Recover
Rethink
Revitalise

Malta Tourism Strategy
2021-2030

Stakeholders & Public Consultation
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Introduction by Minister for Tourism and Consumer Protection

This Document is intended to present the key elements of Malta's Tourism Strategy for the period 2021-2030.

It aims to form the basis of a wide discussion with the scope of providing the Maltese Tourism Industry with a sound platform from which to recover the losses inflicted by the COVID-19 pandemic whilst taking decisive steps to strengthen Tourism's economic and social awareness and sensitivity and a quest to grow Tourism's contribution beyond mere volumes by attracting a higher spending tourist: a tourist who appreciates those authentic, quality experiences which the destination is capable of offering. This will lead to a Maltese Tourism Industry which is built on stronger foundations based on the principles of sustainability.

The launching of this process presents us with a unique opportunity to provide inputs into the direction which Maltese Tourism is to take over the next decade. It recognizes the changing international trends, seeks to equate a higher quality, diverse Maltese tourism offer with what travelers shall be seeking in the coming years and addresses challenges in areas ranging from service delivery and human resource requirements, accommodation mix, connectivity, facilities and digitalisation to embracing the Sustainable Development Goals and addressing Climate Change. It seeks to equate enhanced visitor satisfaction with agreeable host population tolerance.

We are launching this process of consultation, discussion and strategy formulation with a view to finalise the ten-year Malta Tourism Strategy early in 2021 following which we will work with all stakeholders to deliver that which has been agreed upon.

As a Strategy, this exercise recognizes that Malta’s tourism offer is a combination of supply and demand-based initiatives. As a result, the Strategy shall harness the opportunities arising during the post-COVID interlude to propose the best possible ways to reassess Malta’s tourism model, guide investment opportunities and continue the process of enhancing the quality dimension of Malta’s tourism offer not only by addressing the physical product but also through the further development of the human resource element.

Tourism continues to be a major pillar of Malta's economic and social development. This Strategy is being formulated to sustain its longer-term potential to keep generating wealth and progress in a more effective and sensitive manner in the decade to come.

Clayton Bartolo
Minister for Tourism and Consumer Protection
Preamble

This document presents the foundations of Malta’s National Tourism Strategy which has been formulated on the basis of a policy framework for the tourism industry for the period 2021-2030. This strategy is built on a three-staged premise:

1. A recovery effort from the chaos wrought by the COVID-19 pandemic, focused on protecting and preserving the vital components of Malta’s Visitor Economy in the background of the challenges posed by the pandemic.

2. A longer-term re-evaluation and repositioning to reflect evolutionary forces as well as new post pandemic realities – both negative and positive.

3. A detailed and committed programme of deliverables covering the various strategic challenges addressed by this strategy with a view to being able to deliver a stronger, more sustainable and competitive tourism industry by 2030.

The Strategy identifies the path for long-term sustainable and responsible development of the tourism sector, and on the preparation required for the transformation: against the background of the new global agenda with emphasis on the planning, institutional strengthening, legislation, product development, connectivity and market and product diversification required to reach the set goals. It asserts that Malta’s tourism policy needs to shift to a growth scenario which is increasingly based on a healthier mix of quality and quantity over the next decade, with the introduction of policies that focus on the operational level of the tourism industry and a greater understanding of the barriers and possible solutions required for the implementation of a sustainable policy in the long term.

The strategy provides direction to the continued development of and investment in Maltese tourism on the basis of the country’s socio-economic needs and based on the principles of sustainable development and stable growth patterns aimed at managing tourism growth through the process of a revised accommodation supply policy, product and service quality improvement, human resource development, optimised connectivity, selective positioning based on market intelligence and interlinkages with other sectors of the Maltese economy. It also reflects the changing global governance patterns within which both Malta and our Tourism Markets operate.
It is based on a thorough understanding of the dynamics affecting international tourism trends and developments, into which an analysis of the current Maltese tourism situation/developments and an understanding of current/future issues has been grafted. Due importance has also been given to the lessons emerging from how COVID-19 impacted global and local tourism.

The proposed strategic approach is therefore one which strives to rebuild lost tourism numbers within the shortest time possible whilst contemporarily taking steps to ensure that such growth is underscored through the reduction or elimination of previously unattractive elements of tourism and the introduction and strengthening of positive facets arising from a more sustainable approach incorporating aspects such as investment, quality, rejuvenation, renewal and rebranding amongst others.

It gives due relevance and increasing importance to sustainability principles and the climate impacts arising from unaddressed climate change and seeks to give direction for a Maltese tourism development strategy based on strengthening economic returns sustainably, whilst minimising social, environmental, climate and collateral impacts.

This Strategy is a living document subject to ongoing adjustment in recognition of the quick changing world in which tourism operates. Nevertheless, care has been taken to embed it in a foundation of resilient long-term elements which will generally remain constant in a strategic sense and require only short-term tactical adjustment, where there is major impact.
Following up on Malta Tourism Policy 2015-2020

The National Tourism Policy to 2020 which came to an end last year was guided by three fundamental principles, namely:

- Managing Visitor Numbers
- Raising the level of Quality across the entire tourism value chain
- Reducing Seasonality

These three principles are inextricably linked and it is felt that in spite of progress achieved they still retain their fundamental place as guides to all that Malta sets out to achieve in its tourism development. Between 2015 and 2019, tourist numbers grew from 1.8 million to 2.75 million. Seasonal spread improved although peak numbers continued to grow and the delivery of quality service across the board continues to be an aspiration rather than a given.
The Current Landscape

This Strategy is being formulated at a time when years of recurrent record growth have made way to an unprecedented dip in performance due to COVID-19. Current international expectations are for a delayed recovery which may take years for numbers to return to pre-COVID-19 norms.

The previous situation where years of growth stimulated a lagged response in terms of accommodation development is now reversed: Malta currently has a high amount of bed-stock, both operational and in the pipeline, which will require tourist numbers beyond what can be expected during the lifetime of this Strategy.

For Maltese tourism to recover and re-develop within the principles embraced by this Strategy it is necessary to recognise this situation and address it in a way which adapts to these new realities. There is evidence of declining visitor satisfaction due to weaknesses in the direct and indirect tourism product. Notwithstanding significant investment certain zones continue to suffer from years of neglect.
The Current Landscape

Best scenario forecasts until 2030 suggest an optimistic maximum of 3 to 3.2 million tourists generating an average 21 million overnight stays. It is likely that lower estimates will probably prevail. If all currently licensed bed-stock plus beds in the pipeline become operational by then (circa 100,000 beds/36.5 million available bed-nights), the resulting occupancy would be an unprofitable 57.5%. Adding unlicensed bed-stock would dilute occupancies even further, closer to 50%. The issue of unlicensed bed-stock is already recognised as a challenge which requires stronger action so as not to further disadvantage licensed and compliant tourism accommodation establishments.

Malta will not be able to build a sustainable tourism industry if its tourism priorities are led principally by incremental bed-stock. We need to focus on what is best for the country, the economy and the host population.
The Strategy is influenced by several key principles that are considered as fundamental for guiding the development of tourism in Malta. These principles are motivated by the domestic situation and national priorities for the sector and its contribution to the economy in general. Concurrently, the Strategy is also influenced by a number of horizontal principles which are mainly the result of the international context in which we operate. These principles relate to commitments and obligations that Malta has with the European Union and other Institutions, and therefore the influences are not just external, but also local. Consequently, the proposed Tourism Strategy will constitute the Tourism’s industry commitment to endorse and deliver on Malta’s obligations arising from its different areas of operation.

### Domestic

- Rebuilding Maltese tourism post-COVID19
- Rebuilding and re-growing Airline Connectivity
- Environmental Protection
- Carbon-neutrality targets
- Enhancing Visitor Satisfaction through the improved Management of Tourism
- Harnessing Data and use of modern Digitalisation technologies
- Maximising added value both economically and socially
- Addressing issues of sectoral overcapacities indicating a need to redirect investment opportunities.
Planning for adequate numbers and categories of Tourism related Human Resources through the proper educational and career development channels

The delivery of a Quality Tourism Experience

Prioritising Tourism Products and Segments in line with Branding & Marketing thrust

Ensuring and improving Residents’ Quality of Life by monitoring and not exceeding Tolerance Levels towards Tourism

Tourism’s importance as a major pillar of the Maltese Economy owing to its importance as a high value added and high multiplier effects leading to efficient

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International

COVID-19 and post-COVID-19

Climate change

The UN Sustainable Development Goals

The EU Green Deal

The EU Digital Strategy

The European Data Strategy

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Key Principles not catch-phrases

The Strategy aims to realistically incorporate the Key Principles into its workings. Otherwise they would just be dismissed as catch-phrases. In summary, the Key Principles enshrine sustainable values, aim to ensure fair returns on investment to operators, particularly during the post-COVID recovery period and bank heavily on education as a means of not only enhancing service and hospitality but also of raising the bar in terms of delivery of quality service.

Incorporating the Key Principles makes the Strategy:

- Credible
- Relevant
- Responsible
- Positive
- Forward Looking
Where we were in 2019

The Positives
Where we were in 2019: The Positives

- Ten years of record growth 2010-2019 (2.75 million tourists, Euro 2 billion of expenditure, **18.5 million overnight stays**)

- A peak of **130** directly connected air routes

- A **younger** tourist profile

- Volume critical masses reached during all months of the year

- Geographical diversification at an **all time high**

- A more diverse product and **active events calendar**

- A rapidly **growing economy** firing on all engines
Where we were in 2019

Areas of Concern
Where we were in 2019: Areas of Concern

- International slowdown leading to flatter growth curves from traditional markets necessitating the sourcing of visitors and connectivity from more distant markets.

- Pressures and negative feelings brought about by pace and scale of development amongst both locals and visitors.

- Significant growth of bed supply. A strong shift from collective accommodation into private, year-round accommodation. Discussion on the need to support the higher value-added collective accommodation segment through progressive policies favouring higher levels of service and employment.

- Emergence of problems associated with high densities leading to signs of uneasiness by local residents having to cohabit with tourists accommodated in residential apartment blocks or similar.

- Development for Tourism or Tourism for Development? The symptoms of oversupply.
Covid-19 Impacts
A term frequently associated with the post-COVID-19 scenario is “new normal”. “New Normal” constitutes a wide spectrum of possible changes to pre-COVID-19 behavioural traits which differ widely but are common in their assumption that certain social and travel related behaviours are there to stay even when normality returns. Destinations and tourism operators need to understand such changes on the assumption that the longer the current situation prevails, the deeper they may become entrenched in society. Such changes will have both negative and positive implications on businesses, and it will be the innovative enterprise which will recognize them and turn them into opportunities.

The main tourism impacts of COVID-19 can be highlighted as follows:

- Tourism to Malta down to 1980s crisis levels
- Recurring surges of pandemic inducing huge uncertainty amongst travelling public
- Uneven EU-response leading to unilateral country measures
- The longer the pandemic, the longer the recovery
- Emergence of the relevance and importance of the domestic market
- Years-long Government surplus turned into deficit
- Effects on tourism workforce: departure of foreign workers, support and retraining of full-timers. Threat of skilled personnel migration from tourism to other economic sectors is real
- Loss of airline connectivity route network painstakingly developed over previous ten years
## Impacts of COVID-19

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<tbody>
<tr>
<td>Loss in airline seat capacity</td>
<td>7,663,380</td>
<td>2,834,976</td>
<td>(4,828,404)</td>
<td>-63.0%</td>
</tr>
<tr>
<td>Loss in passenger movements</td>
<td>6,339,609</td>
<td>1,661,418</td>
<td>(4,678,191)</td>
<td>-73.8%</td>
</tr>
<tr>
<td>Loss in the number of flights</td>
<td>43,206</td>
<td>15,775</td>
<td>(27,431)</td>
<td>-63.5%</td>
</tr>
<tr>
<td>Loss in load Factor</td>
<td>82.70%</td>
<td>58.60%</td>
<td>-24.1 pct. pts.</td>
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Source: MIA

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<tbody>
<tr>
<td>Inbound Tourists</td>
<td>2,135,425</td>
<td>583,776</td>
<td>(1,551,649)</td>
<td>-72.7%</td>
</tr>
<tr>
<td>Nights Stayed</td>
<td>15,241,721</td>
<td>4,381,920</td>
<td>(10,859,801)</td>
<td>-71.3%</td>
</tr>
<tr>
<td>Expenditure (€000)</td>
<td>1,755,050</td>
<td>392,835</td>
<td>(1,362,214)</td>
<td>-77.6%</td>
</tr>
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Source: NSO 2019/2020

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<tbody>
<tr>
<td>Cruise liner calls</td>
<td>273</td>
<td>16</td>
<td>(257)</td>
<td>-94.1%</td>
</tr>
<tr>
<td>Cruise Passengers</td>
<td>598,837</td>
<td>47,193</td>
<td>(551,644)</td>
<td>-92.1%</td>
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Alternative Strategic Options

A number of Strategic options and alternatives have emerged for consideration following a Destination PESTEL and SWOT Analysis:

- **RECOVER**
- **REGROW**
- **RETHINK**
- **RETRENCH**
- **REVIEW**
- **REVITALISE**

Following is a description of each of these strategic options considered.
RECOVER relates to the efforts to reemerge from the losses incurred as a result of COVID-19. Whilst at face value, there is universal agreement that recovery needs to take place within the shortest time frame possible, there are many factors which influence the speed of recovery: both internal and external.

- The continued evolution of the virus’ spread
- The international economic situation
- The timely and effective distribution of approved vaccines and people’s attitudes to taking the vaccine
- People’s attitude to travel
- The commercial viability of tourism suppliers

Ultimately the aim should be for recovery to be feasible and sustainable so that it will feature a stable growth curve rather than the more damaging false starts and pauses.
REGROW signifies a wish to SIMPLY return to the growth rates prevailing pre-COVID-19.

REGROW would dismiss the effect of the virus as a one-off damaging dip which needs to be erased as rapidly as possible for a return to normality to take place.

Under the REGROW option there is no need to affect any huge corrections to the previously applicable strategy but to merely get back on track anew.

REGROW - the business-as-usual case, is not only hard to imagine and unlikely to happen. It represents the least climate friendly and sustainable option and also automatically dismisses the RETHINK option.
The **RETHINK** option represents the school of thought of using the COVID-19 impact to re-examine the fundamental role of tourism within the overall socio-economic context.

**RETHINK** is based on the premise that the sudden closure of international tourism not only created economic turmoil and hardship but also had some incidental benefits resulting from a reduced movement of people, a less hectic lifestyle in countries, reduced emissions and the reduction of other negative elements for which tourism is usually singled out as a major contributor.

**RETHINK** calls for a critical re-evaluation of role, scale and nature of tourism in Malta.

**RETHINK** calls for an understanding of behavioral changes in travel patterns following the pandemic and an adaptation to new demands.
**RETRENCH** option is a more extreme extension of RETHINK that actively considers downsizing Maltese tourism to lower levels by making a conscious effort not to regrow to pre-COVID19 levels.

The upheaval brought about by COVID-19 has generated some beneficial spinoffs to destinations which were normally accustomed to a hectic tourism presence throughout the year. Foremost amongst this is reduced visitor numbers expressing themselves in reduced densities, less noise and disturbance, better parking opportunities, the freedom to enter a restaurant without the needs of a reservation and the reduction of a number of other discomforts normally associated with a high tourism influx. This argument, albeit simplistic in its escapist evaluation of reduced tourism impacts, constitutes one of the main advantages emphasized by **RETRENCH** proponents.

It is based on the premise that a lower level of tourism activity would prove beneficial to the destination by making it less busy and less crowded to the benefit of both the local resident population and visitor satisfaction.

The main proviso of this rather simplistic option is that the reduction of tourism’s economic contribution would be at a lower rate than the reduction in numbers due to greater shares of higher spending tourists attracted to a destination which is more selective and prefers to cap growth.

It fundamentally ignores the critical masses of volumes required to sustain an inter-related and complex tourism value chain.
**REVIEW** is based on taking stock of the situation arising from the COVID19 experience to review the current status quo with the objective of further strengthening the competitiveness and sustainability of Malta's tourism industry in the long term.

**REVIEW** is based on the premise of a more selective approach towards the attraction of Malta's preferred tourism inflows based on the principles of heightened visitor satisfaction, minimized social and environmental impacts and maximized economic returns.

It will reflect all the dimensions of the EU Green Deal, Malta's Vision 2050 and Malta as a Global Climate Friendly Travel Centre.

**REVIEW** involves re-engineering tourism through an ongoing process which aims to be seamless by avoiding any transitional dips during the process. In the process we need to evaluate the risks associated with overdevelopment of the sector.

While all the above is positive, simply stopping at a review is not considered sufficient to achieve the desired strategic objectives.
REVITALISE is closely linked to and adds to REVIEW by emphasizing the revitalisation aspect of the reviewing process.

In REVITALISE, the objective is to induce a process of change aimed at giving a new life to Maltese tourism with the intention of elevating it to a higher socio-economic level based on stronger principles of climate resilience, sustainability, value added, profitability, resilience and innovative change.

The REVITALISATION of the tourism industry will make it more future proof in terms of its responsiveness to changing trends, new realities, global threats and competitor development.
Proposed Options

On the basis of an evaluation of the above options and alternatives, and based on the PESTEL and SWOT Analyses, three tourism strategic development options are being proposed for tourism to Malta and Gozo for the period 2021-2030 as follows:

- **RECOVER**
- **RETHINK**
- **REVITALISE**

They have been selected to the exclusion of **REGROW, RETRENCH and REVIEW** which have been discarded owing to their inferior attractiveness and their less-than-ideal impacts on the current and future Maltese economic realities:

**REGROW** is considered too short-sighted and linked to a past reality which is no more.

**RETRENCH** simplistically ignores the economic complexities and interlinkages surrounding tourism and the relevant critical masses deemed necessary.

**REVIEW**, although positive and beneficial, stops some steps short of **REVITALISE** which is more far reaching in its strategic objectives.
PROS & CONS

Focusing on absolute growth alone may continue to generate returns to an expanding hospitality industry, particularly the low category and private accommodation offers, albeit within a framework of reduced marginal returns. It runs into Climate & Sustainability barriers.

Consciously going for a retreat in volumes would satisfy critics of unrestrained growth and bring down densities and pressures to much lower levels. This would however come at a price of unutilised facilities which will require alternative economic use should they need to shift away from tourism.

Going for a growth based on recovering losses accompanied by a thorough restructuring and re-engineering has the main advantage of repositioning Maltese tourism on stronger foundations to face stronger challenges.

It is likely that the expected lengthy period of recovery and subsequent reduced rates of growth may create a mismatch between Maltese tourism demand and supply.
The Strategy
Delivering the Strategy

The selected options shall be implemented in an overlapping manner.

The major initial effort shall focus on recovery with a view to closing the gap between current losses and the critical mass of volume necessary to bring the tourism industry back to acceptable levels of operation and profitability.

While volumes are being rebuilt, a rethinking strategy will be put in place, on the basis of which, the full-blown revitalization of Maltese tourism will start coming into effect.

The impact of increases in the bed supply will need to be studied and evaluated in a deeper manner, given the extent of existing and planned bed stock. The primary objective here is to strive to maintain bed stock through a profitable operative environment rather than trimming stock through business failures.
The Tourism Strategy has been formulated on the principle of what type of tourism growth Malta is interested in aiming for. It combines the interest of sustainable economic progress together with environmental and social prosperity.

The Strategy recognises that Malta needs to aim for quality at all levels of the tourism value chain, as quality is increasingly influencing travel choices. The small surface area of the Maltese Islands demands a strategy that promotes the development of responsible and sustainable quality tourism over the years to come. In this way, the Maltese tourism industry will further build not only in terms of continuing to outperforming competitor growth rates but also by consolidating Malta’s status as a quality destination of choice.

It is by taking the above considerations into account that the following Strategic Vision and Mission Statements have been devised:
Strategic Vision

To manage and formulate the future development of tourism to Malta in line with sustainability principles through strategies aimed at making best use of the country’s natural and cultural attractions in a way which balances between the welfare and well-being of the country’s residents and the maximization of visitor economic value and satisfaction.
To ensure that the Ministry responsible for Tourism, particularly via the Malta Tourism Authority, attracts the necessary Government and Sectoral support to possess the resources, institutional, financial and human, to launch this strategic vision in 2021 and to deliver it by 2030 through an agreed set of achievable and measurable objectives which are regularly reviewed, evaluated, discussed with stakeholders and revisited and revised in response to changing base conditions and results achieved.
Strategic Challenges

Departing from the current situation with the objective of reaching the objectives of this Tourism Strategy by 2030 is subject to the recognition of the Strategic Challenges being faced by the Maltese Tourism Industry.

The 13 Challenges listed below represent Strategic Challenges. The term “Strategic Challenges” refers to those pressures that exert a decisive influence on likelihood of future success. These challenges drive and affect the destination’s future competitive position relative to other providers of similar products.

- Integrating quality at all levels of the value chain
- Increasing per capita spend
- Reviving sector profitability
- Rebuilding airline route network
- Managing demand as a result of accommodation sector expansion
- Recovering under sluggish conditions
- Addressing the HR dimension and supply side requirements
- Enhancing the Visitor Experience
- Improving the Country’s General Appearance
- Minimising downward price spiral potential with resulting drop in rates
- Fostering cross collaboration across various digital tourism initiatives through the consolidation and better use of data
- Re-directing investment in bedstock into other key areas
- Stronger integration of Sustainable Development Goals and the EU Green Deal
01. Integrating quality at all levels of the value chain

- Quality is not to be confused with luxury or high price
- Quality should prevail across the entire value chain
- Existing and New Operators not delivering or promising quality have no place in the revitalised Maltese tourism offer
- Support for continuous training, innovation and the introduction of new products that can ultimately deliver a qualitative and varied tourism experience
02. Increasing per capita spend

- Per capita spend by tourists needs to increase in reaction to an improved quality experience and offer

- Focus on increasing expenditure in those elements which are consumed within the destination

- Increasing tourism expenditure should not be due solely to higher prices but also to more extensive expenditure opportunities in experiences, goods and services

- Per capita spend needs to increase at a faster rate than tourist numbers and overnights so that Malta will be able to generate higher per capita per night injections from its tourism
03. Reviving sector profitability

- Volumes
- Value
- Avoidance of price-wars
- Securing market growth against heightened competition by competing destinations to meet increased supply
- Meeting human resource challenges
04. Rebuilding airline route network

- Attracting a route network which serves Malta’s identified source markets, segments and connectivity needs

- Exploring alliances with airlines to grow sustainably in line with the destination’s needs and growth demands

- Following developments in the EU relating to aviation sector impacts on carbon emissions

- Ensuring a healthy mix of airlines in line with the destination’s complex requirements through the servicing of routes by legacy and low-cost airlines, also giving due relevance to the importance of the national airline to a destination fully dependent on air transport for its tourism
05. Managing accommodation sector expansion

- The current tourism accommodation sector has become more complex due to a number of issues which need to be addressed through reforms and actions:
  - Legislation not reacting fast enough to constant evolution leading to anomalies
  - Hybridisation
  - Two mutually exclusive supply streams (collective and private) which require different strategic approaches

- Accommodation is a primary facet of the destination’s brand, character and offer. It should therefore be the most carefully developed element of the entire value chain.

- Accommodation sector expansion has responded strongly to the ten-year period of growth that ended in 2019. However some imbalances have developed:
  - Progressive increases in Collective accommodation which are set to grow further.
  - The rapid expansion of private rented accommodation, which is nearing collective accommodation supply in terms of share.
  - The operation of peer-to-peer accommodation on a year-round basis
  - Increased short-term dependence of accommodation developed for foreign workers which may be floated on the market for tourism purposes or mixed use until the workers return. This may also be impacted by expat workers currently teleworking from their home countries.
  - The substantial, year-round availability of unlicensed and unregulated private rented accommodation bed-stock which needs to be addressed
06. Recovering under Sluggish Conditions

- Understanding and reacting to the factors which shall influence tourism recovery
- Prioritising recovery on the basis of such understanding
- Communicating prospects to operators and investors in an informed and realistic manner to ensure that new operations are built on strong foundations
- Ensuring that our product offer remains fresh and updated and avoiding the pitfalls associated with a tired product.
07. Addressing the HR dimension

- Relationship between Industry HR and hospitality, service delivery and skill gaps
- Need for the continuation of tourism employee training schemes to further build on the momentum of the extensive training opportunities introduced during the COVID-19 period.
- Ensuring that a career in tourism scores high in the wish list of new entrants into the labour market.
- Addressing the issue of foreign labour as a substitute to domestic shortfalls
- Improving the attractiveness of tourism employment through the provision of quality service training which instils pride in working for the hospitality industry, improved remuneration and career progression. Leading a process of converting payroll from a cost to an investment.
08. Enhancing the Visitor experience

Contemporary tourism is Experiential in nature. It is not two-dimensional but requires that visitors feast all their senses.

Tourism interaction, particularly in niches including sports, faith, wellness and underwater activity, is participatory rather than in spectator fashion and this needs to be borne in mind in the design and planning of attractions, events and activities.

Mobile technology and social media enable immediate, live uploads of the good and the bad. The former needs to be maximised and the latter minimised. Providing tourists with opportunities to project Malta in a positive way assists the marketing effort. The role of influencers needs to be maximised.

The Gastronomic experience needs to be further enriched through more sustainable practices, farm-to-fork concepts, locally sourced foodstuffs and a tangible link between tourism, agriculture, fisheries, food processors and eating places. Building further on brands such as Michelin and Gambero Rosso.

Need for an expanded shopping experience: from designer goods to artisinal products.

Focus on promoting what is indigenous to our islands.

A stronger integration of environmental ethics within the tourism value chain.

Enhancing the visitor experience is to apply to all components of the value chain as it only takes one negative component to spoil the rest of the chain.
09. Improving the Country’s General Appearance

- Tourism activity is not limited to tourism resorts and visitor attractions but covers the entire territory.

- The tourists we attract mostly originate from countries where upkeep and maintenance are given top priority. This applies to the built, the natural and the marine environments. General upkeep and maintenance needs to be proactive rather than reactive.

- Standards in the levels of cleanliness, upkeep and maintenance need to be benchmarked at the highest level. Construction sites, in particular those in areas where tourists stay or visit, need to be managed in a way to level off negative impacts and discomfort.

- An improved general appearance strongly strengthens tourists’ positive evaluation of their holiday in Malta. The inverse also applies in perhaps an even stronger manner.

- Action needs to be taken to address certain high-profile eyesores negatively impacting tourists’ perception of Malta, through their identification, listing and discussing with public or private owners/operators on removal or relocation.
10. Minimising downward price spiral potential

- A combination of over-capacity and reduced visitor numbers may lead to a downward pricing spiral which is ultimately detrimental to operations, quality and investment. Need to retain a sustainable pricing model

- Ensuring a level playing field for all operators in the sector

- Risk of price wars will need to be addressed through a two-pronged approach which maximises demand potential while channelling demand to licensed bed-stock. Price wars are ultimately of no benefit to any single operator

- A policy towards controlled accommodation supply needs to be adopted to address volume and type of accommodation required over the years

- Raising the bar for accommodation service providers, including new market entrants in a more selective manner. This will necessitate the reforming of the licensing regime coupled with enforcing in a smarter manner
11. Harnessing data and use of modern technologies

- The consolidation and use of quality data improves the access to digital information and provides valuable knowledge to advance the local product

- Investment in new Technologies enables the opportunity to enhance the Tourist experience by offering more client centric services

- Nurturing digital cross collaboration initiatives across the Public, Private and Non-Profit organisations strengthen the Tourism Sector by connecting visitors and maximising the local Tourism offerings

- Smart use of emerging technologies such as Artificial Intelligence, Super Computing, 5G Network and Augmented / Virtual Realities amongst others increases the value of digital tourism products

- Innovation empowers a destination to tap into emerging sectors in advance of slower reacting competitors
12. Re-directing investment in bedstock into other key areas

- Investment in tourism products, facilities and attractions provides alternative opportunities to investors who look at accommodation investment as the only way to enter the industry.

- Key investment opportunities exist in upgrading existing tourism supply and the introduction of novel products and experiences.

- There needs to be a better balance between investing in new receptive capacity, enhancing existing plant and introducing new products.

- The ultimate objective is to increase tourism expenditure through the availability of an increased range of enhanced products and services which require capital and investment.
13. Stronger integration of Sustainable Development Goals and the EU Green Deal

- The Strategy shall enshrine sustainable development into all its actions.
- Tourism operations will be encouraged and assisted into shifting towards more sustainable approaches to development and operation.
- The further integration of tourism activity into the realm of environmental respect and sensitivity will be encouraged as a win-win situation.
- Besides following climate change developments and their impacts on tourism, the Maltese Tourism Industry will also take steps to minimise its own impacts to achieve Climate Friendly Travel by 2050.
Strategic Targets

- To increase tourism volumes to optimised sustainable levels in line with this Strategy’s Vision and Mission.

- To increase overnights through a healthy mix of short and longer stays depending on purpose of visit, season of travel, market profile and possibilities arising from connectivity.

- To aim for higher tourist expenditure increases on those elements of the trip consumed in Malta.

- To continue to expand the geographical sources of Maltese tourism in line with maximization of airline connectivity, the seasonal characteristics of the different markets, the best matching of demand and supply and a diversification principle based on spreading source market risk.

- To ensure the delivery of a quality accommodation experience based on a healthy mix of collective and private accommodation supply which maximises expenditure prospects based on labour-intensity, and service delivery based on a defined accommodation sector run and manned by hospitality professionals.
Strategic Targets

- To achieve the relevant growth rates and shorter average lengths of stay through the further expansion of Malta’s off-peak tourism potential by aiming for stronger off-peak growth in comparison to peak season growth. This will necessitate the further strengthening of Malta’s cultural and events offer to ensure that the destination’s versatility in terms of diverse offer to different categories and interests of tourists continues to be tapped to maximum effect.

- To aim for a higher than current repeat visitor ratio by 2030 in recognition of the destination’s evolution from one in which a single visit suffices to one whose strong brand loyalty generates a fair share of loyal repeaters.

- To increase the positive evaluation of the Malta holiday experience of tourists to Malta by addressing the major elements reducing positive evaluations by visiting tourists.

- To ensure all companies and communities embrace the Climate Friendly Travel framework.

- To increase the use of digitalisation technologies amongst tourists by offering pre-visit information and planning, enhanced holiday experience, and understanding the sentiment of Tourist post-visit.

- To target the adequate volume and mix of airline service providers to enable the destination to reach its targets by connecting it with the relevant source markets and minimizing carbon emissions.

- To ensure that pressures generated by increased number of visitors do not weigh on the host community to an extent that manifests a negative sentiment towards tourism.
Strategies

The execution of the Tourism Strategy is ultimately dependent on the selected strategies. Strategies constitute the plan of action resulting from the Strategic Vision, Mission and Targets in response to the Strategic Challenges. The Malta Tourism Strategy will be delivered through the 22 Strategies listed below.

Each Strategy in the list is linked with the numbered Strategic Challenge with which it is cross-referenced. This provides a tangible link between the identified challenges and the strategies being proposed to address them.

The afore-mentioned Strategic Targets shall be delivered through the following Strategies (sub-divided into themes), which shall also guide the preparation of more detailed and focused action plans as explained in points 21 and 22 below.

It is foreseen that each of the 22 Strategies shall lead to the preparation of more detailed and focused action plans.

Economic

1. To maintain tourism’s share of the country’s GDP and to ensure that it continues to receive priority as a major pillar of economic development (1, 2, 6, 10, 12).

Gozo

2. To continue to position Gozo as a separate and distinct quality destination focusing on relaxation, wellness, gastronomy, activity and rural tourism experience in a lower volume setting and an insularity which is projected as a beneficial selling point rather than a deficiency. To do this in conjunction with the Gozo Regional Development Authority and the Gozitan tourism stakeholders (1, 2, 3, 5, 6, 7, 8, 10, 11, 12, 13).
Strategies

Marketing & Segments

3. To identify, measure and update the tourism market segments in which the Maltese Islands possess strongest competitive advantage and to focus attention on the continued strengthening and developments of these segments. Segmentation is a fluid process featuring a mix of established and emerging segments (1, 3, 5, 6, 8, 11, 12)

Emerging & Developing Segments

4. To explore the interrelationships emerging from the existence of other services sectors & within the Maltese economy such as Health, Culture, Education, Financial Services, Film and Gaming to explore tourism potential opportunities arising from such interrelationships (2, 3, 4, 7, 10, 11)

5. To build on the recognition of the importance of the Domestic Market during the COVID-19 crisis by actively continuing to tap into it and treat it as a relevant tourism stream. (2, 3, 5, 6, 10, 11)

6. To further tap into the Cruise Market to increase its economic value through a higher ratio of home porting to port-of-call business. (3, 4, 6, 11)
Strategies

Brand Positioning

7. To position the Maltese Islands as destinations of first choice in select markets in conjunction with connectivity strategies aimed at ensuring seamless, affordable air and sea services offering the highest in safety and carbon reduction standards. (1, 3, 4, 6, 8, 10, 11, 13)
Strategies

Brand footprint

- 8. To continue to strengthen the City dimension of Malta’s cosmopolitan offer through the further development of Brand Valletta to encompass the destination’s historic and contemporary urban offer. (1, 2, 3, 5, 8, 11, 12)

- 9. To increase the Destination’s brand footprint by subdividing the national territory comprising the major Islands of Malta, Gozo and Comino by identifying zones within the national territory, each possessing distinct competitive advantage and differentiation from the other zones and to adopt a product development, branding and marketing strategy for each of these zones based on such competitive advantages. Unravelling Destination Malta in this way widens its appeal to the different segments it shall be seeking to attract and grow. (1, 2, 3, 5)
Strategies

Environment, Climate & Tourism Product

10. To give due recognition to the detrimental effects which unchecked climate change and global warming are bound to have on the country’s tourism appeal and to engage in a national and global effort aimed at achieving Climate Friendly Travel by 2050. (1, 4, 11, 12, 13)

11. To introduce a set of measurable climate and sustainability indicators to properly measure tourism impacts to ensure that future tourism development embraces sustainable parameters within the widest possible range of measurable variables. (1, 5, 8, 9, 11, 12, 13)

12. To build a strong case for the preservation of natural and man-made tangible and intangible heritage in recognition of their growing relevance and importance to the discerning tourists of today and tomorrow and to promote such heritage as an integral component of the Malta brand. (1, 2, 5, 6, 8, 9, 11, 13)

13. To secure European and National funds to push for tourism product development and improvement. To do this in liaison with other Ministries and Agencies whose remit and responsibility overlaps with tourism. (1, 2, 3, 5, 8, 9, 12, 13)

14. To continually monitor international trends and developments in tourism and in sustainable development to ensure that the Maltese Islands remain at the forefront of innovative development and change. To do this by participating actively in international bodies and fora and taking active roles in groups and gatherings discussing the wider elements affecting tourism. (1, 2, 3, 5, 11, 12, 13)
Tourism Accommodation

15. Accommodation sector imbalances to be addressed through a more selective development policy focusing on a healthier balance of quality versus quantity, strict enforcement against unlicensed accommodation, policy guidelines for private rented accommodation, enforcement action against under-delivering licensed establishments and more stringent, quality-based licensing guidelines for new development which adds value to the Maltese tourism offer. Incorporating international best-practice on how private, peer-to-peer accommodation can operate, including limited timeframes during the year. (1, 3, 5, 7, 8, 10, 11, 12)
Strategies

Quality Destination

☐ 16. To place increased importance on the Quality dimension of the Maltese Tourism offer by addressing those elements which are offering inferior experiences which only serve to drag down overall destination ratings to the detriment of quality suppliers and investors. To do this through an extended range of Quality Labels further strengthened with a thorough and professional Enforcement setup. (1, 2, 5, 6, 8, 10, 12, 13)

☐ 17. To make increasing use of the smart approaches being used by leading destinations for the better management of tourism flows to events and localities/locations in a way which reduces visitor impacts and enhance satisfaction. (1, 2, 3, 6, 10, 11)

☐ 18. To strategically develop a Digitalisation roadmap, incorporating various sectors contributing to the local Tourism product, by empowering the Public, Private and Non-Profit organizations to invest and ensure that efficiency and market presence are maximized through the use of the latest available technologies. (1, 2, 3, 5, 8, 11)
Strategies

Industry Human Resources

- 19. To improve the sector’s attractiveness as an employer through enhanced continuous staff training opportunities and the improvement of its wage-attractiveness relative to competing sectors. (1, 6, 7, 8, 10)

Conventions & Events

- 20. To deliver a National Convention and Events Centre to enable Malta to engage in a more extensive, year-round, calendar of activities and events in all-weather facilities and for different delegate and audience sizes. (1, 2, 3, 5, 8, 12)
Strategies

Governance & Implementation

21. To institute Governance procedures to monitor/measure the results of this strategy and organize an annual national tourism conference bringing together all stakeholders with a view to reviewing results, discussing key issues and agreeing on way forward to ensure the Strategic Planning Process is integrated into macro and micro industry actions in a rolling manner. (1, 3, 5, 6, 7, 9, 10, 11, 12, 13)

22. To follow up the finalisation, publication and implementation of this Strategy with detailed Marketing, Product Development (also encompassing Accommodation), Human Resource Development plans including segment- and source-market-specific stand-alone Plans for the destination’s major tourism inflows. Gozo to feature a specific stand-alone Plan. (1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12)
Conclusion

This ten-year Strategy for Maltese Tourism is based on the three-pronged approach of Recovering, Rethinking and Revitalising this important pillar of Maltese economic activity. It presents an opportunity, at an important juncture in Malta’s development and international tourism’s next evolutionary steps following the turmoil that commenced in 2020.

This opportunity allows the country to reformat its tourism industry on a sounder footing and in line with international ideals and commitments in the fields of sustainable development and climate change that have rapidly evolved from “nice to say” statements to matters of imminent action and global responsibility.

It is a Strategy which aims to elevate Malta’s tourism offer to one increasingly based on the universal delivery of a quality service and product, the attraction of tourists who not only leave a superior economic contribution but whose interests are in parallel with all that makes the Maltese Islands diverse, unique, special and worth visiting and revisiting.

Following stakeholder and public consultation, by 2021, the Maltese tourism industry shall be in possession of a clear set of directions on the basis of which it will not only rise again, but be rebuilt on stronger foundations from which the challenges and opportunities of the coming years can be faced with stronger chances of resilience and success.