Malta Overview

EIB INVESTMENT SURVEY 2020
EIB Group survey on investment and investment finance 2020
Country overview

Malta
About the EIB Investment Survey (EIBIS)
The EIB Group Survey on Investment and Investment Finance, which has been administered since 2016, is a unique, annual survey of some 13,500 firms. It covers firms in all European Union Member States and also includes a sample of firms in the United Kingdom and the United States.

The survey collects data on firm characteristics and performance, past investment activities and future plans, sources of finance, financing issues and other challenges that businesses face. The EIBIS, which uses a stratified sampling methodology, is representative across all 27 EU Member States, the United Kingdom and the United States, as well as across four classes of firm size (micro to large) and four main economic sectors (manufacturing, construction, services and infrastructure). The survey is designed to build a panel of observations, supporting the analysis of time-series data. Observations can also be linked back to data on firm balance sheets and profit and loss statements. The EIBIS was developed by the EIB Economics Department. It is managed by the department with the support of Ipsos MORI.

About this publication
The series of reports provide an overview of data collected for the 27 EU Member States, the United Kingdom and the United States. The reports are intended to provide a snapshot of the data. For the purpose of these publications, data are weighted by value-added to better reflect the contribution of different firms to economic output. Contact: eibis@eib.org.

Download the findings of the EIB Investment Survey for each EU country or explore the data portal at [www.eib.org/eibis](http://www.eib.org/eibis).

About the Economics Department of the European Investment Bank
The mission of the EIB Economics Department is to provide economic analyses and studies to support the Bank in its operations and in its positioning, strategy and policy. The department and its team of 40 economists is headed by Debora Revoltella, director of economics.

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# EIBIS 2020 – Malta

## Investment Dynamics
Investment was declining before the pandemic outbreak in 2019, and with the COVID-19 crisis abruptly affecting the economy, investment stood in Q2 2020 22% below the pre-crisis Q4 2019 level. More than half of firms in Malta (52%) report that they will invest less as a result of COVID-19, broadly in line with the EU average (45%).

## Investment Focus
Around a third of firms in Malta (35%) plan to abandon or delay at least some of their investments as a result of COVID-19, the same as the EU average (35%).

The most frequently cited long term impact of COVID-19 on firms in Malta is the increased use of digital technologies (46%), particularly within the construction/infrastructure sectors (58%).

## Investment Needs and Priorities
Eighty six per cent of firms believe their investment over the last three years was about the right amount, higher than the EU average (80%). Almost seven in ten firms (69%) were operating at or above full capacity in 2019, less than in EIBIS 2019 (79%) but more than the EU average (61%).

Firms in Malta which have been impacted by COVID-19 are most likely to prioritise new products/services (35%), followed by capacity expansion (25%).

## Innovation Activities
More than four in ten firms (43%) developed or introduced new products, processes or services as part of their investment activities, higher than in EIBIS 2019 (33%) and in line with the EU average (42%).

Around six in ten firms (58%) have implemented, either fully or partially, at least one digital technology they were asked about. This is in line with EIBIS 2019 (51%) but below the EU average (63%).

## Drivers and Constraints
Firms in Malta are much more pessimistic about the economic climate (down sixty one percentage points to -44%), the availability of internal finance (down sixty eight percentage points to -36%) and business prospects in their sector (down sixty five percentage points to -29%).

The biggest long term barrier to investment is the uncertainty about the future (85%), an increase of eighteen percentage points since EIBIS 2019 but in line with the EU average (81%).

## Investment Finance
Internal funds accounted for the highest share of investment funding in Malta (64%), in line with the EU average (62%). Bank loans continued to make up the highest share of external finance (60%), in line with the EU average (59%) and broadly in line with EIBIS 2019 (50%).

More than eight in ten (82%) firms report generating profit in the last financial year, in line with EIBIS 2019 and the EU average (81% and 80% respectively).

## Access to Finance
Firms that were using external finance in 2019 are on balance satisfied with the amount, cost, maturity, collateral and type of finance received. The highest levels of dissatisfaction recorded among firms in Malta are with the collateral requirements (12%) and cost of finance (11%).

Around six per cent of all firms in Malta could be considered as external finance constrained in 2019, in line with EIBIS 2019 (5%) and the EU average (6%).

## Energy Efficiency
Around four in ten firms in Malta (42%) have invested in measures to improve their energy efficiency, in line with EIBIS 2019 (42%) and the EU average (47%).

The average share of investment in measures to improve energy efficiency by firms in Malta (14%) is in line with EIBIS 2019 and the EU average (both 12%).

## Climate Change
More than four in ten firms in Malta (44%) feel that their business has been impacted, either in a major or minor way by climate change and the related changes in weather patterns, which is below the EU average (58%).

Firms in Malta are expecting the transition to a low-carbon future to be positive for their reputation (+22%), market demand (+11%) and their supply chain (+6%) over the next five years.

Six in ten firms in Malta (60%) have already invested or plan to invest in the next three years in measures to tackle the impact of weather events and reduction in carbon emissions. This is below the EU average (67%).
Investment Dynamics

INVESTMENT DYNAMICS BY ASSET TYPE

With the COVID-19 crisis abruptly affecting the economy, investment stood in Q2 2020 18% below the pre-crisis Q4 2019 level.

This drop follows a period of investment levels exceeding the levels at the start of the global financial crisis. The COVID-19 crisis could halt this trend.

INVESTMENT CYCLE

Malta has moved into the ‘low investment contracting’ quadrant on the investment cycle. In comparison to EIBIS 2019, the net balance of firms expecting to increase rather than decrease investment in the current financial year has decreased by fifty percentage points to -48%.

Firms in the manufacturing sector continue to be the most likely to invest, followed by medium and large firms.

All sectors and sizes of firms have similar net balances of increase/decrease in expected investment (ranging from -40% to -53%).

Share of firms investing shows the percentage of firms with investment per employee greater than EUR 500. The y-axis line crosses x-axis on the EU average for 2016.

Base: All firms (excluding don’t know/refused responses)
Investment Dynamics

EVOLUTION OF INVESTMENT EXPECTATIONS
Realised/expected change in investment

More firms in Malta increased rather than decreased their investment activities in 2019 (16%), well above expectations formulated the year before (2%) and the same level as the EU average (16%). However, the outlook for 2020 is extremely negative (-48%) and much worse than expectations EU-wide (-28%).

Impact of COVID-19 on Investment

More than half of firms in Malta (52%) report that they will invest less as a result of COVID-19, broadly in line with the EU average (45%).

Similarly, Malta is in line with the EU regarding the share of firms that plan to invest more (10% and 6% respectively).

However, Malta has a lower share of firms than the EU average reporting that their plans are broadly the same (38% versus 50%).

The services sector has a higher share of firms that expect to invest more than the construction/infrastructure sectors (19% versus 4%).

Q. Have your company’s overall investment expectations for 2020 changed due to coronavirus?

Base: All firms with investment plans for the current financial year (excluding don’t know/refused responses)
Investment Focus

**LONG TERM IMPACT OF COVID-19 BY SECTOR AND SIZE**

Generally across all firms, the most frequently cited long term impact of COVID-19 in Malta is expected to be the increased use of digital technologies (46%), particularly within the construction/infrastructure sectors (58%).

Firms in the services sector expect a greater impact on their supply chain than firms in the construction/infrastructure sectors (50% versus 26%) and also on their service or product portfolio (42% versus 26%).

Around one in five firms (22%) expect a permanent reduction in employment levels. Manufacturing firms are less likely to expect a permanent reduction compared to services firms (11% versus 27%).
Investment Focus

PURPOSE OF INVESTMENT IN LAST FINANCIAL YEAR (% of firms’ investment)

The largest share of investment in Malta was for replacing existing buildings, machinery, equipment and IT (40%). However, this proportion has decreased by nine percentage points since EIBIS 2019.

Capacity expansion has also decreased since EIBIS 2019 (down eleven percentage points to 20%).

Conversely, the share of other investment has increased by seventeen percentage points to 22%, well above the EU average (8%).

Firms in the service sector were more likely to report a higher share of other investment than manufacturing firms (30% versus 9%).

Q. What proportion of total investment was for (a) replacing capacity (including existing buildings, machinery, equipment, IT) (b) expanding capacity for existing products/services (c) developing or introducing new products, processes, services?

Base: All firms who have invested in the last financial year (excluding don’t know/refused responses)

INVESTMENT AREAS

Out of the six investment areas considered, the highest share of investment in Malta was in machinery and equipment (41%), followed by land, business buildings and infrastructure (23%) and software, data, IT and website activities (15%). The pattern is broadly in line with the EIBIS 2019 findings.

Manufacturing and construction/infrastructure firms (59% and 44% respectively) tended to allocate a larger share of their investment to machinery and equipment than services firms (26%). In addition, manufacturing firms have allocated a higher share of investment on organisation and business process improvements (15%) than firms in other sectors.

Services firms allocated a larger share to land, business buildings and infrastructure than manufacturing firms (35% versus 9%).

Q. In the last financial year, how much did your business invest in each of the following with the intention of maintaining or increasing your company’s future earnings?

Base: All firms who have invested in the last financial year (excluding don’t know/refused responses)
Investment Needs and Priorities

PERCEIVED INVESTMENT GAP

Eighty six per cent of firms believe their investment over the last three years was about the right amount, which is similar to EIBIS 2019 (84%) and higher than the EU average (80%).

Only 9% of firms report investing too little and 4% too much.

All sectors and sizes of firm have a similar distribution of shares.

SHARE OF FIRMS AT OR ABOVE FULL CAPACITY

Almost seven in ten firms (69%) were operating at or above full capacity in 2019, slightly less than in EIBIS 2019 (79%) but more than the EU average (61%).

Construction/Infrastructure firms were more likely than manufacturing firms to be operating at or above full capacity (78% versus 59%).

The share of firms operating at or above full capacity in the services sector is much lower than in EIBIS 2019 (65% versus 88%).

*Full capacity is the maximum capacity attainable under normal conditions e.g. company’s general practices regarding the utilization of machines and equipment, overtime, work shifts, holidays etc.*

*Q. In the last financial year, was your company operating above or at maximum capacity attainable under normal circumstances?*

*Base: All firms (data not shown for those operating somewhat or substantially below full capacity)*
Investment Needs and Priorities

FUTURE INVESTMENT PRIORITIES (% of firms)

Looking ahead to the next three years, developing or introducing new products, processes or services is the most commonly cited investment priority among firms (36%). This is in line with EIBIS 2019 (42%) but above the EU average (28%).

New products/services is followed by capacity expansion (29%) and replacement (19%), the latter being a much lower share than the EU average (34%).

Around one in six firms (16%) have no investment planned, rising to one in four among services firms and micro/small firms (25% and 23% respectively).

Firms in Malta which have been impacted by COVID-19 are most likely to prioritise new products/services (35%), followed by capacity expansion (25%).

These shares of firms are in line with firms in the EU impacted by COVID-19 (30% and 23% respectively).

Fewer impacted firms in Malta are prioritising capacity replacement compared with impacted firms in the EU (17% versus 34%).

Conversely, impacted firms in Malta are more likely to have no investment planned compared with impacted firms in the EU (22% versus 13%).
Innovation Activities

INNOVATION ACTIVITY

More than four in ten firms (43%) developed or introduced new products, processes or services as part of their investment activities, higher than in EIBIS 2019 (33%) and in line with the EU average (42%).

Specifically, 12% of all firms claim to have undertaken innovation that is new to the country or world, in line with the EU average (15%).

All sectors and sizes of firms have a similar share of innovation activity.

INNOVATION PROFILE

When firms’ innovation and research and development behaviour is profiled more widely, 15% of firms in Malta are classified as ‘active innovators’, with a further 6% classified as ‘developers’.

This breakdown is broadly in line with EIBIS 2019 (11% and 5%), however, the number of Maltese ‘active innovator’ firms is slightly below the EU average (20%).

This holds within the group of firms classified as ‘active innovators – leading’ as well, Malta has a slightly lower share than the EU average (5% versus 10%).

The ‘No innovation and no R&D’ group comprises firms that did not introduce any new products, processes or services in the last financial year. The ‘Adaptor only’ introduced new products, processes or services but without undertaking any of their own research and development effort. ‘Developers’ are firms that did not introduce new products, processes or services but allocated a significant part of their investment activities to research and development. ‘Incremental’ and ‘Leading innovators’ have introduced new products, processes and services and also invested in research and development activities. The two profiles differ in terms of the novelty of the new products, processes or services. For incremental innovators these are ‘new to the firm’, for leading innovators these are new to the country/world.

Q. What proportion of total investment was for developing or introducing new products, processes, services?
Q. Were the products, processes or services new to the company, new to the country, new to the global market?

Base: All firms (excluding don’t know/refused responses)
Innovation Activities

IMPLEMENTATION OF DIGITAL TECHNOLOGIES

Around six in ten firms (58%) have implemented, either fully or partially, at least one digital technology they were asked about. This is in line with EIBIS 2019 (51%) but below the EU average (63%).

Medium and large firms have the highest share of firms implementing digital technologies (69%) and are also the most likely to have organised their entire business around at least one of the digital technologies (35%).

Infrastructure and services firms report relatively high take-up of cognitive technologies when compared with their EU peers.

Q. Can you tell me for each of the following digital technologies if you have heard about them, not heard about them, implemented them in parts of your business, or whether your entire business is organised around them?

Base: All firms (excluding don’t know/refused responses)

DIGITAL TECHNOLOGIES BY SECTOR

Q. Can you tell me for each of the following digital technologies if you have heard about them, not heard about them, implemented them in parts of your business, or whether your entire business is organised around them?

Base: All firms (excluding don’t know/refused responses)
Drivers And Constraints

SHORT TERM FIRM OUTLOOK

For the first time and in line with the EU, all five short term outlooks are negative. Firms in Malta are much more pessimistic about the economic climate (down sixty one percentage points to -44%), the availability of internal finance (down sixty eight percentage points to -36%) and business prospects in their sector (down sixty five percentage points to -29%).

SHORT TERM FIRM OUTLOOK BY SECTOR AND SIZE (NET BALANCE %)

Across all sectors and sizes, firms are more negative than positive about the economic climate (ranging from -33% to -49%).

Manufacturing firms are not as pessimistic as construction/infrastructure and services firms regarding business prospects in their sector, the political/regulatory climate and the availability of internal finance.

Smaller firms are more pessimistic than larger firms regarding the availability of external finance (-22% versus +7%) and the political/regulatory climate (-18% versus +3%).
Drivers And Constraints

LONG TERM BARRIERS TO INVESTMENT

The most frequently cited long term barrier to investment is the uncertainty about the future (85%), which is an increase of eighteen percentage points since EIBIS 2019 but in line with the EU average (81%).

This is followed by the availability of skilled staff (80%), which has decreased by sixteen percentage points since EIBIS 2019 but is above the EU average (73%).

All sectors and sizes of firms have similar levels of citing these as barriers.

Q. Thinking about your investment activities in Malta, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

Base: All firms (data not shown for those who said not an obstacle at all/don’t know/refused)

LONG TERM BARRIERS BY SECTOR AND SIZE

Q. Thinking about your investment activities in Malta, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

Base: All firms (data not shown for those who said not an obstacle at all/don’t know/refused)

Reported shares combine ‘minor’ and ‘major’ obstacles into one category
Investment Finance

**SOURCE OF INVESTMENT FINANCE**

Internal funds accounted for the highest share of investment funding in Malta in the past financial year (64%), in line with the EU average (62%).

Conversely, the share of external finance in Malta was 29%, also in line with the EU average (35%).

Intra-group finance accounted for seven per cent of investment in Malta, higher than the EU average (3%). Larger firms were more likely to use intra-group finance than smaller firms (12% versus 2%).

**TYPE OF EXTERNAL FINANCE USED FOR INVESTMENT ACTIVITIES**

Bank loans continued to make up the highest share of external finance (60%), in line with the EU average (59%) and broadly in line with EIBIS 2019 (50%).

Other bank finance accounted for 24% of external finance used for investment activities, well below EIBIS 2019 (49%) but well above the EU average (8%).

In 2019, Malta had a wider usage of the types of external finance used than in 2018 (as reported in EIBIS 2019). Non-institutional loans (from family, friends or business partners) accounts for 7% and Bonds 5% (both previously 0%).
Investment Finance

SHARE OF FIRMS HAPPY TO RELY EXCLUSIVELY ON INTERNAL SOURCES TO FINANCE INVESTMENT

Among all firms in Malta, only 6% cite as the main reasons for not applying for external finance that they are happy to use internal funds or do not have a need for external finance. This has decreased by seventeen percentage points from EIBIS 2019 (23%) and is below the EU average (17%).

All sectors and sizes of firms are lower than EIBIS 2019.

Q. What was your main reason for not applying for external finance for your investment activities? Was happy to use internal finance/didn’t need the finance
Base: All firms

SHARE OF PROFITABLE FIRMS

More than eight in ten (82%) firms report generating a profit in the last financial year, in line with EIBIS 2019 and the EU average (81% and 80% respectively).

Specifically, 36% of firms claim to be highly profitable, defined as generating a profit level at least 10% of firm turnover. This is more than double the share in the EU average (16%).

All sectors and sizes of firms report similar levels of profitability.

Q. Taking into account all sources of income in the last financial year, did your company generate a profit or loss before tax, or did you break even? Highly profitable is defined as profits/turnover of 10% or more
Base: All firms (excluding don’t know/refused)
Access To Finance

DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED

Firms that were using external finance in 2019 are on balance satisfied with the amount, cost, maturity, collateral and type of finance received. The highest levels of dissatisfaction recorded among firms in Malta relates to the collateral requirements (12%) and cost of finance (11%). No firms reported dissatisfaction with maturity.

Share of dissatisfied firms

DISSATISFACTION BY SECTOR AND SIZE (%)

Micro and small firms are more dissatisfied than medium and large firms regarding the collateral requirements (22% versus 6%) and the cost of finance (19% versus 6%). However, these results should be treated with caution due to the low number of firms using external finance.
Access To Finance

SHARE OF FINANCE CONSTRAINED FIRMS

Around six per cent of all firms in Malta could be considered as external finance constrained in the past financial year, in line with EIBIS 2019 (5%) and the EU average (6%). Micro and small firms have the highest share of finance constrained firms (10%).

Finance constrained firms include: those dissatisfied with the amount of finance obtained (received less), firms that sought external finance but did not receive it (rejected) and those who did not seek external finance because they thought borrowing costs would be too high (too expensive) or they would be turned down (discouraged).

FINANCING CONSTRAINTS OVER TIME

There has been little change in the share of finance constrained firms since EIBIS 2019. Malta has the same share of finance constrained firms as the EU average (6%).

Base: All firms
Energy Efficiency

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

Around four in ten firms in Malta (42%) have invested in measures to improve their energy efficiency, in line with EIBIS 2019 (42%) and the EU average (47%).

Medium and large firms have a higher share of firms investing in energy efficiency improving measures than micro and small firms (48% versus 33%).

The average share of investment in measures to improve energy efficiency by firms in Malta (14%) is in line with EIBIS 2019 and the EU average (both 12%).

Manufacturing firms have increased their share since EIBIS 2019 and have the highest level of investment in these measures (22%).
Energy Efficiency

ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT

Q. In 2019 and under normal conditions, did your company set and monitor internal targets on carbon emissions and energy consumption?
Q. In 2019 and under normal conditions, did your company have a designated person responsible for defining and monitoring climate change strategies?
Q. And can I check, in the past four years has your company had an energy audit? By this, I mean an assessment of the energy needs and efficiency of your company’s building or buildings.

Base: All firms

ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT BY SECTOR AND SIZE

Firms in Malta are less likely than EU firms to have had an energy audit in the past four years (36% versus 55%), to have set internal targets on carbon emissions and energy consumption (30% versus 41%) and to have a designated person to develop and monitor their climate change strategies (17% versus 23%).

Construction/Infrastructure firms are less likely than firms in other sectors to have had an energy audit in the past four years (21% versus 42% and 57%).

Medium and large firms have a higher share than micro and small firms having had an energy audit (43% versus 26%) and having set internal targets on carbon and energy (36% versus 22%).

Base: All firms
**Climate Change**

**CLIMATE CHANGE IMPACT**

More than four in ten firms in Malta (44%) feel their business has been impacted, either in a major or minor way by climate change and the related changes in weather patterns, which is below the EU average (58%).

Malta does have a lower share of firms than the EU average that feel climate change has had a major impact (9% versus 23%) on their business.

All sectors and sizes of firms have a similar share of firms impacted.

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**REDUCTION IN CARBON EMISSIONS OVER NEXT FIVE YEARS BY SECTOR AND SIZE (NET IMPACT %)**

Firms in Malta are expecting the transition to a low-carbon future to be positive for their reputation (+22%), market demand (+11%) and their supply chain (+6%) over the next five years.

Construction/infrastructure firms are more positive than firms in the other sectors regarding the impact on market demand (+23% versus +5% and -3%), whereas services firms are more positive about the impact on their supply chain (+15% versus +2% and 0%).

Please note: green figures are positive, red figures are negative

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Q. Thinking about climate change and the related changes in weather patterns, would you say these weather events currently have a major impact, a minor impact or no impact at all on your business?

Base: All firms (excluding don’t know / refused responses)
Climate Change

INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT

Six in ten firms in Malta (60%) have already invested or plan to invest in the next three years in measures to tackle the impact of weather events and reduction in carbon emissions. This is below the EU average (67%).

Micro and small firms are less likely to have invested or plan to invest than medium and large firms (51% versus 67%).

The cost of investment activities (66%) is the biggest barrier to investing in this area.

Uncertainty about new technologies to help tackle the impact (68% versus 44%) are cited more often as a barrier by medium and large firms than by micro and small firms.

Q. Now thinking about investments to tackle the impacts of weather events and reduction in carbon emissions, which of the following applies?

Base: All firms (excluding don’t know/refused responses)

BARRIERS TO INVESTING IN ACTIVITIES TO TACKLE CLIMATE CHANGE BY SECTOR AND SIZE

<table>
<thead>
<tr>
<th>Sector</th>
<th>Cost of investment activities</th>
<th>Availability of finance</th>
<th>Uncertainty about climate change impacts</th>
<th>Uncertainty about regulatory environment and taxation</th>
<th>Uncertainty about new technologies to help tackle the impact</th>
<th>Availability of staff with the right skills to identify and implement investments related to climate change</th>
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</table>

Q. To what extent is the following an obstacle to investing in activities to tackle weather events and emissions reduction? Is it a major obstacle, minor obstacle or not at obstacle at all?

Base: All firms (data not shown for those who said not at obstacle at all / don’t know / refused)
Profile of Firms

CONTRIBUTION TO VALUE ADDED

Medium and large firms (i.e. with 50-249 and 250+ employees) account for the largest share of value-added in Malta (59%), which is below the EU average (70%).

Services and infrastructure firms account for the largest shares by sector (36% and 35% respectively). These proportions are above the EU average (both 27%).

The charts reflect the relative contribution to value-added by firms belonging to a particular size class / sector in the population of firms considered. That is, all firms with 5 or more employees active in the sectors covered by the survey. Micro: 5-9 employees; Small: 10-49; Medium: 50-249; Large: 250+

Base: All firms

FIRM MANAGEMENT

Firms in Malta are more likely than EU firms to report using a formal strategic monitoring system (65% versus 55%) and to link individual performance to pay (78% versus 70%).

Medium and large firms are more likely than micro and small firms to use a formal strategic monitoring system (78% versus 45%) and to link individual performance to pay (88% versus 64%).

More than six in ten firms in Malta report being owned or controlled by their CEO or a member of the CEO’s family (62%), in line with the EU average (57%).

Q. And does your company (a) use a formal strategic business monitoring system (that compares the firm’s current performance against a series of strategic key performance indicators) (b) link individual performance with pay?

Q. Does the CEO/ company head of your firm own or control the firm, or have a family member that owns/controls it?

Base: All firms (excluding don’t know/refused responses)
EIBIS 2020 – Country Technical Details

SAMPLING TOLERANCES APPLICABLE TO PERCENTAGES AT OR NEAR THESE LEVELS

The final data are based on a sample, rather than the entire population of firms in Malta, so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned.

<table>
<thead>
<tr>
<th></th>
<th>EU</th>
<th>US</th>
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</table>

GLOSSARY

Investment: A firm is considered to have invested if it spent more than EUR 500 per employee on investment activities with the intention of maintaining or increasing the company’s future earnings.

Investment cycle: Based on the expected investment in current financial year compared to last one, and the proportion of firms with a share of investment greater than EUR 500 per employee.

Manufacturing sector: Based on the NACE classification of economic activities, firms in group C (manufacturing).

Construction sector: Based on the NACE classification of economic activities, firms in group F (construction).

Services sector: Based on the NACE classification of economic activities, firms in group G (wholesale and retail trade) and group I (accommodation and food services activities).

Infrastructure sector: Based on the NACE classification of economic activities, firms in groups D and E (utilities), group H (transportation and storage) and group J (information and communication).

SME: Firms with between 5 and 249 employees.

Large firms: Firms with at least 250 employees.

EIBIS 2019: The previous wave of the EIB Investment Survey, with interviews carried out between April-July 2019.

EIBIS 2020: The current wave of the EIB Investment Survey, with interviews carried out between May-August 2020.

Note: the EIBIS 2020 overview refers interchangeably to ‘the past/last financial year’ or to ‘2019’. Both refer to results collected in EIBIS 2020, where the question is referring to the past financial year, with the majority of the financial year in 2019 in case the financial year is not overlapping with the calendar year 2019.
The country overview presents selected findings based on telephone interviews with 180 firms in Malta (carried out between May and August 2020).

### BASE SIZES

(*Charts with more than one base; due to limited space, only the lowest base is shown*)

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<td>794/NA</td>
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<td>All firms (excluding don’t know/refused responses), p. 19</td>
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<td>772/NA</td>
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<td>All firms (excluding don’t know/refused responses), p. 20*</td>
<td>11740/11627</td>
<td>777/762</td>
<td>175/175</td>
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