productivity-led growth, because prosperity depends less on how many people take part in the economy than on the value each one creates.
- 2 Sovereign AI:** adopting a national framework that makes Malta a credible, properly governed AI jurisdiction, where data is secure, well governed and used responsibly, and where innovation and trust support each other.

3 Defending the new number one driver: investing in resilient digital infrastructure, including connectivity, data centers, computing capability and cybersecurity, and recognizing that a digital advantage is only as strong as the energy that powers it.

4 Infrastructure, housing and quality of life: treating transport, energy, utilities and housing as levers of competitiveness rather than social policies, and planning capacity ahead of growth rather than reacting to yesterday's constraints.

5 Malta's reputation: strengthening and marketing it so that the island can draw capital moving away from more volatile places looking for a stable, high-quality home.

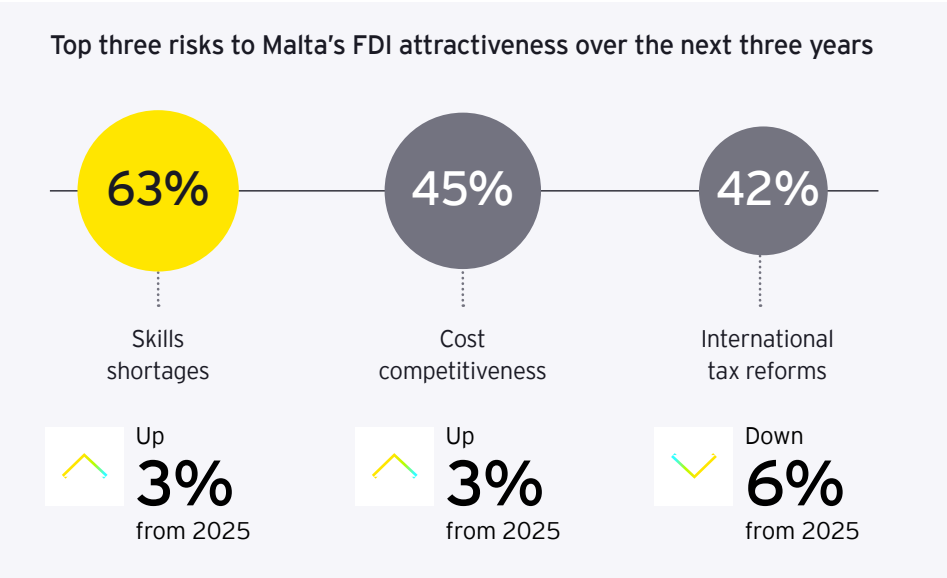
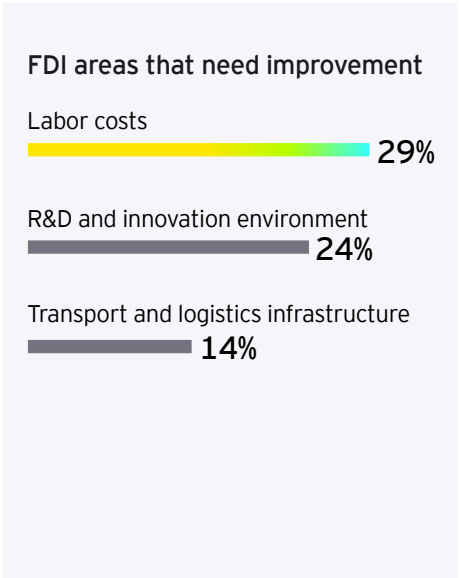
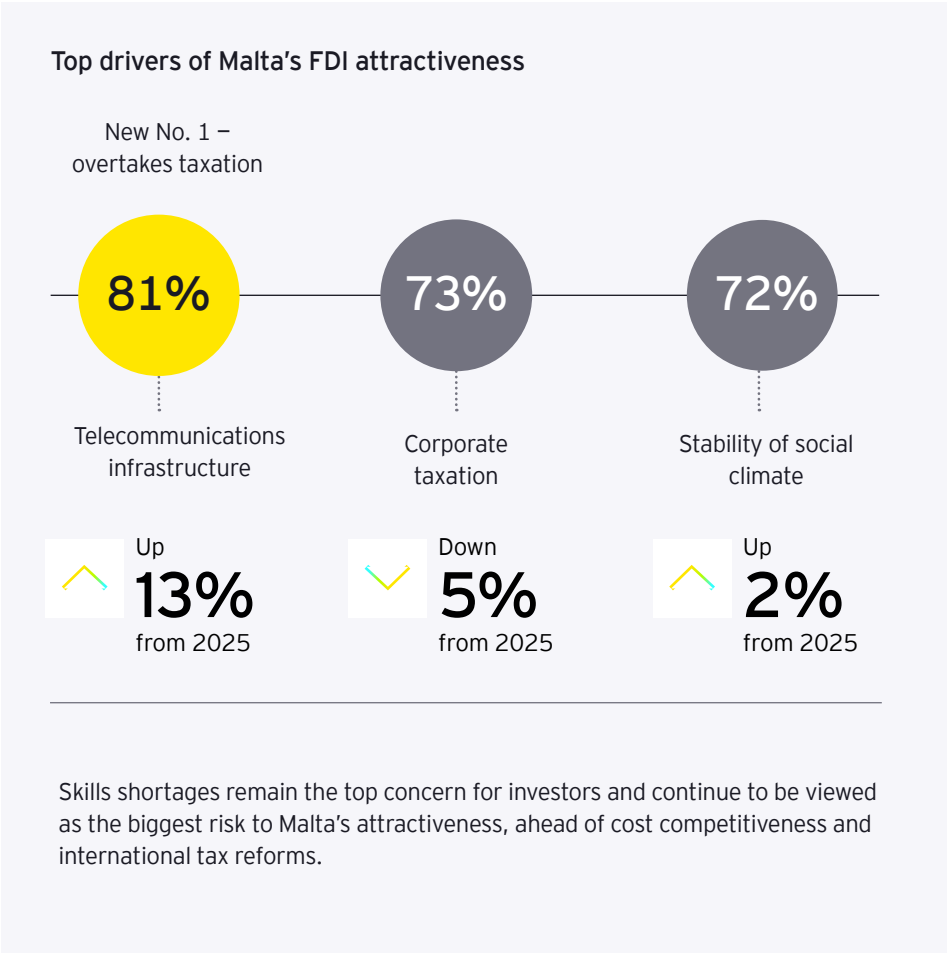
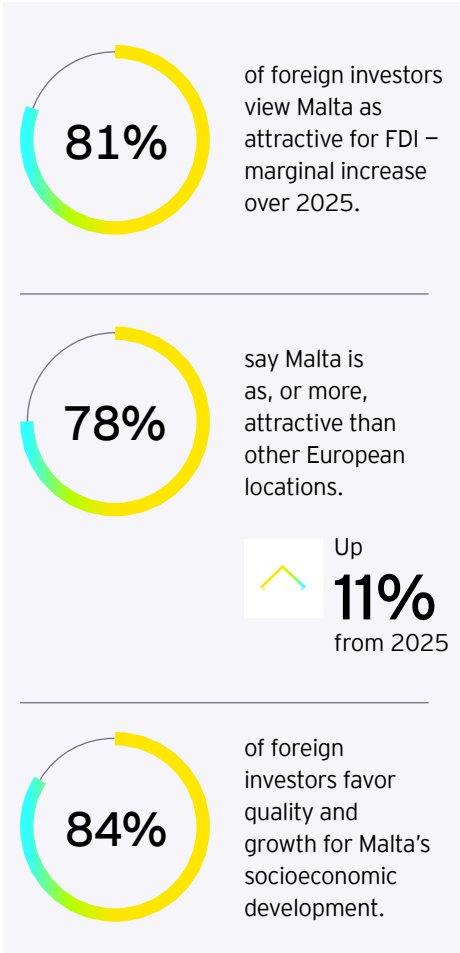
Together, we can shape a prosperous future for Malta. MAS 2026 does more than describe the current landscape. It sets the stage for Malta to move from being merely attractive to being structurally advantaged. The journey ahead may be challenging, but Malta has come through moments of transition before, each time adapting, reinventing itself and turning challenge into opportunity. The future will not simply arrive. It must be shaped, it must be built and, ultimately, it must be realised.

We look forward to building it with you. Malta's edge is real. 2026 is the year we sharpen it.

Executive summary

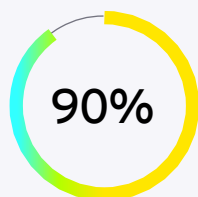
1 Current FDI attractiveness

Current attractiveness to FDI – confidence holds at a structural high; the conversation has moved from tax to trusted bandwidth.

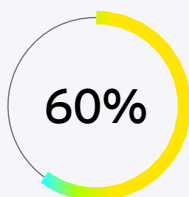


2 Future attractiveness

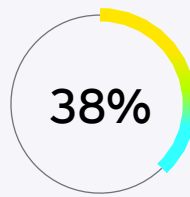
Future attractiveness – short-term commitment is robust; long-term horizons soften under volatility.



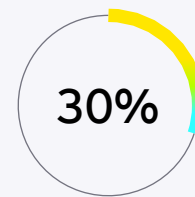
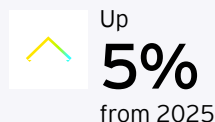
of companies plan to expand or maintain operations in Malta over the next 12 months.



believe their long-term future is in Malta. Only 2% answered no.



are unable to commit to that horizon.

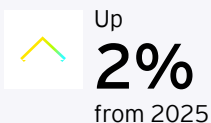


are a natural extension of existing operations.

Sectors leading Malta's long-term growth (multiple choice possible)

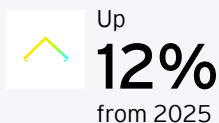
60%

Gaming



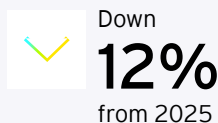
59%

AI



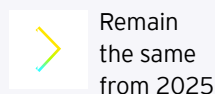
58%

Tourism and leisure



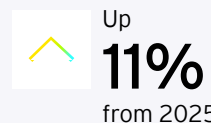
47%

Payments and FinTech

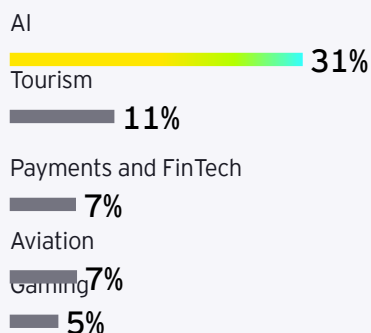


41%

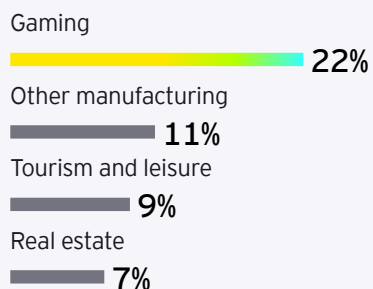
Digital media and games



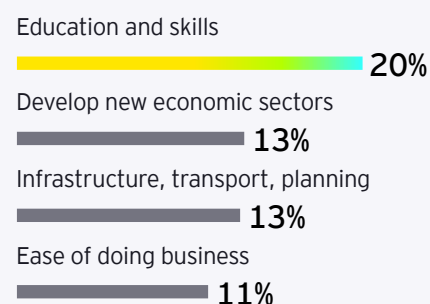
Sector with the greatest long-term growth potential (single choice)



Sector with the greatest risk of decline (single choice)



Top priorities for Malta to remain globally competitive across the next decade:



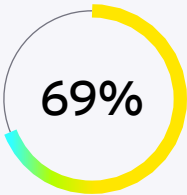
Executive summary

3 Competitiveness enablers

Telecoms is now the strategic asset; skills and capacity are the binding constraints.

People and costs

Skills availability remains the binding constraint.



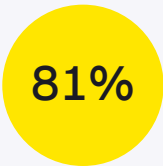
of investors cannot recruit the specialized skills they need locally.

HR costs remain a competitive lever – but not as decisively as previously.

Payroll and rent costs are rising the fastest among operating cost lines.

Tech, infrastructure, sustainability

Telecoms as No. 1 driver



rate Malta's telecommunications infrastructure as attractive – the highest-rated parameter in the entire scoreboard.

Regulatory expectations

Regulation is key to leveraging telecoms. Regulators need to focus on:

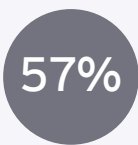


Cybersecurity measures



AI and machine learning

Infrastructure planning



still describe Malta's planning and preparedness for population growth as inadequate or very inadequate.

Technology-related investments

Most important technology-related investments parameters when choosing a country to invest in:

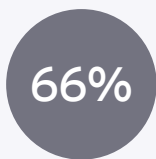


Availability of workforce with technology skills



Support by government bodies and regulatory authorities to drive the digital agenda

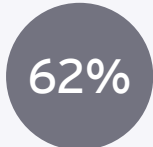
Sustainability and decision making



believe Malta's environment and sustainability are somewhat important to their investment strategy.

Environmental conditions affecting investment attractiveness

Air quality and environmental degradation are the environmental conditions which strongly reduce Malta's attractiveness for FDI.



Air quality

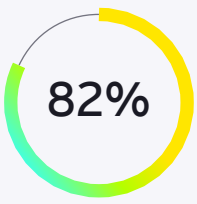


Environmental degradation

4

Global shift and trade outlook

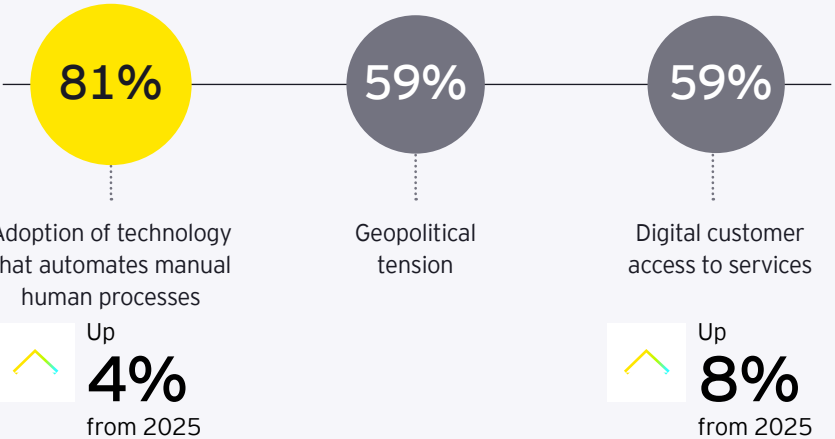
Rebalancing under uncertainty; geopolitics and AI accelerate fastest.



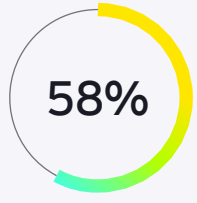
The dominant tone of open responses is: *"No impact yet, but risks are building."*

report no change to their Malta investment plans as a result of current geopolitical conflicts.

Trends investors expect to accelerate fastest over the next three years

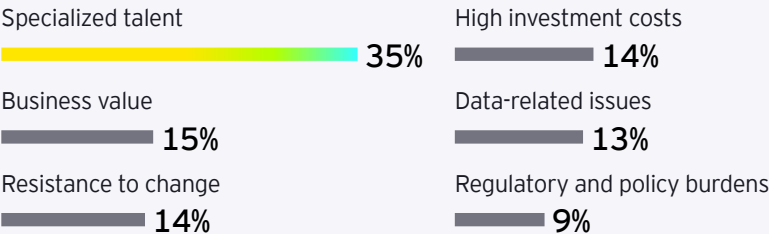


AI trajectory (10 years)



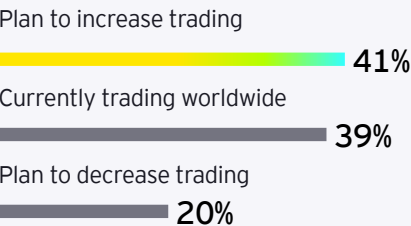
of investors expect AI to enhance productivity across sectors, maintaining Malta's existing economic model.

Access to specialized talent remains the most significant barrier to AI adoption. Other key challenges include AI demonstrating its:



Policy and trade

Trading worldwide



Trading with Europe

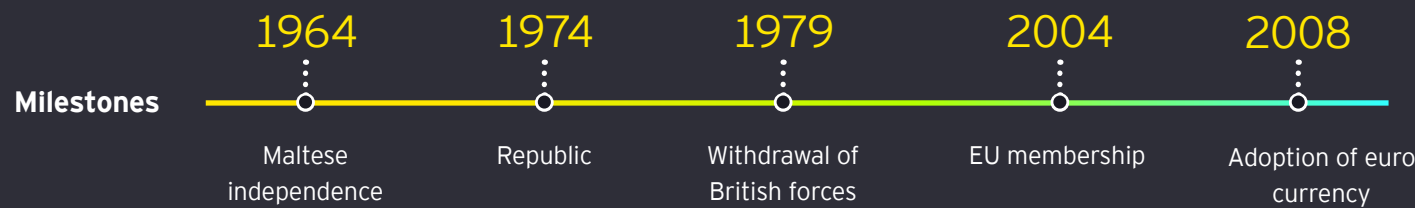


Malta is widely seen as a relatively safe haven for flight-to-quality capital. Against a backdrop of trade fragmentation, conflict and global uncertainty, Malta continues to offer relative predictability, continuity and clarity.

The path forward is clear. The country has proven that it can attract and retain foreign investment. Malta's next phase of competitiveness will depend on unlocking talent, strengthening infrastructure and ensuring that the country's digital strength is matched by its capacity to support further growth.

The Maltese economy

Area	Population ¹	Official languages
316 km ²	588,254	Maltese English



Unemployment rate ²	Inflation	Inbound tourists ⁵
3.5%	2.3% 2.0%	4,022,310
June 2026	January 2026 ³ June 2026 ⁴	January to December 2025

Imports ⁶	Exports
€9,207.0m	€4,886.0m
2025	2025
 €811.0m	 €366.9m
Main decrease from mineral fuels, lubricants and related materials	Main decrease from machinery and transport equipment

¹ NSO Malta, World population day (11 July 2026): [NSO Malta | World Population Day: 11 July 2026 - NSO Malta](#)

² NSO Malta, Unemployment Rate (June 2026): [NSO Malta, Unemployment Rate: June 2026](#)

³ NSO Malta, Harmonized Index of Consumer Prices (HICP) (January 2026): [NSO Malta | Harmonized Index of Consumer Prices \(HICP\): January 2026 - NSO Malta](#)

⁴ NSO Malta, Harmonized Index of Consumer Prices (HICP) (June 2026): [NSO Malta | Harmonized Index of Consumer Prices \(HICP\): June 2026 - NSO Malta](#)

⁵ NSO Malta, Inbound Tourism (December 2025): [NSO Malta | Inbound Tourism: December 2025 - NSO Malta](#)

⁶ NSO Malta, International Trade in Goods (December 2025): <https://nso.gov.mt/wp-content/uploads/NR-018-2026-Table-1BVJmPd4N.xlsx>

Government finance⁷

Government deficit as a % of GDP

-2.2% **-1.9%** **-1.7%**

2025 2026 2027⁷

Government debt as a % of GDP

46.4% **46.0%** **45.1%**

2025 2026 2027⁸

GDP (at market prices)⁹

€24.6b

GDP 2025

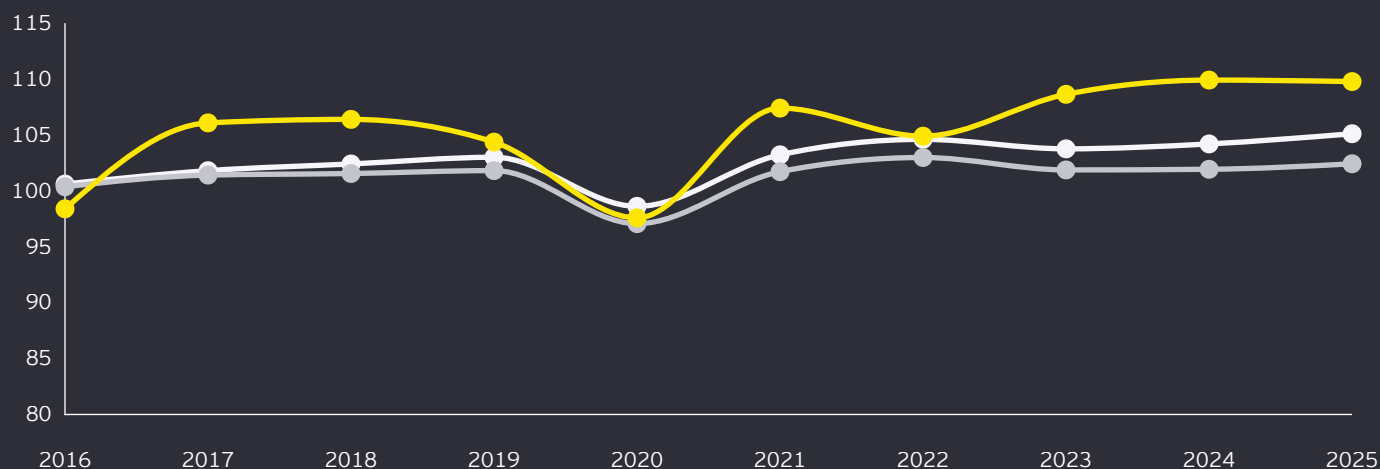
GDP annual real growth

6.0% **4.0%** **3.7%** **3.6%** **3.8%**

2024 2025 2026 (e) 2027 (f) 2028 (f) ¹⁰

Productivity (real GDP per worker)¹¹

● Malta ● EU – 27 countries (from 2020) ● Euro area – 20 countries (2023-25)



⁷ Central Bank Report, page 8, General Government Balance Item, [Outlook-2026-2.pdf](#).

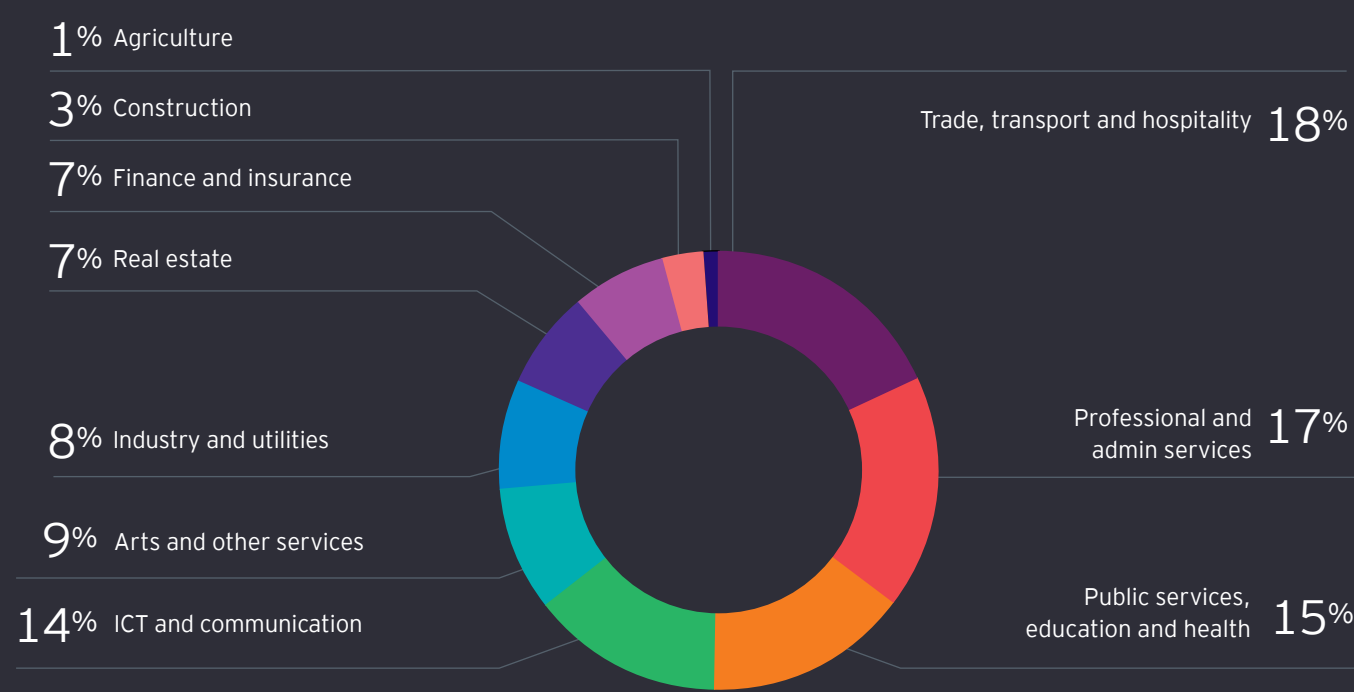
⁸ Central Bank Report, page 8, General Government Debt Item, [Outlook-2026-2.pdf](#).

⁹ NSO Malta, Gross Domestic Product: Q4/2025 Table 5: <https://nso.gov.mt/gross-domestic-product-q4-2025/>

¹⁰ Central Bank of Malta, [Outlook for the Maltese Economy 2026-2.pdf](#)

¹¹ Eurostat, Labor productivity and unit labor costs - annual data ([nama_10_lp_ulc](#)) Labor productivity and unit labor costs – annual data.

Gross value added (GVA) by industry for 2025¹²



¹² NSO Malta, Gross Domestic Product: Q1/2026: NR-095-2026-All-tables-ETLshDFG.xlsx

The Maltese economy

The Maltese economy continued to demonstrate resilience and strong economic performance. Real GDP growth moderated from 6.0% in 2024 to 4.0% in 2025 and is forecast to remain broadly stable thereafter, at 3.7% in 2026 and 3.6% in 2027, before increasing slightly to 3.8% in 2028.¹³

GDP at market prices is estimated to reach €24.6 billion in 2025, reflecting the continued expansion of economic activity.¹⁴

Labor market conditions remain favorable, although unemployment has increased slightly compared with previous years. The unemployment rate stood at 3.5% in June 2026, remaining among the lowest rates in the EU and reflecting continued labor market strength.¹⁵

Tourism continued to be a key driver of economic activity, with Malta welcoming 4.02 million inbound tourists during 2025, further strengthening demand across accommodation, food services, transportation, retail trade and other tourism-related sectors.¹⁶

The structure of Malta's economy remains heavily service-oriented. In 2025, the largest contributors to GVA were wholesale and retail trade, transportation, accommodation and food service activities, accounting for approximately 18.4% of total GVA.

These were followed by professional, scientific and technical activities together with administrative and support services (17%), and public administration, education, health and social work activities (15.2%).

The information and communication sector and the broader industrial sector, including manufacturing, energy and utilities, contributed around 13.6% and 7.9% respectively of total GVA, which is the smallest contributor to Malta's economic output.

The sector with the smallest contribution to GVA was agriculture, forestry and fishing. This contributed around 1% of total GVA. Fiscal performance is expected to continue improving.¹⁷

In 2025, the government recorded a deficit of 2.2% of GDP, which is projected to narrow further to 1.9% in 2026 and 1.7% in 2027. Government debt is forecast to remain stable at around 46% of GDP, standing at 46.4% in 2025, 46% in 2026 and declining slightly to 45.1% in 2027, remaining below the EU's 60% benchmark.¹⁸

Overall, Malta's economic outlook remains positive, supported by strong tourism activity, a diversified services sector, continued investment and sound fiscal management.

While global economic uncertainty and geopolitical developments remain potential risks, the Maltese economy is expected to maintain solid growth in the medium term.

¹³ Central Bank of Malta, Outlook for the Maltese Economy 2026:2: [Outlook-2026-2.pdf](#)

¹⁴ NSO, Malta, GDP at market prices: [NR-033-2026_y7gGcbS2_Table5.xlsx](#)

¹⁵ Unemployment Rate: August 2026: [NSO Malta | Unemployment Rate: August 2026 - NSO Malta](#)

¹⁶ NSO Malta, Inbound Tourism: December 2025: [NSO Malta | Inbound Tourism: December 2025 - NSO Malta](#)

¹⁷ NSO Malta, Gross Domestic Product: Q1/2026: [NR-095-2026-All-tables-ETLshDFG.xlsx](#)

¹⁸ Central Bank Report page 8-[Outlook-2026-2.pdf](#)



1

Perception: current and future attractiveness – Malta's edge in numbers

Current attractiveness

In a fractured world, Malta's appeal as a predictable base is becoming structural – but the conditions are changing

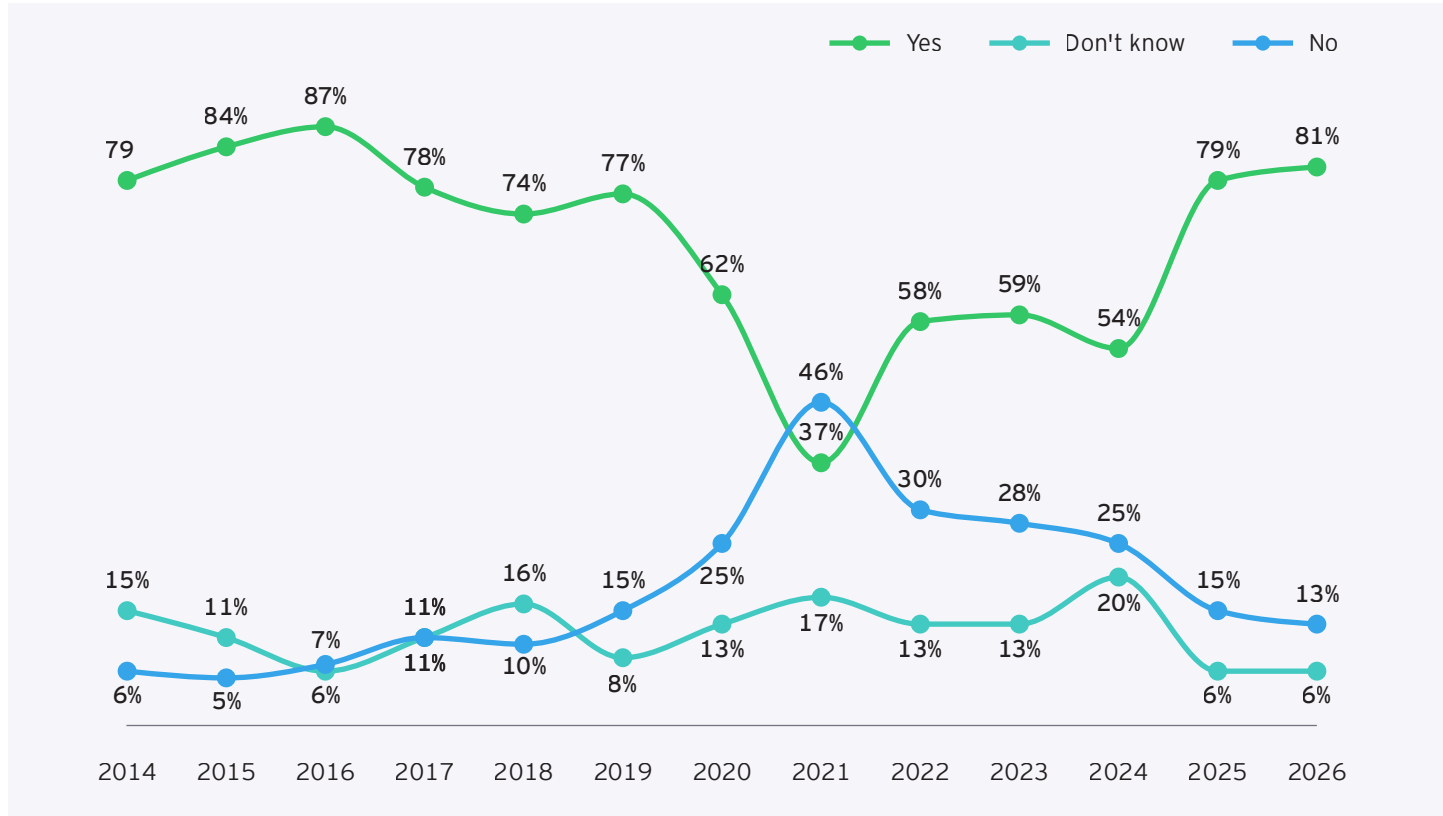
Confidence is at a structural high.
Investor confidence in Malta has held at one of its strongest levels in the 22-year history of MAS. As seen below, 81% of our foreign investors now see Malta as

attractive for FDI – broadly in line with 79% in 2025 and one of the strongest results in over a decade. Against a backdrop of trade fragmentation, conflict and global uncertainty, Malta continues to offer relative clarity.

However, investors are explicit: Skills, costs, infrastructure and quality of life all need attention if Malta is to convert this attractiveness into structural advantage.

Figure 1

Malta's FDI attractiveness



Source: all 2014-26 respondents. Figures may be rounded to nearest whole number.

So what?

Skills, costs, infrastructure and quality of life all need attention if Malta is to take advantage of its attractiveness.

For the first time in 22 years, taxation is no longer Malta's top FDI driver. Telecommunications is

A structural reshuffle at the top.

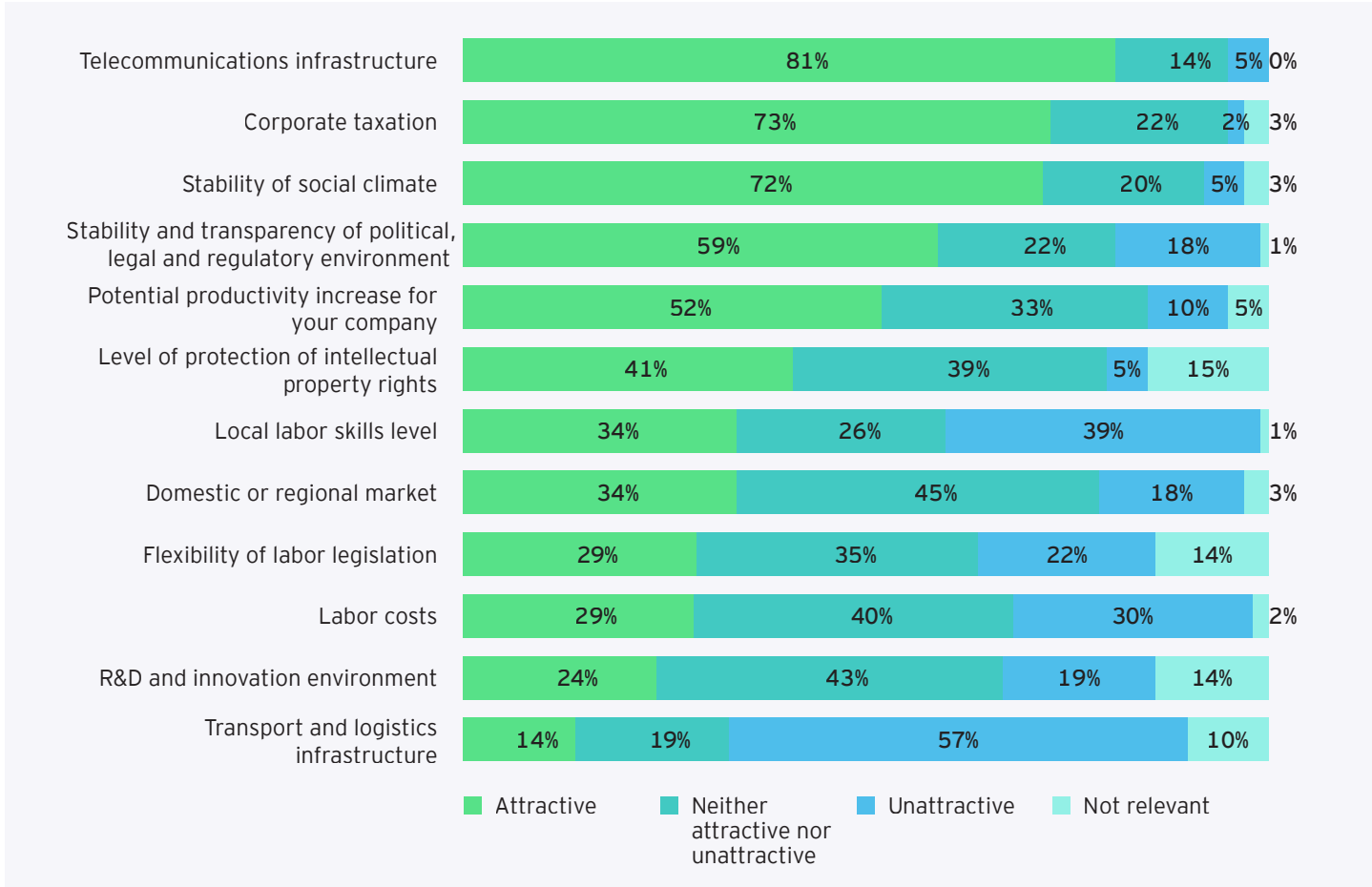
This year's scoreboard records a structural shift. Telecommunications infrastructure, rated attractive by 81% of foreign investors, has overtaken corporate taxation (73%) as the highest-rated parameter driving Malta's FDI appeal. The stability of Malta's social climate (72%) is a close third, with the stability and transparency

of the political, legal and regulatory environment in Malta continuing its multiyear recovery and now reaching 59% – up 10 points on the 2025 survey. Areas that need improvement in the country remain stubbornly consistent. Transport and logistics infrastructure (14%), the R&D and innovation environment (24%), labor costs (29%) and the local labor skills level

(34%) sit at the lower end of the FDI attractiveness scoreboard. Skills have remained within a low and narrow 32%-34% band for three consecutive years. This is the conditional welcome that MAS 2026 captures: Investors trust Malta's digital and fiscal proposition but wish to see a larger focus on physical infrastructure, talent and cost competitiveness over the coming decade.

Figure 2

Attractiveness scoreboard – Malta's FDI attractiveness



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

So what?
Malta is no longer competing primarily on tax. It is competing on trusted digital capability. That is a strategic signal worth more than the numerical reshuffle.

The conversation has moved – and Malta should move with it

A four-line trend tells the strategic story.

Charting the four highest-rated parameters from 2014 to 2026 confirms the trend. For more than a decade, the movements in telecommunications and corporate taxation attractiveness tracked each other closely, with taxation typically sitting with or above telecoms in the national attractiveness stakes. From 2022 onward, the lines diverged – with telecoms recovering sharply from the previous dip while taxation started to soften.

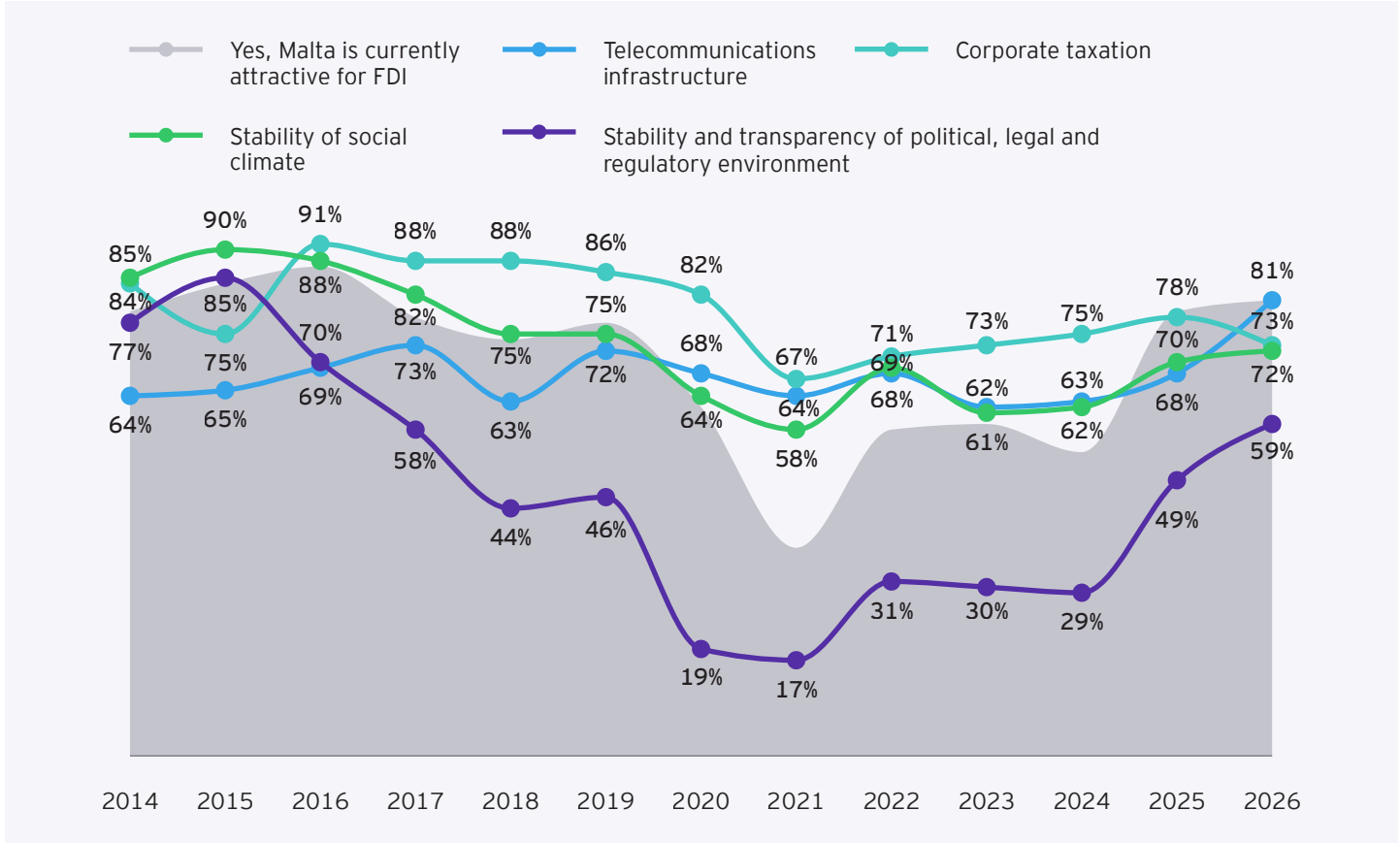
The 2026 survey records the cross-over. Stability of social climate and political, legal and regulatory transparency have both (again) risen materially in 2026, reflecting the institutional dividend Malta has earned since the dip during the first years of this decade.

Two things follow. First, telecoms is now a strategic asset for the country – and is not only a utility – hence, the policy and capital agenda needs to also follow in 5G, edge computing, data centers and cybersecurity.

Second, tax remains a major draw for the country but, in absolute and relative terms, it is no longer the differentiator. In a world where international tax reform is steadily compressing the global fiscal margin, that is, on balance, a healthy strategic shift.

Figure 3

Malta's top four FDI drivers



Source: all 2014-26 respondents. Figures may be rounded to nearest whole number.

So what?

Malta's next decade will be defined as much by software, fiber and standards as by fiscal rules.

Holding our position vis-à-vis other European countries

Malta's relative standing has strengthened.

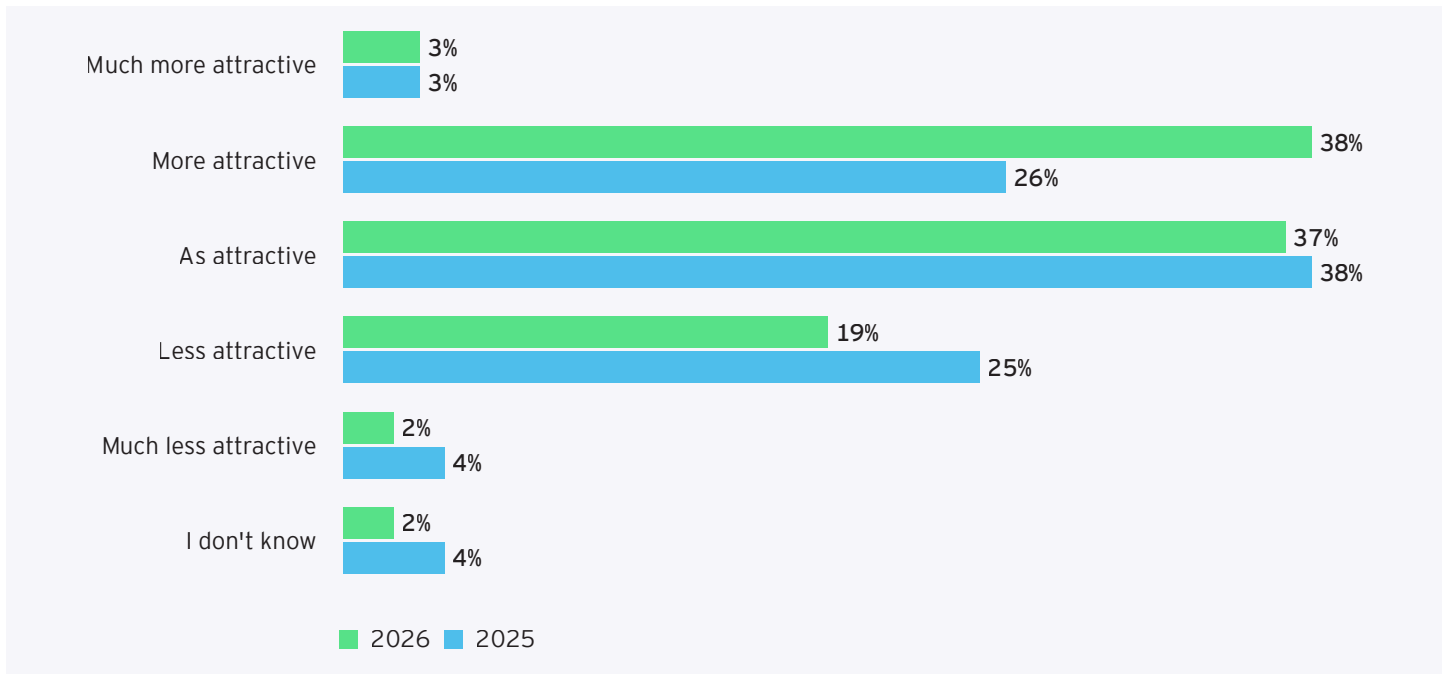
When asked how Malta compares with other European countries, 37% of investors place it on par, 41% see it as more or much more attractive, and 21% see it as less or much less attractive.

Compared with 2025, the share rating Malta as more attractive has risen meaningfully – from 26% to 38% – even as the share rating Malta as less attractive fell from 25% to 19%. More than three-quarters of investors now believe Malta to be equally attractive or more attractive than its European peers. This is a credible and improving position.

But it is a position that leaves no room for complacency. The investors that are most likely to expand or relocate are also the most exposed to the conditional caveats in the open responses: Skills, infrastructure, housing and quality of life are the levers that will determine whether Malta moves from “on par with” to “preferred to” its European peers over the next decade.

Figure 4

How does Malta compare with other European locations for investment?



Source: all 2025-26 respondents. Figures may be rounded to nearest whole number.

So what?

Malta is viewed as a stable and credible European location — and increasingly competitive. The opportunity now is to convert relative parity into a clear, narrow advantage in the segments where Malta can lead.

The risks are familiar – but the order has tightened around skills, cost and infrastructure

Skills, cost and capacity are the new top three.

Skills shortages remain the dominant risk – flagged by 63% of investors as one of the three biggest risks to Malta’s FDI attractiveness over the next three years. Cost competitiveness has now risen to second place at 45%, increasing by three points from 2025 and reaching three points higher than tax reform which, at 42%, fell to third place.

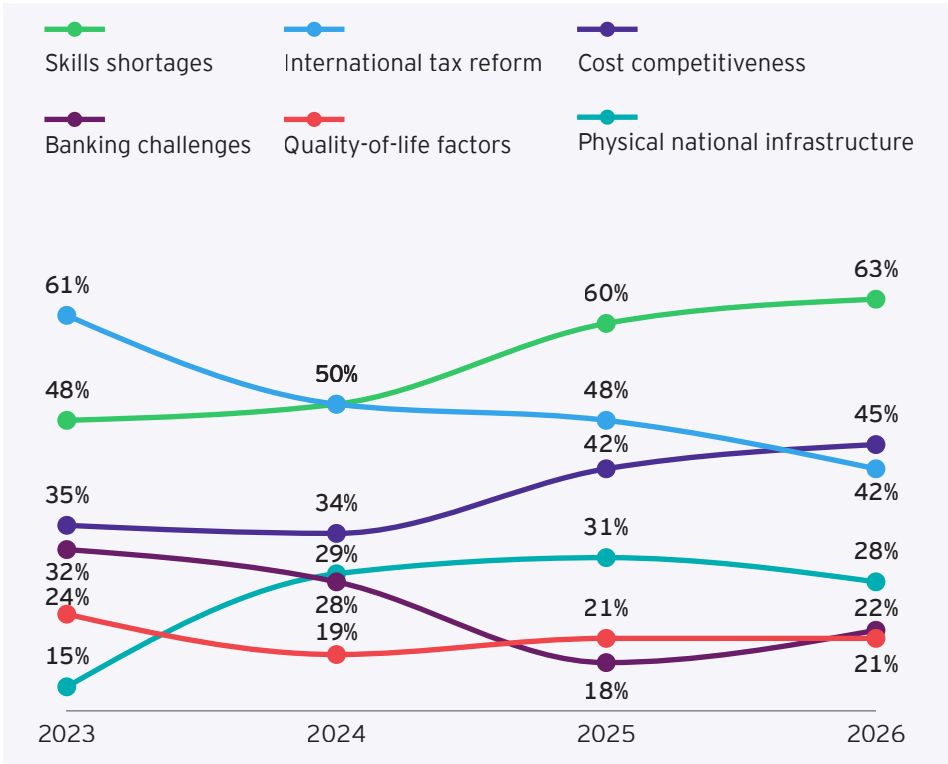
Physical national infrastructure (28%) and banking challenges (22%) complete the top five, with quality of life (21%) also becoming an increasing concern for our investors.

Three things stand out in the 2026 data. First, skills risk has continued to be identified by investors even as Malta’s economy has matured – confirming that this is a structural rather than cyclical problem. Secondly, cost competitiveness has become a greater priority for investors over tax reform for the first time in the survey’s history, reflecting a steady erosion of Malta’s relative cost edge against EU peers in payroll and rent. Third, concerns on international tax reform have fallen for the fourth consecutive year. This is a sign that the global pillar reforms are now being priced in rather than feared.

Skills shortages (21%) remain the most cited investment risk facing Malta. This is followed by competitiveness (15%) and international tax reforms (14%), with similar shares of response. The top

Figure 5.1

Top six risks facing Malta’s FDI attractiveness over the next three years among investors (three combined priorities)



Source: all 2023-26 respondents. Figures may be rounded to nearest whole number.

five is completed by physical national infrastructure (9%) with banking challenges and quality-of-life factors both standing at 7%. These top five risks make up approximately three-quarters

of all responses in the survey, with the top three holding exactly half of all responses. These present the biggest risks to FDI attractiveness that investors have identified.

So what?

The next decade will be won or lost on talent, productivity and physical capacity. Defending Malta’s trusted edge means resolving the three risks Malta has been talking about for 10 years — and acting on them.

Quality-led growth surpasses pure scale

Better is now the dominant preference.

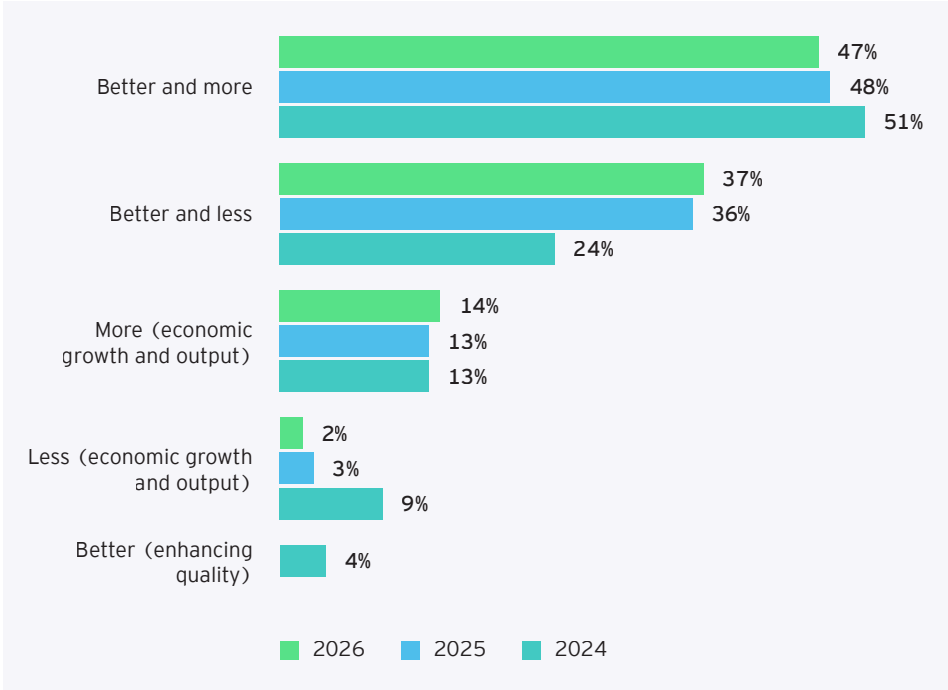
When asked how Malta should develop socioeconomically going forward, around 47% of foreign investors prefer better and more growth – combining higher quality with continued scale – while about 37% now prefer better and less, a 13-point increase since 2024, with only 14% favoring pure scale (more).

The composite picture is decisive: Just over 84% of investors prioritize quality for Malta’s socioeconomic development. This is far above policies in favor of scale or contraction.

The message from investors is unambiguous: The era of growth driven by more people, more vehicles, greater capacity and higher tourist volumes is unsustainable. The next phase of development must be defined by higher productivity per worker, greater value generated per investment, and increased yield per visitor. This sentiment is clearly reflected in the structural reshuffle observed in the scoreboard, where, digital reach and stability emerge as the assets investors value most. Investors expect Malta to leverage these strengths to achieve smarter, more sustainable growth, not simply growth in scale.

Figure 6

What should Malta do from a socioeconomic point of view?



Source: all 2024-26 respondents. Figures may be rounded to nearest whole number.

“

Malta still offers stability and opportunity.
The momentum is there — now infrastructure
and capacity need to match. Be selective with FDI: Target
strategic sectors, not just volume.

Through the investor lens,
MAS 2026 (open responses)

Future attractiveness

Near-term commitment to the country is strong and structured around expanding what already works

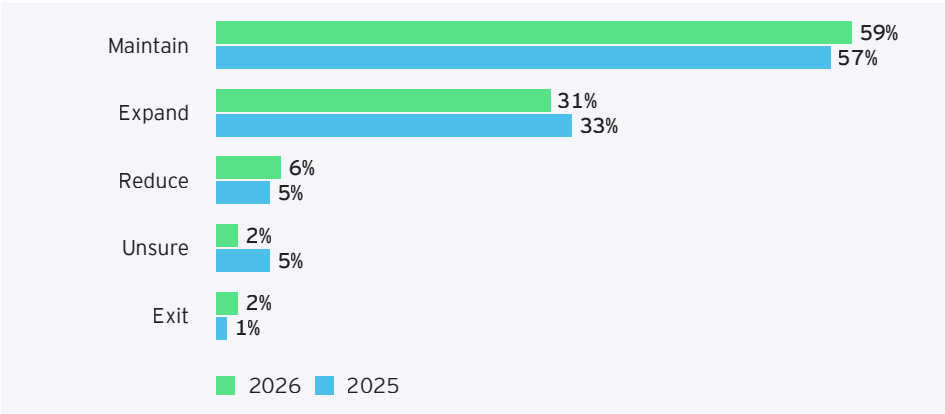
Around 90% wish to maintain or expand.

Ninety percent of investors intend to maintain (around 59%) or expand (31%) operations in Malta over the next 12 months. Around 6% intend to reduce their presence while around 2% intend to exit; this is down from 5% in 2025. This sentiment provides a stable and deepening commitment toward the country.

Among those planning to expand, 30% cite natural extension of existing operations – by far the dominant reason and in line with the 31% in 2025. Increased demand for their products and services in Malta (16%), the country's favorable tax and incentive schemes (13%) and investment in new technology or innovation in Malta (11%) follow.

Figure 7

Company investment plans in Malta over the next 12 months

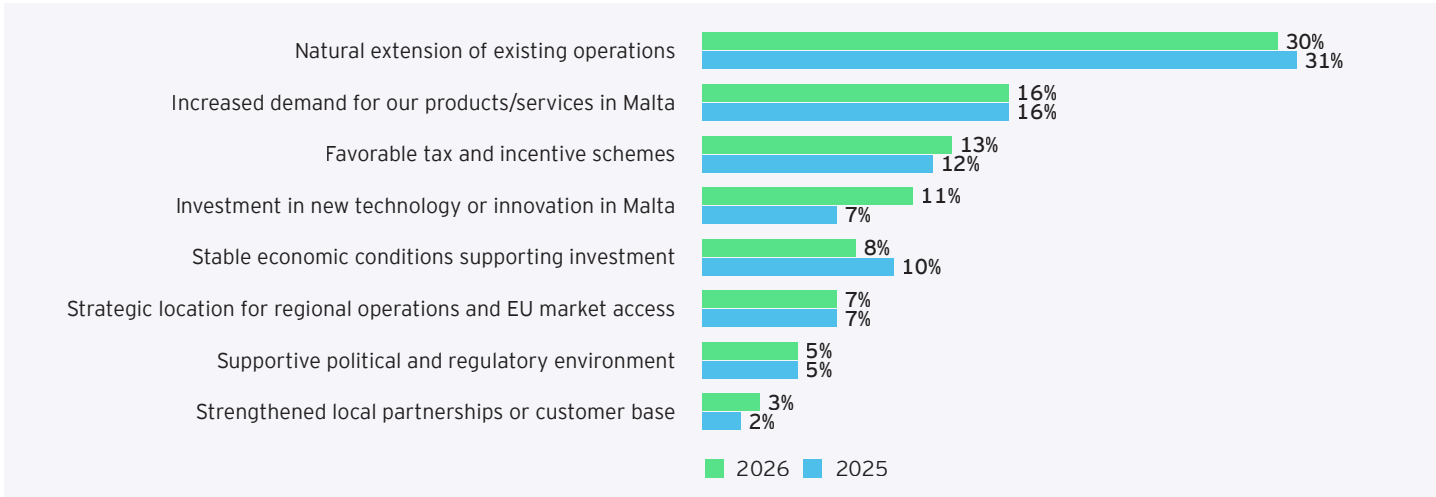


Source: all 2025-26 respondents. Figures may be rounded to nearest whole number.

The combined picture: Investors are deepening their commitment in Malta rather than betting on Malta as a new entry point, a positive signal of structural anchoring.

Figure 8

Main reason for planned expansion



Source: all 2025-26 respondents. Figures may be rounded to nearest whole number.

So what?

The growth Malta will see in the next 12 months is dominated by deepening relationships with companies already here. That is a quality signal — and it puts even more emphasis on the talent, infrastructure and cost moves needed to keep those companies growing.

Long-term outlook softens, but the message is recalibration, not retreat

Sixty percent confirm a 10-year horizon and only 2% say no.

Sixty percent of investors expect to still be present in Malta in 10 years' time, in line with 61% in 2025 but below the 70% in 2024. The proportion of respondents answering can't say has again risen, from 33% in 2025 to 38% in 2026, while those answering no have fallen to just 2% (from 6% in 2025). The pattern is consistent: Investors remain committed in Malta for the near term, but long-term horizons are increasingly shaped by global volatility, AI-led structural change and shifting trade alignments – not by Malta itself.

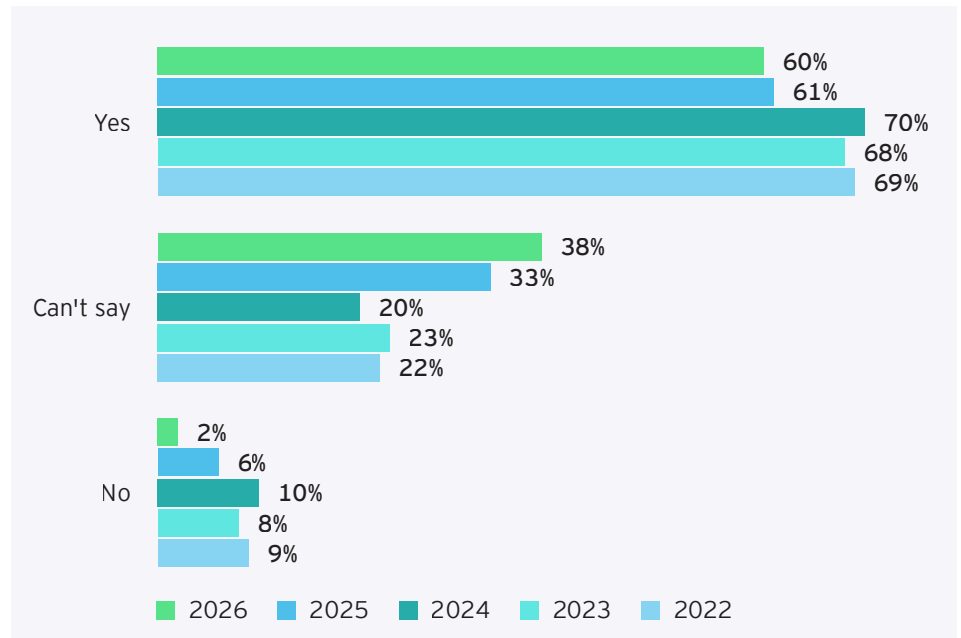
Two readings of the rising can't say share are worth noting. First, this is not a Malta-specific signal. The same dynamic is seen in EY's European and global attractiveness data, reflecting how investors are reassessing longer-term location strategy in a world of volatile geopolitics, fast-moving technology and shifting trade alignments. Second, the corresponding fall in no to a multiyear low of 2% suggests that very few investors are actively planning to leave Malta. In a nutshell, they are simply less able to make decade-long commitments to the country under current volatile and rapidly changing conditions.

So what?

Malta retains structural confidence. The opportunity is there to give investors the certainty — on talent, infrastructure and policy — that converts the can't say cohort back into clear long-term commitment.

Figure 9

Company presence in Malta in 10 years' time



Source: all 2022-26 respondents. Figures may be rounded to nearest whole number.





Future growth: Sector leadership shifts toward AI and digital

Digital sectors are catching up with and overtaking physical ones.

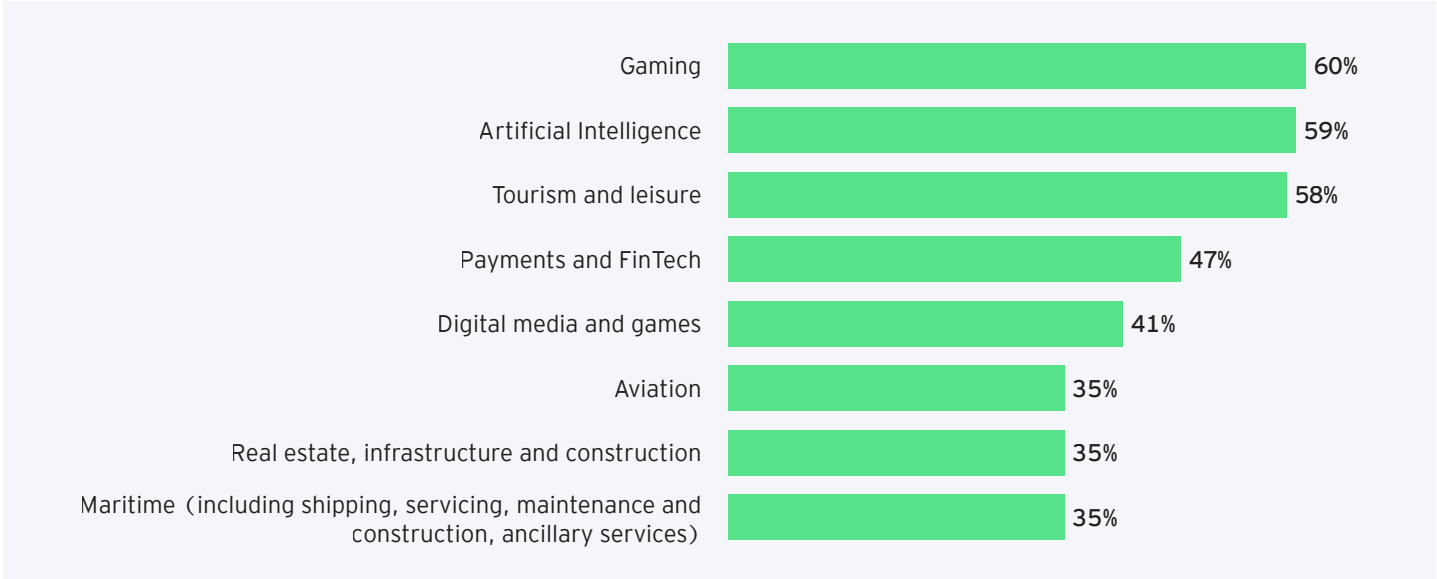
When asked to identify all sectors expected to drive Malta’s growth, gaming (60%), AI (59%) and tourism and leisure (58%) lead the field. The biggest single movers since 2025 are AI (up by 12%) and digital media and games (up by 11%).

Tourism is the standout sector with the biggest decline (down by 12%). This is not because investors expect tourism to stop growing, but because they expect the digital and AI economy to overtake it in strategic importance. Payments and FinTech remain a structural anchor for the country, with nearly half (47%) including it in their list.

Aviation (35%) and real estate, infrastructure and construction (35%) received fewer responses and both softened relative to 2025. This is likely due to the capacity constraints that investors identified as key risks for these sectors. Maritime remained steady at 35%, supported by the strength of the Maltese flag registry, ship repair services, and the Freeport’s role as a major trans-shipment hub.

Figure 10

Sectors that will drive Malta’s growth (multiple choice)



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

AI is now the single most likely engine of Malta's next growth phase – by a wide margin

Thirty-one percent of investors choose AI as the single biggest growth bet.

When investors are asked to pick the single sector with the greatest long-term growth potential, AI takes the top slot decisively at 31%, up from 25% in 2025. Tourism (11%), payments and FinTech (7%) and aviation (7%) follow. This single-choice result is the clearest signal in the MAS 2026 data set: AI is no longer a technology or a topic.

It is now a sector and investors expect it to be the defining growth bet for Malta over the coming decade.

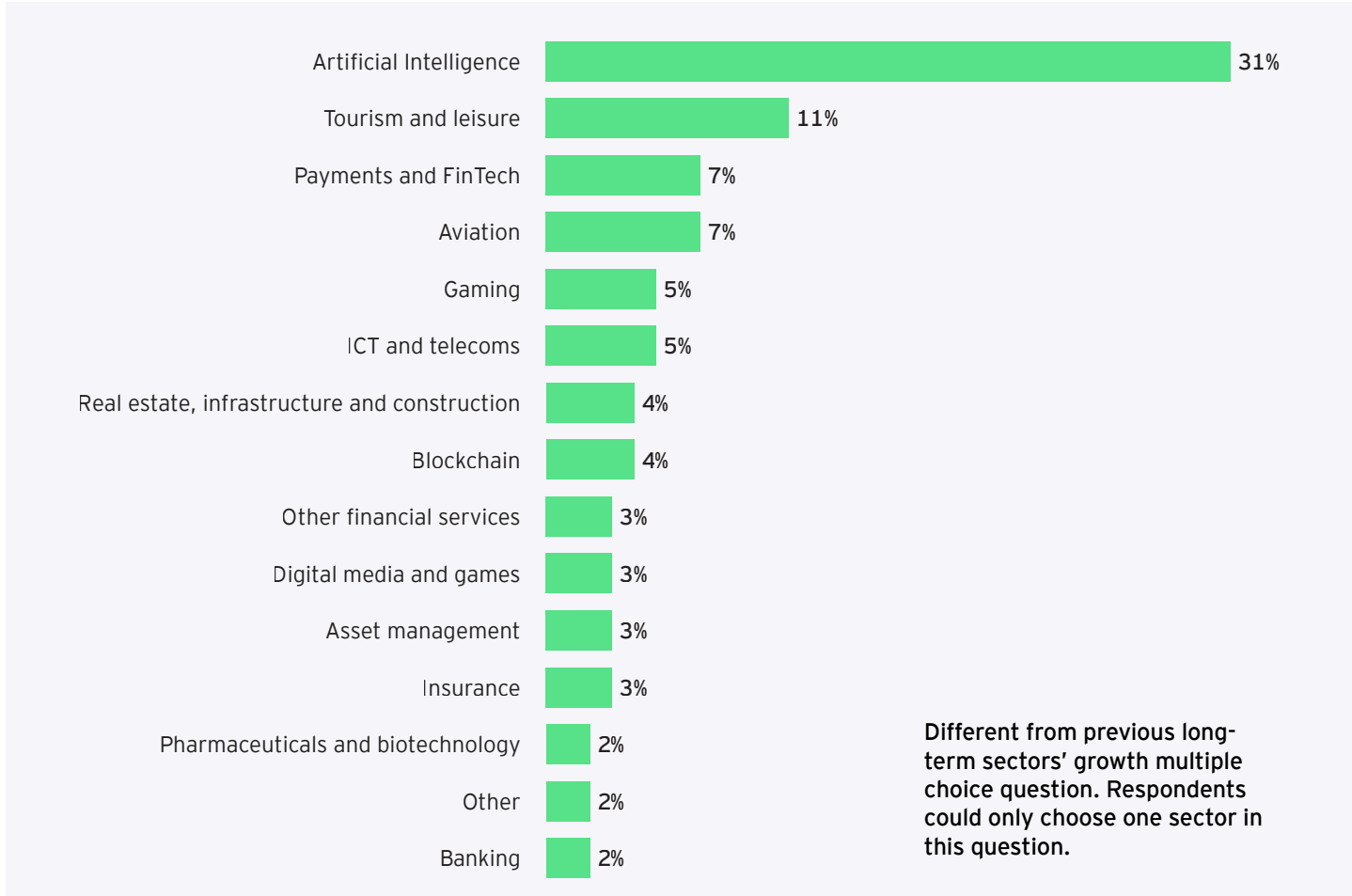
For Malta, the AI growth bet has three foundations. First, the country's digital and connectivity proposition, which is now the highest-rated FDI parameter, provides the operational bedrock. Second, the institutional dividend on stability gives Malta a credible governance edge in an EU AI Act world.

Third, Malta's small-state agility allows for fast-moving regulatory experimentation, including sandboxes, AI assurance frameworks and public-private innovation labs.

The constraint is now well known: specialized digital talent. Thirty-five percent of investors cite this as the single biggest barrier to (increased) AI adoption.

Figure 11.1

Sector with the greatest long-term growth potential (single choice)



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

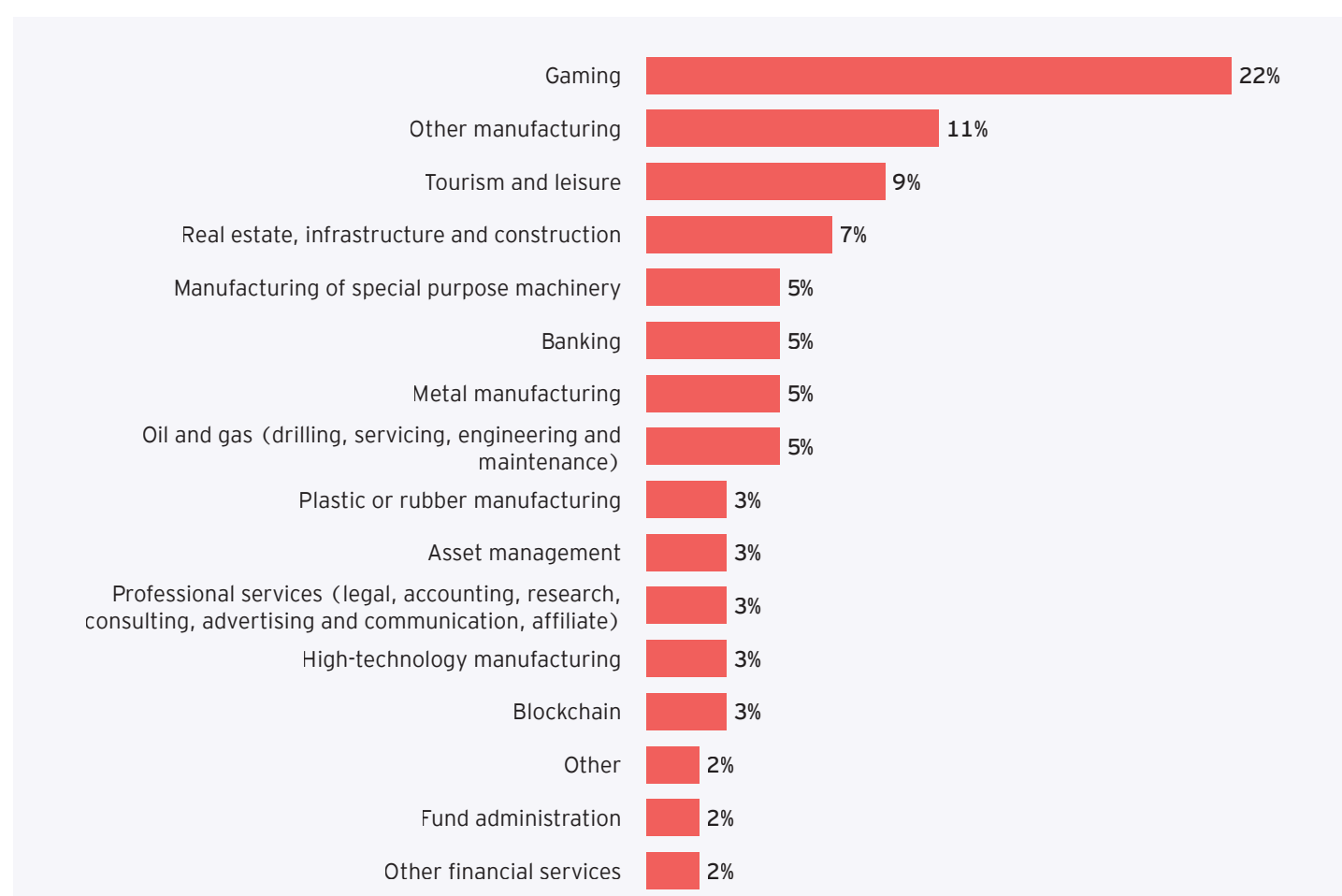
But what about declining sectors? When investors were asked to pick the single biggest sector that is most prone to decline, 22% of investors chose gaming.

This is followed by other manufacturing (11%), tourism and leisure (9%) and real estate, infrastructure and construction (7%).

These four sectors make up about half of the responses, maintaining the top four rankings from 2025, with gaming increasing by four percentage points.

Figure 11.2

Sector with the greatest long-term potential to decline (single choice)



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

So what?

Malta has a credible AI thesis. Converting it into a delivered economic engine over the next couple of years will require Singapore-style decisiveness on talent, governance and infrastructure — coordinated through a national AI strategy.

Future competitiveness: Education and skills retain top place

Education and skills are the top priority, and the gap has widened.

Each year, the MAS asks foreign investors what Malta should prioritize to remain globally competitive over the next decade. In 2026, education and skills again takes the top spot. Now at 20%, it is up 3% over 2025 and the highest survey result in three years.

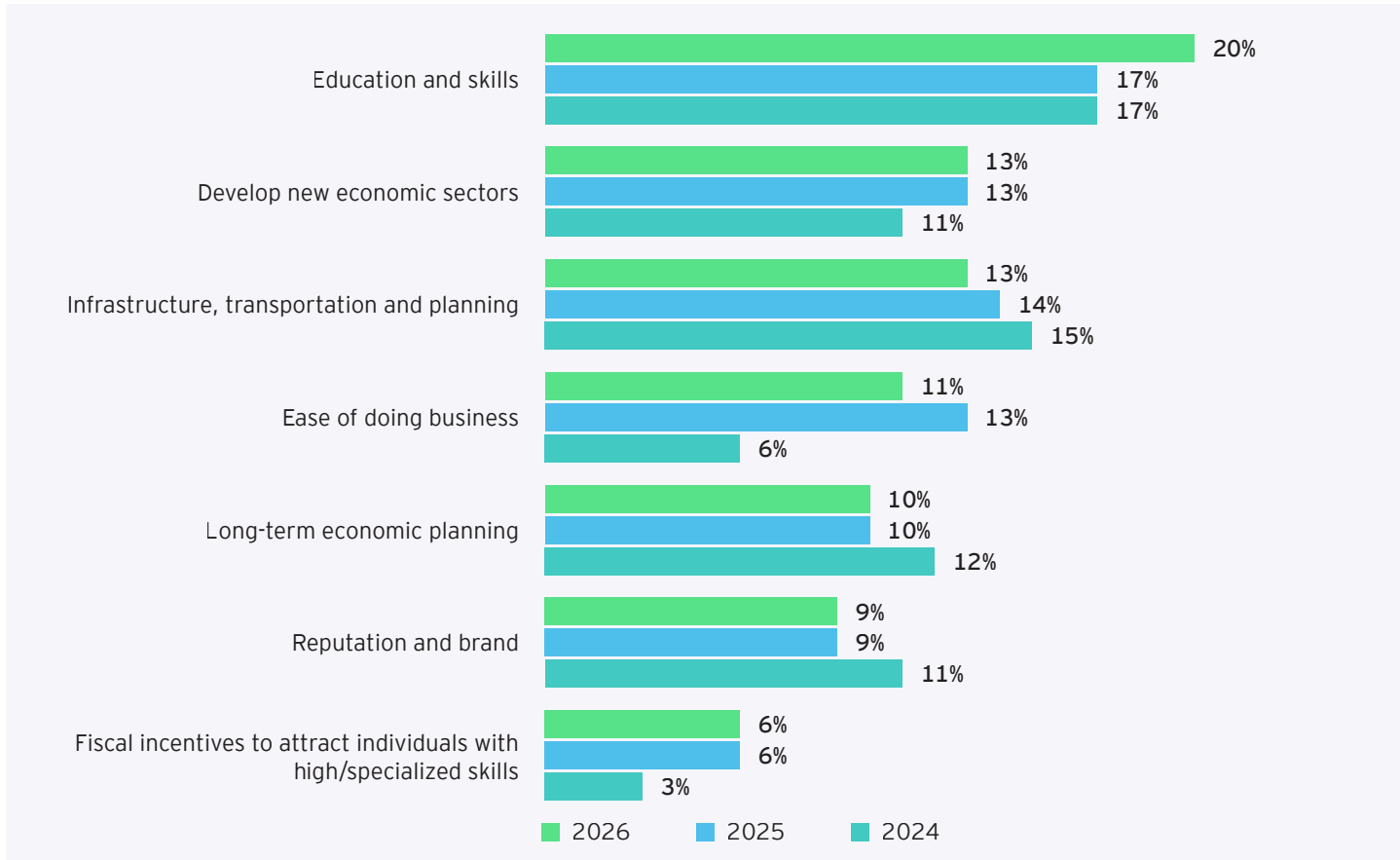
Developing new economic sectors (13%) and infrastructure, transport and planning (13%) sit at joint second. Ease of doing business (11%) and long-term economic planning (10%) complete the top five priorities.

Two trends stand out. First, the structural primacy of skills, a top priority in every edition of MAS for the past five years, is now compounding.

Second, investors are increasingly looking beyond education in isolation. Increasingly industry-led apprenticeships, fast-track work permits for high-demand roles and start-up infrastructure are all rising in importance. The signal is that progress depends on moving several levers in parallel, rather than relying on any one reform.

Figure 12

Malta priorities to remain globally competitive across the next decade (total number of top 3 ranking mentions)



Source: all 2024-26 respondents. Figures may be rounded to nearest whole number.



2

Global shifts, telecoms and AI: the new investment lens and Malta's response

Global shifts and trade outlook

Geopolitics: little impact but building risk

Eighty-two percent report no change to their Maltese investment plans due to current geopolitical conflicts.

The remaining respondents are split between those reporting a somewhat reduced impact, at 11%, and those reporting a somewhat increased impact, at 4%. Hence, the predominant sentiment is that, for the majority of investors, geopolitical tensions have had a very minimal impact on their investment plans in Malta.

The sentiment from those who left open responses is unambiguous with responses including, “no impact,” “none,” “not really impacted” and “N/A.”

Respondents cited the lack of impact resulting from Malta’s neutrality and EU membership. These act as a shield that makes the country a safe haven for investors. On the other hand, despite this confidence, investors also highlight inflationary pressures and worsening consumer confidence as potential risks.

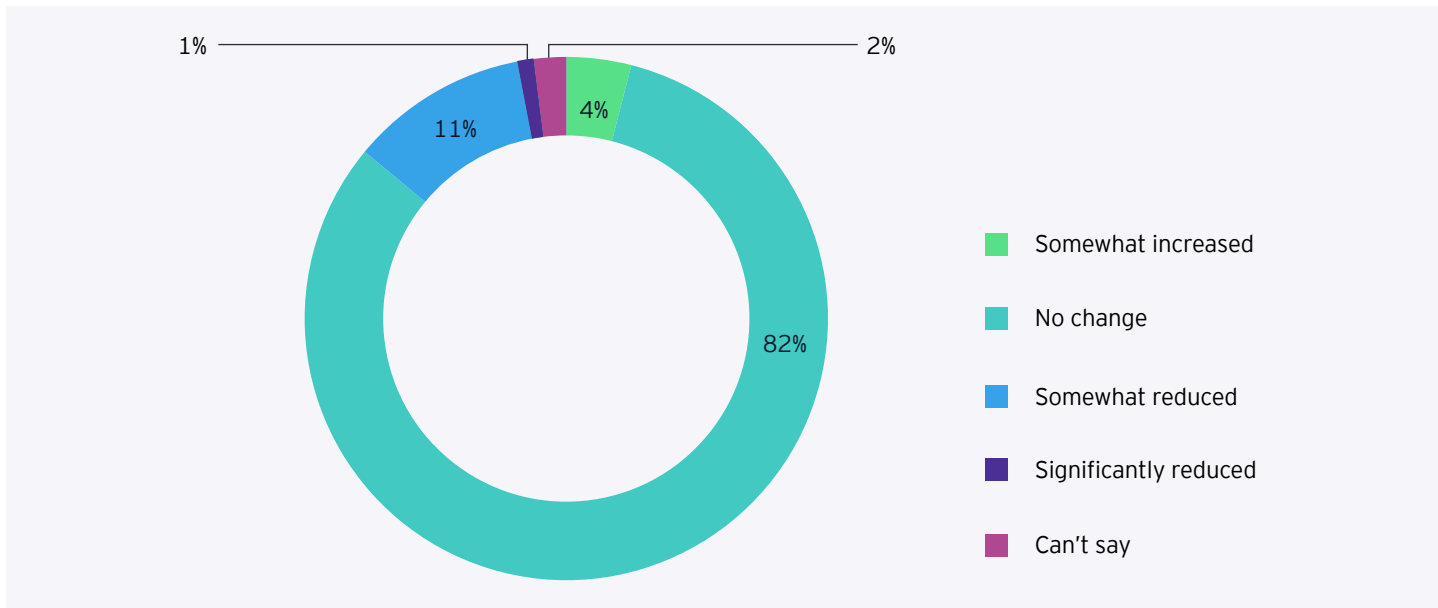
Furthermore, a qualitative analysis flags a common undercurrent. MAS respondents reported rising operating costs, supply chain frictions and logistical issues, despite the positive sentiment. Firms also highlight that, despite observing few direct effects, indirect effects from rising uncertainty and volatility are present.

As a response to this, some have adopted a “dual HQ strategy,” geographic diversification or a general slowing of investment pacing.

Investors also cite an uncaptured strategic upside, stating that Malta has the potential for flight-to-quality opportunities. However, they cite gaps in infrastructure and service quality as a constraint on this. Hence, the overall sentiment is that, despite little observed impact from geopolitical tensions, the risks are mounting.

Figure 13

How have current conflicts impacted investor plans to invest in Malta?



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

So what?

Malta has been insulated, but is not invulnerable. The investor message is to maintain neutrality, keep EU credibility, and fix the operational and infrastructure gaps that prevent Malta from becoming the natural destination for capital relocating from more volatile geographies.

Two shifts dominate, and Malta is on the right side of both

Automation and geopolitics are the two greatest movers.

Adoption of technology that automates manual processes is the international trend investors most expect.

The international trend investors expect to accelerate the most in the next three years is predominantly tech automation at 81% in 2026, up only marginally from 2025.

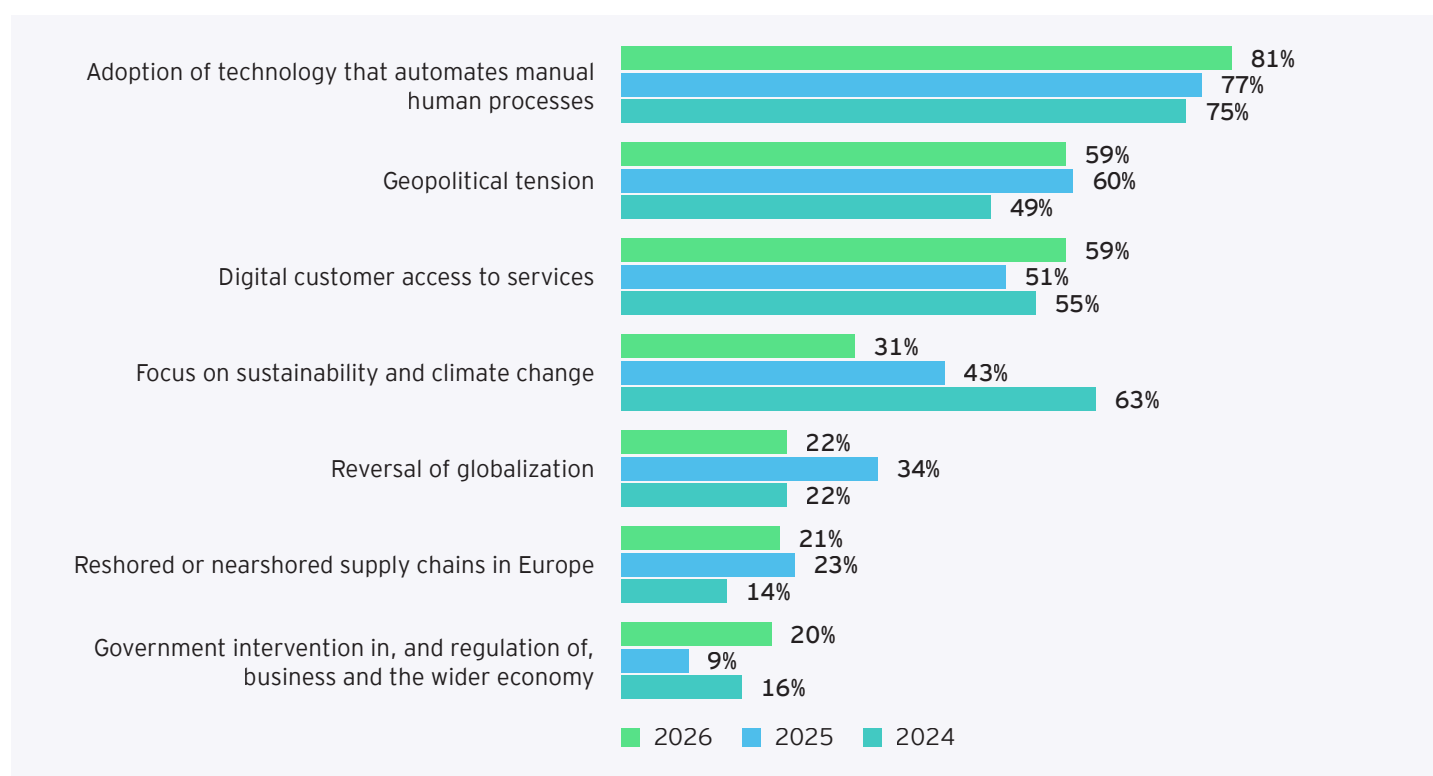
Geopolitical tensions and digital customer access to services are tied second at 59% of respondents. This is followed by focus on sustainability and climate change (31%) and reversal of globalization (22%) to complete the top five trends.

The three leading international trends reinforce Malta's strategic proposition.

Malta's neutrality and safety from tensions work in the island's favor, and technology adoption raises the value of digital infrastructure, regulatory clarity and skilled talent. This combines to strengthen Malta's offering to the market as a small state and EU member with English-speaking and digitally connected workforce.

Figure 14

International trends that will accelerate most in the next three years



Source: all 2024-26 respondents. Figures may be rounded to nearest whole number.

So what?

Tech automation, geopolitical tension and technology adoption are the three macro forces that investors expect to define the next three years. Malta's 2026 attractiveness profile — institutional stability, telecoms at No. 1, EU access — is structurally aligned to all three.

Telecommunications and AI

Regulation is key to leveraging telecoms

Cybersecurity and AI are investors' primary concerns.

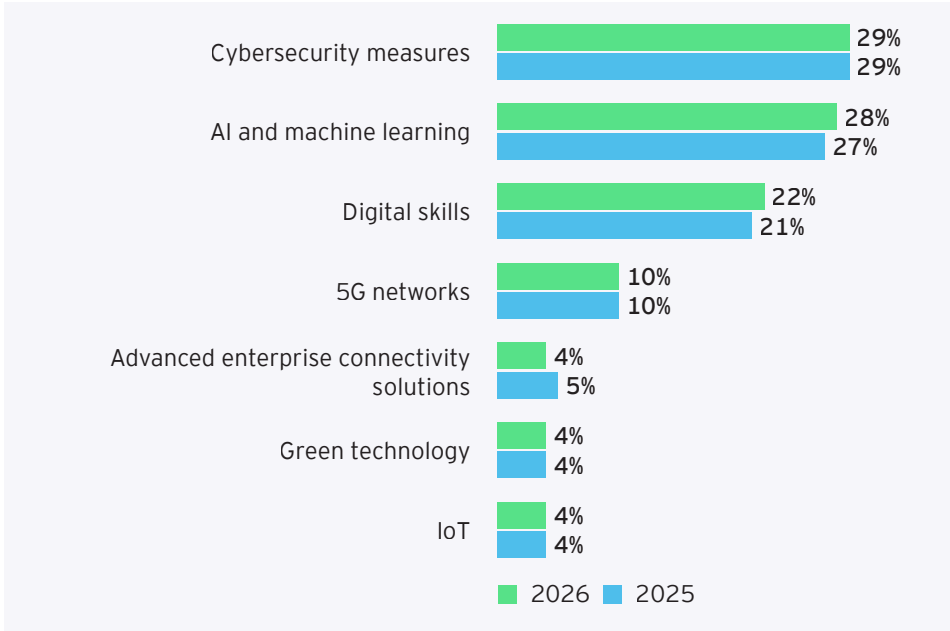
Across investors, four out of five rate Malta's digital connectivity as attractive. As already highlighted, telecoms is now the single highest-rated country FDI attractiveness parameter.

With respect to regulatory expectations, investors cited wanting a focus on cybersecurity (29%), which stayed roughly the same from the previous 2025 survey, and AI and machine learning (28%), which rose slightly from the last survey. The clear third place focus was on digital skills (22%), which again rose slightly from the previous year.

Investors are also leaning into 5G, Internet of Things (IoT) and edge computing, building on a steady multiyear trend. Around 40% of companies are either exploring options and planning, or are already underway with investments in next-generation digital connectivity over the next three years. It should be noted that the share of those not currently considering these solutions is now 40% – 3% lower than the 2024 results.

Figure 15

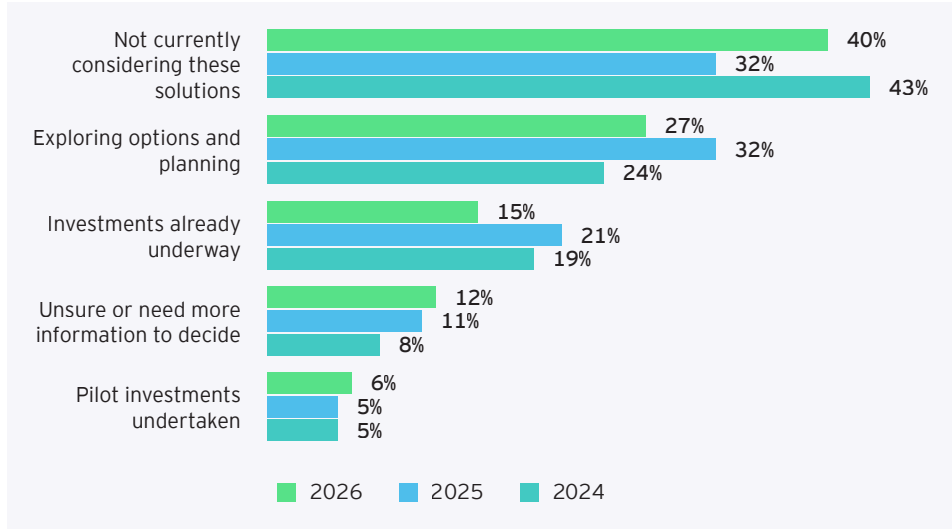
Digital transformation areas regulators need to focus on providing additional support



Source: all 2025-26 respondents. Figures may be rounded to nearest whole number.

Figure 16

Considering investments in 5G, IoT and edge computing over the coming three years



Source: all 2024-26 respondents. Figures may be rounded to nearest whole number.

So what?

AI, cyber and digital skills are the three lanes where Malta's regulatory ambition will determine whether the new No. 1 driver (telecoms infrastructure) becomes a durable competitive advantage for Malta.

AI is the productivity bet but talent is the constraint

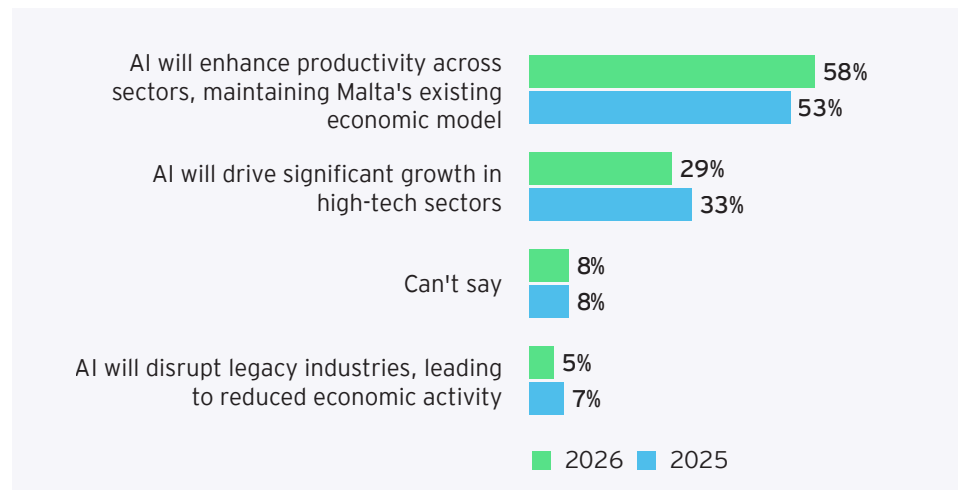
Around 87% of investors see AI as a significant driver of growth.

Of these, 58% expect AI to enhance productivity in all sectors within the current economic model over the next 10 years. The remaining 29% view the productivity effect of AI being limited only to high-tech sectors.

A small minority (5%), down from 2025, reflects a negative sentiment toward AI, with primary concerns being a reduction in economic activity and disruption. The overall sentiment is, however, highly supportive of the new technology.

Figure 17

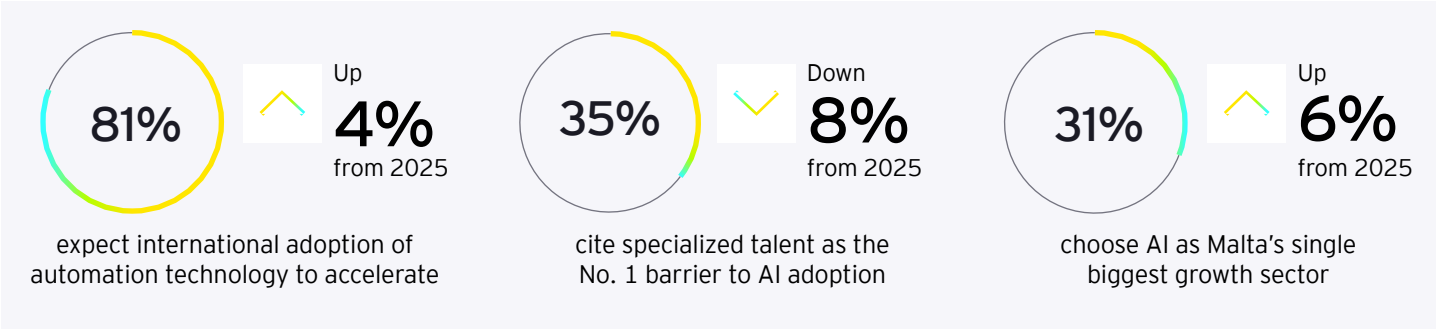
How will AI and automation shape Malta's economy over the next 10 years



Source: all 2025-26 respondents. Figures may be rounded to nearest whole number.



AI adoption in Malta and internationally



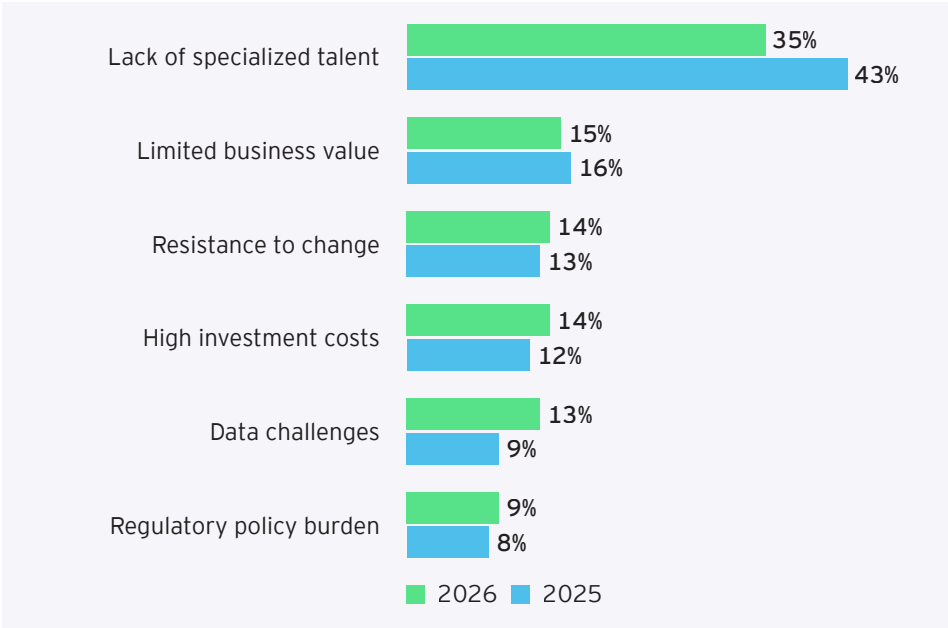
For 35% of investors, the largest constraint to the adoption of AI is a lack of specialized talent.

This figure is down from 43% in the previous survey but remains the greatest barrier above limited business value (15%), resistance to change (14%), cost (14%), data challenges (13%) and regulation (9%).

Three policy implications follow. First, a national AI strategy and sandbox would convert Malta's small-state agility into a governance dividend – particularly under the EU AI Act, where being among the first to introduce the regime is a competitive advantage. Second, public-private innovation labs in sectors where Malta can be a controlled environment (maritime, MedTech, FinTech, gaming) would create the “anchor projects” investors say they look for. Third, a sustained program on developing AI, digital and data skills – schools, universities, the workforce and diaspora – is the single-highest leverage investment Malta can make over the next 36 months.

Figure 18

Biggest barrier to AI adoption in Malta



Source: all 2025-26 respondents. Figures may be rounded to nearest whole number.

So what?

Malta has a credible AI growth thesis. Chapter 4 of this report sets out the five steps needed to convert that thesis into investment over the next year.

Competitiveness enablers

People and costs: Capacity now constrains Malta's growth

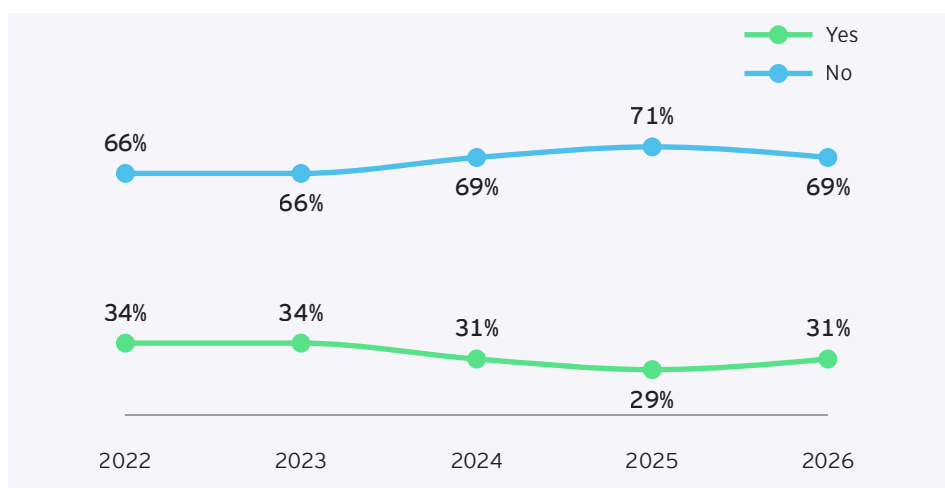
Sixty-nine percent cannot recruit the specialized skills they need locally.

The MAS 2026 data on skills, costs, infrastructure and international talent is, taken together, the strongest case for a structural shift in Malta's growth model. Sixty-nine percent of investors cannot recruit people with the specialized skills they need locally. This figure has been above 65% for five consecutive years. The picture is structural, not cyclical: As Malta's economy has grown and matured, the depth of the talent pool has not kept pace with the breadth of demand.

International talent is a partial pressure relief valve, but the data is clear that Malta's attractiveness for senior international hires is the most constrained. In fact, the majority of investors find Malta attractive primarily for entry-level talent compared with mid-level and C-level. Quality of life, housing supply and visa processing speeds are repeatedly cited as the differentiators between Malta and competing European hubs.

Figure 19

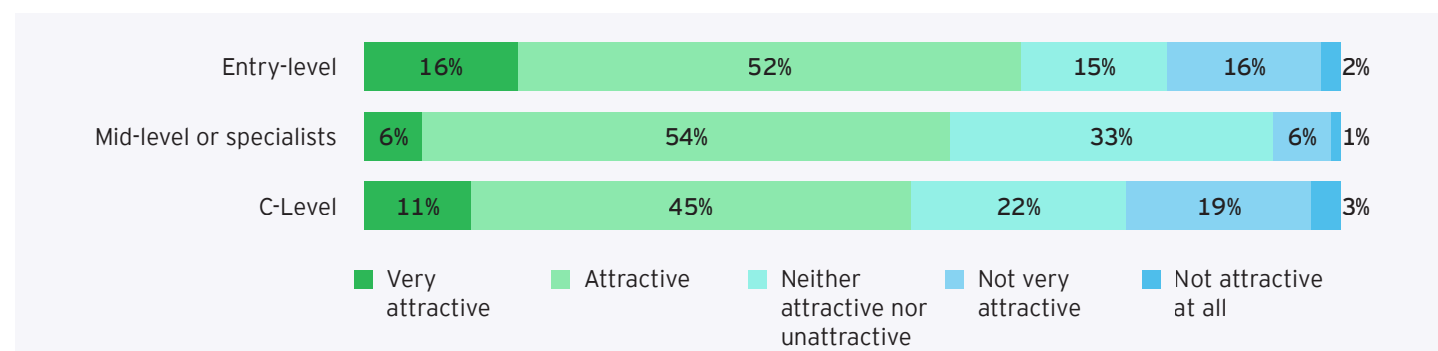
Ability to find and recruit people with the required specialized skills in the local labor market



Source: all 2022-26 respondents.

Figure 20

Malta as a destination for attracting international talent at different levels



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

So what?

The 2026 capacity envelope — skills, housing and costs — is the binding constraint on every other agenda. Until that changes, Malta's ability to convert AI ambition into AI investment will be limited.

Infrastructure planning capacity lags growth

Capacity is the single most consistent signal in the data.

Forty-four percent of investors continue to describe Malta's planning and preparedness for population growth as inadequate, virtually the same as the previous year. Only 22% rate it as adequate, with the combined inadequate share (including very inadequate) sitting at 57%.

The sentiment here is simple: Investors observe that Malta's growth is outpacing the available infrastructure.

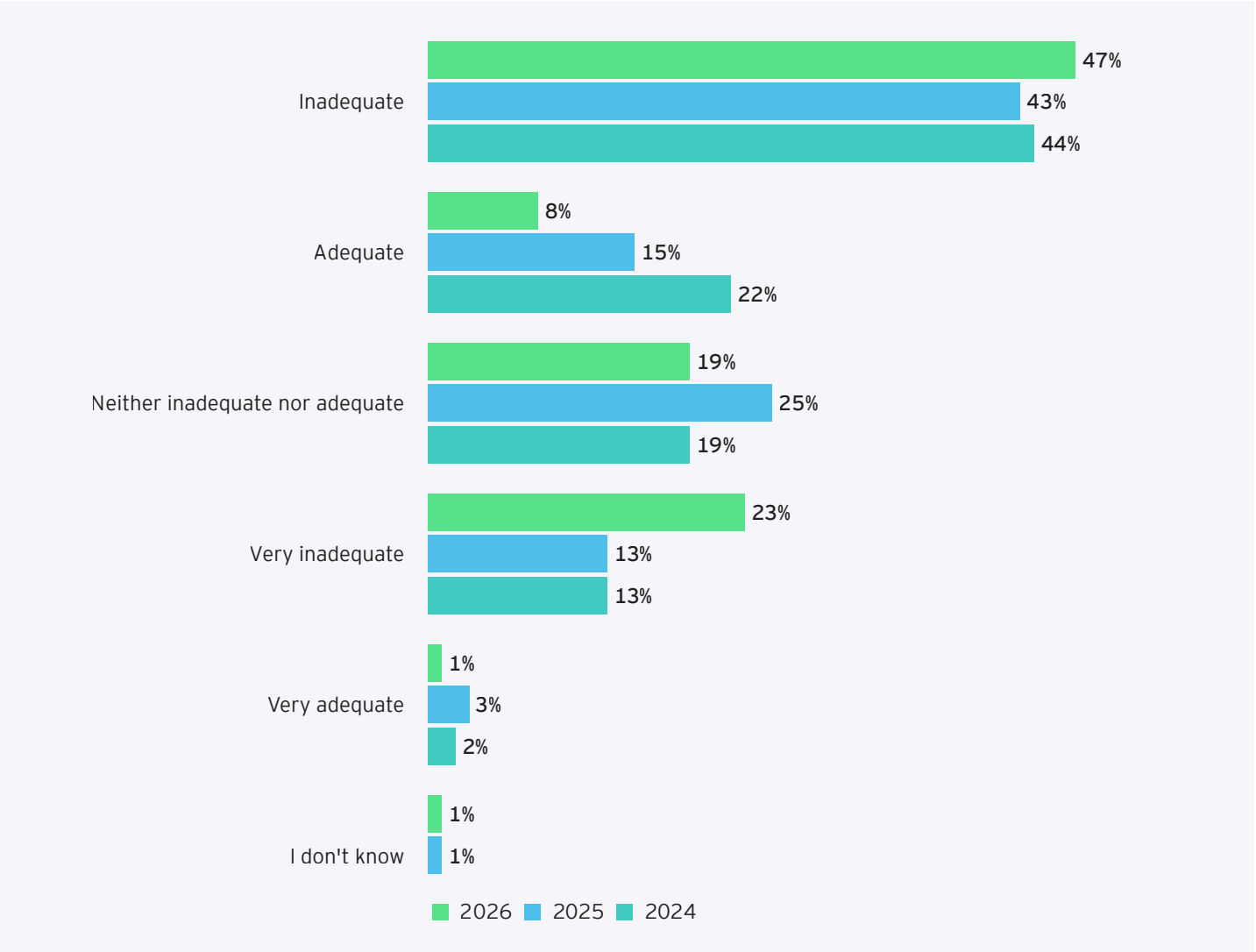
When asked which growth-enablement levers are fundamental to Malta's success, 74% of investors believe enhancing infrastructure is to a large extent. This is followed by nurturing existing investment (63%), continuing to attract new investment (60%) and

rationalizing and sharing infrastructure (37%).

Notably, very few investors recommend slowing growth (13%). This builds on investor sentiment. Despite the economic growth outpacing infrastructure investments, the solution is not to throttle growth but to enhance infrastructure and nurture existing investment.

Figure 21

Malta's planning and preparedness for population growth in terms of infrastructure



Source: all 2024-26 respondents. Figures may be rounded to nearest whole number.

Three areas of infrastructure stand out.

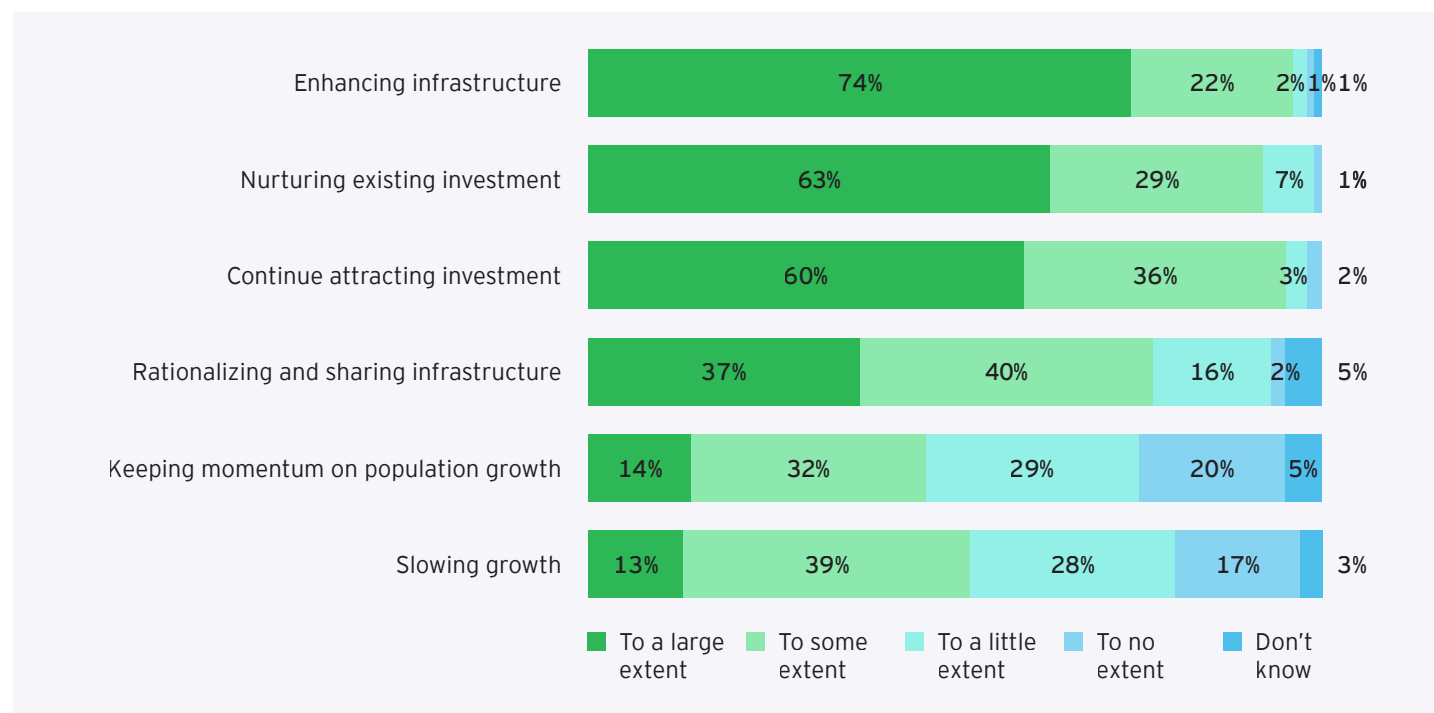
Transport and logistics infrastructure remains the lowest-rated FDI parameter; housing supply is repeatedly flagged as

a constraint on talent attraction; and utilities (energy, water) are seen as resilient but increasingly cost-pressured. Sustainability – green infrastructure, government incentives, energy mix

– is rising on investor agendas as the practical enabler that bridges quality of life, productivity and Environmental, Social and Governance (ESG) capital allocation.

Figure 22

How fundamental to success is:



Source: all 2025-26 respondents. Figures may be rounded to nearest whole number.

So what?

Investors do not want Malta to grow less. They want Malta to invest more in the housing, transport, utilities and digital backbone needed to grow well. Treat infrastructure as a competitiveness lever, not a social policy.

Practical enablers outweigh ESG sentiment

Sustainability informs decisions but rarely decides them.

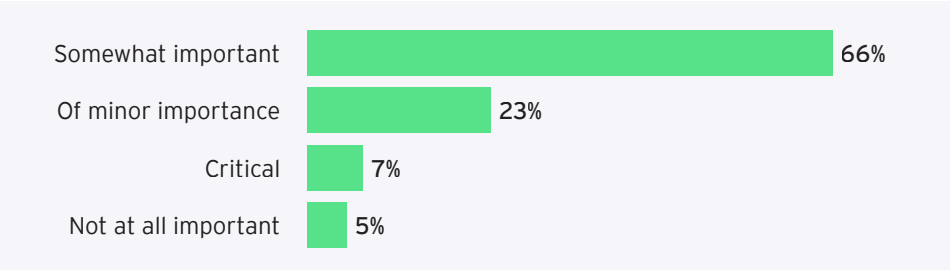
Sustainability continues to feature in investment considerations but is rarely the decisive factor. Only around 7% of investors describe Malta's environment and sustainability as critical to their investment strategy, a broadly similar figure to 2025. Around 66% consider it somewhat important, and the remainder rank it as of minor importance or not at all important.

When asked how important ESG is to their company's overall investment strategy, the most common response is "to some extent" (36%).

Where investors are clear is on the environmental conditions affecting Malta's FDI attractiveness. Air quality (62%) and environmental degradation (60%) are the environmental conditions which most strongly reduce Malta's attractiveness for FDI. The signal is consistent with the broader infrastructure agenda: Sustainability is a delivery problem, not a sentimental one.

Figure 23

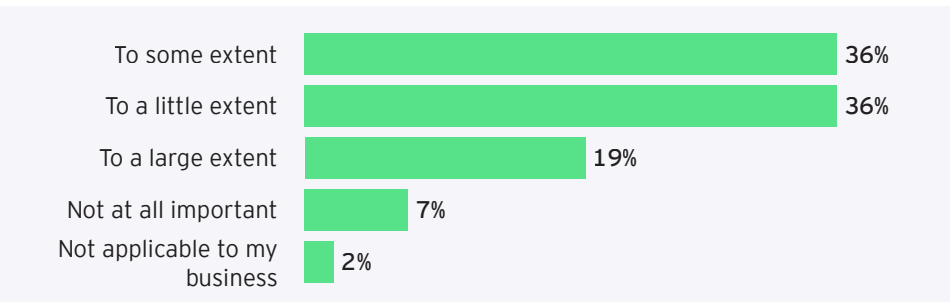
Importance of Malta's state of the environment and sustainability to company's investment strategy



Source: all 2026 respondents. Figures may be rounded to the nearest whole number.

Figure 24

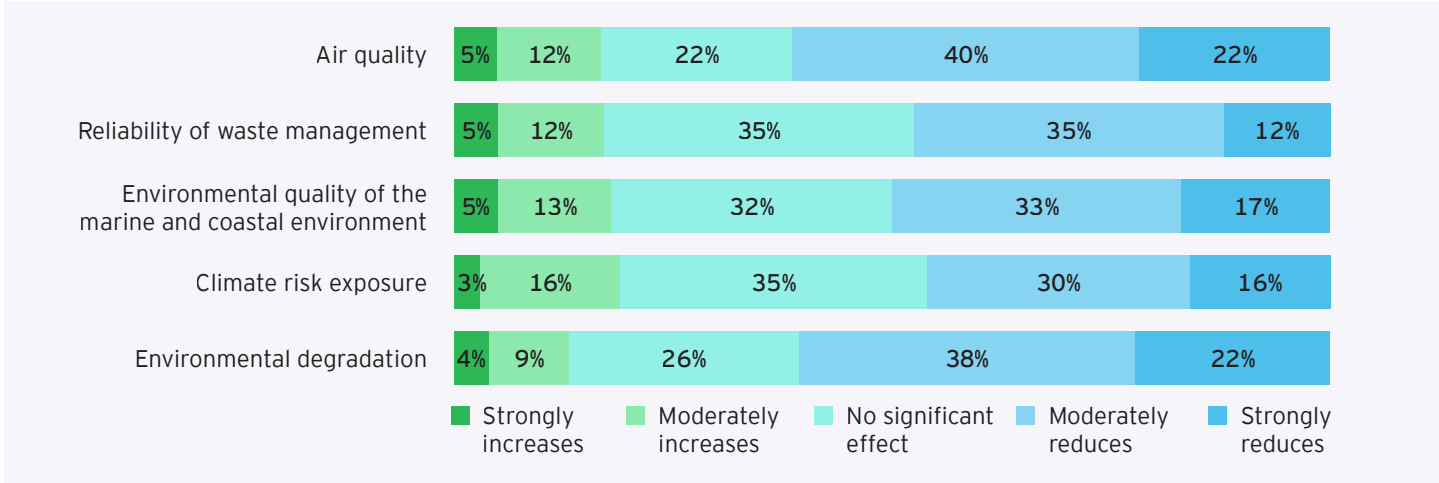
Importance of ESG to company's investment strategy



Source: all 2026 respondents. Figures may be rounded to the nearest whole number.

Figure 25

How do the following environmental conditions affect Malta's attractiveness for foreign direct investment?



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

So what?

Sustainability is becoming a structural enabler, not a moral position. Malta has an opportunity to align its sustainability spend with where investors are most likely to allocate capital.

Malta's international trade outlook

Europe remains the anchor, diversification is selective

Selective diversification, not retreat.

Malta's international trade remains firmly anchored in Europe. Just under half of investors currently trade with the region, around 51% plan to increase their exposure, and only 4% expect to reduce it. The picture beyond Europe is one of selective diversification: Between 30% and 35% of companies plan to increase trade with the Middle East,

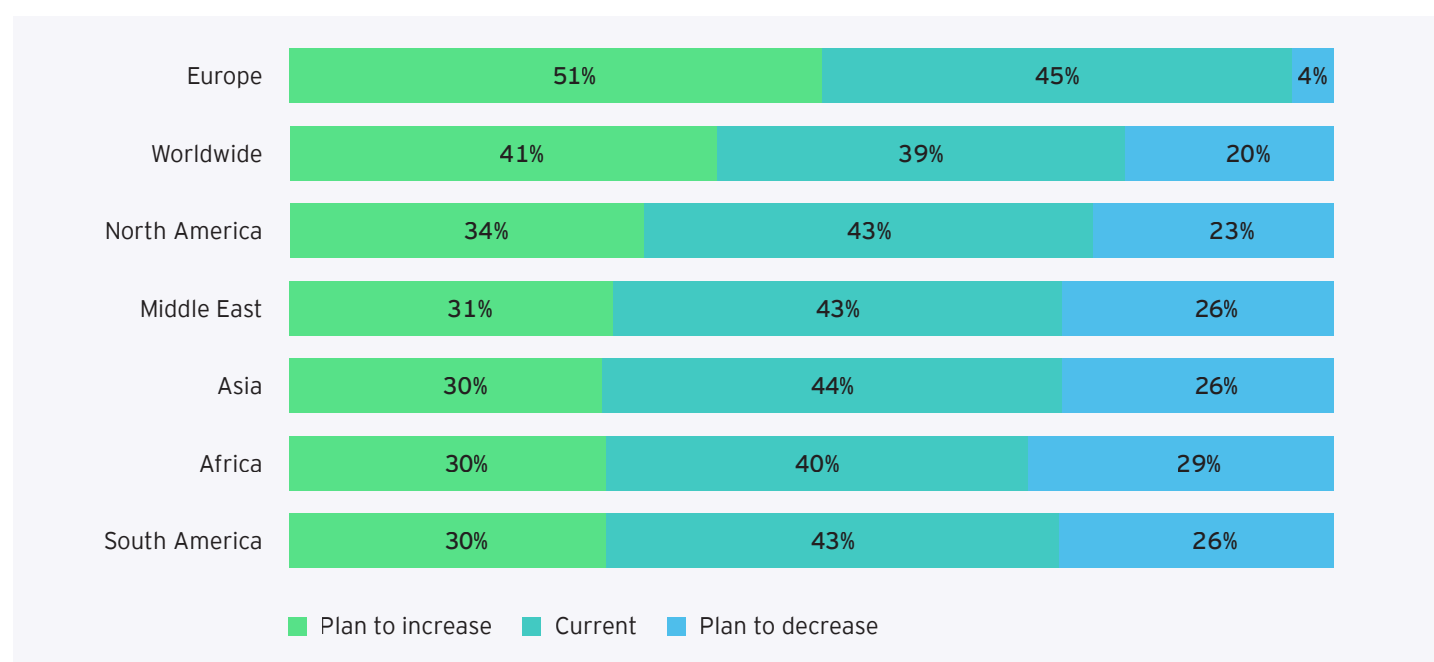
North America, Asia, Africa and South America, while 20%-30% anticipate reducing exposure in some of these regions. The strategy is one of expanding priority regions while consolidating others, rather than a uniform global push.

Two strategic implications follow. First, Europe remains Malta's strategic backbone, while EU regulatory alignment, single market access and

eurozone membership still underpin Malta's FDI proposition. Second, Malta's position as a relative haven for quality capital is real but only partially captured, particularly from the Gulf and UAE region, where investors flag Maltese infrastructure and service-quality gaps as limiting factors. Closing these gaps is one of the single largest objectives for Malta in the immediate term.

Figure 26

Regions currently trade with and trade expectations over the next one to three years



Source: all 2026 respondents. Figures may be rounded to nearest whole number.

So what?

Europe anchors Malta's trade. Closing the gap to a credible Gulf and Middle Eastern capture story is one of the most desired outcomes Malta can aim for in the next 12 months.

An aerial photograph of a coastal fortification in Malta. In the foreground, a circular stone structure with a lighthouse on top sits in the sea. The lighthouse has a red lantern room and a white body. The fortification extends into the sea, with a long wall leading to a larger stone building on a rocky shore in the background. The water is a deep blue, and white waves are breaking against the rocks and the fortification's walls. A large, semi-transparent number '3' is overlaid on the left side of the image.

3

FDI trends

Malta's stock position

According to the National Statistics Office (NSO), Malta's inward FDI stock continued to register strong growth over the period under review. Total inward FDI increased from €456.9 billion in December 2023 to €479.7 billion in December 2024, representing an increase of approximately €22.8 billion year on year.¹⁹ By December 2025, the stock position had risen further to

€493.1 billion, representing an increase of €13.4 billion compared with the stock position in December 2024.²⁰ As in previous years, financial and insurance activities accounted for the largest share of Malta's inward FDI stock. In December 2023, FDI stock within this sector amounted to €448.9 billion, increasing to €471.1 billion by December 2024, before rising further to €484.5 billion in December 2025.

By December 2024, financial and insurance activities accounted for €357.2 billion of investment originating from EU Member States and €113.8 billion from non-EU countries. These figures increased further to €358.8 billion and €125.7 billion respectively by December 2025, confirming the sector's continued prominence within Malta's investment landscape.

Figure 27

FDI in Malta – geographical zone and economic activity

	December 2023	December 2024	December 2025
EU 27	344,026,791	361,037,449	362,416,307
of which: Financial and Insurance activities	341,195,927	357,243,959	358,786,962
Extra EU 27	112,887,552	118,636,507	130,639,642
of which: Financial and Insurance activities	107,697,733	113,847,362	125,668,555
Total	456,914,343	479,673,956	493,055,949

Source: National Statistics Office, Malta.

The continued growth in Malta's FDI stock position highlights the country's ability to attract and retain international investment amid an evolving global economic environment.

While investment from both EU and non-EU sources increased by December 2025, growth was primarily driven by investment originating from outside the EU, which rose by approximately €12.0 billion compared with December 2024.

The predominance of financial and insurance activities within Malta's FDI stock underlines the strategic importance of the financial services sector to the national economy.

¹⁹ NSO Malta, News Release NR 177/2026 – Table 3. Foreign Direct Investment in Malta - stock position: Economic activity: [NR-177-2026_2hGG58HA_Table-3.xlsx](#)

²⁰ NSO Malta, News release – Foreign Direct Investment flows in Malta: [NR-022-2026-All-tables-njYAGxvg.xlsx](#)

Malta's FDI flows

Inward FDI flows in Malta reached €32.6 billion in 2024, increasing by €10.8 billion from €21.8 billion in 2023. The increase was primarily driven by investment from EU Member States, which amounted to €24.2 billion, while non-EU investment reached €8.4 billion.

As in previous years, financial and insurance activities accounted for the largest share of inward FDI flows, amounting to €32.4 billion in 2024, or approximately 99.2% of the total. During the first half of 2025, inward FDI flows amounted to €5.6 billion, compared with €13.1 billion in the corresponding period of 2024.

Financial and insurance activities remained the dominant sector, accounting for €5.3 billion, or around 94.2% of total inward FDI flows between January and June 2025.

Figure 28

FDI in Malta – geographical zone and economic activity

	Full year 2023	Full year 2024	Jan-Jun 2024	Jan-Jun 2025
EU 27	16,004,887	24,238,260	9,686,771	4,274,108
of which: financial and insurance activities	15,752,386	24,163,131	9,380,641	4,171,914
Extra EU 27	5,829,377	8,380,392	3,394,191	1,325,849
of which: financial and insurance activities	5,545,630	8,203,270	3,294,561	1,102,649
Total	21,834,265	32,618,652	13,080,961	5,599,957

Source: National Statistics Office, Malta.



Taking stock: FDI performance

Malta continued to attract FDI during 2025 despite a challenging global environment characterized by geopolitical tensions, persistent economic uncertainty and shifting international trade dynamics. According to Malta Enterprise (ME), 14 new FDI projects and 12 expansion projects by existing foreign investors were approved during the year.

These projects are expected to generate approximately €210 million in investment and create more than 500 jobs over the next three years. Investment activity was recorded across a range of strategic sectors, including digital innovation, life sciences, pharmaceuticals, biotechnology and aviation, reflecting Malta's continued appeal for knowledge-intensive and innovation-driven activities.

The approved projects originated from a diverse range of jurisdictions, including the UK, Turkey, Hungary and the Netherlands, highlighting Malta's ability to attract investment from both established and emerging international markets.

Notwithstanding a lower number of approved projects compared with some previous years, the overall investment profile of projects approved in 2025 points toward larger and more capital-intensive investments. On a combined basis, new FDI and foreign expansion projects approved during the year are expected to generate an average investment of €8.1 million per project, significantly above the averages recorded over the preceding five years. While projected employment generation per project was lower than the peaks

recorded in 2024, the data suggests that investment activity is becoming increasingly focused on higher-value, specialized operations with greater capital intensity.

This trend is broadly aligned with Malta's long-term economic objectives as outlined in Malta Vision 2050, which emphasizes sustainable growth, productivity enhancement, innovation and the creation of quality employment opportunities. Against a backdrop of growing international competition for investment, Malta appears to be increasingly positioning itself to attract projects that can deliver greater economic value through innovation, export generation, advanced technologies and highly skilled employment.

Figure 29

FDI projects applications approved by ME

Year	New FDI			Foreign expansions			Foreign new FDI and expansions		
	Projects approved	Average investment per application (€m)	Average employment per application	Projects approved	Average investment per application (€m)	Average employment per application	Projects approved	Average investment per application (€m)	Average employment per application
2020	39	2	22	15	1.1	8	54	1.8	18
2021	29	0.7	20	9	6.4	55	38	2.1	28
2022	19	1.1	24	12	1.6	18	31	1.3	22
2023	22	0.6	12	21	1.1	26.5	43	0.8	19
2024	15	1.4	46	14	2.8	59	29	2.1	53
2025	14	12.82	22	12	2.61	16	26	8.11	20

Source: Malta Enterprise.

Focus on innovation-led growth

During 2025, ME continued to prioritize the attraction of companies operating in high-value sectors capable of contributing to Malta's long-term economic transformation. Alongside supporting new investment, the agency maintained a strong focus on facilitating the expansion of existing foreign investors, recognizing the important role that reinvestment plays in strengthening Malta's economic ecosystem.

Foreign investor interest remained evident across a number of strategic sectors, with particularly strong activity reported in AI, advanced manufacturing, aviation-related activities and other knowledge-intensive industries. These sectors are increasingly aligned with Malta's ambition to build a more innovation-driven economy and enhance national productivity.

Beyond direct economic benefits, such investment contributes to broader development objectives through the transfer of knowledge, the development of specialized skills and the strengthening of links between international investors and the local workforce. These outcomes are becoming increasingly important as Malta seeks to move toward higher value-added economic activity while maintaining competitiveness in an evolving global landscape.

Building capabilities in emerging industries

A notable development during the year was the continued progress of the Malta Semiconductors Competence Centre (MSCC) . Through its partnership with Silicon Catalyst, the MSCC completed its first incubation program, supporting 12 semiconductor design start-ups. Several participants subsequently secured private financing and, in some cases, successfully brought their first products to market.

Building on this momentum, a second cohort comprising a further 12 early-stage semiconductor companies was launched in July 2026. The initiative continues to strengthen Malta's position within the European semiconductor ecosystem and contributes to the country's emerging reputation as a hub for early-stage technology ventures and advanced innovation.

Taken together, these developments illustrate Malta's ongoing efforts to attract investment that supports economic diversification, technological advancement and long-term competitiveness. While global investment conditions remain uncertain, the increasing scale and sophistication of projects being attracted to Malta suggest continued progress toward a more innovation-driven and higher-value economic model.

Company incorporations

The latest data for business registrations at the Malta Business Registry (MBR) cover 2024.

Consequently, the analysis and commentary presented in this report are based on the latest available official

data, covering the period up to and including 2024, with comparisons drawn with preceding years where relevant.

Figure 30

Annual business registration

	2021	2022	2023	2024
Limited companies and SICAVs	3,386	2,756	3,150	3,247
European Economic Interest Grouping	1	0	1	3
Overseas companies	41	30	42	48
Commercial partnerships	75	68	88	77
Statute for European companies	1	0	2	1
Total new registrations	3,504	2,854	3,283	3,376

Source: MBR, Annual Report 2024 and EY estimates.

Spotlight on gaming

The gaming industry continued to demonstrate its importance to Malta's economy in 2025, despite a reduction in the number of licenses and active companies over recent years.

Licenses fell from 358 in 2022 to 311 in 2025, while the number of companies decreased from 315 to 302, reflecting

ongoing consolidation within the sector and focus on quality by the Malta Gaming Authority.

At the same time, the industry maintained strong economic activity and continued to generate significant fiscal contributions, with compliance contributions, license fees, levies and

consumption amounting to €82.3 million in 2024 and €82.4 million in 2025.

Overall, the data suggests that, although the gaming industry is becoming more concentrated, it remains a key contributor to Malta's economic output, employment and government revenue.

Figure 31

Headline indicators of gaming industry activity

Category	2023	2024	2025
Number of licenses (Note 1)	326	323	311
Number of companies (Note 1)	316	315	302
Employment (Note 2)	13,404	14,357	15,039
Land-based (Note 3)	910	896	950
Online - type A (Note 4)	9,609	10,305	10,115
Online - type B (Note 5)	2,885	3,156	3,974
Compliance contribution, license fees, levies and consumption tax (€m)	80.4	82.3	82.4

Source: MGA Annual Report 2025.

Note 1: The reported number of licences and companies include both online and land-based and relates to figures as of the end of 2025. These figures refer solely to MGA-licensed entities and include what is considered to be an "active" licence or company, that is, entities that are active, voluntarily suspended, or suspended.

Note 2: The employment figures represent the number of FTEs employed with B2C and B2B licensees, working in Malta, and refer solely to companies holding an MGA licence. The figures relate to stock as of the end of December.

Note 3: This figure refers to FTE jobs at the end of each reporting period provided by the land-based gaming operators (including companies holding B2C and B2B licences) in the IPRs submitted to the MGA.

Note 4: This figure refers to FTE jobs at the end of each reporting period provided by the online gaming operators (including companies holding B2C and B2B licences) in the IPRs submitted to the MGA. Type A employment refers to employees directly employed with MGA licensees, located in Malta and working solely on the gaming activities licensed by the MGA.

Note 5: This figure refers to FTE jobs at the end of each reporting period provided by the online gaming operators (including companies holding B2C and B2B licences) in the IPRs submitted to the MGA. Type B employment refers to additional staff in Malta employed by MGA licensees that does not work on the MGA-licensed activities. Such staff typically includes:

- Additional employees engaged with the licensed entity working in Malta on activities that are not licensed by the MGA
- Employees that are employed with another associated/related company that is not licensed by the MGA

Spotlight on financial services

The Malta Financial Services Authority (MFSA) reports that Malta's financial services sector continued to play an important role in the Maltese economy during 2025. As at the end of 2025, the MFSA regulated and supervised a broad spectrum of authorized entities of varying size and complexity, including credit institutions, financial institutions, insurance undertakings and intermediaries, pension schemes, investment services providers, virtual financial asset service providers, company service providers, trustees and other fiduciaries, among others.

In the banking sector, the number of licensed credit institutions remained stable at 19, while financial institutions increased to 78 in Q1 2026, up from 68 in 2025.²¹

Within the insurance sector, the MFSA supervised 52 nonlife insurance undertakings and 17 life insurance undertakings in Q1 of 2026.

Insurance intermediaries remained a key component of the sector during Q1 2026. However, the number of registered insurance brokers and insurance managers declined, reaching 151 and 23 respectively.

The pensions sector remained largely stable, with 46 retirement schemes, two retirement funds and 12 retirement scheme administrators licensed by the MFSA by Q1 2026. In the virtual financial assets sector, the number of licensed virtual financial asset service providers stood at 17, while no virtual financial asset agents were licensed during the year.

This is largely attributable to the transition from the homegrown Virtual Financial Assets (VFA) regime toward the EU-wide Markets in Crypto-assets (MiCA) framework.

Investment services remained one of the largest regulated categories under the MFSA's remit, with 165 licensed entities in operation by 2026 Q1.²²

As in previous years, the MFSA continued to focus on maintaining a robust regulatory framework, supporting market integrity, investor protection and the resilience of Malta's financial services sector.

Note: 2026 data is currently available as at Q1.

²¹ MFSA , Annual business registration total licenses (Authorised persons report Q1 2026).

²² MFSA , Annual business registration total licenses (Authorised persons report Q1 2026).



Figure 32

Annual business registration total licenses

	2022	2023	2024	2025	2026 Q1
Banking					
Credit institutions	21	21	19	19	19
Financial institutions	51	53	64	68	78
Insurance					
Nonlife	52	50	53	50	52
Life	10	10	17	17	17
Composite	2	2	N/A*	N/A	N/A
Reinsurance	4	4	N/A*	N/A	N/A
Insurance intermediaries: companies					
Enrolled insurance managers	10	10	13	14	14
Enrolled insurance agents	14	17	17	17	18
Enrolled insurance brokers	36	35	34	35	35
Insurance intermediaries: individuals					
Registered insurance managers	22	22	22	24	23
Registered insurance agents	29	40	36	38	39
Registered insurance brokers	125	135	143	155	151
Tied insurance intermediaries	352	410	437	402	389
Ancillary insurance intermediaries	1	1	0	2	2
Pensions					
Authorizations and registrations in terms of Retirement Pensions Act					
Retirement schemes	50	47	45	46	46
Retirement funds	2	2	2	2	2
Retirement scheme administrators	13	13	12	12	12
Investment managers (registered and exempted)	14	12	5	12	11
Custodian (registered and exempted)	6	7	3	6	6
Virtual financial assets					
			**		
Virtual financial asset agents	10	10	0	0	0
Virtual financial asset service providers	12	13	23	18	17
Investment services					
Investment services	145	142	165	165	165

*N/A - not available in MFSA latest report.

** Entities transitioned to MICA regime.

Sources: MFSA, Annual business registration total license (Statistical Tables 2022 Q4)
MFSA, Annual business registration total license (Statistical Tables 2023 Q4)
MFSA, Annual business registration total license (Authorized Persons Report 2026 Q1)
MFSA, Annual business registration total license (Statistical Tables 2024 Q4)
MFSA, Annual business registration total license (Statistical Tables 2025 Q4)

Crypto-asset service providers

Malta's crypto-asset sector continued to develop during 2025 and into the first quarter of 2026, primarily due to the implementation of the MiCA Regulation. The transition from the previous homegrown regulatory framework to the MiCA regime resulted in an increase in the number of authorized crypto-asset

service providers (CASPs), which rose from 9 in 2025²³ to 15 by Q1 2026.²⁴ During the same period, the number of authorized issuers of electronic money tokens (EMTs) increased from two to three, while issuers of crypto-asset other than asset-referenced tokens (ARTs) or EMTs increased from 94 to 105.

These developments reflect Malta's continued commitment to providing a robust regulatory environment for digital financial services, while supporting innovation and market participation within the crypto-asset ecosystem.

Figure 33

Crypto-asset service providers

	2025	2026 Q1
Crypto-asset service providers	9	15
Issuers of EMTs	2	3
Issuers of crypto-assets other than ARTs or EMTs	94	105

Source: MFSA, Authorized Persons Report.

Securities

The MFSA continued its efforts to strengthen Malta's investment funds framework during 2025 and into the first quarter of 2026. This was due to the launch of the Notified Alternative Investment Fund (NAIF) and Notified Professional Investor Fund (NPIF).

The number of recognized fund administrators remained relatively stable, with total recognitions standing at 13 by Q1 2026,²⁵ compared with 15 at the end of 2024²⁶ and 17 at the end of 2023.²⁷ During 2025, one recognized fund administrator surrendered its

recognition,²⁸ while no new recognitions were recorded. No further changes were registered during the first quarter of 2026. These developments reflect ongoing adjustments within Malta's regulated investment services framework.

Figure 34

Recognized fund administrators

	2023	2024	2025	2026 Q1
New recognitions	1	0	0	0
Surrendered recognitions	1	1	1	0
Total recognitions	17	15	13	13

Source: MFSA, Authorized Persons Reports, 2023-2026.

²³ MFSA (Authorised Persons Report Q4 2025) Crypto-asset service providers, Figure 40-2025: [Authorised Persons Report Q4 2025](#)

²⁴ MFSA (Authorised Persons Report Q1 2026) Crypto-asset Service Providers, Figure 40-Q1 2026: [Authorised Persons Report Q1 2026](#)

²⁵ MFSA (Authorised Persons Report Q1 2026) Recognized fund administrators, Q1 2026: [Authorised Persons Report Q1 2026](#)

²⁶ MFSA (Statistical Tables Q4 2023) Recognized Fund Administrators, Figure 41-2023: [Statistical Tables – 4th Q4 2023](#)

²⁷ MFSA (Authorised Persons Report Q4 2025) Recognized Fund Administrators, Figure 41-2025: [Authorised Persons Report Q4 2025](#)

²⁸ MFSA (Authorised Persons Report Q1 2026) Recognized Fund Administrators, Figure 41-2026: [Authorised Persons Report Q1 2026](#)

Notified Alternative Investment Funds

The Notified Alternative Investment Fund (NAIF) framework continued to form an important part of Malta's investment funds landscape during 2025 and the first quarter of 2026. Following a decline in the number of NAIFs from 92 at the end of 2023 to 43 at the end of 2024,

the sector experienced a recovery, with total notifications increasing to 46 by the end of 2025. No new notifications or surrenders were recorded during 2025 according to the reporting period, while three new notifications were registered during the first quarter of 2026.

Despite this, the total number of NAIFs stood at 54 in Q1 2026. These figures highlight the dynamic nature of Malta's alternative investment fund sector and the continued relevance of the NAIF framework within the jurisdiction's investment funds industry.

Figure 35

Notified Alternative Investment Funds

	2023	2024	2025	2026 Q1
New notifications	13	2	0	3
Surrendered notifications	27	1	0	0
Total notifications	92	43	46	54

Source: MFSA, Notified Alternative Investment Funds (statistical table Q4 2023), Figure 42: Statistical Tables - Q4 2023; MFSA, Notified Alternative Investment Funds (Authorised Persons Report Q4 2024), Figure 42: Authorised Persons Report Q4 2024; MFSA, Notified Alternative Investment Funds (Authorised Persons Report Q4 2025), Figure 42: Authorised Persons Report Q4 2025; MFSA, Notified Alternative Investment Funds (Authorised Persons Report Q1 2026), Figure 42: Authorised Persons Report Q1 2026.

Recognized incorporated cell companies and collective investment schemes

During 2025 and the first quarter of 2026, Malta's collective investment schemes sector remained broadly stable. The sector remained broadly stable, even though some fund categories experienced a gradual decline. The number of recognized incorporated cell companies remained unchanged at two throughout the period, while recognized

private schemes increased from four at the end of 2024 to five at the end of 2025, remaining at the same level during the first quarter of 2026. Within collective investment schemes, the number of alternative investment funds (AIFs) remained stable at 53 during 2025 before declining slightly to 50 in Q1 2026.

Similarly, professional investment funds (PIFs) decreased from 93 at the end of 2024 to 86 at the end of 2025, before declining further to 83 in Q1 2026. These developments reflect continued adjustments within Malta's investment funds sector while maintaining a diverse range of investment structures and fund vehicles.

Figure 36

Recognized incorporated cell companies and collective investment schemes

	2024			2025			2026 Q1		
	New licenses	Surrendered licenses	Total licenses at end 2024	New licenses	Surrendered licenses	Total licenses at end 2025	New licenses	Surrendered licenses	Total licenses at end 2026 Q1
Recognized incorporated cell companies									
Recognized incorporated cell companies	0	1	2	0	0	2	0	0	2
Incorporated cells	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Collective investment schemes									
Alternative investment funds	0	1	53	0	0	53	0	2	50
Units in collective investments and transferable securities (UCITS)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Professional investor funds	1	6	93	1	4	86	0	4	83
Retail non-UCITS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recognized private schemes	0	0	4	0	0	5	0	0	5
Total	1	8	152	1	4	146	0	6	140

Source: MFSA: Recognised Incorporated Cell Companies (Q4 2023): Statistical Tables - Q4 2023; MFSA: Recognised Incorporated Cell Companies (Authorised Persons Report) (Q4 2024): Authorised Persons Report Q4 2024; MFSA: Recognised Incorporated Cell Companies (Authorised Persons Report) (Q4 2025): Authorised Persons Report Q4 2025; MFSA: Recognised Incorporated Cell Companies (Authorised Persons Report) (Q1 2026): Authorised Persons Report Q1 2026.



4

Moving forward: the way ahead – five actions for the next 12 months

From attractiveness to advantage – the way ahead

Five moves. Twelve months. The way ahead.

The MAS 2026 evidence converges on a single strategic message: Malta's investor confidence is structural and high, but it is conditional on action.

Advantage now needs to be built. The way ahead is a five-point agenda for the next 12 months – the agenda that EY Malta and The Malta Chamber brought to the table at the Future Realized 2026 business forum in Valletta. Each of these five actions maps directly to a finding in this 2026 report – and each is designed to be measurable, time-bound and clear for stakeholders.

1

Talent – productivity-led growth

Make Malta the easiest place in Europe to start, scale and skill a high-growth company. Industry-led skills strategy, fast-track work permits, diaspora retention, AI, digital or green upskilling. Anchored on the 63% of investors who see skills shortages as one of the biggest risks to Malta's FDI attractiveness over the next three years and the 20% who see education as the top priority. Enhance educational offering across the board.

2

Sovereign AI with governance

Adopt a national AI strategy and sandbox; create an AI assurance hub; co-fund an AI center of excellence to ease the 35% AI talent barrier; align EU AI Act implementation early. Anchored on the 31% who see AI as the biggest growth bet.

3

Defend the new No. 1 driver: telecoms

Invest in 5G, IoT, edge computing, data centers and cybersecurity. Position Malta as a trusted digital backbone for the EU's southern flank. Anchored on the shift in this year's scoreboard, where telecoms has overtaken taxation.

4

Infrastructure, housing, quality of life

Treat physical capacity as a competitiveness lever – mass transit, renewables, housing supply, public private partnership (PPPs). Anchored on the 57% infrastructure inadequacy reading and the 74% who see enhancing infrastructure as a priority.

5

Protect, strengthen and showcase Malta's reputation in international markets

Governance and transparency improvements; sustained institutional credibility; active marketing of stability to flight-to-quality capital. Anchored on the 59% who see the stability of political and regulatory environment as attractive to FDI.

Through the investor lens

Malta's next phase will be defined by focus, not scale.

Confidence is back – but conditional

“

The fundamentals are strong, the outlook is positive, but expectations have shifted. Malta's long-term viability will be judged on its ability to execute — on infrastructure, skills and quality.

These three messages are the strategic core of this year's MAS. The first is a call to convert traditional strengths into structural advantage.

Better, not just bigger

“

In a small economy, scale will always be constrained. What matters now is how to adapt — pivoting to higher-value activity, using automation, doubling down on quality over volume.

The second is a call to make Malta deliberately small — in scope and focus — to be globally outsized in execution.

Malta is no longer just attractive

“

Malta, with the right focus, can continue to play an outsized role — built not on size, but on specialization, agility and execution aligned with foresight.

The third is a call to choose, as a national community, the few sectors and capabilities where Malta can credibly lead — and back them with the talent, infrastructure and policy needed to win.

So what?

Malta's next phase will not be defined by adding more sectors. It will be defined by sequencing ambition within capacity — and by making a few bets very, very well.

Methodology

How we gathered the evidence base

The EY Malta Attractiveness Survey 2026 (MAS 2026) – the 22nd edition of this annual research initiative – captured the perspectives of senior executives at international companies operating in Malta during May-June 2026.

The MAS 2026 sample comprises 129 completed responses from C-suite and equivalent senior executives spanning financial services, gaming and digital media, manufacturing and logistics, tourism and hospitality, professional services, technology, aviation and energy. Responses were collected via an online survey combining quantitative ratings and qualitative open-ended prompts.

Structure of the 2026 questionnaire

The 2026 questionnaire is organized into five chapters that mirror this report:

- Current attractiveness. Overall attractiveness, scoreboard of 12 FDI parameters, risks, comparison versus other European locations, socioeconomic development direction.
- Future attractiveness. 12-month investment plans, expansion rationale, 10-year horizon, sectors driving growth (multiple choice and single choice), priorities for future competitiveness.

- Global shifts and trade outlook (new emphasis). Trends accelerating over the next three years; effect of current conflicts on Malta investment plans (new question); AI impact on Malta's economy and workforce; trade flows.
- Telecommunications (new dedicated chapter). Impact on business operations; regulators' focus areas; investments in next-generation digital connectivity.
- Competitiveness enablers (new dedicated chapter). Parameters driving investment, operating costs, skills availability, actions to improve Malta's skills base, technology competitiveness, drivers of technology investment, infrastructure for population growth, sustainability and ESG.

Year-on-year comparability

Year-on-year comparisons are presented from 2014 to 2026 where the question wording has remained stable. For new questions introduced in 2026 – including the geopolitical impact question and the dedicated chapters on telecommunications and competitiveness enablers – comparisons are reported with previous years, where comparable data is available, and as standalone 2026 readings otherwise.

About the EY Attractiveness program

By examining the attractiveness of a particular region or country as an investment destination, the EY Attractiveness surveys are designed to help businesses make investment decisions and governments remove barriers to growth.

A two-step methodology analyzes both the reality and perception of FDI in the country or region. Findings are based on the views of representative panels of international and local opinion leaders and decision-makers.

The program has a 24-year legacy and has produced in-depth studies for Europe, a large number of European countries, Africa, the Mediterranean region, India, Japan, South America, Turkey and Kazakhstan.

For more information, please visit: ey.com/attractiveness #EYAttract

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