

## BEST PRACTICE: MALTA



### Key Challenge

Growth-oriented mindset of destination stakeholders.

### Type of Solution

Adoption of a tourism strategy and monitoring framework; Stakeholder participation and management; Digital Solutions; Research and Innovation.

### Case Classification

**Type of Destination** | Island

**Territorial Level** | NUTS 2

**Size of the Tourist Area** | 316 km<sup>2</sup>

**Population** | 519,562 in 2021

**Type of Tourism** | Rural; Coastal, maritime and inland water; Cultural Business; Gastronomy.

**Tourism Organisation** | Public; Malta Tourism Authority (MTA) and Visit Malta (100% subsidiary of MTA) for promotion.

**Main Stakeholders Affected** | Local authorities/government; Local residents; ALL Tourism service providers; Research and Development (R&D) organisations.

**Additional Challenges Covered** | Dependence of the local economy on tourism; Insufficient use of new and advanced technologies in tourism; Resilience building and crisis management.

### Context & Background

The number of tourist arrivals has more than doubled since 2010, reaching 2,975,671 arrivals (20,242,801 overnight stays) in 2023, most of them international. In addition, around 1 million cruise ship passengers visited the island. Tourism is an important economic factor, accounting for 12-15% of GDP and employment in recent years.

### Key Challenge

Due to the ongoing increase in tourist numbers and to its geographical characteristics, Malta is facing significant pressure from overtourism and related social challenges. This requires a change from the previously growth-oriented mindset to a controlled attraction and management of tourists.

**Implementation of Solutions:** The strategies and approaches to cope with the pressure are backed by science to ensure that carrying capacities are determined and respected and that the country is well prepared for the future. The aim is to preserve Malta's unique characteristics and nature for its residents, while maintaining and increasing tourists' satisfaction.

## SOLUTIONS

- Malta's [\*Tourism Strategy 2021-2030\*](#) is based on the principles of 'Recover, Rethink and Revitalise' and aims to move from a sole focus on tourism growth to a more sustainable approach. Tourism must be managed in a way that balances economic growth with social and environmental wellbeing. It contains clear objectives and targets to ensure measurable and comparable results and underlines the importance of scientific research and data-driven decision-making to address environmental and social impacts.
- Established in 2019, the [\*Malta Tourism Observatory\*](#), a UNWTO initiative, is responsible for implementing, monitoring, updating, and communicating the progress of Malta's tourism strategy. Malta is currently expanding its data sources in areas such as energy, waste, sanitation, employment and climate change. One innovative approach is to use [\*satellite data and artificial intelligence\*](#) to monitor environmental factors (such as land use, tree cover, etc.) to assess carrying capacity and identify climate risks. One of the main objectives of this new approach is to identify future challenges for different tourism scenarios. In cooperation with the OECD, a *Tourism Satellite Account (TSA)* for Malta, also including tourism sustainability indicators, has been established in 2023-2024.
- *Participation in European projects* allows for a joint development of the measurement system, such as the [\*CASTWATER\*](#) project (2016-2019), for monitoring and evaluating sustainable tourism water management in the coastal areas of the Mediterranean, or the [\*Civitas Destination project\*](#) (2016-2021), which addressed the problem of the transport systems of European islands affected by seasonal tourist flows and fluctuations in demand.
- Start of a *collective stakeholder management*, as traditionally stakeholder engagement in the Maltese tourism sector has been weak. The first stakeholder meetings with different stakeholder groups, including public (e.g. transport, universities) and private (e.g. hotel associations) entities, showed that sustainability in tourism must be discussed across sectors and cannot be achieved in isolation.

**Replicability potential:** High (requires political will, sufficient resources and skills).

**Cost & funding source:** 400,000 euros annually for the Malta Tourism Observatory plus staff and office space, fully financed by the Malta Tourism Authority (MTA); TSA funded by DG Reform; CASTWATER funded by ERDF (85%) and national funds (15%).

## Success Factors & Barriers Regarding the Implementation

*Success factors:* Tourism authorities' clear vision for sustainability and political willingness to limit growth; Expansion of conventional tourism indicators to include other indicators, especially on sustainability aspects; Consistent data management; Sufficient funding; Stakeholders' awareness that destination carrying capacity has been reached; Technological progress.

*Barriers:* Strong resistance from interest groups and other authorities to moving away from the growth paradigm; Conflict between solution long-term scope and political election cycles; Horizontal aspects of sustainability (concerning different sectors in a destinations) sometimes do not fit with the vertical demarcation and organisational levels of tourism.

## Results and Impacts

- Increased awareness of environmental issues in general among tourism stakeholders.
- Increased interest among tourism stakeholders in changing their business strategies.
- The Tourism Authority and some stakeholders have already begun to shift their measurement and monitoring approaches from quantitative growth indicators to a broader set of indicators.
- Data generation created an enormous wealth of knowledge.
- Partnerships with other destinations and institutions have been established.

### Takeaways

- The collaborative stakeholder approach underlines the need to integrate different perspectives for sustainable tourism development.
- Destinations need to develop a broader understanding of the scope of their work (not just marketing).
- Tourism organizations need to build knowledge and skills that go beyond tourism.
- Cooperation between countries is more successful than competition.

## Useful Links

- [Malta Tourism Observatory](#) | [Tourism Strategy 2021-2030](#)

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