Malta
Country Profile

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1. Introduction

Malta is a history-rich small archipelago in the Mediterranean Sea, one of the smallest countries in Europe and in the top ten of the most densely populated countries in the world. The idea of the circular economy is particularly relevant to Malta, given its geographical circumstances, high import dependency, and lack of natural resources. However, Malta is still at the doorstep of circularity.

Malta benefits from a growing economy, especially in the tourism sector. Nonetheless, the Islands' small size, the lack of skills in eco-innovation, the low availability of funding for eco-innovators impede Malta's capacity to move faster. As a consequence, public sector support plays an important role. After the publication of its Green Economy Strategy and Action Plan[1], the government continues to develop a number of initiatives, from education and research policy to business support, to stimulate the transition towards a circular economy.

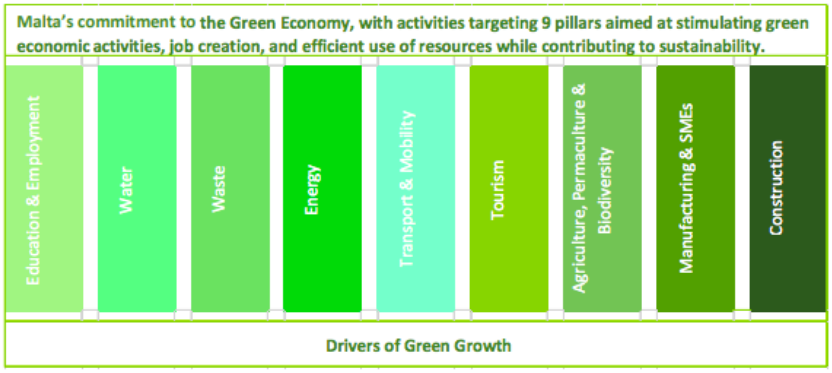

Figure 1 Malta's drivers of Green Growth. Source: MSDEC

Malta ranked 15th in the 2017 Eco-Innovation Index, with an overall index of 86 relative to the EU-average of 100. However, in 2018, it moved back to a lower index (<85). [2]The country faces a number of challenges that eco-innovation can best address: lack of space and local resources (it imports most of its materials, food and embodied fresh water), energy dependency, water scarcity, waste management are the most urgent ones. So far, the country has heavily invested in the energy sector, as well as in transportation and water. However, although waste management is a national priority, uptake of circular processes and resource efficiency measures has been low.

[1] Greening our economy – Achieving a sustainable future (MSDEC, 2016) https://meae.gov.mt/en/public_consultations/msdec/documents/green%20economy/consultation%20document%20-%20green%20economy.pdf
[2] EU Eco-Innovation Index 2918. Available at: https://ec.europa.eu/environment/ecoap/sites/ecoap_stayconnected/files/eio_brief_eu_eco-innovation_index_2018.pdf

Quick Facts[3]		
	Population	0.5 millions
	GDP per capita	31,058.4 USD
	10-year average annual GDP growth	4.8 %
	Ecological footprint	3.0 gha/capita
	Renewable energy consumption share	5.4%
	Unemployment rate	4.6%
	Global Gender Gap Index0-1 (gender parity)	0.7

The country benefits from a high employment rate, driven by the service sector. A strong tourism industry means that Malta becomes more export-oriented and less capital-intensive. Full implementation of transportation and energy reforms should further decrease the islands dependency on imported fossil fuels, and growing energy efficiency is expected to leave more money for investment.

2. Policy and regulatory framework

The Maltese government has been very active in recent years to tackle environmental issues and support the development of the green economy.
In its report 'Economic Vision for Malta 2014 – 2020' the Malta Chamber of Commerce Enterprise and Industry also indicates that economic activity in Malta, in relation to the Green economy by the private sector, has remained limited – restricted to the collection of waste, importation and installation of Renewable Energy Sources and energy/resource efficiency technologies, and limited manufacturing of energy efficiency technologies such as windows and apertures among others.
The National Strategy for the Environment (NSE) is a strategic governance document that sets a policy framework for the preparation of plans, policies and programmes related to the protection and sustainable management of the environment. The NSE and its Vision for 2050 were published for public consultation in April 2019.
Malta's Sustainable Development Vision for 2050 is the Government's main guiding principle for developing policies, and when planning and implementing projects. It is structured and designed on three normative governance principles: enhancing economic growth, safeguarding our environment, and social cohesion and wellbeing. Prior to 2016, a number of initiatives had been

[3] Source: The Global Competitiveness Report 2019. World Economic Forum. http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

launched, including the National Electromobility Action Plan in 2013; the Waste Management plan 2014-2020, the National Research and Innovation Strategy 2020 and the funding programme for R&D FUSION in 2014; and in 2015, the Green Economy Strategy and Action Plan[4], and the Second Water Catchment Management Plan . In 2020 the Government launched also the National Strategy for Research and Innovation in Energy and Water (2021-2030) which focuses on ensuring efficient solutions in energy and water as well as desalination and water treatment processes, while also identifying renewable solutions. This strategy, developed together with the Malta Council for Science and Technology, includes a specific scheme to help identify the projects that will benefit from the €500,000 that have been allocated for the first year.

In the energy sector, several measures to improve **energy efficiency** and the intake of renewable energy source were implemented, including door-to-door energy audits and photovoltaic panel schemes. Some incentives are summarized below.

- The Investment Aid for Energy Efficiency Projects (run by Malta Enterprise and ERA) aims to support undertakings in carrying out investments leading to improved energy-efficiency. The assistance is intended to facilitate investments in technological solutions that provide higher energy efficiency and contribute directly towards a reduction in the energy requirements of the beneficiaries. The aid awarded through this measure shall be in the form of a cash grant or a tax credit (which can be utilised against tax payable by the beneficiary) or a combination of both.
- Promotion of Energy Audits in Small and Medium Sized Enterprises[5].
- Competitive bidding process for solar PV installations of more than 1MW - under this scheme, support is provided for solar farms through a competitive process in which investors need to bid for support. The allocation of capacity is based on the bid price, provided that the submission is administratively compliant.
- Grants are provided for the purchase of electricity vehicles, scrappage schemes and conversion to Autogas.
- Every new or used electric vehicle is exempt from paying registration tax, and from annual licence fees for the first five years. This includes motorcycles, electric mopeds, hydrogen fuel cell electric vehicles and plug-in hybrids amongst others. This exemption is applicable to individuals, companies, NGOs, local councils and Governmental departments.
- With respect to the tax incentives for businesses to implement energy-efficient practices, Malta Enterprise Corporation together with the Energy and Water Agency (EWA) shall be providing assistance to facilitate investments in technological solutions that provide higher energy efficiency and direct contribution towards a reduction in the energy requirements of the beneficiaries. This aid shall be in a form of tax credit, that is, as a tax incentive.

Since the adoption in 2015 of Malta's Green Economy Strategy and Action Plan, some progress has been made regarding energy efficiency, the production of renewable energy and the containment of greenhouse gas (GHG) emissions, but it remains limited and may not enable the

[4] Greening our economy – Achieving a sustainable future. Available at: https://meae.gov.mt/en/public_consultations/msdec/documents/green%20economy/consultation%20document%20-%20green%20economy.pdf

[5] Further information at https://www.energywateragency.gov.mt/schemes/ and https://energy.gov.mt/en/tenders/Pages/INVITATION-TO-BID-(ITB)-FOR-FINANCIAL-SUPPORT-FOR-ELECTRICITY-FROM-RENEWABLE-SOURCES-OF-ENERGY--WITH-CAPACITY-BETWEEN-400kW.aspx

country to reach its targets regarding GHG emissions, R&D expenditures, renewable energy provision and energy efficiency[6]. Parallel efforts to solve waste and water issues still need to deliver. On a related note, Malta has published in 2019 its 2030 National Energy and Climate Plan[7].

The energy sector remains the most developed for eco-innovation activities. Malta is one of the EU countries were SMEs are the most likely to implement energy efficiency actions, and to plan additional actions to use predominantly renewable energy. The sector seems to have received a strong boost since 2015 fed by many government's initiatives (old vehicle scrappages schemes, upgrading of street-lighting and subsidized deployment of solar-PV installations). The effects can be seen at the country level, and Malta is one of the leading countries in the EU for reduction of primary energy consumption: it has decreased by 22.5% between 2006 and 2016, mostly as a result of strong investments from the public sector in power generation and distribution efficiency. [8]

Sustainable product policy in Malta has found a fertile ground in the **tourism sector**. Since 2002, the Malta Tourism Authority operates the ECO certification for hotels and farmhouses, which aims at improving tourism accommodations' sustainable performance, especially regarding energy efficiency, reducing water consumption, waste management and green procurement. It also aims at raising awareness among employees and guests. The latest figures show that 16% of hotel accommodation in Malta are now covered by the scheme, with successful results in terms of resource efficiency and awareness, while providing a competitive advantage for its participants (MTA 2010).

In December 2016, the recently established Authority for Transport in Malta published its first National **Transport Strategy** (with time horizon of 2050) and the National Transport Master plan 2025. One of the intentions of the strategy is to encourage the use of sustainable modes of transportation and work towards reduced car ownership levels (Transport Malta 2016). With high road traffic and private car ownership, the government has already supported initiatives to reduce congestion and inefficient use of private transportation, such as car-sharing platforms.

Regarding **waste management**, currently the Ministry for Environment, Climate Change and Planning is reviewing the Waste Management Plan *(A Resource Management Approach 2014-2020)* as it prepares for a new plan for the period of 2021-2030. The Waste Management Plan [9] proposes initiatives in order to achieve the targets set by the EU Waste Framework Directive.Targets such as recycling 50% of paper, plastics, metal and glass waste from households by 2020; only 35% (based on 2002 levels) of biodegradable municipal waste will be allowed to landfill by 2020; and recover 70% of Construction and Demolition (C&D) waste by 2020. The review will establish the changes in waste generation over the past 10 years containing the sources of waste generated and the characterisations of the waste streams. The new Resource Recovery

[6] Eco-Innovation in Malta. EIO Country Profile (2016-2017). Available at: https://ec.europa.eu/environment/ecoap/sites/ecoap_stayconnected/files/field/field-country-files/malta_eio_country_profile_2016-2017_1.pdf

[7] Available at: https://drive.google.com/file/d/11nQdlwQghCXKjrKI-G9V6xSIvOfDZz0q/view

[8] Eco-Innovation in Malta. EIO Country Profile (2016-2017). Available at: https://ec.europa.eu/environment/ecoap/sites/ecoap_stayconnected/files/field/field-country-files/malta_eio_country_profile_2016-2017_1.pdf

[9] https://environment.gov.mt/en/decc/Documents/environment/waste/wasteManagementPlan2014-2020.pdf

and Recycling Agency[10] (RRRA) has been established to foster the transition towards a circular economy. For example, the Agency is set to facilitate the implementation of a new *Beverage Container Refund Scheme* (BCRS), for plastics, metal and glass beverages whereby people can deposit beverage containers in return of a monetary refund. *ECOHIVE* is the largest investment in waste management in Malta, which will revolutionise the way we approach and manage waste and drive the country towards a circular economy. This development of new waste infrastructure and facilities will improve waste management as well as the recovery of materials, thereby reducing landfilling of waste. Additional assessments are being carried out for boosting the Extended Producer Responsibility mechanism within the upcoming Revised Waste Management Plan for 2021-2030. Moreover, additional administrative reforms will enhance the cooperation between various authorities at national as well as at local level, avoiding administrative bottlenecks and improve waste management.

Also of note is the environmental permitting system that is carried out by the Environment and Resources Authority (ERA) as the regulator under the Environment Protection Act (Cap. 549). ERA makes use of a structured environmental permitting regime, which takes into consideration the nature of the activity and its potential environmental impact, the scale of the activity in terms of size, the requirement of EU and Maltese legislation for issue of permits and current environmental concerns in Malta (State of the Environment Report 2018)[11].

Other legal instruments, strategies and policies aimed at fostering circular economy in Malta and stimulating green businesses are:

- Environment Protection Act (Act No. XX, 2001)[12].
- National Environment Policy (2012).
- The adoption and implementation of the *Construction and Demolition Waste Strategy*, one of the main aims of which is to promote markets for secondary raw materials in the construction industry.
- The adoption and implementation of the *Single Use Plastic Strategy* which will effectively tackle plastic pollution by means of reducing the consumption of SUPs items and increasing the quality and quantity of plastic waste collected for recycling.
- The *Second Green Public Procurement Action Plan* [13]will aim to facilitate and integrate circular procurement through the GPP criteria for buildings, computers, textiles and furniture, all of which have a reinforced focus on circularity.
- Awareness campaigns and citizens' engagement are constantly promoted in order to empower and engage the public aimed at sensitising the general public on the importance

[10] Further info: https://rrra.gov.mt/

[11] State of the Environment Report 2018, available at https://era.org.mt/wp-content/uploads/2019/05/Chapter9_PolicyResponses-30Nov2018.pdf

[12] Environment Protection Act available at http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12446&l=1

[13] Green public procurement was first introduced through a national action plan in 2011. The second National action plan defines 9 new initiatives: greening other procurement instruments, greening award criteria, pooling of advisory experts, training and constant refresher courses, incentivising local councils through award schemes, greening EU funding, introducing Green finance, post procurement auditing and enhancing the role of the GPP coordinator. Circular public procurement is not mentioned, but the second National Action Plan is meant to contribute "towards moving in a greener and more circular economy" (Ministry for Finance 2017).

of waste separation, on whom the successful operation of these new facilities will ultimately depend.

- Sustainable development education strategy including: a *National Education for Sustainable Development Strategy (NESDS[14])* to ensure that education for sustainable development provision reaches every sector of the local population (formal, non-formal and informally); trainings which focus on the development of transversal skills through which participants understand the role of the green economy in today's economic and employment architecture; and training programmes through the University of Malta and/or MCAST aimed at developing the new skill requirements that are required to further the green economy with particular reference to the sustainable development and the development (& inspection) of green buildings.
- National Water Management Plan including initiatives such as the development of a national water conservation campaign, incentive schemes for operators in the agricultural sector to better manage their water use, the new water programme, the rehabilitation of water catchment areas in valleys and the introduction of new practices such as managed aquifer recharge schemes
- Commercial green loans through the guarantee of the Malta Development Bank.
- Other measures include increased penalties for illegal dumping and an excise duty is charged on construction material, including metals, glass, tiles and concrete.

3. Market demand and investment climate

Although the government has made effort to align the Maltese economy with circular principles, this remains still an underdeveloped sector. It recently attracted some publicity, with the European Parliament holding an event on circular economy in Malta in 2017, and with the involvement of the University of Malta in the R2Pi Horizon 2020 project. In addition to public incentives, changes in the population's attitude towards the environment and waste in particular may provide a push for the circular economy in coming years. There is already a strong support for the protection of the Islands heritage, including their natural riches, out of consideration for future generations, but also because of the economic weigh of the tourism sector. Habits are starting to change too: latest figures for collection of recyclable wastes show a continuous increase in collected amounts over 2015-2017 (Vella 2018). There appears to be a very strong support for circular economy initiatives and environmental protection actions in Malta among citizens (2017 Special Eurobarometer).

The main improvement in Malta's eco-innovation activities concerns environmental management: in 2016, 645 companies were registered under ISO 14001, or 1,290 registrations per million inhabitants. This is by far the greatest per capita number in the EU, showing a strong concentration compared to other countries. It has also grown substantially since 2015, when only 41 organisations were ISO 14001 certified, well below the EU average. This can be seen as an indication of rising environmental awareness from companies, as well as of improved management capability.

[14] Available at: https://meae.gov.mt/en/Public_Consultations/MEDE/Pages/Consultations/2016-MEDE-NSESD.aspx

As of September 2018, Malta had six licences and six products registered in the EU Ecolabel scheme, out of 2167 licences and 71 707 products in the EU. All licenses and products in Malta are "Tourist accommodation services". Recent investments in saving energy and recycling within the private sector have been very high and are above EU-28 averages.

The Eurobarometer survey conducted with Maltese SMEs reveals that few of them identified a need for specific environmental expertise, but they were also the least likely in Europe to mention the need for demonstration of new technologies and processes to improve resource efficiency, pointing to a lack of interest for eco-innovation.

When asked about their need for business development support, only a small minority of Maltese SMEs primarily demanded support for the development and marketing of green products or services, or for the adoption of more resource efficient technologies and processes. Very few saw the development of cross-sectoral reuse of materials and by-products, or of clearer rules on the use of secondary raw materials, as being most helpful for the development of their business. The lack of demand for developing core circular processes, product and services, and the limited intention to develop them in the near term demonstrate that this is not yet a priority for Maltese SMEs.

SOCIAL SCOREBOARD FOR MALTA		
Equal opportunities and access to the labour market	Early leavers from education and training (% of population aged 18-24)	Weak but improving
	Gender employment gap	Weak but improving
	Income quintile ratio (S80/S20)	Better than average
	At risk of poverty or social exclusion (in %)	Better than average
	Youth NEET (% of total population aged 15-24)	On average
Dynamic labour markets and fair working conditions	Employment rate (% population aged 20-64)	On average
	Unemployment rate (% population aged 15-74)	Better than average
	Long-term unemployment (% population aged 15-74)	Better than average
	GDHI per capita growth	N/A
	Net earnings of a full-time single worker earning AW	On average
Social protection and inclusion	Impact of social transfers (other than pensions) on poverty reduction	On average
	Children aged less than 3 years in formal childcare	Better than average
	Self-reported unmet need for medical care	Better than average
	Individuals' level of digital skills	Better than average

With respect to green jobs in Malta, a 2015 study indicates that, though modest in size, the green economy is picking up and is employing more workers among the various industries - with such jobs residing in mature segments that cover a wide array of activities including manufacturing and the provision of public services such as wastewater and solid waste management, with a smaller portion encompassing newer segments that respond to energy-related challenges.

4. Socio-cultural context

On the back of strong and sustained economic growth, the Maltese labour market performs well. The unemployment rate dropped to 4.0 % in 2017 and employment growth remained robust. The employment rate (for people aged 20-64) has risen above the EU average and reached 74.4 % in Q2-2018. Malta had the highest increase in female employment in the last decade, but the employment gap is the largest in the EU.

Nevertheless, labour and skill shortages can hamper growth and its inclusiveness. The share of employers reporting labour shortages has continued to increase across sectors. Although closing,

the gender employment gap is still one of the largest in the EU, as shown in the indicators of the Social Scoreboard supporting the European Pillar of Social Rights (Figure 2). The participation of people with disabilities in the labour market also remains low. The high proportion of population with low skills and school dropout rates affecting children hamper efforts to reach sustainable and inclusive growth.
In 2017, wage growth was contained by rising labour supply resulting from inflows of foreign workers and higher participation of women in the labour market.

Figure 2 Malta Social Scoreboard - European Pillar of Social Rights

In terms of regional gaps, disparities exist between the island of Malta and the island of Gozo. The small island of Gozo, which is currently dependent on the sea transport link with the island of Malta, is less accessible, has scarce access to services and has fewer job opportunities than mainland Malta.
Headline indicators on poverty and social exclusion show that Malta is benefiting from a flourishing economic climate. In 2017, the share of the population at risk of poverty and social exclusion (AROPE) declined from 20.1 % in 2008 to 19.2 %. However, the decline was not uniform for all groups. The large inflow of irregular migrants (e.g. from North Africa) may create integration challenges, reflected in their high risk of poverty and social exclusion particularly in a context of increased housing costs.

5. Opportunities & Obstacles

Based on all the collected information, the main opportunities and obstacles identified for Malta's circular economy businesses can be summarized in the following table:

	Opportunities	**Obstacles**
General economic context and investment climate	Malta has weathered the euro-zone crisis better than most EU member states due to a low debt-to-GDP ratio and financially sound banking sector. It maintains one of the lowest unemployment rates in Europe, and growth has fully recovered since the 2009 recession. In 2014 through 2016, Malta led the euro zone in growth, expanding more than 4.5% per year. Maltese SMEs have invested in resource efficiency, but it led to higher production costs in the short term, creating a need for external funds. Various initiatives have been put in	Malta is a service-based and open trade economy characterized by diseconomies of scale, largely depending on the import all raw materials, whilst exporting production. Natural resources are very limited and those resources present are already valued and maximised to the full, through multiple re-use (e.g. water resources). The main barriers to eco innovation in Malta remain the lack of space and local resources, energy dependency, water scarcity, and waste management. Also research and development remains a challenge.

	place to improve access to finance for SMEs, including setting up the Malta Development Bank. Well-trained workers, low labor costs, and EU membership attract foreign investment.	
General political context	The Maltese government has been very active in recent years to tackle environmental issues and support the development of the green economy. At an international level policies have to drafted in such a manner as to make it more conducive for such businesses to thrive rather than hinder their efforts in trying to become greener and more sustainable, for example the continuous conflict between State Aid and the support for investment in Renewable and Energy Efficient Technologies must be settled to the benefit of a greener society.	Malta's strategy on Circular Economy focuses mainly on waste management, and it is implemented by the Resource Recovery and Recycling Agency, working together with the Ministry of Environment, Sustainable Development and Climate Change.
Policy and regulatory (both national and regional/local)	There are a number of innovative models that have been launched successfully internationally, that could be considered locally. When it comes to such business models it is clearly not a case of 'onesize fits all' and consequently due diligence ought to be carried out to identify the schemes that are more appropriate for the local economy. Improving policies and regulations to better support green and circular businesses would first and foremost support the business to improve its standard as an enterprise in a comprehensive manner. Furthermore driving businesses towards a green agenda will help the State attain EU and International targets and projects a higher green vision for itself within the other MS and in international fora.	Economic activity in Malta, in relation to the Green economy has remained limited restricted to the collection of waste, importation and installation of Renewable Energy Sources and energy/resource efficiency technologies, and limited manufacturing of energy efficiency technologies such as windows and apertures among others.
Subsidies and fiscal benefits	Demand for funding opportunities and financial advice has grown in the past years. To compensate the lack of private source of funds, public authorities have supported the Maltese	Access to finance represent a strong barrier to eco-innovation in businesses. Maltese SMEs have invested in resource efficiency, but for at least a quarter of them, it led to higher production costs in

	economy for many years, through European and national funds. For example, two third of all R&D expenses came from public funds in 2016 (Times of Malta, 2017). A diversification of financing instruments, including access to venture capital, is now a new focus of the Malta Development Bank, to support innovation in services and new business models, that will be necessary to shift to a circular economy.	the short term, creating a need for external funds. However, Maltese SMEs are having trouble accessing to finance, as banks reduced lending to businesses.
Public procurement	The Second Green Public Procurement Action Plan provides a series of targets and measures that sees a level of ambition that has never before prevailed in Malta. Implementing the Plan and achieving its targets will require the support and commitment of economic operators as well as those responsible for public procurement. The Directorate of Environment and Climate Change has been committed to support SMEs in dissemination of information and training sessions, and will continue to do so during the second National Action Plan, in order to further facilitate its implementation.	One of the continuous challenges in implementing GPP in Malta has been striking a balance in setting an ambitious yet realistic agenda for GPP whilst operating in a market characterised by SMEs. The first National Action Plan has shown that SMEs tend to be presented with a greater challenge in being GPP compliant due to the costs of introducing the necessary changes to achieve an environmental improvement, particularly when the tenders are utilising the cheapest technically compliant offer instead of the most economically advantageous tender. Most of the economic operators also lack the resources to allocate specific personnel to address GPP. Perhaps the greatest difficulty the GPP office came across during the implementation of the GPP NAP has been the need to keep procurement officials and bidders abreast with GPP updates. As a result, GPP was being increasingly perceived as an added burden to the already complex public procurement system.
General knowledge and awareness about CE	Several initiatives were promoted by the Maltese government to raise awareness around circular economy topics. For example the "Don't Waste Waste" campaign by the Ministry for the Environment, and Climate Change and Planning was a nationawide educational and awareness raising campaign on waste prevention and management. The campaign also included an online game to engage the	The development of circular processes and uptake of eco-innovations also depend on the capacity of businesses to cooperate and build capability. There is considered to be a lack of interest on the part of SMEs in this domain, and especially regarding cooperation to develop processes for the reuse of waste and by-products.

	public in understanding more about good waste management practices and the initiatives that are ongoing in Malta and Gozo. Tips and ideas were also provided on how to reduce the waste going to landfill, upcycling, recycling and saving what can be reused from going to waste. Also the Malta's Science & Arts Festival - for research and innovation for cities, focused on plastic by increasing awareness about the effects of plastic waste on the planet through an interactive exhibition. The Ministry for the Environment, Climate Change and Planning created an official Facebook page to raise awareness and to use the platform to announce initiatives such as litter clean ups taking place in association with different stakeholders and volunteers. The upcoming Waste Management Plan for the Maltese Islands 2021-2030 will include various awareness-raising activities on the circular economy in relation to waste prevention and reuse.	
Consumer demand (linked to previous point)	Businesses that are green are more highly regarded, therefore helping with increasing their competitive edge as well as enhancing their brand image. Furthermore, employees working for a green business are more likely to be content and less likely to leave as they feel they are part of a work community that cares, this in turn leads to a reduced turnover. Although initial costs to go green might be high, in the long run there are more benefits to be reaped and it is therefore why such policies and regulations should help with encouraging businesses with taking the first step.	
Public-private partnerships	Malta welcomes opportunities and collaborations between public and private entities to embrace the theme of circularity and aims to carry out a number of long-term projects in the coming years.	

	In relation to tourism, public-private-partnerships are seen as an opportunity spread the costs and risks of large green tourism investments. In relation to energy management, an example of public-private partnership is the joint venture company, Malta Developers Green Energy Limited, by the Malta Developers Association and the Water Services Corporation (WSC), that is to build a number of solar farms on the roofs of all the WSC's reservoirs.	
Support programs or platforms for green and circular businesses	The University of Malta and MCAST are now offering programmes relating to sustainable development. The University of Malta offers Masters in Education for Sustainable Development, B.Sc. (Hons) in Earth Systems, Master of Science in Sustainable Environmental Resources Management, Master in Environmental Management and Planning, Master of Science in Sustainable Infrastructure, Masters in Sustainable Energy. On the other hand, MCAST offers courses on Environmental Sustainability, Environment Conservation, Environment and Water Technology, Environmental Engineering, Energy Management, Power Generation, Solar Thermal Installations Power Generation and Renewables among others. In Malta there are a few incubators and acceleration programs, promoted by organizations like Take Off (by University of Malta) and Faster Capital.	
Professional training and education on CE / Skilled labour and the promotion of green jobs in the labour market	The Maltese government has been strongly investing in education over the past five years, as showed by the *National Education for Sustainable Development Strategy (NESDS)*. The continuous emphasis on the local labour market and thus training and re-skilling is imperative due to Malta's	Innovation is hindered by the size of the research and innovation system, but even more so by a mismatch between skills needed and current labour force. The low-skilled workforce is still partly excluded from the labour market, while companies rely on immigration to offset emerging skill gaps and shortage of

	heavy reliance on the labour market as a motor for economic performance. Malta's continued economic growth depends on upgrading and deepening the education, knowledge and skills of Maltese workers. Human capital is a key factor in the adoption of new technologies, the introduction of innovative practices and in securing growth in multi-factor productivity arising from improvements in managerial practices, organisational change and inventions per se. Education and training must establish stronger links with Malta's labour market given that quality intelligence on labour supply and demand dynamics are critical in ensuring outcomes that address the needs of current and future labour markets. The role of skills matching and the continous upgrading of the local skills pool with the requirements of the market will be a determing factor for Malta to capitalise on the advantages that the green economy tansformation will bring about. It is important to train also public and private decision makers in the challenges of sustainable development. Training decision makers (national and local elected representatives, business leaders and unions among others) is deemed highly opportune to trigger real changes in behaviours and individual and collective choices.	applicants for the high number of job opening. Digital skills and soft skills (communication, problem-solving, etc.) are especially lacking, hampering the capacity for many workers to take part in innovative professional activities.
Specific economic sectors	Malta's 2030 National Energy and Climate Plan was published in December 2019. This Plan follows the scope of the Energy Union and covers five dimensions: decarbonisation, energy efficiency, energy security, internal energy market, and research, innovation and competitiveness. The Plan sets out Malta's national objectives and contributions for 2030 in the respective dimensions and contains a description of the foreseen	Malta's high population density, limited land space and lack of economies of scale coupled with the effects of its climatic conditions, proves challenging to transform this small island state into a competitive player within the waste sector. Despite substantial progress in diversifying the energy mix, dependency on oil products remains high.

	policies and measures that need to be implemented in order to reach the set-out objectives.	Maltese SMEs are unlikely to participate in industrial symbiosis, or to design or plan to design products that are easier to maintain, repair or reuse.
Other socio-cultural factors (incl. gender issues)	Thinking green should become part of how business is done. For example, every financial officer knowing their savings and liabilities from going green, workers in the construction sector having the right skills to build and install small-scale renewable energy technologies, and to install the full range of measures that will make homes and businesses more energy efficient in both new and existing buildings. They will need to know how to build new low carbon infrastructure such as that required to make renewable energy.	
Other commercial or legal challenges		Illegal trapping and killing of protected species remain one of the main challenges in Malta. A recent ruling from the Court of Justice of the EU ruled that the 2014 and 2015 measures authorising the autumn trapping of finches did not comply with the conditions laid down by the Directive on the conservation of wild birds.
Available technologies and infrastructure		Only few of Maltese SMEs identified a need for specific environmental expertise, but they were also the least likely in Europe to mention the need for demonstration of new technologies and processes to improve resource efficiency, pointing to a lack of interest for eco-innovation.

6. Appendix: bibliography

Below are some of the policies and strategies promoting in a way or another green and circular economy and other relevant reports:

Document	Year	Source
RBMP Project Life	2020	https://www.rbmplife.org.mt/
Malta Business Bureau /Publications	2020	https://mbb.org.mt/category/media/studies/page/2/
Towards a Circular Economy. RRRA.	2020	https://rrra.gov.mt/wp-content/uploads/2020/01/email-version-fin..pdf
National Strategy for Research and Innovation in Energy and Water (2021-2030)	2020	https://mk0energywaterabbylt.kinstacdn.com/wp-content/uploads/2020/07/National-Strategy-for-Research-and-Innovation-in-Energy-and-Water-2021-2030-EWA-web.pdf
Ecopreneur European sustainable Business Federation Final Report Circular Economy Update Overview of Circular economy in Europe	2019	https://circulareconomy.europa.eu/platform/sites/default/files/ecopreneur-circular-economy-update-report-2019.pdf
Ecopreneur European sustainable Business Federation Final Report Circular Economy Update Overview of Circular economy in Europe	2019	https://circulareconomy.europa.eu/platform/sites/default/files/ecopreneur-circular-economy-update-report-2019.pdf
Country Report – Malta. EU	2019	https://ec.europa.eu/info/sites/info/files/file_import/2019-european-semester-country-report-malta_en.pdf
The EU Environmental Implementation Review 2019 – Malta	2019	https://ec.europa.eu/environment/eir/pdf/report_mt_en.pdf
The Global Competitiveness Report 2019. World Economic Forum	2019	http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf
Second Green Public Procurement Action Plan. MSDEC	2018	https://meae.gov.mt/en/Public_Consultations/MSDEC/Documents/Green%20Public%20Procurement%20National%20Action%20Plan.pdf
The Water Management Framework in Malta	2018	https://www.energywateragency.gov.mt/news/water-management-framework-malta/
"Don't waste waste" campaign / water	2018	https://www.maltachamber.org.mt/en/don-t-waste-waste
Investment Aid for Energy Efficiency Projects	2018	http://www.maltaenterprise.com/support/investment-aid-energy-efficiency-projects
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Waste management plan for the Maltese island. MSDEC	2014	https://environment.gov.mt/en/decc/Documents/environment/waste/wasteManagementPlan2014-2020.pdf
Malta's national biodiversity strategy and action plan 2012 -2020	2012	https://www.cbd.int/doc/world/mt/mt-nbsap-01-en.pdf

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