

COVID-19 Island Insights Series

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Malta

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The COVID-19 Island Insights Series is an initiative spearheaded by the Strathclyde Centre for Environmental Law & Governance (SCELG) and the Institute of Island Studies (IIS) at the University of Prince Edward Island in collaboration with Island Innovation. The initiative brings together critical assessments of how specific islands around the world have performed during the COVID-19 pandemic and the extent to which their recovery plans can promote resilience and sustainability in the long term.

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Malta is a nation state which forms part of the European Union.

The country consists of an archipelago of islands of which Malta and Gozo are the main inhabited islands.

The combined area of the archipelago is 316km².

The population is 493,559.¹

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COVID-19 headline data and timeline

First case detected on 7th March 2020.

Number of confirmed cases until 15th August, 1348, (0.0026 per capita).

Number of fatalities until 15th August, 9 (or 0.002% per capita).

Schools closed on 12th March 2020. Summer schools opened on 1st July 2020.

Main travel restrictions were enacted on 20th March 2020. All travel restrictions were lifted on 15th July 2020.



MALTA.²

¹ NSO, 2020, World Population Day: 11 July 2020, https://nso.gov.mt/en/News_Releases/Documents/2020/07/News2020_114.pdf.

² Map downloaded from https://ian.macky.net/pat/map/mt/mt_blu.gif.

COVID-19 in Malta: An overview

It was on the 7th March 2020, around four months after the first symptoms of the COVID-19 disease emerged in China, that Malta registered its first official case of the Covid-19 virus.³ Within two weeks Malta had 71 reported cases which doubled again within the next week. Half of these cases were related to travel as opposed to community transmission, a distinction which was possible to detect given that screening of passengers landing in Malta (and mandatory quarantine for people arriving from certain countries) had started prior to the detection of the first case, on the 24th February.⁴ Consequently, on the 20th March, all passenger flights to Malta were halted.

Beyond travel restrictions, containment measures were released rapidly following the first detected case. These included public health preparedness, communication campaigns (focusing on social distancing, hand washing and mask wearing), extensive swabbing and contact tracing, as well as several legal notices detailing restrictions complete with penalties and enforcement.⁵ The latter included closure of outlets, banning of activities and lockdowns. Notable among these measures was the closure of schools as early as the 12th March, together with childcare centres and day centres for the elderly. All religious functions and church gatherings, outdoor football games and political activities were also cancelled as of that day. Ten days later, all non-essential retail and services outlets were closed and organised

gatherings were banned. Arguably the most drastic restriction was put in place on the 28th March (3 weeks after the first case) when people over 65 years of age (almost a fifth of the population), pregnant women and people with certain chronic conditions were ordered to stay indoors.⁶

It bears mention that during the COVID-19 April peak, Malta had one of the most trusted health care systems in the European Union.⁷ Malta maintained a relatively flat epidemic curve⁸ such that the highest number of active cases in any single day following the first case was 352, on April 15th. Thereafter active cases declined steadily and on the 1st of June, the Prime Minister of Malta declared that Malta had won the war against COVID-19.⁹

By 5th June all establishments were allowed to reopen and the airport reopened on the 1st July. All travel bans were lifted on the 15th July 2020, during the week which saw the lowest number of active cases (just 3 cases on the 17th July) and a 7-day stretch of no new cases.¹⁰ The situation changed dramatically thereafter. The number of active cases rose rapidly, reaching 557 active cases on the 15th August.¹¹ Mass touristic and leisure events were found to be the main sources of transmission. As pressures from health professionals mounted (including strikes), government once more introduced restrictions.¹²

³ Liu Y-C et al., 2020. COVID-19: The first documented coronavirus pandemic in history, *Biomedical Journal*, <https://doi.org/10.1016/j.bj.2020.04.007>

⁴ Information retrieved on the 17th August from the Ministry of Health website SAHHA, <https://deputyprimeminister.gov.mt/en/health-promotion/covid-19/Pages/covid-19-infographics.aspx>

⁵ Information retrieved on the 17th August from the E&Y website https://www.ey.com/en_mt/responding-to-covid-19

⁶ Information retrieved on the 17th August from the E&Y website https://www.ey.com/en_mt/responding-to-covid-19

⁷ Eurofound, 2020. Living, working and COVID-19: First findings – April 2020, Dublin.

⁸ Dong, E., Du H., Gardner, L. 2020. An interactive web-based dashboard to track COVID-19 in real time. *The Lancet*

infectious diseases; and information retrieved on the 16th August from the website <https://www.bbc.com/news/business-52450958>

⁹ Information retrieved on the 16th August from <https://www.tvn.com.mt/en/news/malta-won-the-war-against-covid-19/>

¹⁰ Information retrieved on the 17th August from <https://www.worldometers.info/coronavirus/country/malta/>

¹¹ Information retrieved on the 17th August from <https://www.worldometers.info/coronavirus/country/malta/>

¹² Information retrieved on the 17th August from <https://theshiftnews.com/2020/08/05/daily-average-of-reported-covid-19-cases-reaches-april-peak/>

Key Economic and Societal effects of the Covid-19 outbreak in Malta

At around the time of the start of the COVID-19 pandemic, the Maltese economy was just emerging from a period of unprecedented growth, with relatively stable prices and unemployment lower than 4%.¹³ This afforded Malta the fiscal reserves necessary to support businesses and to mitigate the impact through targeted and temporary support and stimulus packages.¹⁴ In fact, Malta had one of the most generous COVID-19 financial bailouts in the world.¹⁵ A series of measures were rolled out in March, costing nearly €2 billion (around 14% of GDP). These included supporting families and businesses; safeguarding pension rights and safeguarding employment. It was estimated that around two-thirds of Malta's private sector employees were financially assisted in one way or another.¹⁶ Malta also successfully negotiated a package worth some €992 million, as part of a €750 billion EU rescue package.¹⁷

Nonetheless, the outbreak significantly disrupted the Maltese economy, especially the tourism sector. Despite the fact that it had been a stalwart of the Maltese economy since the 1980s, this sector proved to be a highly vulnerable one.¹⁸ In 2019, tourism accounted for some 13.7% of the total gross value added (GVA), with a record 2.7 million tourists, spending some €2.2 billion.¹⁹ Increased connectivity and diversification of the tourism sector had

helped to drive this growth. Hotel beds had increased by more than 7,000 over the period between 2013 and 2018, and despite the fact that hotel profitability had plateaued in 2018, more beds had been given development permits.²⁰ As COVID-19 hit the islands, the risk of losses on high capital invested, coupled with low liquidity left hoteliers highly vulnerable. As a result, there was considerable pressure by the industry and its representatives to relax restrictions as quickly as possible.²¹ But once the restrictions were lifted, transmission soared, leading Malta to be removed from the safe-travel list of several countries of tourism origin.²²

Meanwhile, a commensurate blow was felt in the linked wholesale and retail sectors (accounting for 9.8% of total gross value added and 13.7% of total registered employment).²³ As tourism contracted, retail enterprises saw their revenues plummet, while continuing to face the burden of wage bills and overheads. The losses in the sector were worsened by the added blow of subdued consumption by Maltese nationals and by a shrinking foreign labour force, previously resident in Malta.²⁴ The latter had constituted a key part of Malta's economic growth plan, to compensate for a stagnant natural population growth. Yet, as foreign workers experienced lower earnings or loss of jobs, their departure from Malta only accentuated the negative multiplier effect. The contraction was felt

¹³ Central Bank of Malta, 2020. Quarterly Review 2020, Vol. 53 no. 1. Central Bank of Malta, Valletta.

¹⁴ Information retrieved on the 13th August from the Malta Enterprise website <https://covid19.maltaenterprise.com/?re-generating-the-maltese-economy>

¹⁵ Elgin, C., Basbug, G., Yalaman, A., 2020. Economic Policy Responses to a Pandemic: Developing the COVID-19 Economic Stimulus Index. COVID Economics, Vetted and Real-Time Papers 3, 10 April 2020.

¹⁶ Information retrieved on the 17th August from <https://ww1.issa.int/news/social-security-responses-covid-19-case-malta>

¹⁷ Information retrieved on the 13th August from the Malta Today website https://www.maltatoday.com.mt/news/eu-ropes/102607/almost_1_billion_in_eu_covid19_recovery_funds_proposed_for_malta#.XzTqwjWxVzo

¹⁸ Briguglio, L., and Avellino, M. 2019. Has overtourism reached the Maltese Islands? Occasional Papers on Islands and Small States, 1. Islands and Small States Institute, University of Malta.

¹⁹ Information retrieved on 17th August from the NSO website https://nso.gov.mt/Home/SELECTED_INDICATORS/Pages/Sub-Selected-Indicators/Tourism.aspx

²⁰ Fabri, J.P., Fennech, G., Fabbri, S., Cassar, V., Spiteri, J., 2020. Section 2, The Local Context, Agile Publication. Retrieved at <https://seedconsultancy.com/agile/>

²¹ Information retrieved on the 13th August from the Malta Business weekly <https://maltabusinnessweekly.com/mum-mhra-chamber-of-commerce-welcome-relaxation-of-measures/7677/>

²² Information retrieved on 17th August from the Malta Independent <https://www.independent.com.mt/articles/2020-08-13/local-news/UK-adds-Malta-to-travel-quarantine-list-6736226089>

²³ Information retrieved on 17th August from the NSO website https://nso.gov.mt/Home/SELECTED_INDICATORS/Pages/Sub-Selected-Indicators/Tourism.aspx

²⁴ Fabri, J.P., Fennech, G., Fabbri, S., Cassar, V., Spiteri, J., 2020. Section 2, The Local Context, Agile Publication. Retrieved at <https://seedconsultancy.com/agile/>

not only in the retail sector, but also in the housing rental market.

It is worth noting that the extent to which the pandemic impacted foreign visitors (tourists) and expenditures by foreign residents living in Malta was particularly dramatic given the extent to which both phenomena were previously hailed as being key to Malta's economic growth²⁵

The outbreak of COVID-19 also exposed societal fragilities. In particular, while health was considered to be a strong suit of Malta, mental health emerged as a weak link. Although Maltese people enjoy one of the longest life expectancies in the European Union, there is a rising disease burden from mental health issues.²⁶ Loss of income, jobs and drastic changes to lifestyle, not to mention the illness itself and the trauma of not seeing or losing loved ones, led to significantly lower levels of wellbeing during the pandemic.²⁷

Post Covid-19 world: resilience and sustainability

The Covid-19 outbreak was an opportunity to reflect about resilience and sustainability and on the extent to which policy was aligned with the achievement of the Sustainable Development Goals. At the time of writing, Malta scored 62/100 on the European Union Scoreboard,

and ranked 24 out of 28 member states. Considerable challenges remained in all the goals bar decent work and economic growth.²⁸ As the effects of the pandemic unfolded various academics and stakeholders commented on resilience building for the future and a renewed focus on sustainability in envisaging a post-COVID-19 future.²⁹

Malta's economy has frequently been described as having developed too fast and furiously, with the consequence of depletion of natural resources, loss of cultural assets, and higher levels of waste, air, climatic noise and marine emissions than could have been achieved with more prudent growth.³⁰ The COVID-19 outbreak had allowed people to imagine what Malta could be like with fewer private vehicles on the roads, lower pollution, greenhouse gas emissions and congestion.³¹ In the words of environmental experts, COVID-19 had achieved what countless agreements policies and plans had failed to do.³² The post-COVID-19 challenge was described as one where the economy could restart without resorting to subsidising pollution, where recovery would be stimulated by government investment in green infrastructure, where aid would favour cleaner consumption and production, enable transport modal shift and focus on regeneration rather than new building development, with the adoption of circular economy concepts for the construction industry.³³

²⁵ Information retrieved on the 17th August from <https://whoswho.mt/en/as-tourism-will-continue-to-struggle-gains-experienced-by-winners-of-this-new-normal-will-intensify---lino-briguglio>

²⁶ OECD/European Observatory on Health Systems and Policies, 2019. Malta: Country Health Profile 2019, State of Health in the EU, OECD Publishing, Paris/European Observatory on Health Systems and Policies, Brussels. <https://doi.org/10.1787/05db1284-en>.

²⁷ Information retrieved on the 13th August from the Times of Malta <https://timesofmalta.com/articles/view/study-reveals-drop-in-peoples-happiness-due-to-virus-outbreak.786716>; and the Malta Association of Psychiatry https://map.org.mt/2020/08/11/a4mh-press-release-mental-health-service-delivery-should-be-a-priority-in-covid-19/?fbclid=IwAR18gkbt7S_0zIKFH-4jTt-q7IlkoF8d00ysNsKU-m-iSzUeysxCn8Mbbs

²⁸ Information retrieved on the 8th October from EU SDG Index, 2019 <https://eu-dashboards.sdgindex.org/countries/malta>

²⁹ Information retrieved on 17th August from <https://whoswho.mt/en/malta-does-not-need-to-reinvent-the-wheel-to-green-the-economy-economist-marie-briguglio>;

³⁰ Briguglio, M., 2017. An Economy on Steroids. Information retrieved on 14th August from <https://timesofmalta.com/articles/view/An-economy-on-steroids.649396>

³¹ See for instance <https://www.youtube.com/watch?v=kFszkO55gJI>

³² Deidun A., 2019. Post COVID-19 environmental scenarios. In Fabri, J.P., Fennech, G., Fabbri, S., Cassar, V., Spiteri, J., 2020. Agile Publication. Retrieved from <https://seedconsultancy.com/agile/>

³³ Information retrieved on 17th August from the Times of Malta <https://timesofmalta.com/articles/view/post-covid-construction-make-it-sustainable-social.788042>

One of the key adjustments that continue to be flagged is the need to expand remotely yet safe working options, thereby reducing greenhouse gas emissions and promoting social distancing.³⁴ Indeed, much as the advent of the pandemic allowed a vision for a lower environmental footprint in future, so too did it shed light on the importance of the digital economy to build resilience.³⁵ The crisis highlighted the potential for the sector broadly and for companies and government entities to transform and enhance work from home and the e-services offer, more specifically.

In the social domain, education received considerable attention as a sector which is both vulnerable yet which offers promise for enhanced resilience. A diverse range of methods of remote teaching and assessment were unfurled in quick succession in response to the crisis, but there was concern that increased reliance on home schooling may well have deepened inequalities in education. The post COVID-19 world of education, it was argued, needs to address persistent challenges like the high early school leaving rates, the low tertiary education rates and the need to enhance the skill-base of the workforce.³⁶

Underlying many discussions on the post COVID-19 future in Malta, whether explicitly or implicitly, was the challenge of corruption, good governance, institutional quality and rule of law, as well as the role of the media as the fourth pillar of democracy. These issues were high on Malta's mainstream media agenda prior to the outbreak, in turn linked to Malta's reputation and attractiveness.³⁷ Their importance became ever more evident with the pandemic.

Within the public policy sphere, a host of future visions, strategies and action plans were in place, or in the making - some of which acknowledged the SDGs. Notably, a vision for sustainable development (with a 2050 time frame) had been issued in 2018, with a view to implementing the SDGs - following Malta's 2015 commitment, and following a voluntary review undertaken in 2018.³⁸ This vision had mentioned a radical transformation in the waste sector, a low carbon energy and water supply, green infrastructure, sustainable transport, the eradication of poverty and social exclusion, better quality jobs and education, equality, a digitally empowered society and high quality research, amongst others.

In the height of the second COVID-19 outbreak, in August 2020, the recently appointed Prime Minister of Malta also announced his own *economic* vision till 2050.³⁹ Although there was no accompanying document, some similar themes emerged as in the 2018 report, including education, improving infrastructure and becoming carbon neutral. In addition, the report mentions good governance and economic growth. Work to streamline these visions into actual strategies and action plan was still in the pipeline at the time of writing and no clear action plan had been issued. A key challenge is integrating the vision into the work of the different ministries and actually addressing the root causes of the problems experienced.

Useful Sources

³⁴ Information retrieved on 14th August from the Times of Malta <https://timesofmalta.com/articles/view/continue-working-from-home-uhm-tells-vulnerable-workers.796371>

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³⁶ Fabri, J.P., Fennech, G, Fabbri, S., Cassar, V., Spiteri, J., 2020. Agile Publication. Retrieved at <https://seedconsultancy.com/agile/>

³⁷ Information retrieved on the 14th August from the Council of Europe [https://www.venice.coe.int/webforms/documents/?pdf=CDL-AD\(2020\)006-e](https://www.venice.coe.int/webforms/documents/?pdf=CDL-AD(2020)006-e)

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