

**SPRING 2019 REFORM BAROMETER – MALTA**

**European Semester - Overall assessment of 2018 cycle**

|    | <b>To what extent do you agree with these statements:</b>                               |                   | <b>Detailed comments</b> |
|----|---|-------------------|--------------------------|
| 1. | The National Reform Programme submitted by your Government (March 2018) is appropriate. | To a large extent |                          |
| 2. | The Commission's country specific recommendations for your country are appropriate.     | Yes, absolutely   |                          |
| 3. | The Commission assessment of reform implementation the year before is appropriate.      | Yes, absolutely   |                          |
| 4. | The Commission assessment of excessive imbalances (in-depth review) is appropriate.     | No reply          |                          |

## Assessment of Country Specific recommendations 2018 in detail

|       |   | Q1: The recommendation is: | Q2: implementation on effort is: | Detailed comments |
|-------|---|----------------------------|----------------------------------|-------------------|
| CSR 1 | Strengthen the overall governance framework by enhancing the national supervision of internationally oriented financial businesses licensed in Malta, by ensuring the effective enforcement of the Anti-Money Laundering framework and by continuing to step up the fight against corruption. | Extremely important        | Mixed                            |                   |
| CSR 2 | Ensure the sustainability of the health care and the pension systems, including by increasing the statutory retirement age and by restricting early retirement.   | Important                  | Mixed                            |                   |

## Reform Progress in your Member State in 2018

How would you assess reform progress in 2018, for the following broad areas:

|  |                |
|--|----------------|
| <b>Taxation and Public Finances</b>                        | Satisfactory   |
| <b>Business environment (regulation/access to markets)</b> | Mixed          |
| <b>Labour market</b>                                       | Unsatisfactory |
| <b>Innovation and skills</b>                               | Unsatisfactory |
| <b>Access to finance and Financial stability</b>           | Mixed          |

## Reform priorities for 2019

|                   | I. Policy Area   | II. Concrete Recommendations  | III. Are the proposed recommendations already in the agenda of your Government? |
|-------------------|--|---|---|
| <b>Priority 1</b> | Labour market mismatch and labour mobility                           | Using the National Skills Council to create frequent dialogue between academia and industry for the purposes of skills forecasting and necessary adaptation of education.   | National skills Council is established but grossly under-resourced              |
| <b>Priority 2</b> | R&D and Innovation   | <ol style="list-style-type: none"> <li>1. Research and Innovation deserves a dedicated Parliamentary Secretary closely linked to the industry sector instead of other unrelated areas;</li> <li>2. Promotion of knowledge transfer between industry and academia through knowledge transfer partnerships (KTPs);</li> <li>3. Assessment and forecasting of skills and human resources required by R&amp;D firms and the subsequent modifications necessary to the education system;</li> <li>4. Creation of inventive schemes and facilitation of visa application to allow more foreign researchers to conduct research in Malta;</li> <li>5. Promotion and incentivisation of the concept of 'living labs' in Malta.</li> </ol> | ---   |
| <b>Priority 3</b> | Labour supply measures for specific groups (older workers, women...) | <p>Promotion of active ageing through fiscal incentives.</p> <p>Further extensions in child care facilities</p> <p>Tackling young adult NEETs</p>   | <p>Yes</p> <p>Yes</p> <p>yes</p>  |
| <b>Priority 4</b> | Pension and healthcare reforms                                       | Introduction of schemes with incentives for employers and employees to take up voluntary occupational pensions.   | yes   |
| <b>Priority 5</b> | Public sector efficiency   | <p>Manpower survey in order to identify areas of over or under employment across all public entities and departments.</p> <p>Fiscal incentives for public servants who shift back to the private sector so as to mitigate the serious labour shortages being faced across the board.</p>  | <p>No</p> <p>No</p>   |