

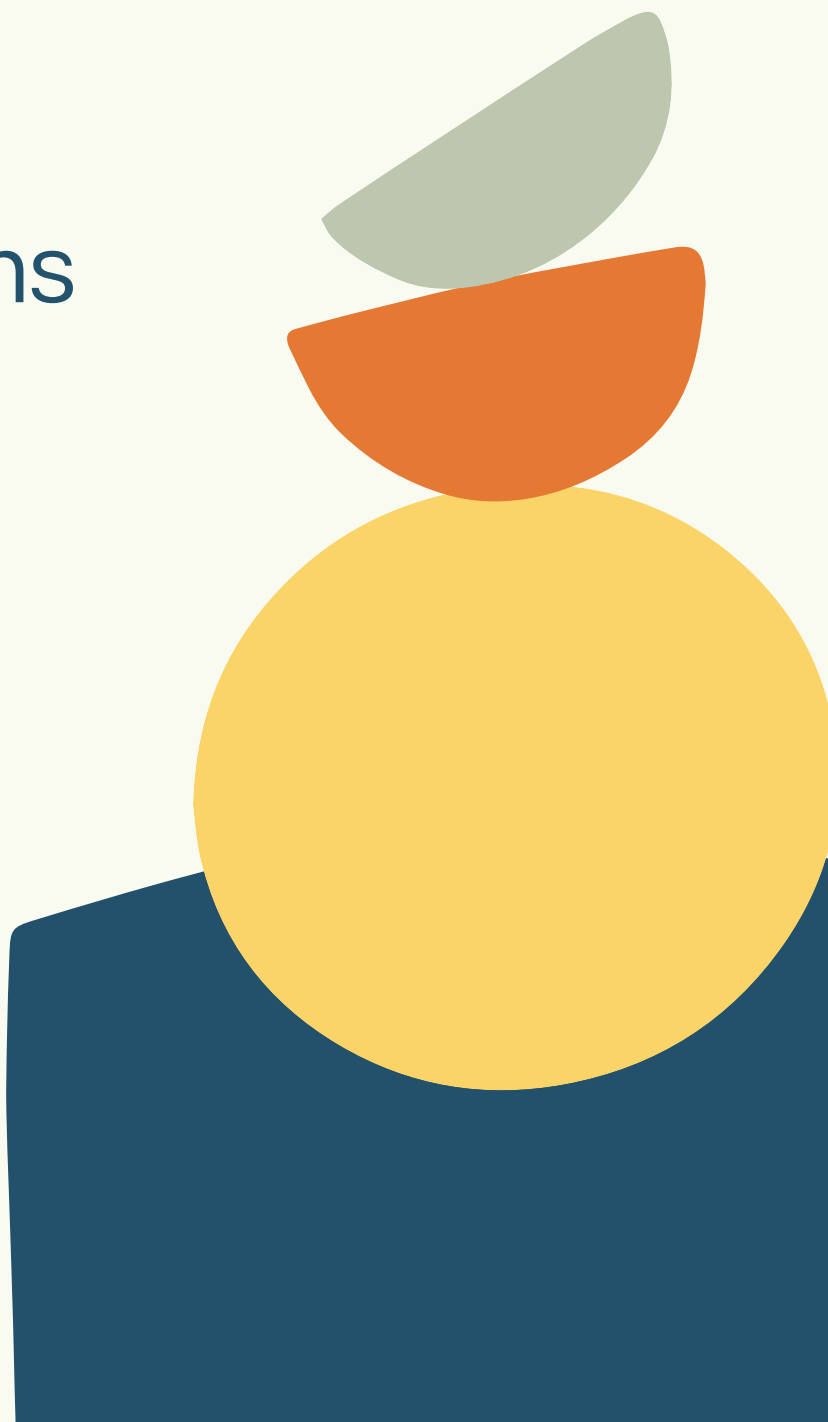


Malta's **Strategy** for Resilient Food Systems

Building Sustainability, Together



GOVERNMENT OF MALTA
MINISTRY FOR AGRICULTURE,
FISHERIES AND ANIMAL RIGHTS



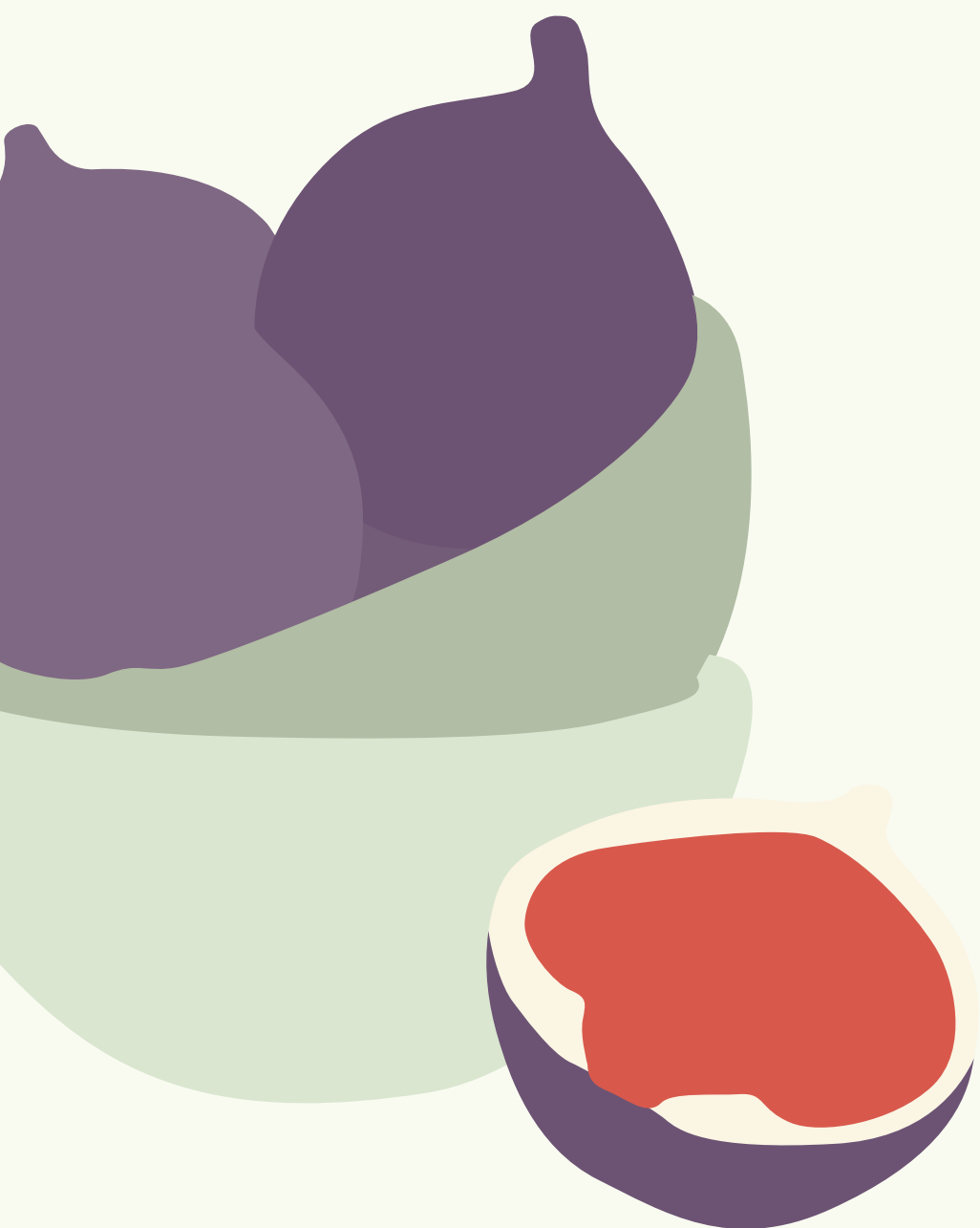
Malta's Strategy for Resilient Food Systems

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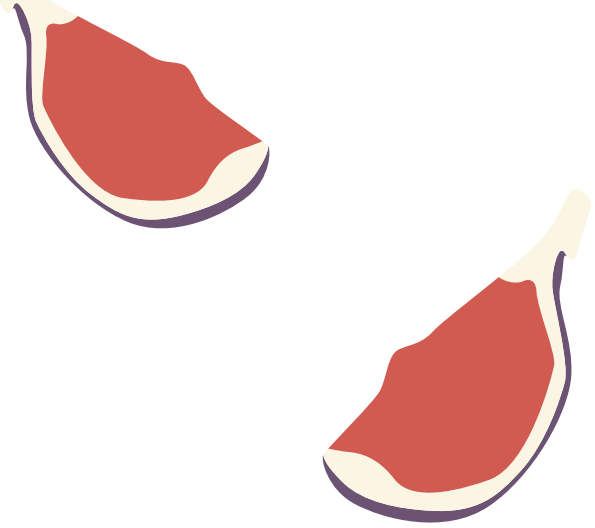


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1 Forewords





The Minister for Agriculture, Fisheries and Animal Rights

Hon. Anton Refalo

In an ever-evolving world, the need for a unified approach towards our food strategy is paramount. The multifaceted nature of food touches not only the remit of my Ministry but also transcends into various policy domains such as health, sustainability, environment, education, foreign affairs, infrastructure, tourism, and enterprise. The complexities of these interconnections necessitate a strategic direction that fosters cohesion, rather than fragmenting our approach.

The ethos of our strategy lies in its holistic perspective. It doesn't favour one domain over another; instead, it seeks balance. Our goal is to instill a profound sense of pride in our national

food heritage and production. A cohesive approach, understanding the intricate balance between health and heritage, or economy and environment, is crucial. By nurturing this pride and promoting a deeper understanding of food – from its taste, provenance, cultural significance, to its sustainability and accessibility – we aim to bring about a transformative mindset shift. This is not just about the present but sets a foundation for the decades ahead, ensuring better outcomes for our citizens and ensuring a sustainable and resilient food sector for our nation's future.

Central to our governance and implementation is the establishment of an Inter-Ministerial Food Systems Strategy Monitoring Committee, chaired by my Ministry. This committee will ensure that our strategy is implemented through tangible projects and programmes, benefiting our community in a comprehensive manner. It will also serve to maintain policy coherence among the Ministries, all the while valuing the uniqueness of each Ministry policy domains.

This strategy follows two key initiatives led by our Ministry to strengthen the local food sector, the 'Acquisition and Ownership of Agricultural Land Reform' white paper launched in 2022, which led to the establishment of the Riżorsi Agrikoli Malta Agency, and Malta's inaugural 'National Action Plan for Organic Food' introduced in 2023. Both pieces of work serve as a testament to our unwavering commitment to the agricultural sector and food sustainability.

Our vision is clear: to create an enabling environment that strengthens our primary sectors, ensures the wellbeing of our citizens, and secures Malta's future in the realm of food. As we embark on this journey, I invite each one of you to be a part of this transformative movement.





Parliamentary Secretary for Fisheries, Aquaculture and Animal Rights

Hon. Alicia Bugeja Said

At the heart of Malta's vision for its food sector lies a clear understanding of the challenges and opportunities ahead. Malta's first national food strategy is a reflection of this vision, where strategic investments, research, and infrastructure come together to create a blueprint for the future, grounded in citizen pride and knowledge.

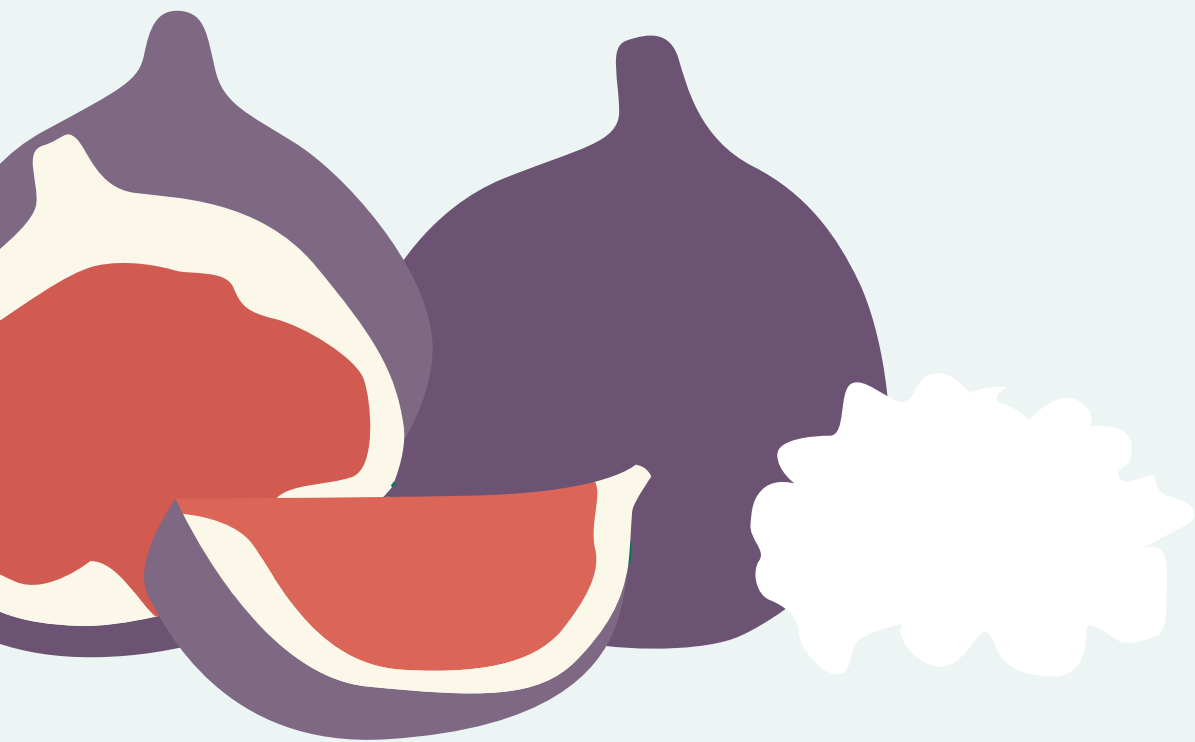
Infrastructure is pivotal for the food sectors.

Recognising this, we are enhancing our capabilities with investments that are critical to enhance product quality and ensure that our local produce reaches consumers in optimal condition. Additionally, we are investing in essential processing and grading facilities, providing our producers with the necessary tools to meet market demands. The huge potential of our aquaculture sector cannot be overstated. As it grows in significance, we are committed to supporting its sustainable expansion, ensuring it remains both environmentally responsible and economically attractive.

In line with our strategy, research emerges as a cornerstone. We want to build deep links with specialists and academic institutions, and channel our energy into sustainable farming, innovation in aquaculture, and the dynamic realm of food technology and nutrition. This holistic approach aims to ensure that our strategic direction aligns with the health and wellbeing of our citizens.

Strengthening the commercial capabilities of our producer organisations is also high on our agenda. Empowering these organisations will enable them to compete more effectively and ensure that Malta's food sector remains robust and dynamic.

In closing, our food strategy is not just a document for the now but a strategy for the future. It balances our current needs with future aspirations, guiding us towards a sustainable, innovative, and prosperous food sector for Malta.





The Permanent Secretary, Ministry for Agriculture, Fisheries and Animal Rights

Sharlo Camilleri

Over the past five years, the Ministry responsible for food has navigated a period marked by significant global and local challenges. From the COVID-19 pandemic to geopolitical instability, we have witnessed unprecedented pressures on food systems worldwide. In Malta, our position as a small

island nation with limited natural resources has only heightened the need for resilience and innovation in the way we approach food governance and supply.

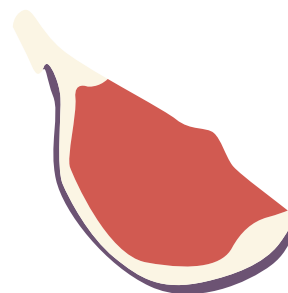
Despite these hurdles, we have taken bold steps forward. We established key institutions such as the Malta Food Agency and Aquatic Resources Malta, launched a White Paper on Agricultural Land Reform, and set up the Agricultural Resources Authority to safeguard our valuable land. We've also consolidated outdated laws and introduced new directorates focused on food standards and systems. These reforms all serve a common purpose: to create a sustainable, efficient, and citizen-focused food system.

The Strategy for Resilient Food Systems builds on this work. It is a forward-looking document based on three core pillars: empowering our primary producers, strengthening national food security, and celebrating the value of Maltese produce — economically, culturally, and nutritionally.

A cornerstone of this strategy is the creation of a new Food Safety Authority, which will have a comprehensive mandate across the food supply chain — from ensuring secure supply and quality assurance to combating fraud and protecting consumer rights.

This is a living strategy, designed to evolve with ongoing consultation and collaboration. It reflects the collective ambitions of our sector, and I am proud to present it as a roadmap for long-term progress, responsibility, and resilience in Malta's food landscape.





The Director for Food Systems and Ambassador for Organic and Sustainable Food

Sonya Sammut

I have always believed that strategy and sustainability come naturally to us — they are part of how we navigate everyday life. We are constantly weighing options, planning ahead, and thinking about how today's choices shape tomorrow. Nowhere is this clearer than in our relationship with food. After all, “we are what we eat,” and what we eat shapes so much more than just our health — it shapes our future.

This strategy is the product of that kind of thinking. It was born from the recognition that, in a rapidly changing post-pandemic world, Malta needed a coherent plan to strengthen the resilience of our food system. More than that, we needed a shared vision — one that celebrates our food, honours those who produce it, and protects the environment that sustains it.

The pages that follow lay out why we did this, how we went about it, and who contributed along the way. What they do not fully show are the challenges we faced behind the scenes: working within a complex, often fragile system; adapting to constant disruptions; and trying to reflect the diverse voices and needs of individuals, businesses, and communities across the sector.

A strategy like this cannot be static. It must keep growing, evolving, and responding to new realities. This is our opportunity — not just to document our path, but to reshape it, and to build a food system that truly serves future generations.

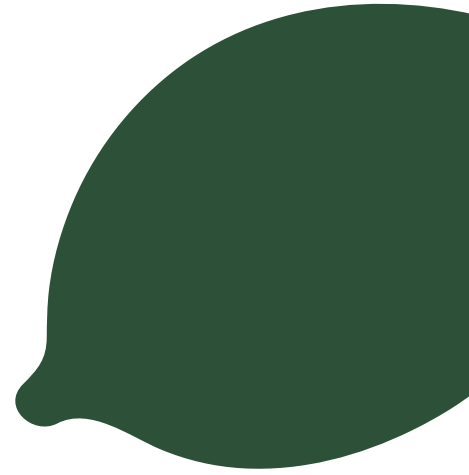
Because in the end, resilience is not just a policy goal. It is a mindset. And I like to think it's in our DNA.



2

Executive Summary





The Ministry for Agriculture, Fisheries and Animal Rights (MAFA) is proud to present the 2025-2034 Malta's Strategy for Resilient Food Systems. The Strategy aims to align mindsets and behaviours amongst the various stakeholders across the food ecosystem including government, producers, consumers, and business in a common direction, in adaptation of EU policy to the local context, chief among which the European Commission's Farm to Fork Strategy, and the more recent Vision for Agriculture and Food based upon the outcome of the Strategic Dialogue on the Future of Agriculture, and in convergence with national priorities set out in various sectoral and thematic strategies aligned with Malta Vision 2050, including Malta's Action Plan for Organic Food, the National Post-Pandemic Strategy for Malta, Malta's National Agricultural Policy (2018 – 2028), the Food and Nutrition Policy and Action Plan for Malta (up to 2020), Malta's Sustainable Development Strategy for 2050, and others.

Malta's Strategy for Resilient Food Systems is built on three pillars:

- **Pillar 1.** Securing the Viability of Local Production: Empowering Economic Activity for the Present and Beyond
- **Pillar 2.** Future-Proofing Food Supply: Strengthening Resilience and Security
- **Pillar 3.** Igniting Pride in Local Food and Nurturing a Knowledge-Driven Food Culture

The first pillar focuses on securing the viability of local production for the present and beyond. The pillar aims to create the necessary infrastructure and support systems that enable fair opportunities for producers. We want to ensure that primary production becomes a financially sustainable activity and that the agriculture, fisheries, and aquaculture industries are both adaptable and empowered

through education and innovation. We will also continue to design and implement appropriate policies to secure land use, address financial market failures, and facilitate access to EU funds. Attracting and engaging the next generation of talent in the sector is paramount to sustaining its growth.

The second pillar entails boosting the overall security of supply of our food systems through strategic policies, synergistic ecosystem collaborations, and increased investment in the food sector. We will encourage research and innovation initiatives that support sustainable food supply and practices, enabling Malta to stay resilient in the face of daunting challenges. Our enduring ambition is to ensure long-term food security for all citizens, alongside promoting an environmentally conscious, economically viable, and culturally respectful food system that contributes positively to Malta's health, economy, and identity.

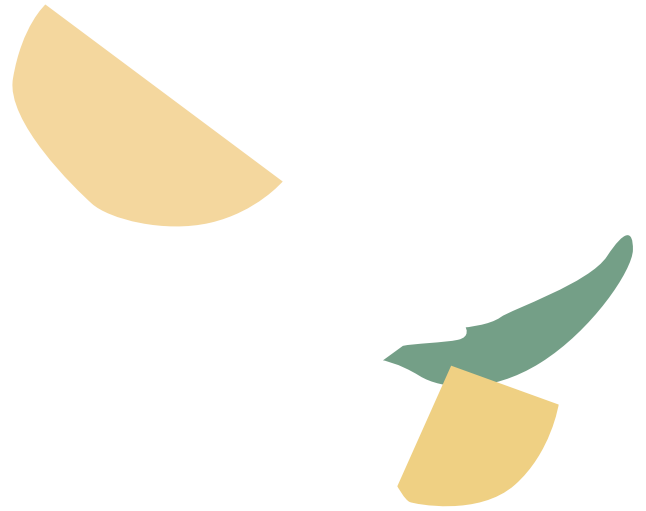
The third pillar centres on reigniting pride in local food products and nurturing a knowledge-driven food culture in Malta. Amidst the rising popularity of the so-called 'ultra-processed' and fast foods, this pillar seeks to reinvigorate Malta's culinary heritage and transform local produce into a symbol of quality, sustainability, and cultural identity. We want to encourage Maltese people to prioritise a healthy diet and make informed choices as consumers. By promoting our food heritage and providing more information to consumers, we aim to reduce disparities in diet and elevate food to be a vibrant representation of Malta's heritage and a reflection of our collective commitment to a healthier and sustainable future.

Through this strategy, Malta is setting a vision to build healthier food systems that are fair, viable, and more resilient, by nurturing pride in what we eat, celebrating local products, and empowering our food heroes.



3 Introduction





Food is at the heart of our well-being, culture, and economy. Recognising its utmost importance, MAFA presents Malta's Strategy for Resilient Food Systems - aimed at building a resilient and sustainable food system for our nation. This strategy encompasses the entire food value chain, from the inputs that go into our foods, to production and consumption, and acknowledges the unique challenges and opportunities that Malta faces in its pursuit of a sustainable future.

As in other countries in Europe and around the world, for Malta, the COVID-19 pandemic five years ago and the ongoing conflict in Ukraine have disrupted the normality of agricultural markets and trade flows and led to high inflation of food prices. These global events have pushed food high on the political agenda and triggered the need for creating new systems and mechanisms to guarantee Malta's food security.

Malta's small size limited natural resources, and dependence on food imports highlight the urgent need for a resilient and sustainable food strategy. The Strategy for Resilient Food Systems aims to strengthen local production while managing risks tied to imported food, striking a balance between self-reliance and external supply chain stability.

It is recognised that rapid urbanisation, changing dietary preferences, and a convenience-driven culture have led to changes in the way we consume food.

The proliferation of the so-called 'ultra-processed' and high-fat, high-sugar foods has contributed to rising rates of obesity and diet-related diseases among our population¹. Last year's farmers' protests, with their calls 'No farmers, no food, no future' urged us to put food and farming at the core of our future thinking, but also reminded us that our farmers' main obligation is to guarantee a decent income for their families – they are like everyone else in the labour market but in addition uniquely loyal to their land and their trade.

Malta's Strategy for Resilient Food Systems is a cohesive strategy that aligns with the broader priorities of the Government, including the recently launched Malta Vision 2050 and its key potential macro-initiatives such as the establishment of localised food storage hubs for essential food items for food supply chain resilience. MAFA's Strategy integrates cultural values, tourism, agriculture, fisheries, economic and sustainable development goals, public health, land utilisation, environment, finance, enterprise, climate change, research and innovation, technology, and international diplomacy to craft a robust food system for our nation.

This Strategy is an invitation for collaboration and partnership among interested parties, because by working together, we can align efforts, leverage expertise, and mobilise resources towards the shared goal of a resilient and sustainable food system.

¹ Global Nutrition Report. (2020).



3.1

A Food Systems-Focused Strategy

A food systems-focused strategy helps people comprehend the consequences and prospects for change within the local food system. Malta's Strategy for Resilient Food Systems sets the vision and direction for decisions and actions related to food. It involves comprehending and addressing the connections within food systems and planning for food-related decisions.

Malta's food system impacts various sectors like agriculture, fishing, and aquaculture, while also influencing public health through areas such as nutrition and obesity. The Government has put in place targeted strategies for each of these sectors, recognising the different issues and challenges each one faces. The need for a national food strategy embodies an integrated approach acknowledging the interconnected reality of these sectors.

3.2

A Strategy that Addresses Current and Future Challenges

Over the past few years, Malta's food system has been faced with a series of significant disruptions, emphasising the reality of a high dependence on food imports, particularly as a small island nation, with a dependence on imports of around 70%² of the nation's food supply. This reliance makes Malta especially vulnerable to international market fluctuations and supply chain disruptions.

The onset of the COVID-19 pandemic starkly highlighted this position. Global supply chains experienced unprecedented disruptions, with ports and terminals becoming bottlenecks due to reduced service levels, stockpiling of goods, and operational challenges stemming from workforce reductions³. Further complicating the situation were the more recent disruptions in major maritime trade routes. The Suez Canal, a vital route for approximately 12%⁴ of global maritime trade, saw

² Central Bank of Malta (2022). Outlook for the Maltese Economy.

³ Marsh.nd. Port and Terminal Risks: Pandemic Brings Congestion and Delays.

⁴ IMF. (2024). Red Sea Attacks Disrupt Global Trade.

reduced traffic due to attacks in the Red Sea area. On the other side of the globe, the Panama Canal faced severe drought, resulting in restrictions that slowed down another crucial passage in the global trade network.

From studies commissioned by MAFA on the economic impact of the crisis in the food sector triggered by the conflict in Ukraine, it emerged that the increase in prices would result in a decrease in final demand of 2% resulting from a reduction of 6% in local demand and 1.2% of exports. The conflict in Ukraine and subsequent trade restrictions have also caused a significant surge in fertiliser prices, over 50% from February to April 2022⁵. Increases in fuel prices and the global shortage of raw materials not only constrained the production of essential crops but also led to price hikes, directly affecting consumer affordability and availability.

Income is a variable that influences food consumption, with food price inflation posing challenges to food affordability for the most vulnerable households. In Malta, 7.5% of the population (approximately 39,000) cannot afford to eat meat, chicken, fish, or a vegetarian equivalent every second day⁶. Although Government initiatives have been put in place to address inflation, such as the price-stability assurance scheme, *Stabilità*, in February 2024 for 450 products from 15 food categories to combat food inflation, challenges still exist.

Food safety is another issue. Malta's food safety controls are mature but currently dispersed among various entities. Although Malta has a well-regulated system to ensure the availability of safe food for consumers, in order to protect consumers and public health, a comprehensive approach with a holistic and supportive legislative and institutional system is necessary.

Food waste is also major issue in Malta, with a significant amount of surplus food produced and wasted throughout the value chain. Households in Malta generate 92 kg of food waste per capita each year⁷. The cost of food waste in Malta is substantial,

with the monthly food expenditure of a Maltese family equivalent to the annual cost of household waste. This highlights the importance of addressing food waste to reduce costs and protect the environment.

In modern times, convenience, so-called 'ultra-processed' foods, and fast-paced lifestyles have distanced us from traditional, mindful eating. This shift has led to rising health issues, including obesity—affecting 28.1% of Maltese adults and 30.4% of adolescents—as well as increased consumption of sugary drinks and fast foods, especially among youth. The Mediterranean diet—rich in plant-based, whole foods and healthy fats—offers a proven model for wellness. Simultaneously, revitalising pride in local produce, such as the historic Maltese orange, and embracing the “picked or caught the same day” concept can highlight freshness, reduce carbon footprints, and support local producers.

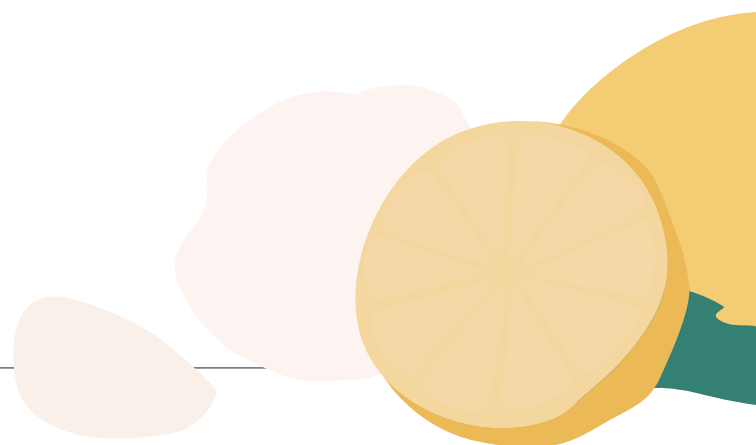
The food system in Malta will continue to encounter several challenges as we look ahead, such as climate change, population growth, shifting economic conditions, resource competition, and health problems associated with dietary habits. Nevertheless, these challenges also offer unique prospects. Having self-reliance does not guarantee food security. Being part of a worldwide food system offers access to a variety of supply sources and new products that cannot be produced locally, thereby contributing to our food security.

Malta's Strategy for Resilient Food Systems recognises the critical importance of addressing both immediate and long-term challenges posed by global supply chain vulnerabilities and market instabilities. The Strategy is focused on ensuring a stable and sustainable supply of food for the Maltese population, considering the complex interplay of local needs and international economic and political developments. At the same time, such a strategy provides the right opportunity to have a strong vision for the future of food in Malta.

5 US Department of Agriculture. (2023). Global Fertilizer Market Challenged by Russia's Invasion of Ukraine.

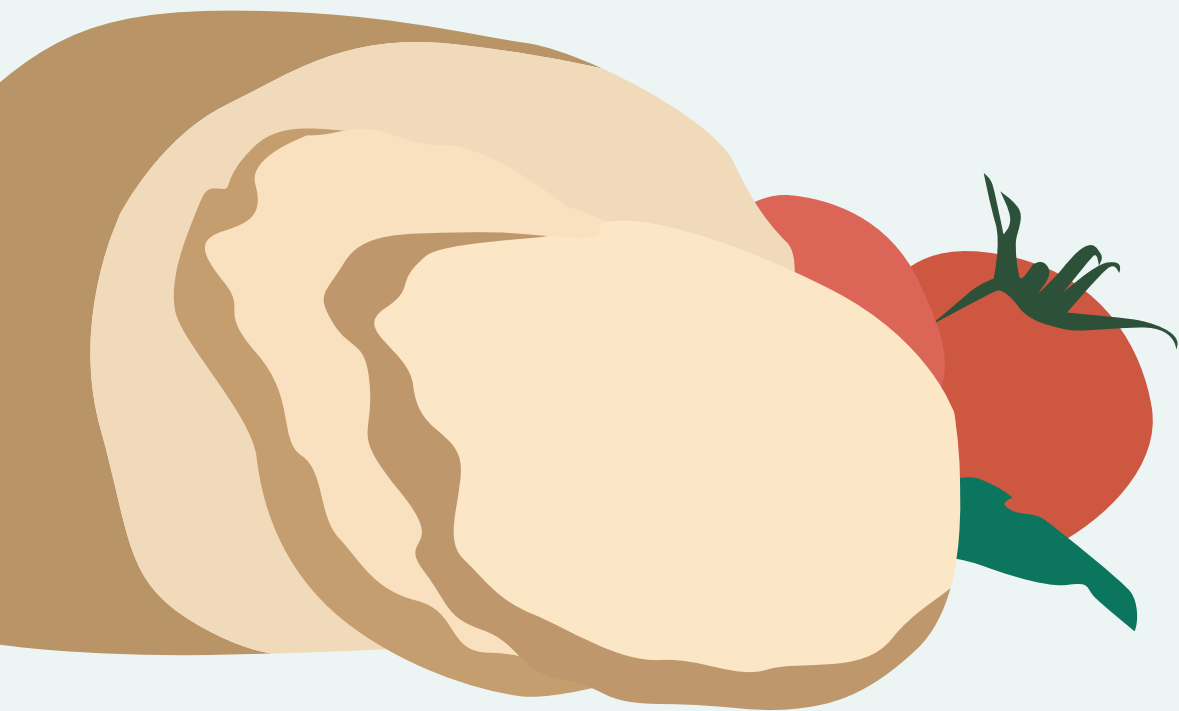
6 National Statistics Office. (2023). EU-SILC 2022: Salient Indicators: Percentage rates and number of persons living in households by perceived capacity to afford various items.

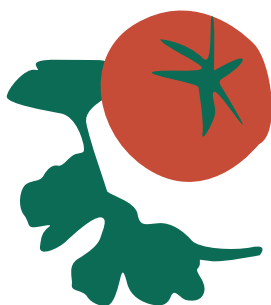
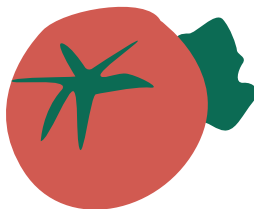
7 *Ibid.*





4 **Analysing the peculiarities of Malta's food system**





4.1

Factors that drive Malta's food system

The food industry in Malta is a complex and interlinked value chain that extends from primary production through processing, distribution, and retail, to final consumption. This intricate network involves a multitude of stakeholders, including farmers, processors, distributors, retailers, and consumers, each reliant on the others to maintain the flow of goods and services

Key Observations

Macro Analysis

- While in absolute terms food consumption has increased from c. €700mln to €1.1bln from 2013 to 2023, as a share of GDP it decreased from 8.7% to 5.5% as a result of a higher GDP growth.
- Substantial population growth and increasing tourism in recent years are placing further pressure on food supply. Tourism levels have exceeded pre-covid levels in 2023.
- Post-COVID demand and Ukraine conflict-driven inflation in the food industry remains high, with government subsidies and schemes providing relief.
- Malta's limited production and growing population exacerbate its reliance on food imports, with around 70% of food being imported.

Segment analysis

- Small-scale farming, fishing, and livestock production in Malta struggle to achieve economies of scale due to their size.
- Malta's limited geography and market size, coupled with a decline in agricultural production, challenge the growth of its food processing sector despite recent investments.
- In Malta, distributors are vital for ensuring product availability in retail due to the country's heavy reliance on imported goods.



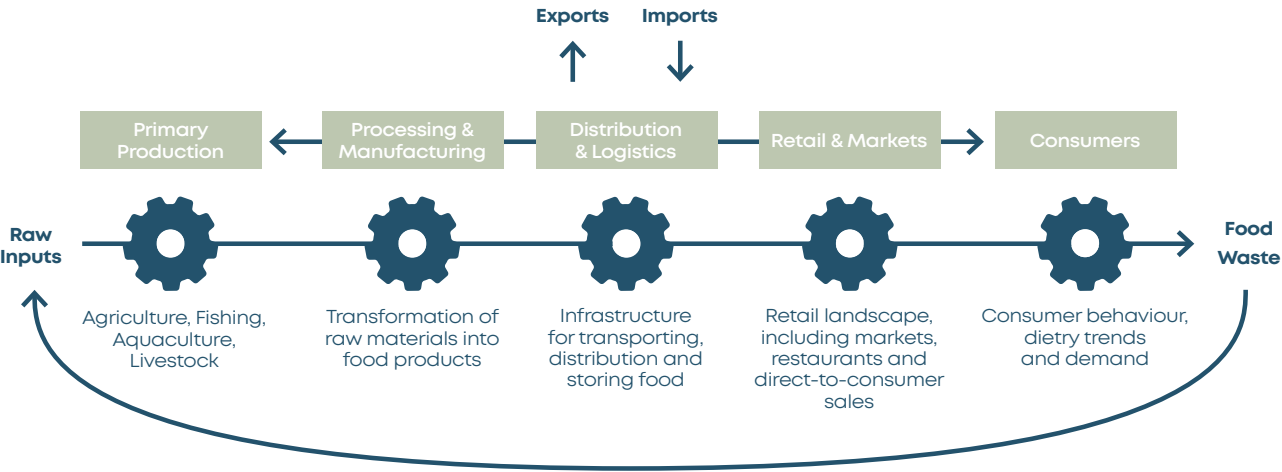
The Food Industry Landscape & Value Chain:

The food industry in Malta embodies a complex network of operators and stakeholders that encompasses everything from primary production to final consumption and beyond. When observing the food industry, it becomes clear that its multifaceted nature and interlinked segments not only exert substantial influence on each other but also influence overall economic activity.

Food Value Chain
External Factors

Trade Policies/ Sanctions	Economic Crises	Technological Innovation	Geopolitical Tensions	Prices of Inputs (inc. Fuel and Grain)	Regulatory Frameworks	Supply chain disruptions (wars/ natural disasters ...)	Demographic Changes	Consumer Preferences and Trends	...
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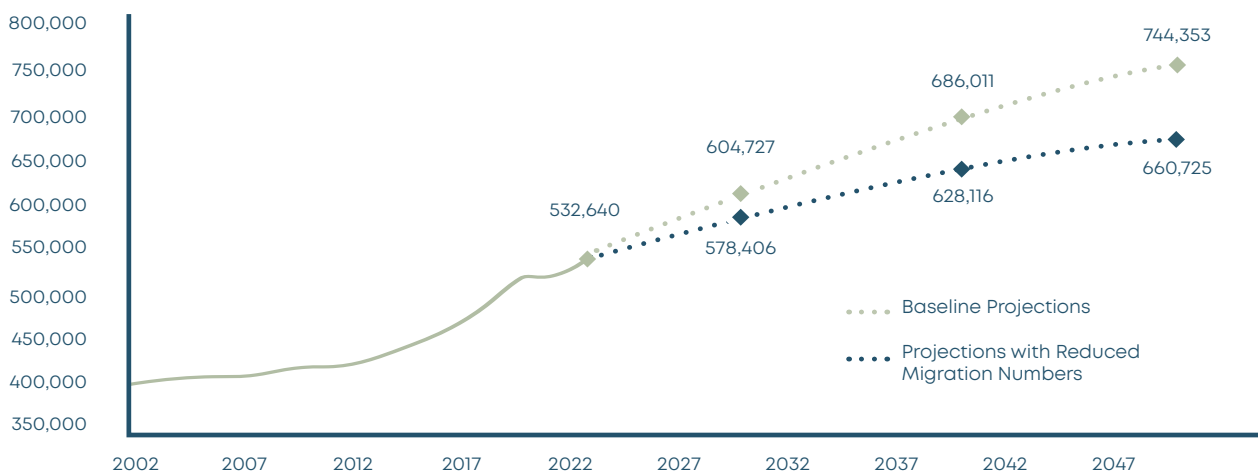
Food Industry Landscape



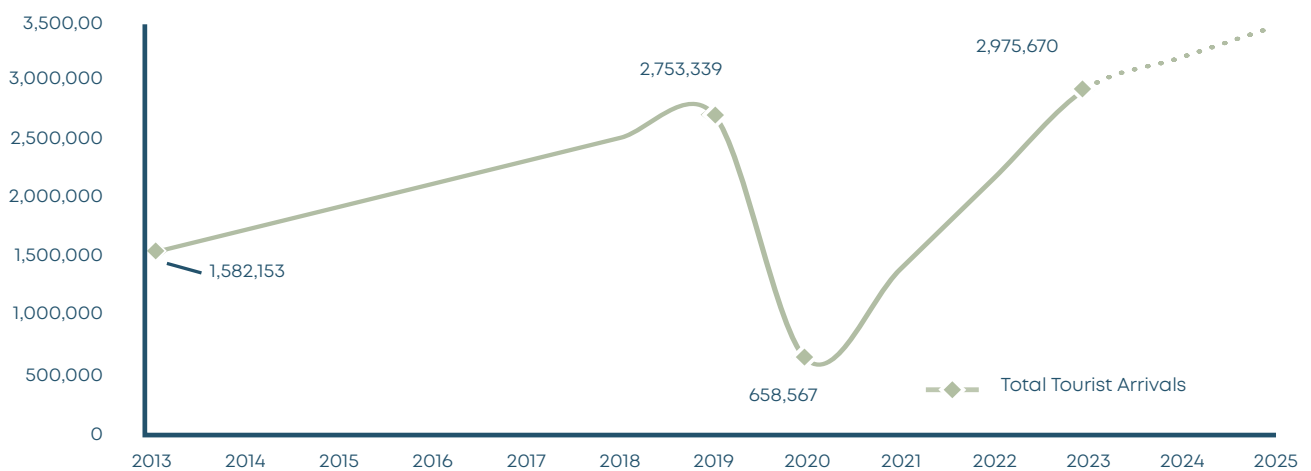
Demographics:

Substantial population growth (both existing and projected), and high and steadily increasing tourism levels place pressures on food supply. Furthermore, while the implications of an ageing population affect all segments, they are particularly evident in the agricultural workforce where over 58% of the labour force is 55+.

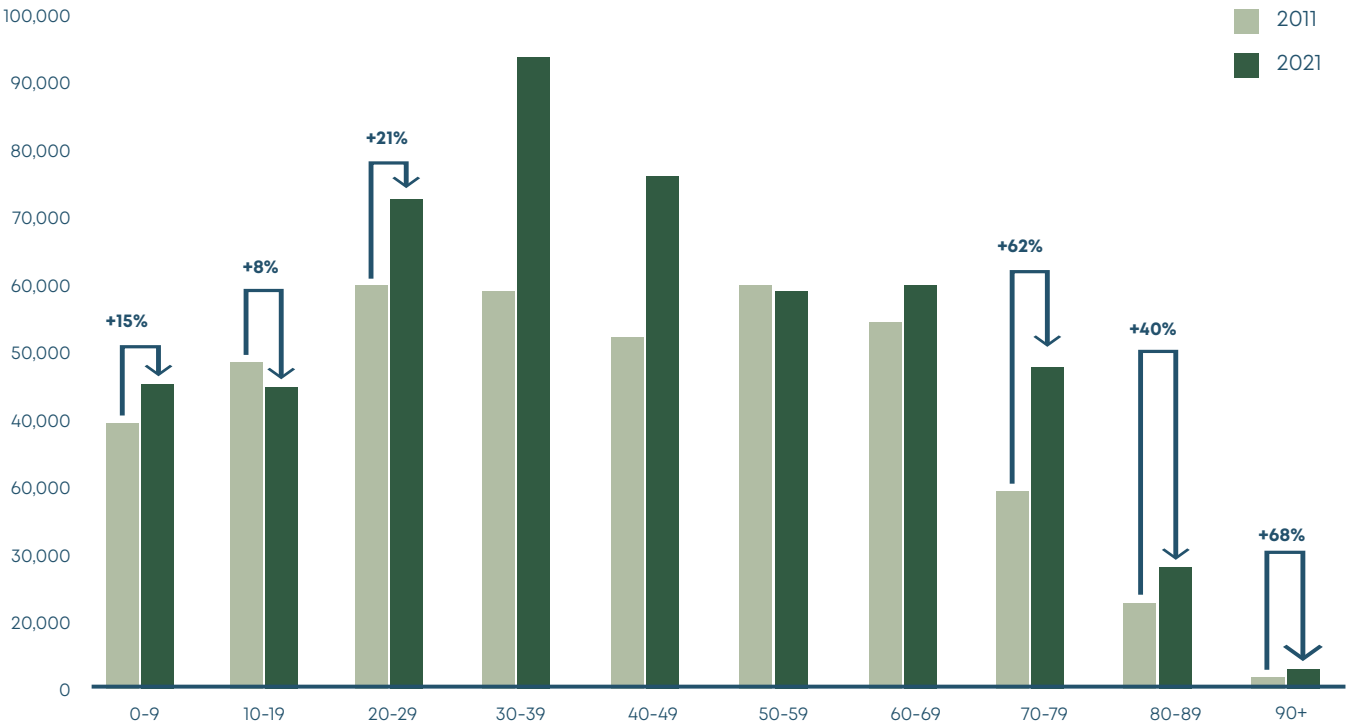
Population and population projections (Eurostat Population Projection 2023)



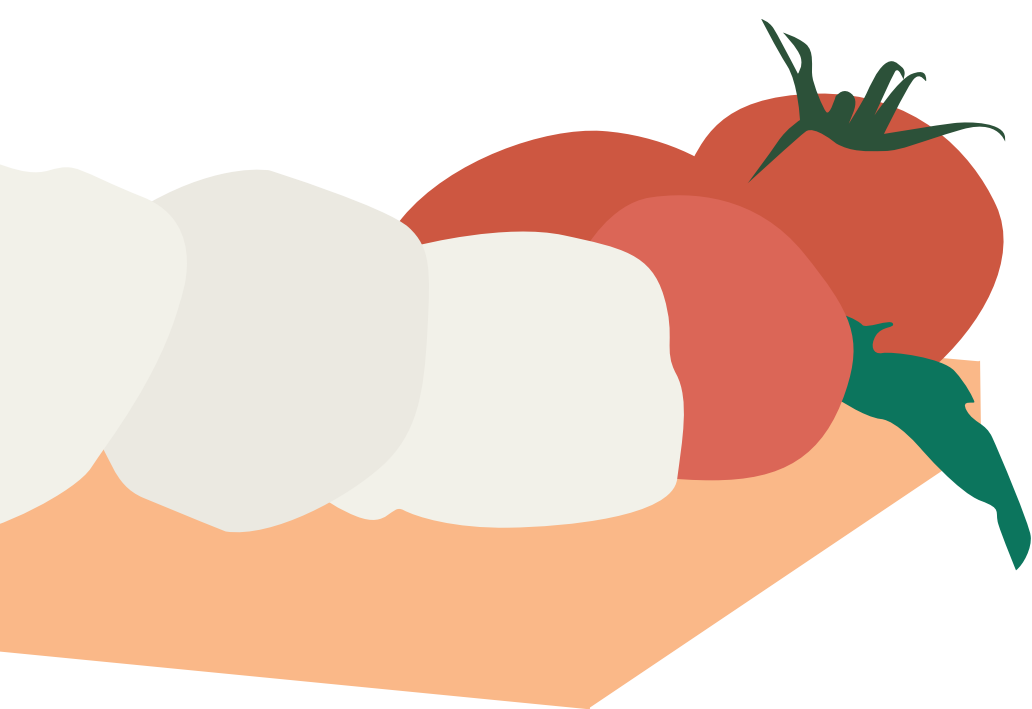
Number of Tourists per year (NSO Inbound Tourism 2023)



Age Structure of the population (NSO Regional Statistics 2023)



Ageing population in agriculture : Over 58% of the agricultural labour force is at least 55 years old, with 32.2% being over the age of 65 (NSO Census of Agriculture 2020)

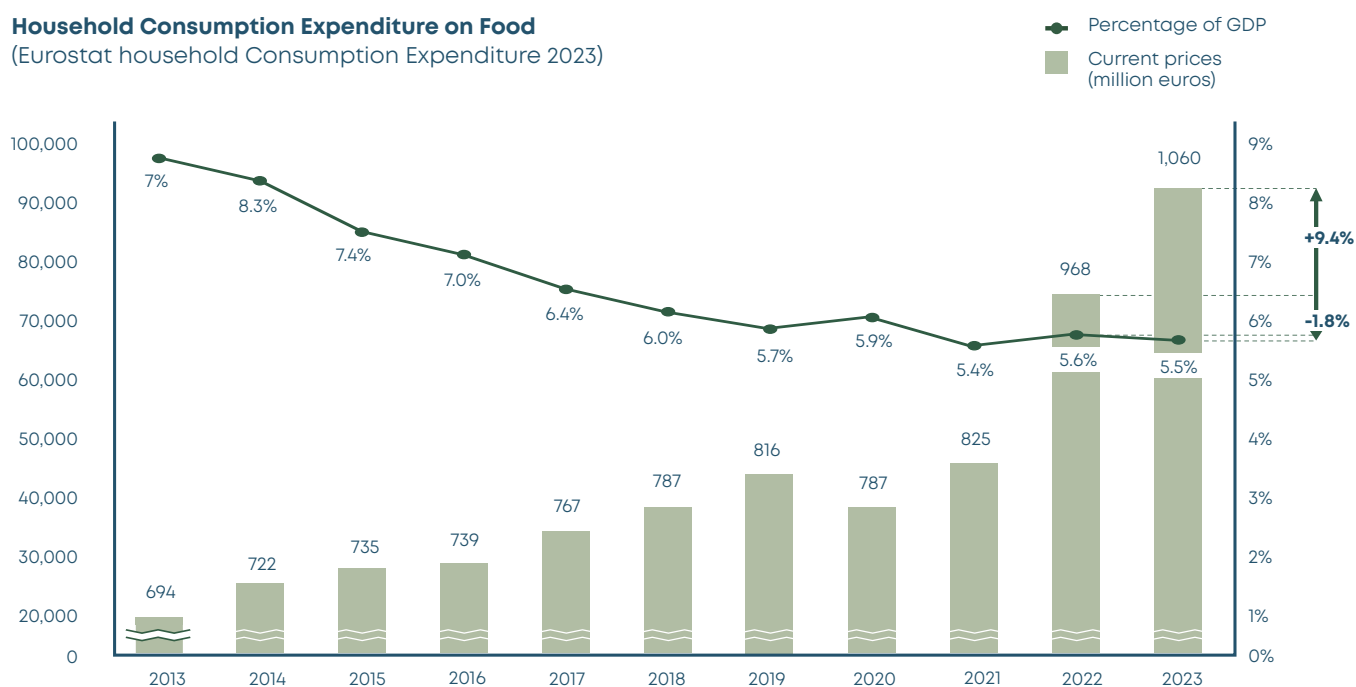


Food Consumption by households:

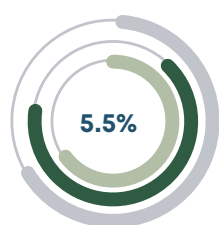
Food consumption expenditure is increasing in nominal terms from c. € 700 million in 2013 to c. € 1.1 billion in 2023 (53% increase).

As a percentage of GDP, food consumption decreased from 8.7% in 2013 to 5.5% in 2023 due to higher GDP increases.

Household Consumption Expenditure on Food (Eurostat household Consumption Expenditure 2023)



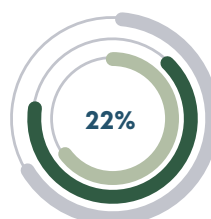
In 2023 Consumption Expenditure by Household on Food is..



...of total GDP
-1.8% from 2022 to 2023
(Eurostat 2023)



...in current prices (million Euros)
+9.4% from 2022 to 2023
(Eurostat 2023)

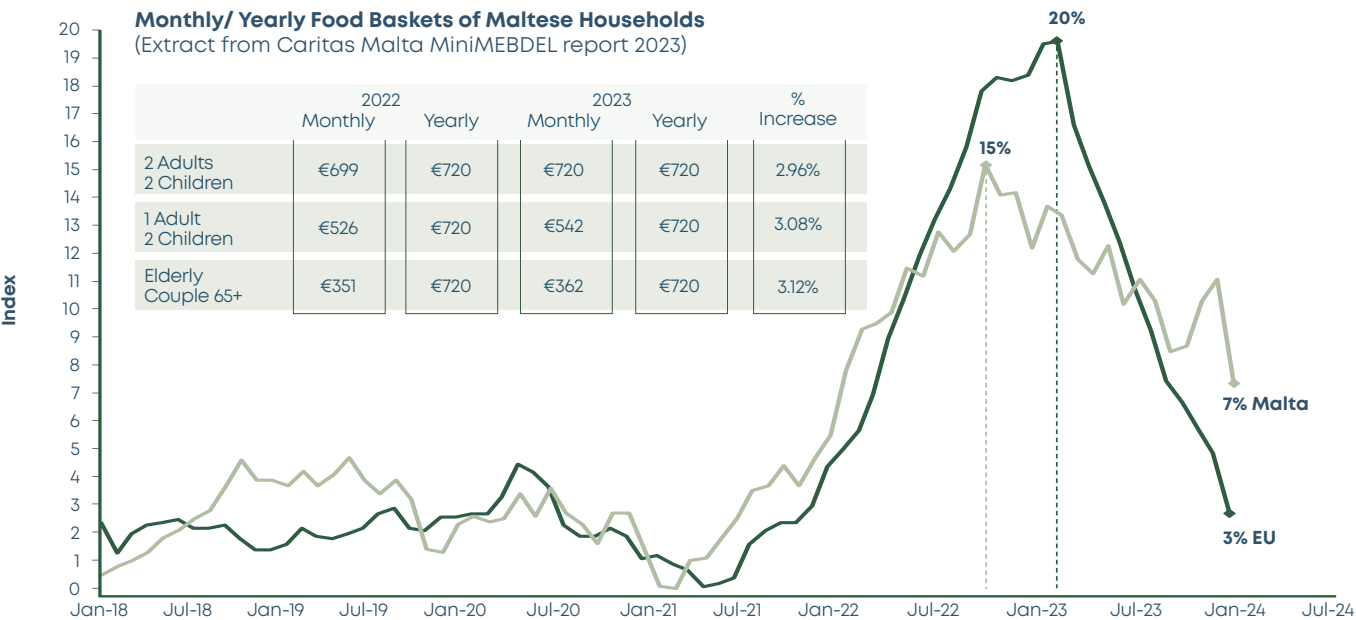


**...of Malta's consumption basket
is food (inc. alcohol & tobacco)**
(CBM Food Price Forecast 2022)

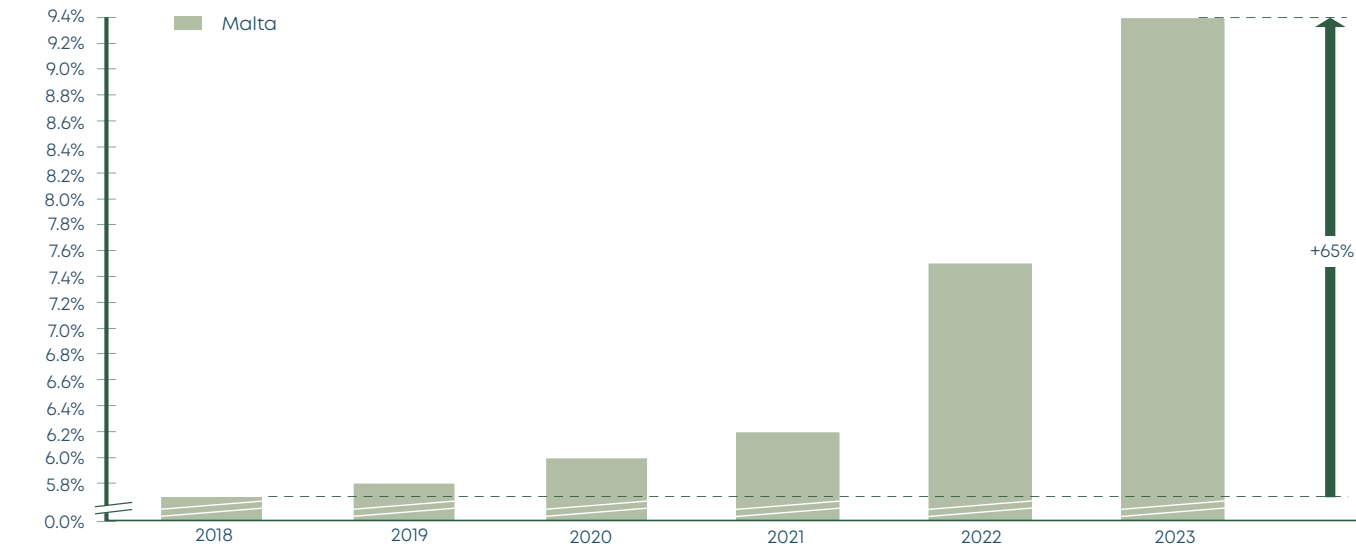
Food Prices:

The food industry experienced both demand side inflationary pressures following the relaxation of COVID-19 restrictions in late 2021, and supply side pressures due to the Ukraine-Russia conflict and other external factors. Although food inflation has recently declined, as of February 2024, it remained above the EU average. Government initiatives like the subsidisation of fuel, electricity and grains have mitigated these pressures.

Food Harmonized Index of Consumer Prices (HICP) (Eurostat 2023)



Inability to afford protein or vegetarian equivalent
(Eurostat EUSILC Survey 2023)

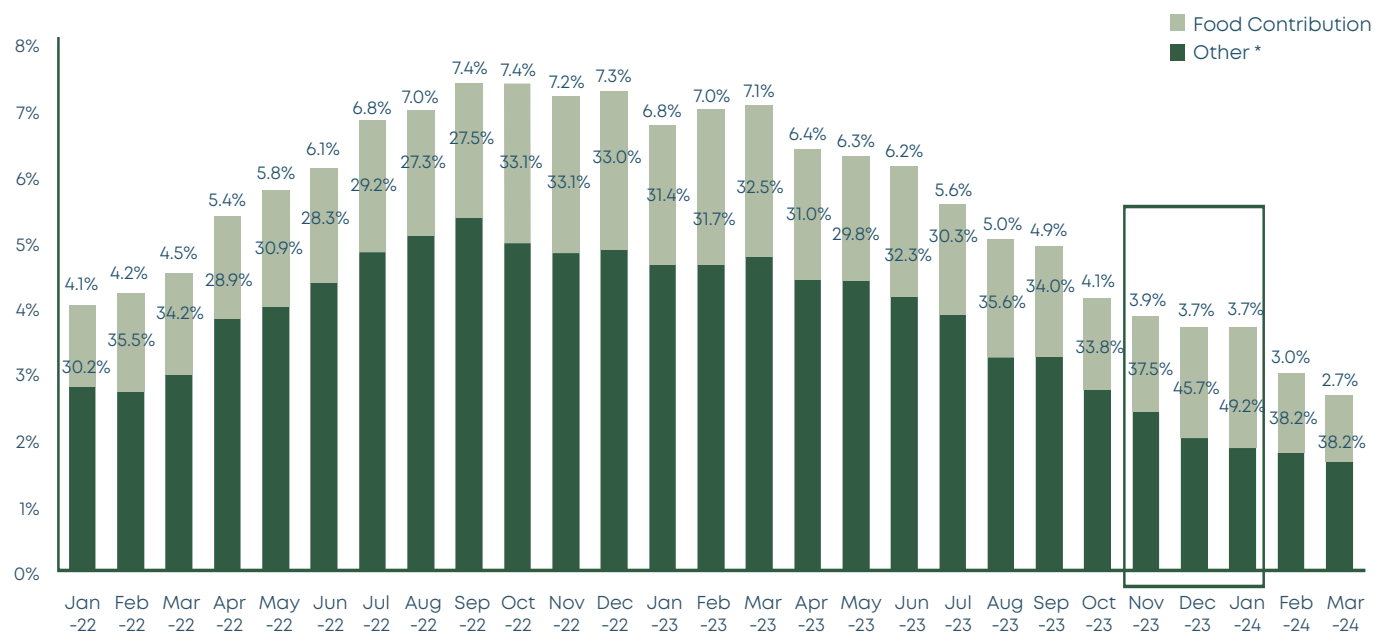


Contribution of Food Prices to Overall Inflation:

Food significantly influences overall inflation, typically accounting for about 30% of the HICP. In the latter part of 2023 and into early 2024, despite a general easing of inflation, the proportion of HICP attributable to food saw marked increases, peaking at approximately 50% in January 2024. To counteract these heightened inflationary contributions from the food sector, the Stabilita Scheme was introduced in February 2024.

Harmonized Index of Consumer Prices (Total and Food Contribution)

(NSO Harmonised index of consumer prices data 2024)



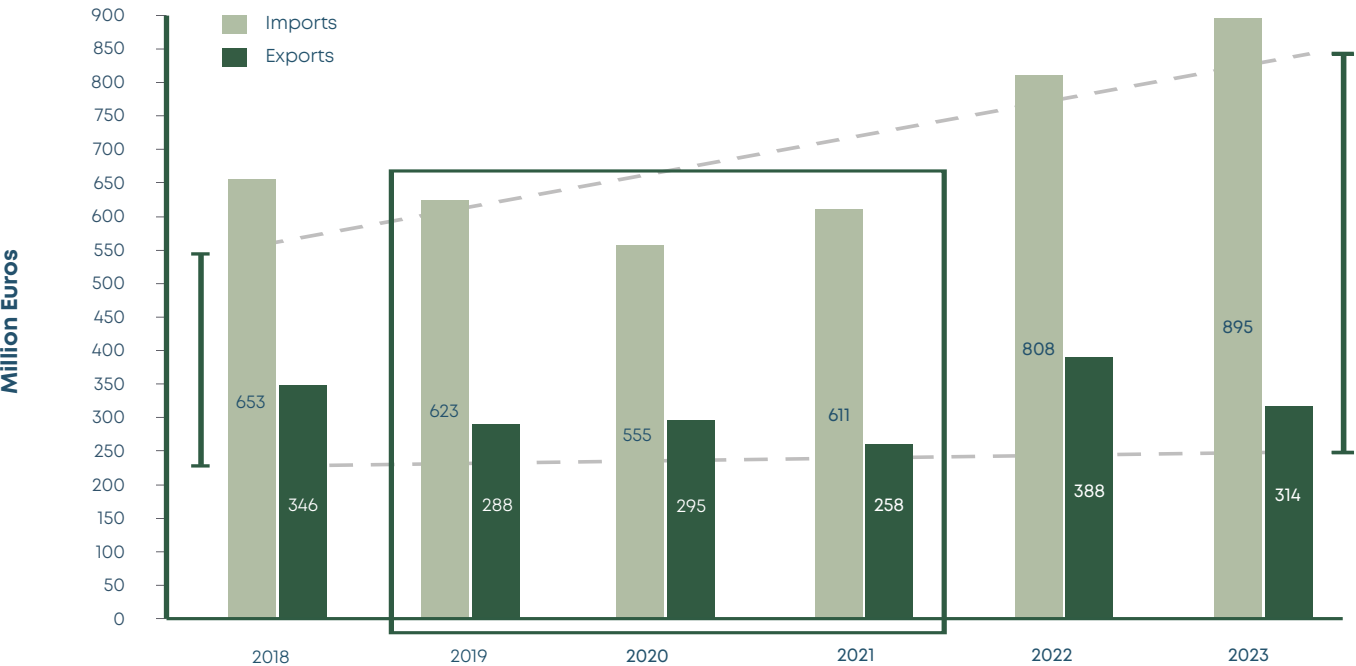
* Note: Others includes Alcoholic beverages and tobacco, Clothing and footwear, Housing, water, electricity, gas and other fuels, Furnishings, household equipment and routine household maintenance, Health, Transport, Communication, Recreation and culture, Education, Restaurants and hotels, Miscellaneous goods and services.

Food Trade Balance & Reliance on Imports:

Malta's small production capacity, alongside surging population growth, is reflected in the expanding disparity between stable exports and rising imports. With around 70% of food products imported and population figures climbing, Malta's reliance on imports is expected to grow. This exposes the economy to external price shocks and supply disruptions which are difficult to remediate if not through government intervention.

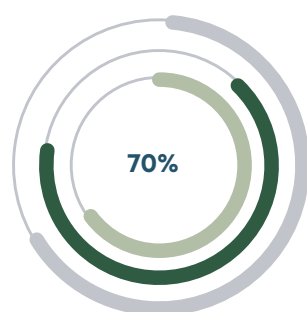


Food Imports and Exports
(NSO International Trade 2023)



* Note: Drop in imports due to Covid-19 and closure of restaurants

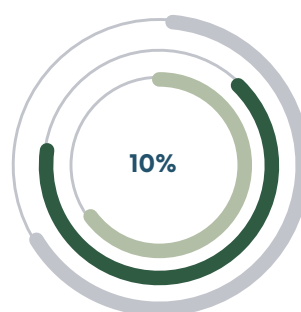
Malta imports approximately...



.....of all its
food products.

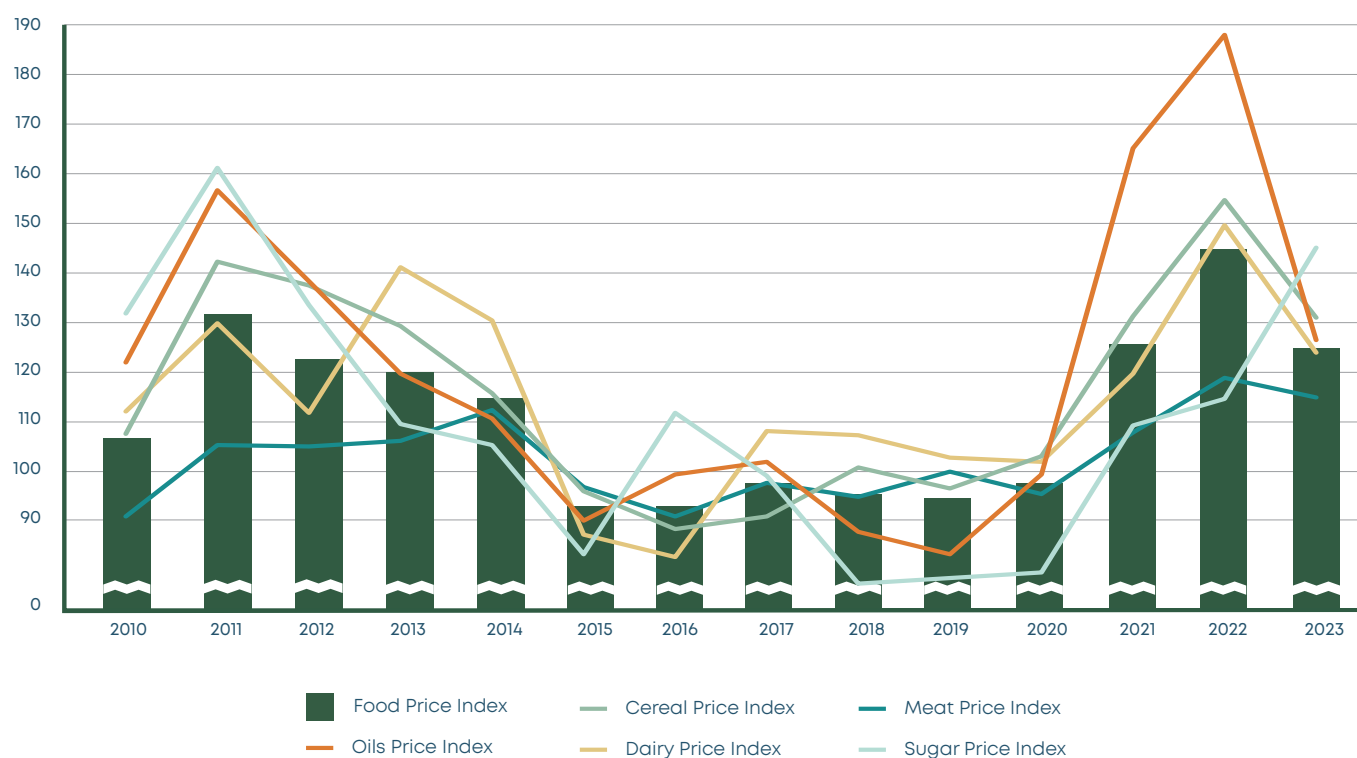
(CBM Food Price
Forecast 2022)

And food imports account for...



.....of all imports

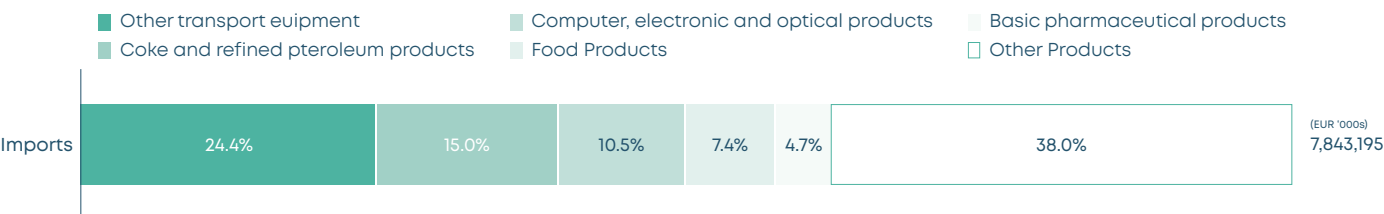
(NSO International
Trade 2023)



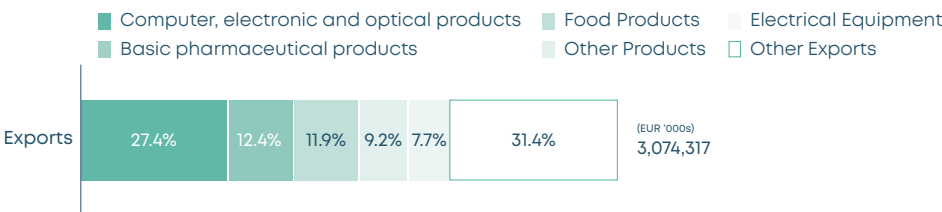
Imports and Exports of Food :

Malta's reliance on food imports constitutes a significant portion of its total import volume, underscoring the country's dependence on external sources to meet its domestic food demand. Furthermore, the proportion of food exports relative to the nation's overall exports is also material, reflecting the strength and potential of Malta's food products in international markets.

Food Imports and Exports as a % of Total Imports and Exports (Eurostat Trade by Commodity and Nace 2022)



Note: Other imports include: Chemicals and chemical products, Machinery and equipment n.e.c., Electrical equipment, Motor vehicles, trailers and semi-trailers, Electricity, gas, steam and air conditioning, Mining and quarrying, Rubber and plastic products, Fabricated metal products, except machinery and equipment, Basic metals, Paper and paper products, Other manufactured goods, Other non-metallic mineral products, Wearing apparel, Beverages, Furniture, Leather and related products, Textiles, Wood and products of wood and cork, except furniture; articles of straw and plaiting materials, Tobacco products, Other products, Printing and recording services, Products of agriculture, forestry and fishing.

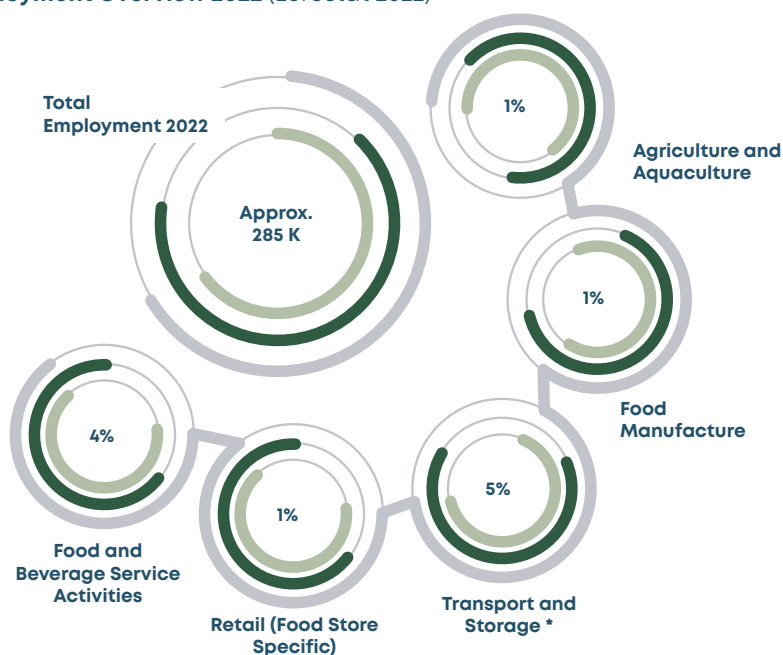


Note: Other exports include: Other manufactured goods, Coke and refined petroleum products, Rubber and plastic products, Machinery and equipment n.e.c., Chemicals and chemical products, Other transport equipment, Textiles, Unknown products, Water supply; sewerage, waste management and remediation services, Wearing apparel, Basic metals, Leather and related products, Beverages, Fabricated metal products, except machinery and equipment, Other non-metallic mineral products, Paper and paper products, Motor vehicles, trailers and semi-trailers, Furniture, Mining and quarrying, Wood and products of wood and cork, except furniture; articles of straw and plaiting materials, Tobacco products, Printing and recording services, Electricity, gas, steam and air conditioning, Products of agriculture, forestry and fishing.

Employment :

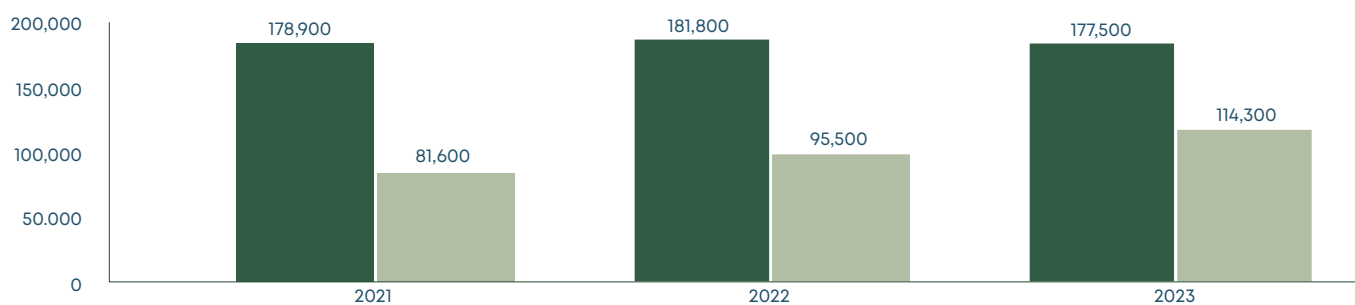
As a multifaceted network that spans various sectors, the food industry employs approximately 12% of Malta's total labour force either directly or indirectly. This figure likely underestimates the industry's true employment impact, considering the extensive interconnections across different sectors integral to the food supply chain.

Employment Overview 2022 (Eurostat 2022)



* Note: Transport and Storage also includes non-food related activities

Employment by Migration Status (Eurostat Employment by Migration Status 2023)



Reliance on foreign labour in food industry:

- Around 30% of primary sector employment is occupied by EU or Third Country Nationals (TCNs)
- Over half of employees in the food manufacturing sector are EU or TCNs
- Around 35% of employees in food and beverage service activities are EU or TCNs

Overview of Malta's Food Industry Segments: The food value chain comprises various operators across primary production, processing, distribution and retail sectors.

Overview of Operators	Employment No. of Persons	Business Units No. of Units
Primary Production: The primary production sector includes small-scale farmers, fisheries, and livestock producers. Farming and fishing in Malta are predominantly small-scale, making it difficult to benefit from economies of scale. The typical Maltese farm is only about 1 hectare and employs around 1.3 people. Similarly, 90% of Malta's fishing boats are small, under 12 meters, with 75% fishers working on these vessels. The full-time equivalents (FTEs) to active fishing boats is 0.85, accentuating the issue of scale in the sector. Both the agricultural and fishing/ aquaculture sectors face challenges due to their limited size.	2,636	3,682 ^[1]
Processing & Manufacturing: The processing sector, which encompasses food manufacturers and beverage producers, is responsible for transforming raw materials into consumable products. Given Malta's inherent geographical and market constraints, there exists a challenge in driving continued investment into the food processing sector, despite some notable investments in the dairy, tomatoes, fresh packaged, and snack products in recent years. This challenge is further exacerbated by the declining trend in agricultural output observed over recent years, which impacts the volume of local produce available for processing.	2,942	429

Note: [1] 3,682 business units includes 3,535 Sole Ownership / Partnership, 138 Limited Liability PLC, and 9 Government (NGO). A substantial number of registered business units who are listed as sole owners do not necessarily make part of the employment pool; as a result employment is lower than no. of business units.

Overview of Operators

	Employment No. of Persons	Business Units No. of Units
Distribution & Logistics: The Distribution network is handled by wholesalers, logistics providers (including food storage facilities), and transportation companies. Malta operates a number of wholesale food markets that cater exclusively to certified commercial buyers. An important component of our agricultural supply chain is the Pitkali system. However, Malta's Insularity presents challenges to this sector as inefficiencies can result in a higher carbon footprint, food spoilage during transit and lack of storage infrastructure.	4,616 ^[2]	524
Retail & Markets: The retail sector, consisting of supermarkets, grocery stores, convenience stores, and restaurants, provides the final link in the chain by meeting consumers' demand through a wide variety of food options. This sector stands as the most significant employer within the entire food value chain. Many of Malta's supermarkets operate through a distributor-led model in which they provide shelf space concessions to importers and distributors, leading to an excessive range of similar products (SKUs). Malta's prosperous economy and flourishing tourism industry drive substantial consumer spending in the food sector, particularly in restaurants, stimulating sector growth and innovation.	16,204	3,684

Note: [2] Data for this sector is available for Wholesale of food, beverages and tobacco NACE code G463

Industry Challenges

Primary Production

- Limited and heavily parceled arable land restricting economies of scale
- Worsening water scarcity following annual reductions in rainfall
- Climate change impacts like rising sea levels and higher temperatures reducing crop yield
- Rising costs of raw inputs like fertilizer and livestock feed Ageing labour force and difficulty attracting younger

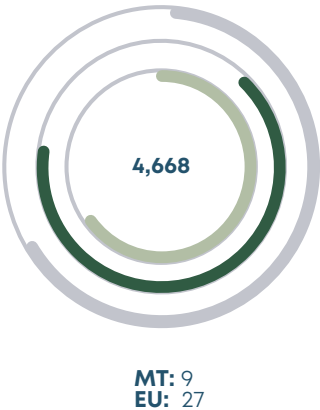
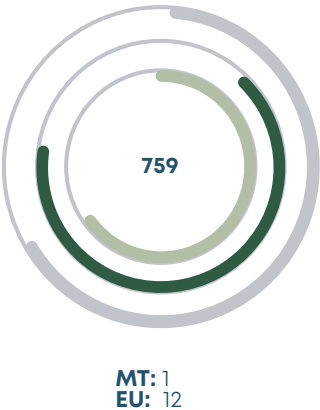
Processing & Manufacturing

- Rising costs of raw materials and energy
- Increasing regulatory complexity and compliance costs in relation to food safety & quality standards.
- Lack of facilities for cleaning, cutting and packaging produce contributing to avoidable food waste.
- Absence of suitable labeling and packaging practices for local produce

Food Waste

(Kilograms thousands)

Per capita (Kilograms)



Distribution & Logistics

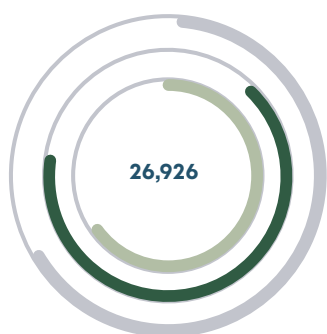
- Vulnerability to global events affecting the supply chain resulting from the inherent reliance on imports
- Fluctuations in fuel prices, and transport inefficiencies due to infrastructural weaknesses increasing operational costs
- Need for improved cold chain and warehousing facilities

Retail & Markets

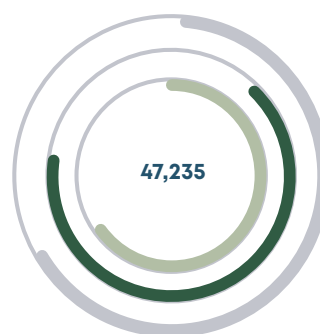
- Highly volatile prices of local produce due to varying quality levels and pronounced swings in supply and demand due to seasonality
- Limited availability of organic produce in local retail outlets and restaurants
- Complex food supply chain amplifying operational costs

Consumers

- Evolving dietary trends such as growing demand for healthier and more sustainable food options like organic produce
- Lack of widespread nutritional understanding, increasing health risks and healthcare costs
- Poor consumer awareness and misaligned portion sizes resulting in avoidable food waste



MT: 53
EU: 21



MT: 92
EU: 70

Policy Implications: The food value chain is shaped by a variety of policies designed to enhance efficiency, sustainability and safety. Aimed at fostering a resilient and sustainable food sector, they also introduce challenges such as increased compliance costs and technological investments.

Primary Production:

Malta's primary production is shaped by the EU's Common Agricultural Policy (CAP), with efforts to sustain agriculture and fisheries through various schemes. Malta's allocation for 2023-2027 amounted to €166 million. Some examples of schemes include (a) an allocation of around 18.1 million of CAP funds to stabilise farmers' income; (b) Schemes addressed at engaging youth to participate in the sector; (c) schemes to address the increasing demand for seafood and the environmental concerns associated with traditional fishing through sustainable aquaculture innovations like land-based closed-loop systems and integrated multi-trophic methods to meet seafood demand, protect the environment, and lessen reliance on wild fish stocks.

Processing & Manufacturing:

The EU's stringent food safety and quality regulations, particularly the General Food Law Regulation (EC) No 178/2002, govern Malta's food processing industry, emphasising consumer health and the industry's role in food security. The Maltese government collaborates with the sector to promote sustainable practices and reduce harmful ingredients, while directives like 94/62/EC and initiatives such as the Circular Economy Action Plan aim to minimise packaging waste and encourage sustainable materials, benefiting consumers and the environment. However, these regulations can impose significant costs on industry players (especially given they lack the proportionality element for small states), necessitating regular updates to processing facilities to ensure compliance.

Distribution & Logistics:

To strengthen the food system's resilience and security, investing in the food sector is a crucial strategy. This investment involves expanding infrastructure, like storage facilities and transportation systems, and supporting new technologies and innovations. The EU recognizes the significance of investing in the food sector and has established several initiatives to support it. The EU's European Innovation Council (EIC), for instance, provides funding and assistance for innovative projects in the food sector. While there are generally restrictions on transport-related EU assistance due to state aid regulations, Malta can still benefit from EU financing projects such as the 'InnovFin' Food and Agriculture finance facility which supports a broad range of projects, including those that invest in sustainable agriculture, food processing, and food distribution.

Retail & Markets:

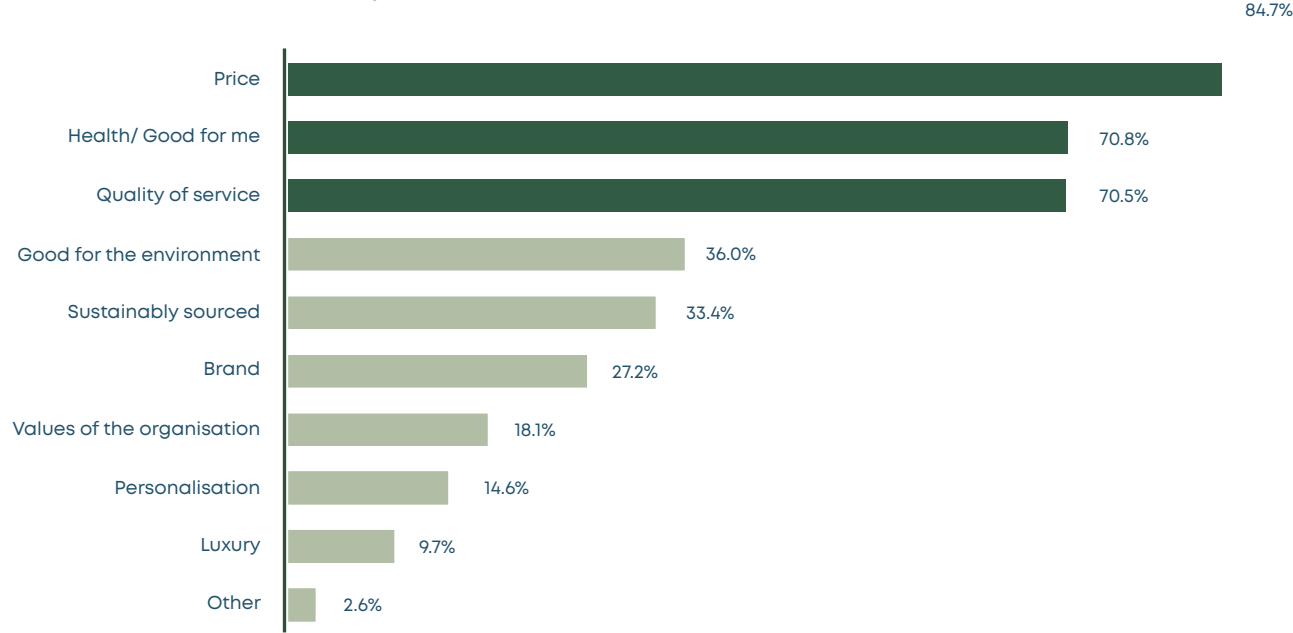
The retail sector is impacted by policies aimed at enhancing consumer protection, sustainability and operational efficiency. Policies such as the Single-Use plastic Directive (EU 2019/904) promote sustainability by reducing plastic waste encouraging retailers to adopt more eco-friendly packaging solutions. Additionally, the Food Information to Consumers Regulation (EU) No 1169/2011 ensures transparency and informed choices for consumers by mandating clear labelling of nutritional content and allergens. The Waste Framework Directive (Directive 2008/98/EC), as part of the broader EU waste legislation, compels retailers to manage waste more responsibly and contribute to the circular economy. Again, such regulations impose above-average costs on smaller industry players that characterise the local market.



Consumer Purchasing Decisions:

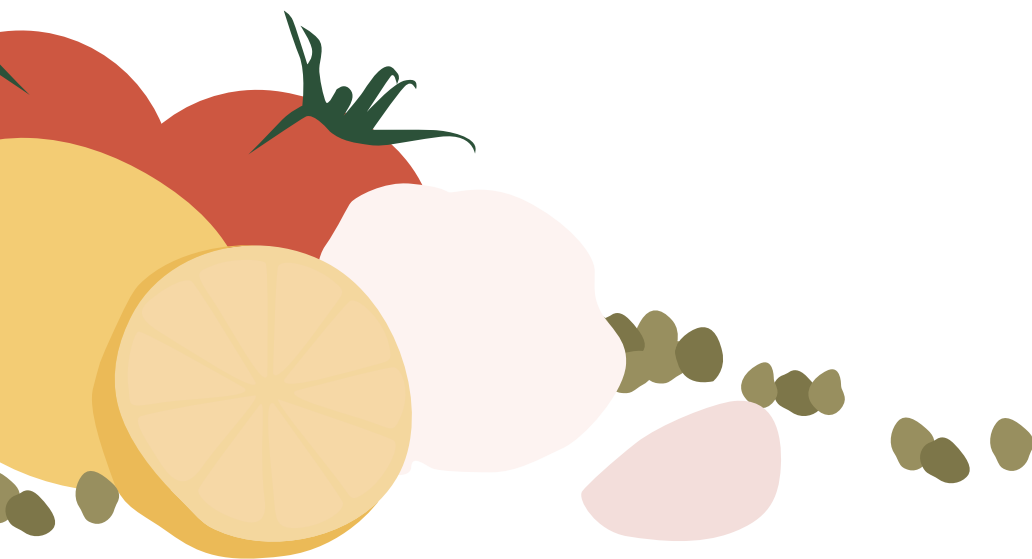
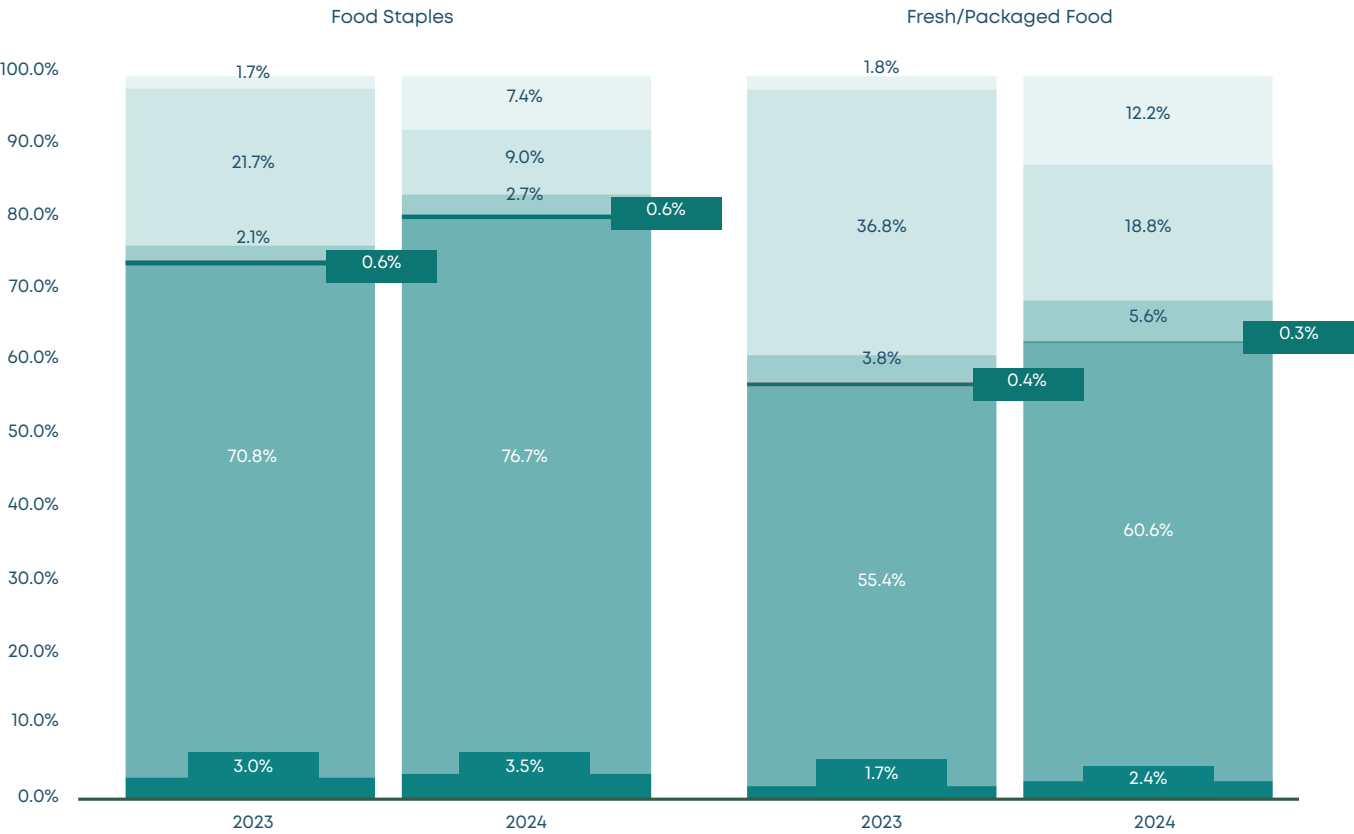
Price sensitivity, health implications, and service quality stand as the paramount considerations influencing consumer choices. In 2023, a significant portion of individuals reported adjusting their purchasing habits, either by reducing overall consumption or opting for more affordable alternatives. However, this trend showed a notable decline in 2024, indicating a potential shift in consumer confidence or improved financial stability.

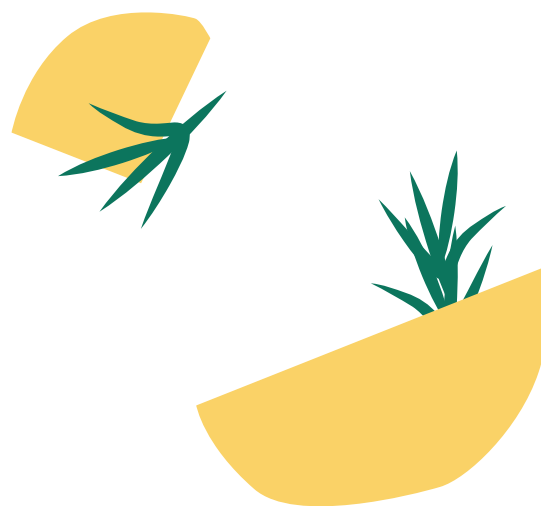
Most important purchase criteria in 3 years time (EY Future Consumer Index Survey 2024)



Note: Survey focused on all consumer purchasing decisions and were not limited to food consumption.

Change in purchasing behavior
(EY Future Consumer Index Survey 2024/2023)

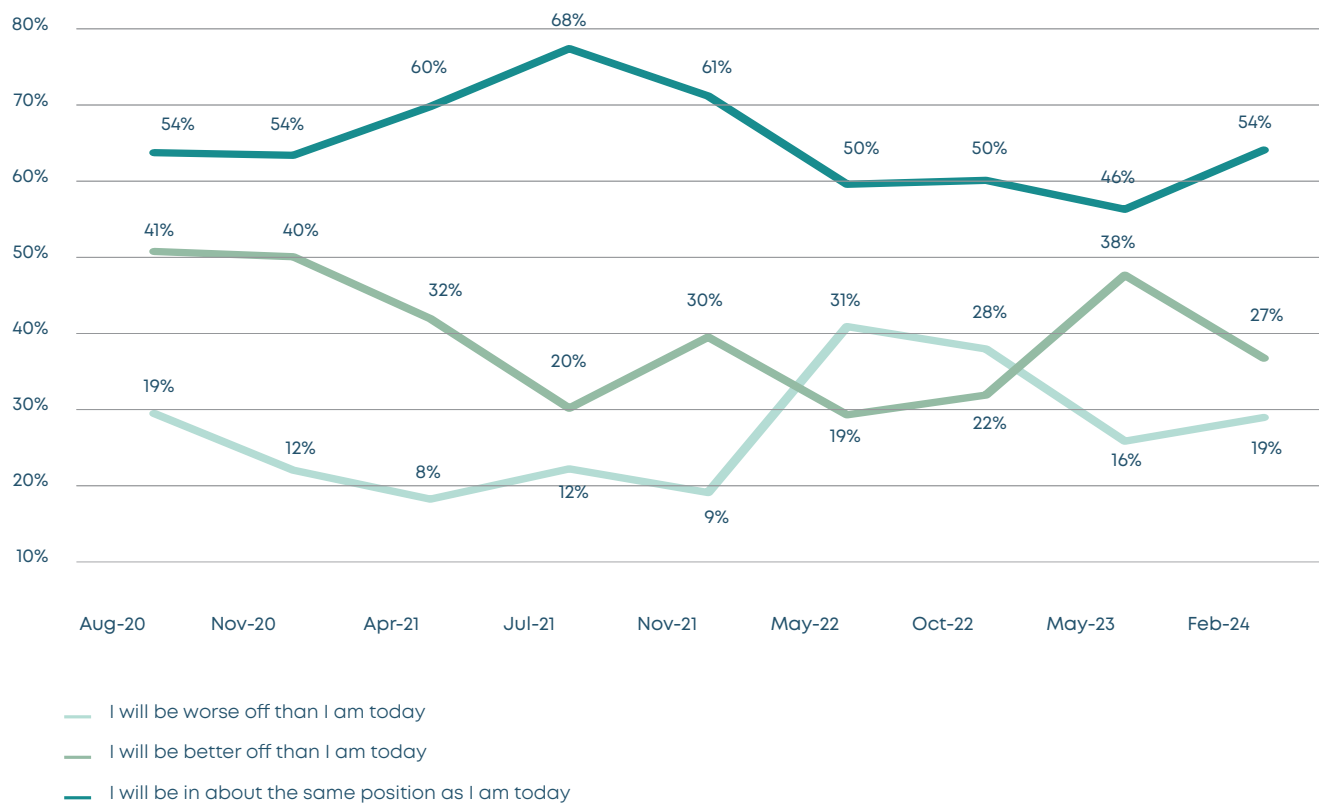




Key Consumer Statistics :

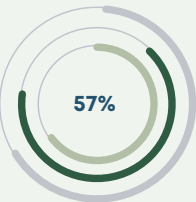
Approximately 19% of consumers anticipate a decline in their financial circumstances over the coming year, a 3% increase from last year. Conversely, the proportion of customers expecting financial improvement has fallen from 38% to 27%, an 11% decrease. Despite these concerns, a notable positive trend emerges, with 88% of consumers actively striving to minimize food waste.

Customer expectations 12-month future outlook (EY Future Consumer Index Survey 2024)

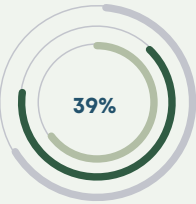


Grocery Retail

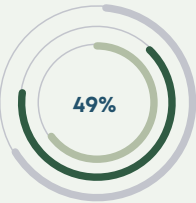
(EY Future Consumer Index Survey 2024)



Are concerned about increasing cost of groceries and household essentials



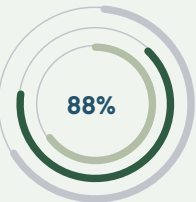
Plan to spend less on grocery delivery services in the next 3-4 months



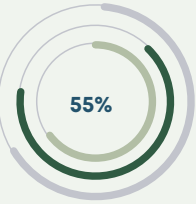
Are purchasing only the essentials

Food

(EY Future Consumer Index Survey 2024)



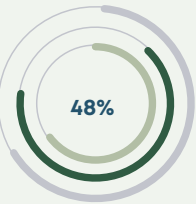
Are making an effort to not waste food



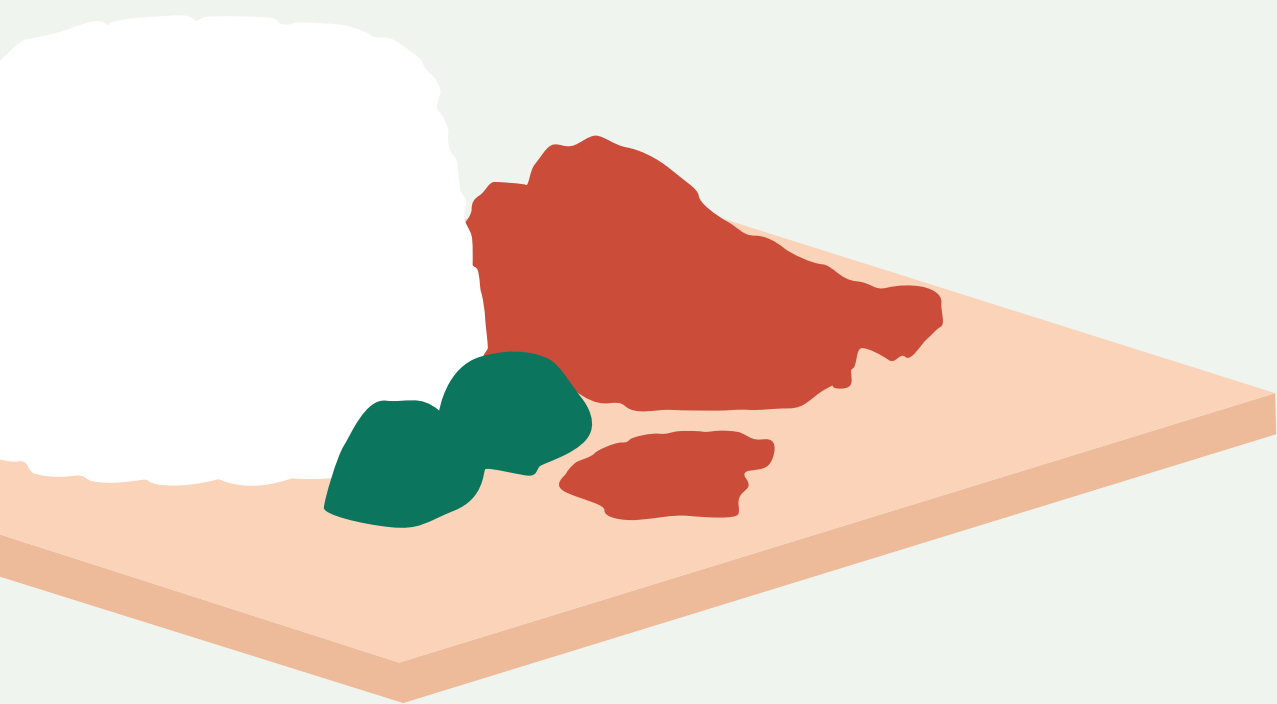
Only buy branded products when they are on sale

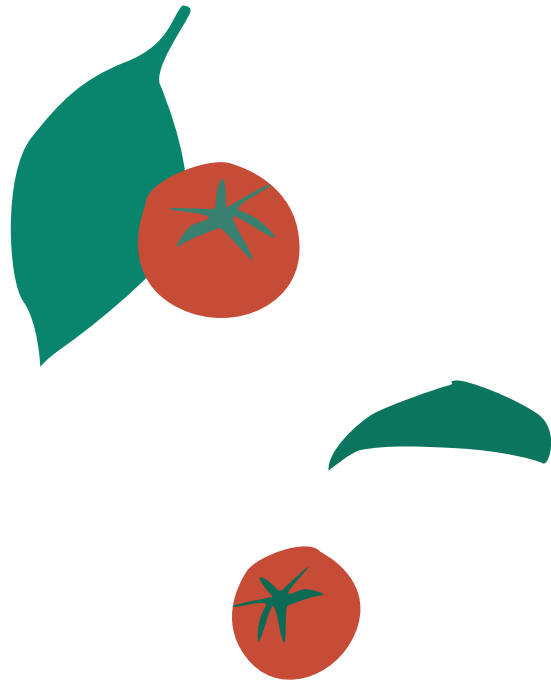
Restaurants

(EY Future Consumer Index Survey 2024)



Are cooking at home more often





4.2 SWOT and PESTEL Analyses

Aligning with national policies

The SWOT and PESTEL analyses that follow are a diagnostic evaluation of the nation's approach to food and the food sector. The research feeding into these analyses included a review of 37 local policies, with over 300 food linked policy-measures and initiatives. It also included an analysis of policies and strategies from the EU, and of international best practices from countries across Europe and globally.

Building on this starting point we engaged in a consultation process that encompassed a spectrum of voices. Both Ministerial policymakers, responsible for overarching policy direction, and industry stakeholders, offered ground-level expertise and pragmatic insights. Their combined feedback was invaluable in understanding pain-points, challenges, opportunities, and threats as well as various external factors.

The following is a summary of the main Strengths, Weaknesses, Opportunities, and Threats characterising Malta's food system.

Strengths

EU membership: Malta's EU status ensures access to a large common market, food safety standards, legislation, common practices and funding opportunities to enhance its food systems' sustainability.

Strong fisheries sector: Malta's strategic location in the Mediterranean bolsters its robust aquaculture industry providing high-quality seafood for local and international markets.

Thriving restaurants sector: Malta's prosperous economy and flourishing tourism industry drive substantial consumer spending in the food sector, particularly in restaurants stimulating sector growth and innovation.

Distinctive culinary heritage and quality produce: Malta has a rich food culture influenced by a blend of Mediterranean and middle eastern cuisines dating back thousands of years and some high-quality local produce including honey, olive oil, citrus, tuna and wine.

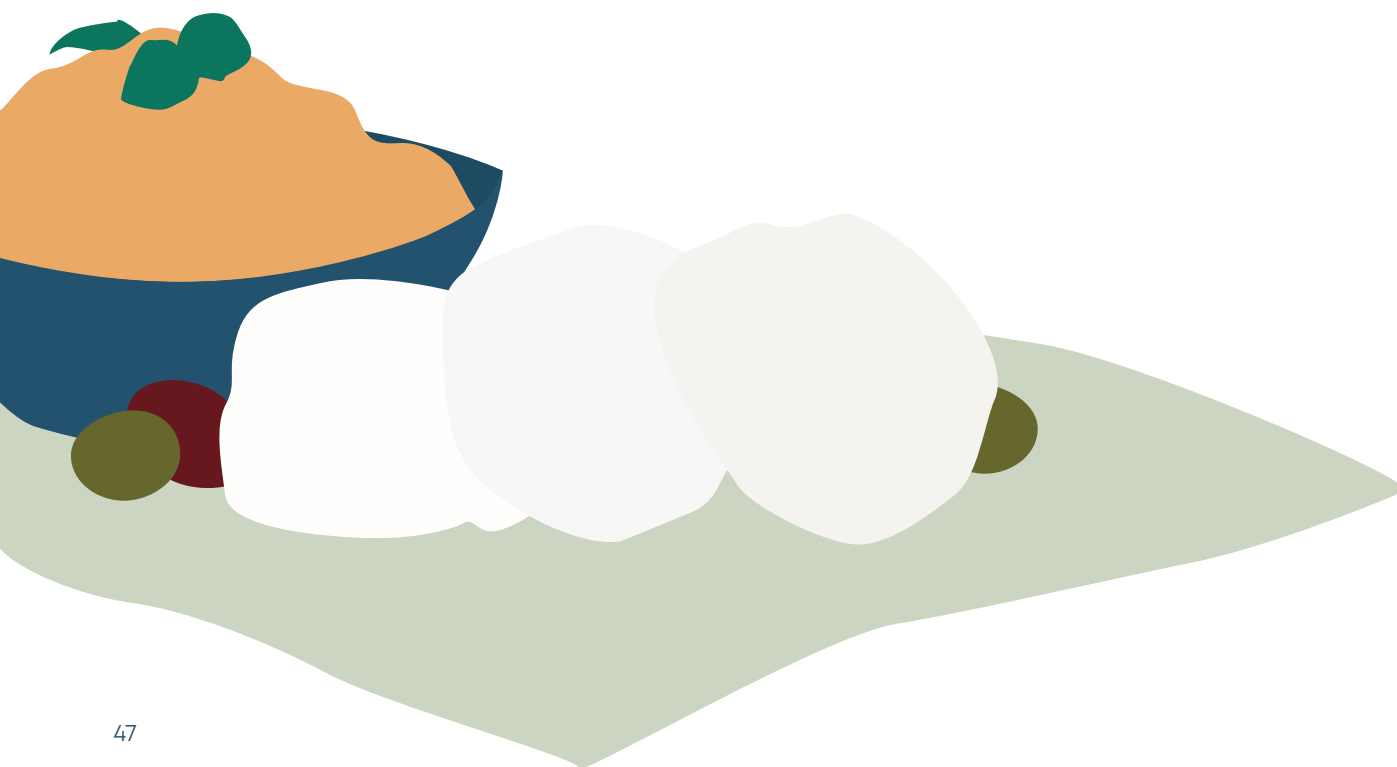
Weaknesses

Limited Scale and Agricultural Challenges: Small size impedes the growth of large-scale food businesses in Malta while limited land, water resources, and an ageing farming population compound these difficulties, since they resist change and the adoption of new technologies, hindering efficiency and productivity.

Dependence on Food Imports: The heavy reliance on global food supply chains creates vulnerability and uncertainty in Malta's food supply, these are exacerbated by Brexit-related complexities.

Food Waste and Inefficiencies: Malta's complex food system involves various stakeholders, with notable inefficiencies and waste throughout the supply chain, due to missing infrastructure and policy gaps.

Limited Processing and Storage Facilities: Few processing facilities and inadequate wholesale refrigeration lead to rapid perishability and price volatility for fresh produce which could deter consumption of fresh fruits and vegetables.





Opportunities

Culinary tourism and food culture: Leveraging Malta's culinary heritage and promoting food-related tourism experiences can attract gastronomy enthusiasts and contribute to the growth of the food sector and local food culture as well as attract a higher quality tourism segment.

Leveraging EU resources: The EU's Common Agricultural Policy (CAP) and other funds provide significant opportunities for investment in the food and agriculture sector.

Structural and land reforms: There are opportunities to introduce structural and land reforms in the farming sector to make it more efficient and sustainable. These reforms, as well as better organisation in the farming sector can help to strengthen Malta's core food production sectors.

Food Waste Reduction & Charitable Distribution: By creating collaborative mechanisms between distributors, retailers, and policymakers, surplus food and fresh produce nearing its expiry could be integrated into a circular value chain and transformed through freezing or cooking or processing or redirected to charities. This initiative could reduce food waste and enhance the nutritional diversity available to families in need.

Threats

Climate-Related Vulnerabilities: As global climate patterns shift, Malta's food system faces increased risk from environmental impacts such as changing weather patterns and increased temperatures.

Competition from Imports: Malta's small size and limited land availability could make it difficult for local producers to compete with cheaper imported products which can achieve economies of scale.

Loss of Agricultural Land: Rapid urbanisation, population and tourism growth, and property speculation pose a risk to the continued availability of agricultural land in Malta.

Market Fluctuations and Supply Chain Disruptions: Dependence on global food supply chains exposes Malta to price volatility, shifts in global market conditions, and potential disruptions due to geopolitical tensions, pandemics, or natural disasters.

Health System Pressures: An unhealthy population leads to additional pressures on the health system. There is a need to reduce the burden from diet-related diseases to ensure the health system remains efficient.

Moving from the strengths, weaknesses, opportunities, and threats that define Malta's food systems, it is also essential to understand the broader context in which these dynamics operate. The PESTEL analysis below aims to provide a more profound insight into the sector's prospects and challenges.

Political

- **Vulnerability to EU Regulation:** The EU's proposed ban on animal caging, the proposal for the sustainable use of pesticides, the proposed soil health and monitoring law, and others, underscores the vulnerability of the sector to external regulations where smaller countries have less influence.
- **Government Control Over Agricultural Land:** As the primary holder of agricultural land the Maltese government's land use and agricultural policies can significantly impact the resilience and diversity of local food production.
- **Government Influence over Industrial Land and Economic Policy:** As the primary holder of industrial land and with an incentive toolbox which includes grants and tax credit the Maltese government's economic policies and incentives can influence the attractiveness of the wider food manufacturing and processing sectors.
- **Food Safety and Standard Regulations:** Regulations around food safety and standards directly shape the food supply chain operations influencing consumer choices. In Malta various gaps exist.
- **Tax and Regulation Influence on Behaviour:** Strategic use of taxation and other policies can incentivise and influence the consumption landscape as well as food waste. Currently, Malta does not sufficiently use tax or other penalties as levers to address food choices or waste.
- **International Trade Policy:** The Maltese government's position on international trade agreements combined with agile responses to geopolitical events is crucial for securing the competitiveness and stability of the domestic food industry.

Economic

- **Financial Market Influence:** Financial market dynamics including insurance and loan accessibility directly impact the food production sector's growth. Malta lacks financial market products available in other European markets.
- **Tourism and Population Growth:** The growth in tourism and an expanding population create additional revenue opportunities for food related businesses, especially in view of efforts to position Malta as a gastronomic destination.
- **Food Market Infrastructure:** Investments in food market infrastructure can stimulate trade and strengthen the local food economy. Presently, there are weaknesses in Malta's market infrastructure across the value chain, and the Malta Food Agency has an important role in addressing some of these gaps.
- **Ageing Primary Production Sector Workforce:** An ageing farming and fishing population poses a potential challenge to the productivity and sustainability of Malta's food system.
- **Food Waste Management:** Efficient food waste management strategies can lead to economic savings across the food supply chain.
- **Complex Supply Chains:** The intricacies of Malta's food supply chain marked by numerous actors such as importers, distributors, and transporters, amplify the operational costs and economic challenges due to the country's limited local production capacity.
- **Impact of Externalities:** Malta's food system is sensitive to global economic trends such as currency exchange rate fluctuations and shifts in global food prices, as well as input, energy and transportation costs.

Sociocultural

- **Health and Dietary Trends:** As health consciousness grows and plant-based diets gain popularity, new demand patterns within the food market are likely to evolve.
- **Interlinkages of Food and Culture:** The distinctiveness of Malta's culinary traditions is deeply intertwined with its cultural identity underscoring the critical role food plays in defining and preserving the nation's heritage.
- **Demographic Changes:** Over 35% of Malta's workforce comprises foreign nationals, catalysing changes in the food system. This influences the available food products, diversity in restaurant offerings, and the evolution of culinary dishes within the country. An ageing local population can also alter food consumption trends, potentially impacting demand for specific types of food products.
- **Education's Role:** Enhancing food education can cultivate a deeper understanding and appreciation of the food sector. This along with raising awareness about food waste, sustainability, and ethical sourcing, can shape consumer behaviour and market dynamics. In Malta, food is not deeply embedded in the educational curricula.
- **Dietary Inequality and Heritage:** Socio-economic factors and dietary traditions affect food choices potentially leading to unequal access to healthy food among certain societal groups resulting in negative health outcomes.
- **Digital Influence:** The impact of social media and digital platforms through food bloggers, online food communities, and influencers, significantly influence consumer attitudes, preferences, culinary trends, and buying habits.

Technological

- **Digital Platforms:** Online marketplaces, food delivery apps, and digital payment systems are reshaping the food retail landscape offering new channels for food businesses in Malta to reach customers.
- **Innovation in Waste Management:** Technology-driven solutions for waste management within the food industry can foster a more sustainable food system.
- **Traceability and Transparency:** Emerging technologies offer solutions for enhancing traceability and supply chain management in the food sector bolstering consumer trust and ensuring food safety. These technologies are largely missing from Malta.
- **Educational Platforms:** Digital platforms are playing a pivotal role in promoting food education and facilitating informed consumer choices fostering a more conscious and responsible food culture.
- **Technological Advancement in Logistics:** The utilisation of advanced technology in logistics such as cold chain management and e-commerce operations is enhancing efficiency and minimising food loss within the system.
- **Advancing Primary Production:** Technology advancements including precision farming, smart aquaculture, and automated harvesting, have immense potential to bolster productivity and fortify the resilience and sustainability of food systems. In Malta, these systems are largely absent.

Environmental

- **Climate impact:** Climate change can have negative impacts on the food sector including increased incidence of damage from pests and severe weather events, and increased water scarcity. Malta is particularly vulnerable given its climate and shortage of fresh water.
- **Embracing Sustainable Practices:** Sustainable production practices can help to reduce the environmental impact of the food sector including greenhouse gas emissions. In Malta, organic farming is still in its infancy and needs to be promoted as an environmentally-compatible, financially viable farming and food production system.
- **Reducing Food Waste:** Efforts to reduce food waste can have positive environmental impacts such as reduced greenhouse gas emissions.
- **Reducing Transport Emissions:** Promoting buying local products can help to reduce the environmental impact of transportation and support local ecosystems. Malta's small size offers a lot of opportunity in this regard, and models such as the bio-districts can offer integrated solutions.
- **Innovating for Environment:** Research and innovation can lead to more environmentally friendly farming and fishing practices, also with commercial scope.
- **Natural Heritage:** Efforts to protect the natural environment can help to preserve the food heritage of the Maltese food sector and help protect biodiversity. It is important to understand that farming and fishing depend on nature and to break away from the polarising view that separates the two. It is also important to continue to work to design and implement agri-environment schemes that are tailored to the realities of the Maltese agro-ecosystems and can deliver the right benefits to farmers and citizens.
- **Water Scarcity Challenges:** Water scarcity and water quality can directly impact food production and processing activities in Malta.
- **Regulatory Influence:** The role of environmental regulations and initiatives such as the EU's circular economy package or the UN's Sustainable Development Goals impacts on the development of sustainable and environmentally friendly food production practices in Malta.

Legal

- **Land Use Legislation:** Land use policies and laws directly impact the availability and distribution of arable land for agricultural purposes significantly influencing Malta's food production capacity. Government is addressing these issues through the ongoing reform in the agricultural land sector.
- **Employment Legislation:** Employment laws can influence the working conditions, wages, and rights of workers across the food sector from farmers to food service employees.
- **Animal Welfare Laws:** Animal welfare regulation in the livestock and poultry sectors shape production practices and influence public perception. Malta's small size and small-scale production is a limiting factor.
- **Food Processing Regulations:** Strict rules govern food processing impacting the methods used, the additives allowed, and the quality control measures implemented in the production of processed food products.
- **Trade Agreements:** The legal frameworks of international trade agreements directly influence Malta's food import and export landscape affecting the competitiveness and stability of the domestic food industry.
- **Climate Change Legislation:** Environmental laws related to climate change can impact agricultural practices influencing measures for adaptation and mitigation in the food sector.
- **Waste Management Laws:** Legal measures around waste management guide how food waste is treated, disposed of, or recycled, with implications for sustainability across the food system.

4.3

Research into Malta Farm Economic and Own Factors of Production

Overview

- Our examination of Malta Farm Economics, conducted utilising data from the Farm Accountancy Data Network (FADN), entailed an analysis linked to one of the Common Agricultural Policy (CAP) goals, ensuring viable farm incomes within Malta. This research was conducted between December 2022 to March 2023, and analysed various economic parameters reported by FADN by Member State, encompassing farm income, direct payments, components of income, financial structure, labour, and leased land.
- The focal point of our research was the influence of “own factors,” including unpaid labour, self-owned land, and capital on farm productivity.
- Upon initial evaluation, it was evident that a significant proportion of Maltese farms might be rendered economically unsustainable if “own factors” were to be replaced with compensated equivalents. This finding necessitated a deeper exploration for a more granular understanding of these factors





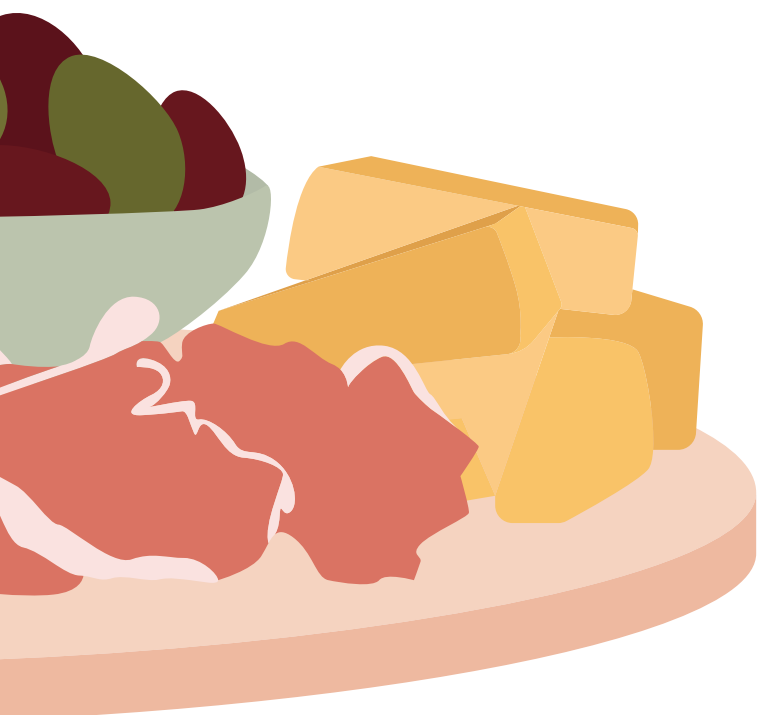
Introduction to 'own factors' as part of expense analysis

FADN also presents data with the inclusion of 'own factors' which encompasses resources that are used by the farm which are not paid for, like land, labour, and capital. By doing so, the FADN analysis aims to ensure

1. **Comprehensive Cost Assessment:** It allows for a full evaluation of all farming costs, ensuring a more accurate assessment of farm production expenses.
2. **True Profitability Measurement:** Including these factors helps in accurately determining a farm's profitability by accounting for the opportunity cost of using one's own resources.
3. **Policy Decision Support:** This comprehensive analysis aids in informing agricultural policies by providing a clearer picture of the actual economic conditions on farms.
4. **Sustainability and Resource Management:** Understanding the use of 'own factors' is crucial for evaluating farm sustainability and effective resource management.
5. **Comparative Analysis and Benchmarking:** It enables better comparison between farms, helping in benchmarking and identifying areas for improvement, particularly in resource utilization.

In essence, incorporating 'own factors' in FADN analysis ensures a more detailed and realistic view of farm economics, supporting better management decisions, policy-making, and sustainable farming practices. The three categories of 'own factors' considered include

1. **Own Labour:** The labour provided by the farm owner, their family members, or unpaid workers. This contrasts with hired labour, for which the farm incurs a direct financial cost.
2. **Own Land:** Land that is owned by the farmer, as opposed to rented or leased land. This includes both the land actively used for farming and any other land owned by the farm that might contribute to its operations.
3. **Own Capital:** This includes machinery, equipment, and buildings that are owned by the farm. It represents a capital investment that does not require ongoing external financing or leasing costs.

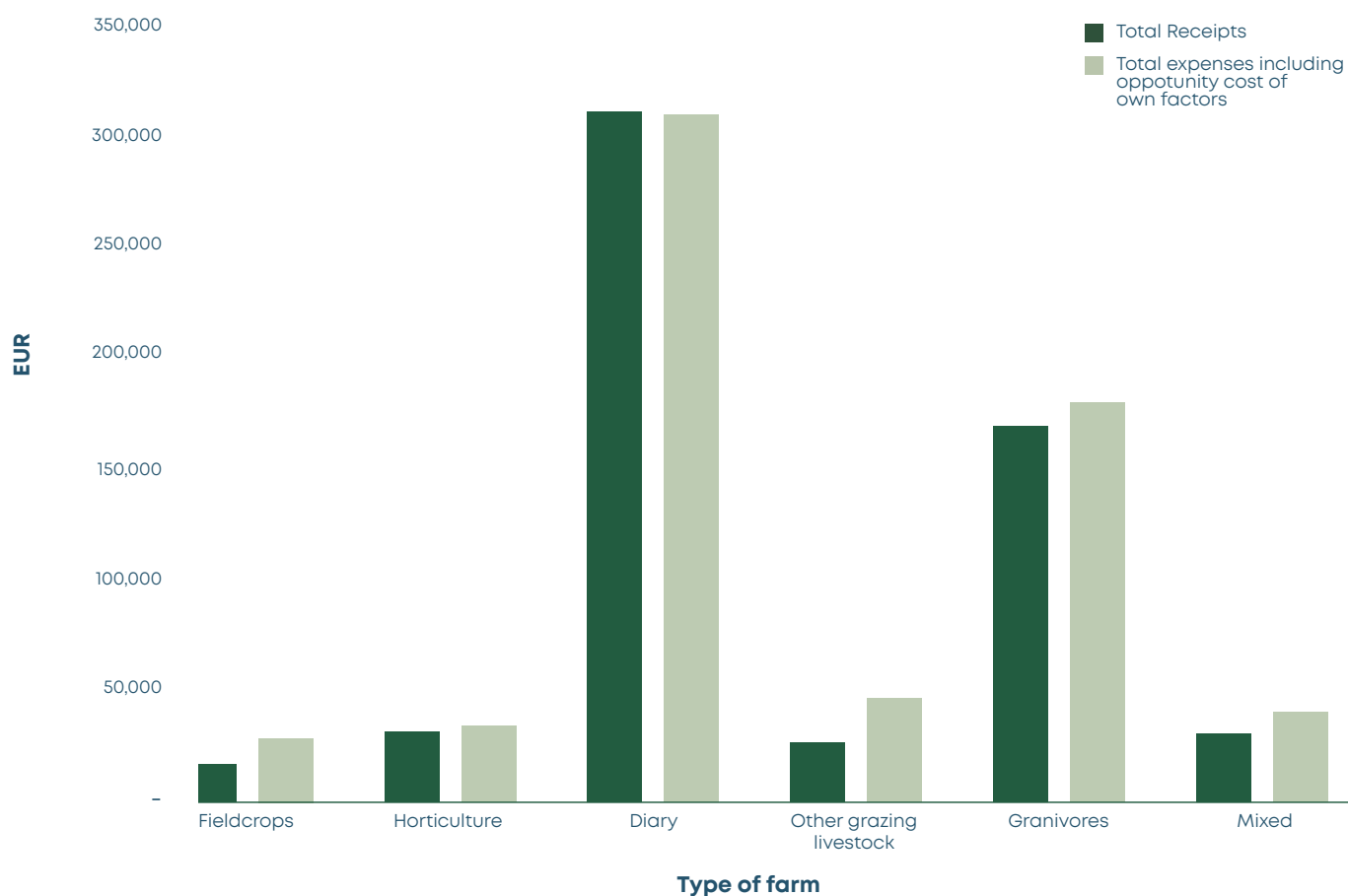


According to information provided by the FADN, in Malta, in 2020

- an AWU (average working unit amounts to 2,132 hours (equivalent of 5.8 hours a day, 365 days a year);
- the opportunity cost of labour is EUR 6.67 per hour;
- the opportunity cost of land is: EUR 123 / per hectare in 2020

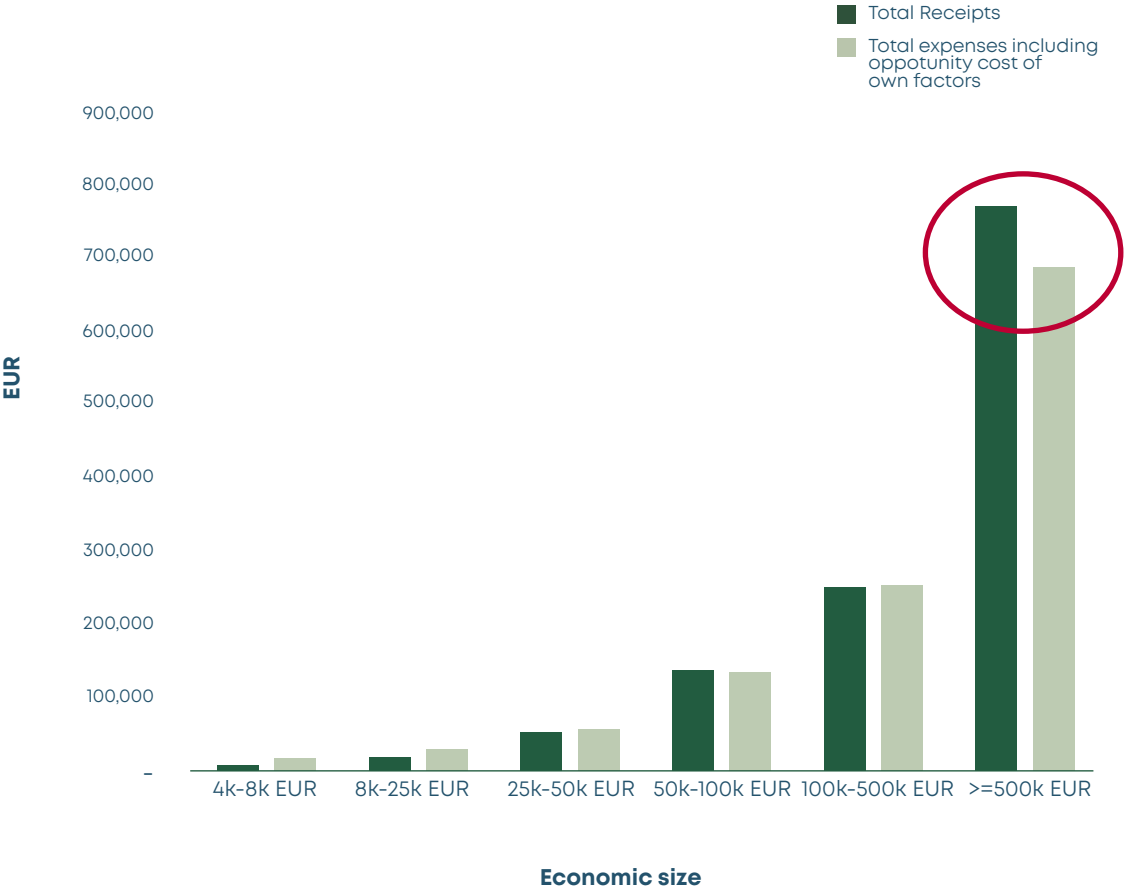
Based on FADN data, most farms would be loss making if the opportunity cost of own labour, own capital and own land are taken into consideration – with large farms being the outlier

Average Receipts and Expenses across Farm Types, including own factors, Malta, 2020



Source: FADN public database

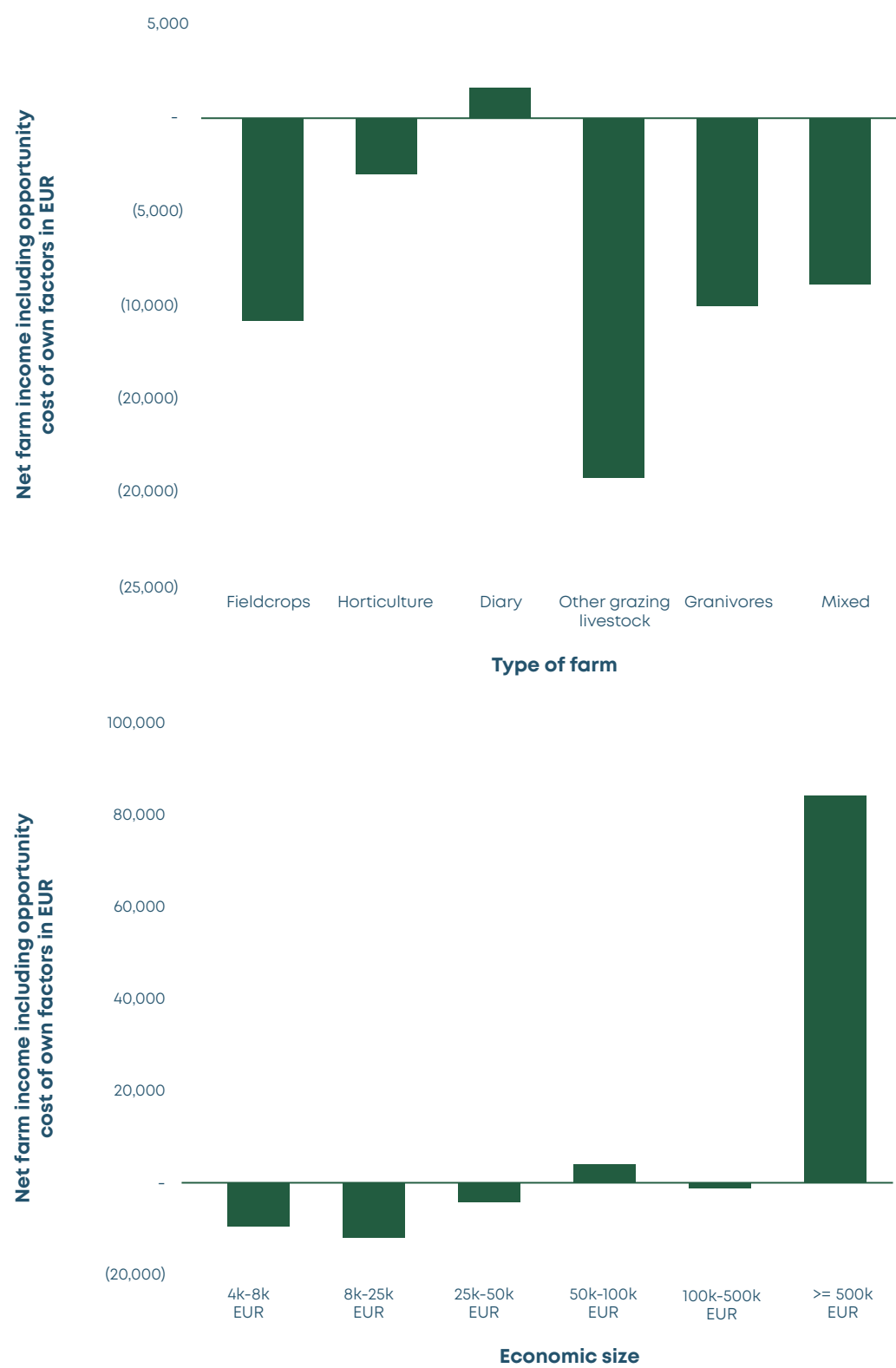
Average Receipts and Expenses across Farm Types, including own factors, Malta, 2020



Source: FADN public database

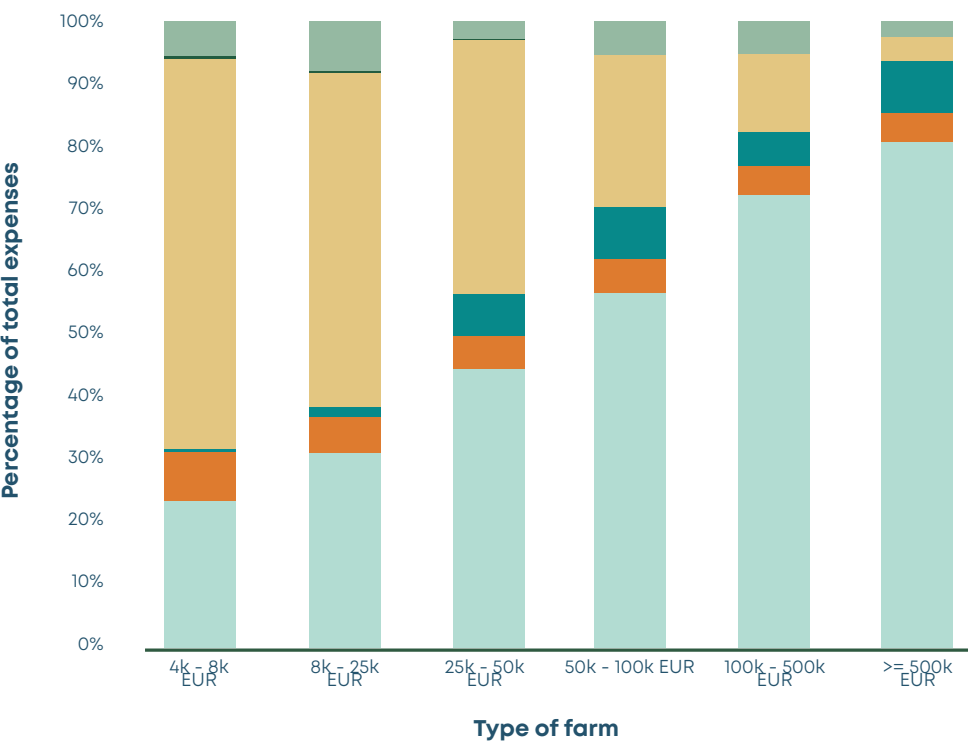
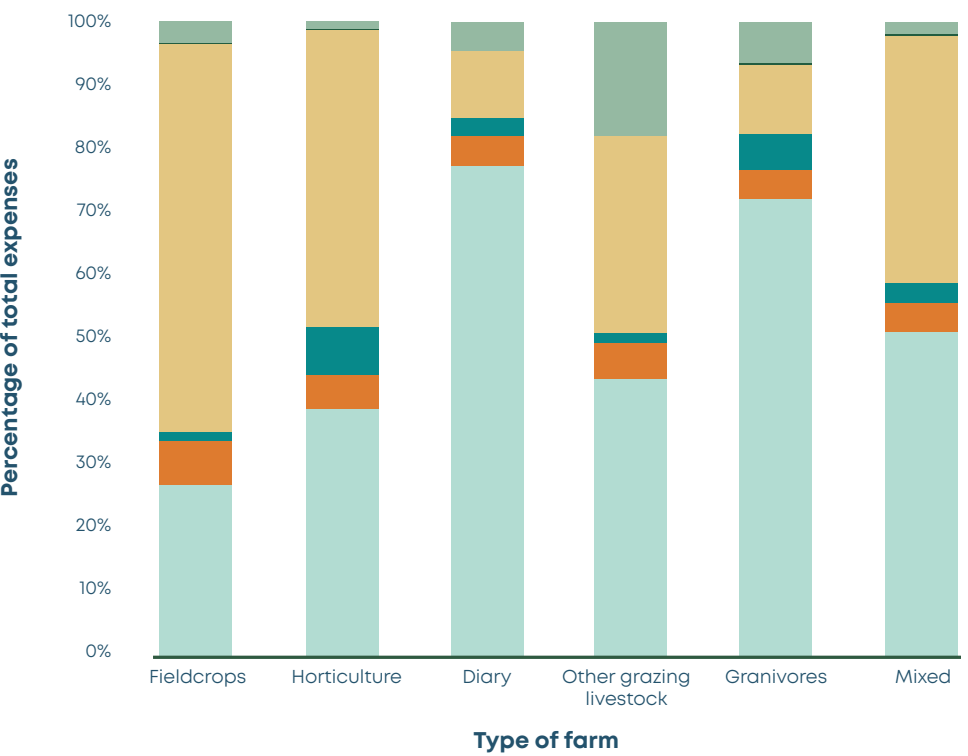


FADN data shows that all farm types (excl dairy) and most farms sizes <€500k would be loss making or close to breakeven if the opportunity cost of own factors is considered



Source: FADN public database

As a proportion of total expenses, own labour has a particular bearing for certain farm types and sizes



■ Total Intermediate Consumptions ■ Depreciation
■ Total external factors ■ Opportunity cost of external family labour
■ Opportunity cost of land ■ Opportunity cost of capital after corection

Source: FADN public database

Key observations

- Based on the data presented by FADN, many Maltese farms would be loss-making should they need to replace 'own factors' with a paid for equivalent, with labour having a particular bearing on the total cost composition of small farms.
- This indicates a reliance on these intrinsic 'own' resources for maintaining profitability, underscoring the importance of 'own factors' in the economic viability of these farms.
- The necessity of such self-supplied resources highlights their critical role in the economic model of Maltese agriculture, and accentuates one of the key risks the sector faces.
- In Malta, many farms are managed on a part-time basis by family members whose main source of income is not agriculture. According to FADN data, 84% of working hours on farms are undertaken by unpaid family labour.
 - An AWU for Malta is defined 2,132 hours (equivalent of 5.8 hours a day, 365 days a year).
 - The opportunity cost of labour is EUR 6.67 per hour.



4.4

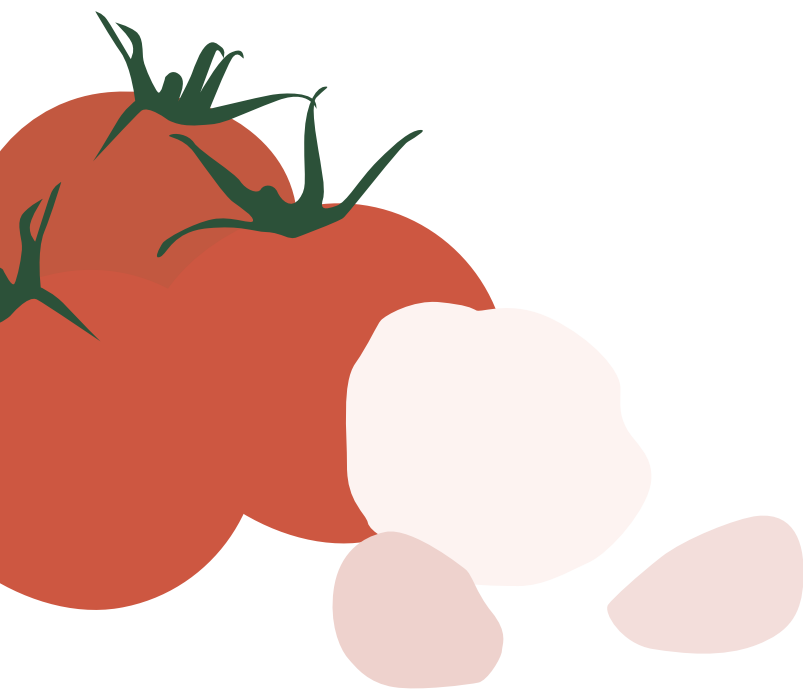
Value Chain Analysis

Introduction to the national Food Strategy: Value Chain Analysis Report

In advancing Malta's National Food Strategy, a value chain analysis was conducted to explore the pathways of food products from production to the consumer, with a particular emphasis on fruits, vegetables, pork, and the dynamics within the fish market. This analysis aimed to identify factors that influence final selling prices, and find opportunities to enhance the resilience and fairness of the national food system.

Fruit and Vegetables: Initial Findings and Observations

- As part of the initiative to develop a National Food Strategy, MAFA's value chain analysis scrutinised the pricing structures within the fruit and vegetable sectors across various retail channels. This involved a comprehensive assessment of the Pitkali wholesale market, farmers markets, and supermarket retail channels.
- From this evaluation, the following trends and observations were noted:
 - **Markup from Wholesale to Retail:** It was observed that fruits and vegetables sold at the wholesale level generally incur a significant markup by the time they reach the consumer. This markup was found to vary depending on the type of product, highlighting a non-uniform pricing mechanism within the chain.
 - **Price Fluctuations at the Pitkali Market:** Prices at the Pitkali market were subject to daily fluctuations, influenced by several factors. The absence of standardised quality measures led to subjective assessments of produce quality, contributing to price volatility. Furthermore, the diversity of produce varieties and the specific time of day which could reflect the produce's availability or scarcity were also noted as influential factors. The data also implies significant fluctuations in pricing over short periods of weeks, with both daily and weekly fluctuations indicative of supply and demand mismatches
 - **Direct Selling as a Viable Alternative:** Observations indicated that direct selling presents an attractive alternative, potentially allowing farmers to circumvent some of the traditional market challenges. By selling directly to consumers or retailers, farmers could achieve better price realisations and build stronger relationships with consumers.



Fruit and Vegetables: Sector Observations

- The value chain analysis revealed critical infrastructure, policy and market-related factors influencing the pricing of fruits and vegetables in Malta:
 - **Cold Storage Infrastructure:** Malta's limited cold storage infrastructure, compounded by the local climate, significantly heightens the perishability of produce. Farmers are often forced to sell their products hastily due to oversupply and perishability, leading to diminished prices. The availability of cold storage infrastructure at the Pitkali market could address these supply and demand imbalances, allowing farmers to store surplus produce and sell it at more advantageous prices, rather than at any price to prevent loss.
 - **Grading and Quality Standards:** The absence of standardised grading and defined quality standards is another key factor impacting the ability of some farmers to achieve higher prices for their produce. Standardised measures could help distinguish higher-quality produce, enabling farmers to command better prices and boost their income at the farm level.
 - **Unpackaged Produce:** The common practice of selling Maltese produce in unpackaged forms may also impact the ability to command higher prices in retail outlets. Packaging can enhance the perceived value of produce, fostering consumer trust in the quality and safety of the product, and potentially allowing farmers to achieve premium pricing.
- **Direct Sale Channels:** While direct sales present an opportunity for producers to secure higher prices, the limited number of Agricultural Work Units (AWUs) per farm suggests that small Maltese farmers might find it difficult to allocate sufficient time for direct sales activities along with their primary farming responsibilities. This highlights the need for improved support systems and infrastructure that facilitate direct market access without adding undue burden on the farmers.
- **Producer Organisations and Cooperatives:** The role of producer organisations and cooperatives could be pivotal in overcoming some of these challenges. By pooling resources, these entities could manage sales and marketing efforts more efficiently, providing small farmers with the opportunity to leverage collective sales channels and distribution networks. This collaborative approach could enable farmers to maintain their focus on agricultural production while simultaneously benefiting from direct sale channels.

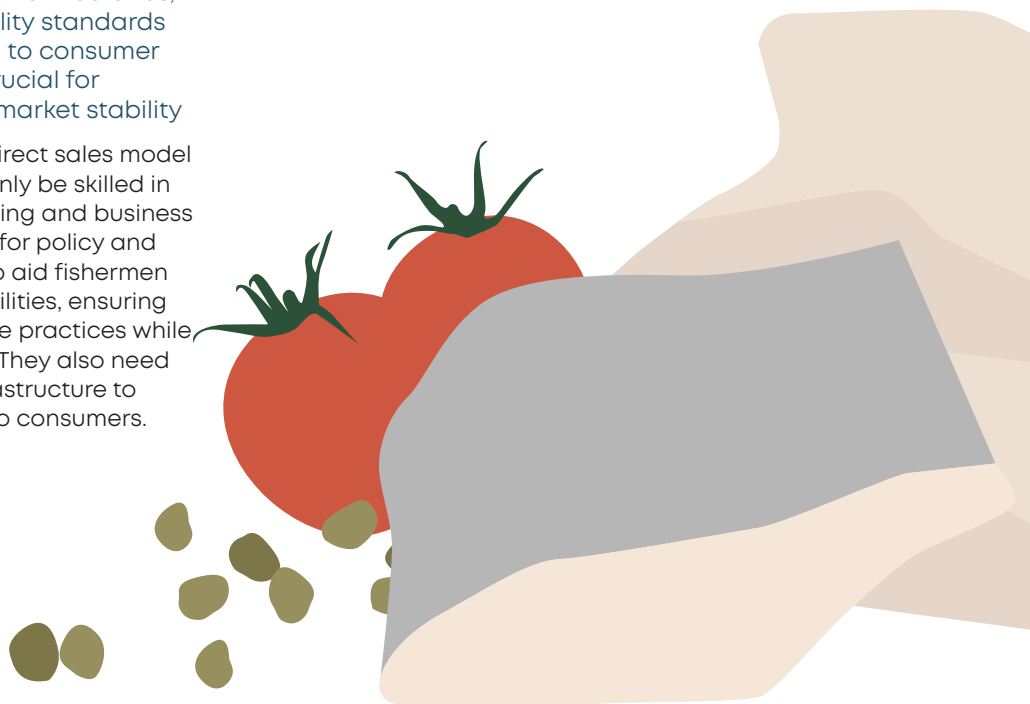


Pork Sector Observations

- In exploring the pork sector within Malta's food landscape, our analysis acknowledged the sector's unique challenges and dynamics, particularly influenced by the high level of imports that compete with local production. The engagement with local pork producers and industry experts revealed several key findings:
 - **Challenges Posed by Imports:** The pork sector in Malta is significantly challenged by the influx of imported pork products, which often undercut local prices, making it difficult for local producers to compete effectively in the market.
 - **Sector Viability:** Local producers have expressed concerns regarding the viability of pork production in Malta, pointing out that the competition from imports is not just about price but also about consumers' perception of value and quality.
 - **Lack of visibility:** Local producers have expressed concerns regarding the viability of pork production in Malta, pointing out that the competition from imports is not just about price but also about consumers' perception of value and quality.
- By focusing on measures that enhance the competitiveness and sustainability of local pork production, there is an opportunity to foster a more resilient food sector that supports local producers and provides consumers with clear choices.
- The industry's feedback underscores the need for strategic interventions to support local pork producers, potentially through better marketing, improved labelling standards, and initiatives aimed at enhancing the visibility and appeal of Maltese pork to consumers.
- In light of these considerations, the following recommendations are proposed to support the pork sector in Malta:
 - **Label Transparency:** Implementing clearer labelling standards could help to dispel consumer ignorance regarding product origin, ensuring that consumers are fully informed when making purchasing decisions
 - **Developing Local Brands:** There is a need for establishing and promoting local pork brands that can differentiate Maltese products in the market, fostering consumer trust and preference for locally produced pork
 - **Professionalisation:** Initiatives to professionalise the sector and improve marketing efforts could elevate the status of local pork and reverse the decline in demand
 - **Cooperative Reform:** Addressing the management and scale issues within cooperatives like KIM could enhance their operation, offering better support and service to member producers
 - **Develop Value-Added Pork Products:** Support the creation of processed and specialty pork products to differentiate Maltese pork from imports, enabling producers to access premium market segments and improve profitability perception of value and quality.

Fish Sector Observations

- In the context of Malta's National Food Strategy, the fish sector was reviewed with a different lens than the agricultural sectors due to its unique operational structure. The sector predominantly functions on a direct sales model, with volumes going through the Pixxkeria being considerably lower as a percentage of total sales, than with agricultural produce sold at the Pitkali. When it comes to fisheries, a sizeable proportion of fishermen typically sell their catch directly to restaurants and retailers. This mode of operation tends to simplify the value chain by removing intermediaries, thus reducing potential markups. Despite the benefits, this model also presents challenges that were considered during the analysis:
 - **Data Collection Constraints:** The direct sales model makes comprehensive data collection more challenging, as transactions often occur in a decentralized and informal manner, making it difficult to capture accurate and systematic data.
 - **Sustainability Concerns:** Direct sales do not inherently guarantee sustainable fishing practices, and as such, there is a need to ensure that the long-term viability of fish stocks is managed through appropriate regulatory and conservation measures
 - **Quality and Traceability:** Without a formalized marketplace or intermediaries, maintaining consistent quality standards and traceability from catch to consumer can be complex, which is crucial for consumer confidence and market stability
 - **Support for Fishermen:** The direct sales model requires that fishermen not only be skilled in their trade but also in marketing and business management. There is a role for policy and industry support structures to aid fishermen in these additional responsibilities, ensuring they can focus on sustainable practices while achieving fair market prices. They also need access to the necessary infrastructure to store and sell their produce to consumers.





4.5

A Survey of Consumer Preferences

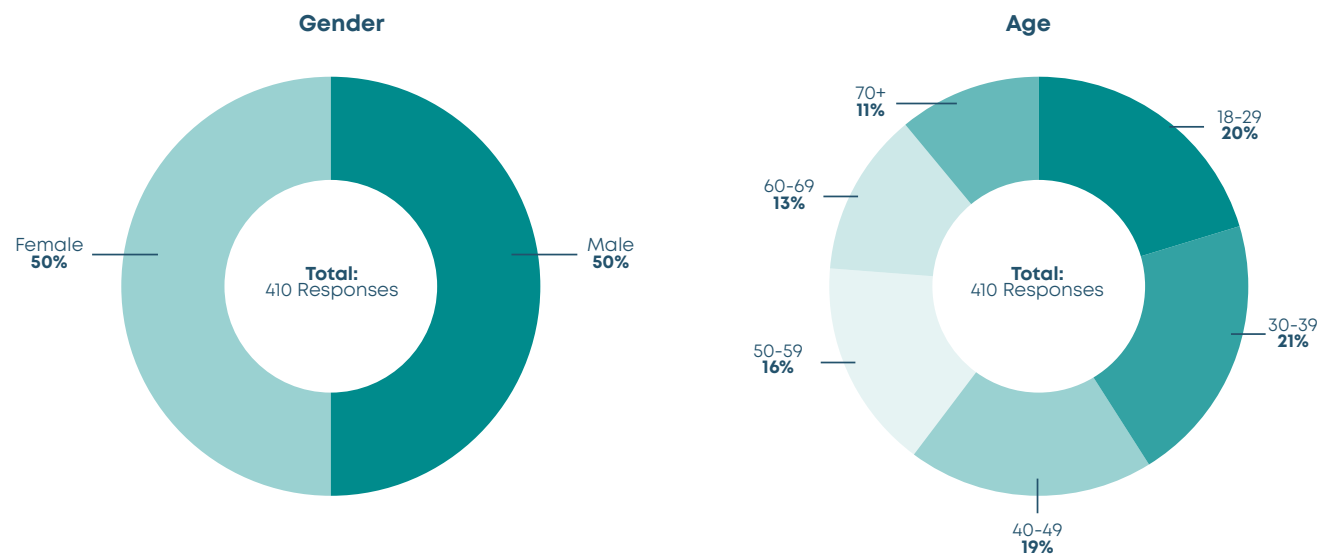
Overview

As part of Malta's National Food Strategy process, a survey was conducted between April-June 2024 to assess key preferences within the local food industry. Utilizing a stated preference method, this survey is made up of 410 respondents with gender-age representation of the Maltese population (with shares based on the applicable national statistics, specifically NSO's Regional Statistics 2023)

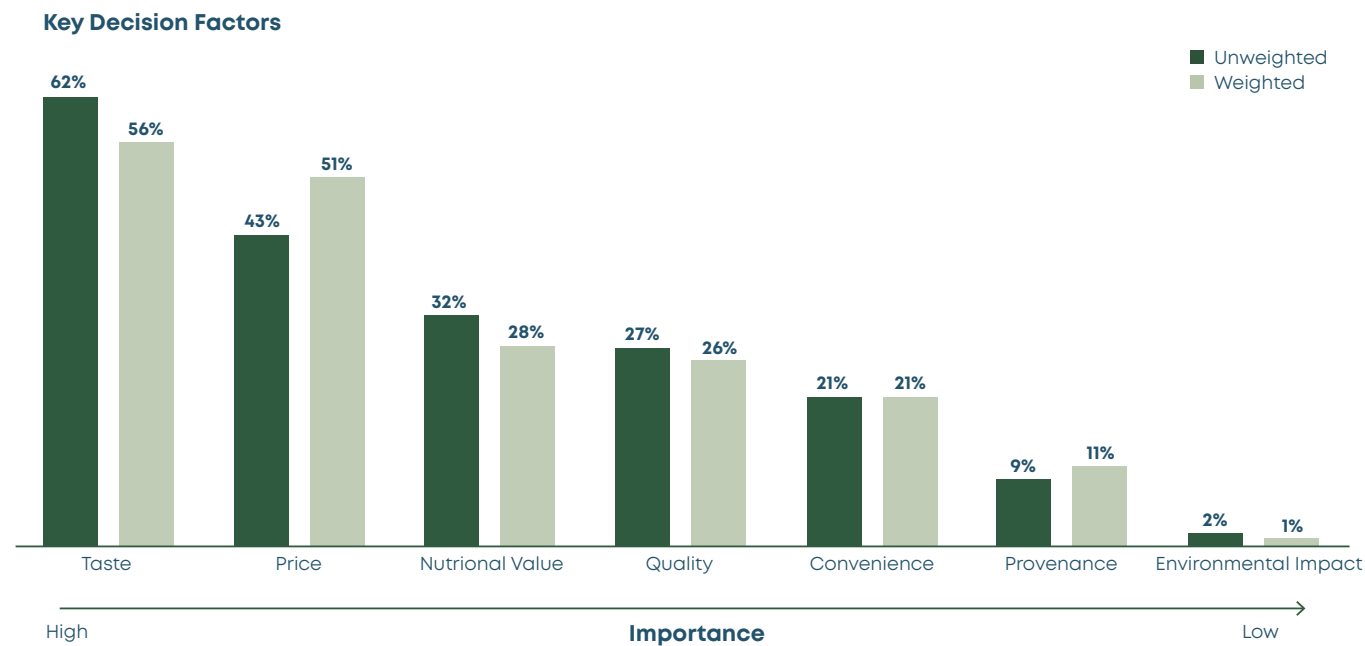
Main observations

- The top 3 key decision factors when making food purchasing decisions in order of importance are 'Taste', 'Price' and 'Nutritional Value', respectively. The same outcome is present in the weighted scenario, but price is attributed more importance when outputs are weighted.
 - Purchasing decisions of the male cohort are more influenced by price than taste, particularly in the weighted scenario where lower education and vocational training groups are given more weight.
 - In order of importance, Taste, Price and Nutritional Value are the key decision factors across the age groups 18 to 59. However, the 60+ cohort are more highly influenced by price than their younger counterparts.
- Preference for local products is strong, with 65% of respondents indicating a choice for local over imported goods, increasing to 72% in the weighted outcome.
- On average, around 40% of respondents stated they have limited or no understanding on the topics mentioned, indicating a potential need for educational initiatives. This is particularly evident in the topic of the effect of food on wellbeing, with over 50% stating they have limited or no understanding in both scenarios.
- 'Quality standards', 'Affordability', and 'Accessibility' are the key non-price factors influencing the demand for local food. These factors significantly impact consumer choices. On the other hand, 'Convenience' was the least important factor.
- Respondents most commonly seek initiatives that aid businesses in offering healthier options and improving access to local produce. There is also a high demand for greater promotion of local food and assurances of quality, such as certifications for being pesticide-free. The top 3 initiatives in order of preference are:
 - Help businesses offer affordable, convenient, and healthy options
 - Set up farmers markets in other towns and villages
 - Support farmers and fishers to sell direct and deliver to your door

Demographics: The collected sample is representative in terms of gender and age. Results on the next pages are presented in both unweighted and weighted format (i.e. weighted by educational representation).

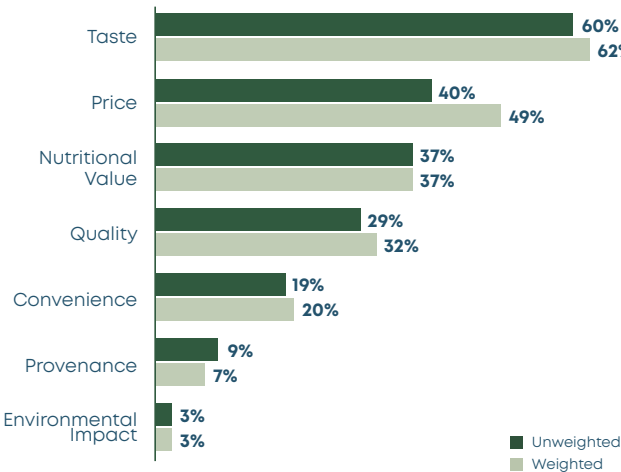


Key Decision Factors: In both the weighted and unweighted versions, 'Taste', 'Price', and 'Nutritional Value' are the top 3 factors influencing purchasing decisions related to food. However, in the weighted version price is given more importance.

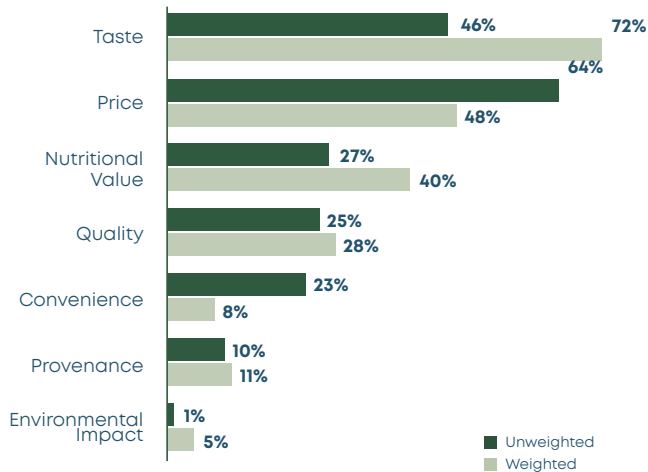


Key Decision Factors: While the same preferential order mentioned in the results overview (Taste, Price, Nutritional Value) is present in the Female cohort, price is a particularly more important factor for the Male cohort.

Key Decision Factors: Females

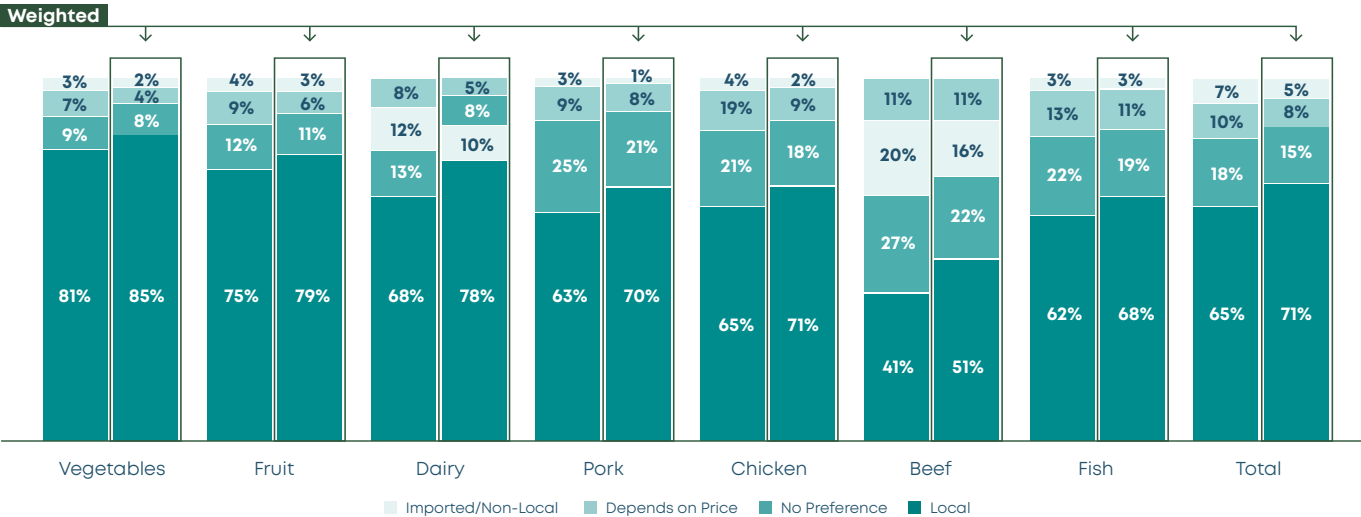


Key Decision Factors: Males



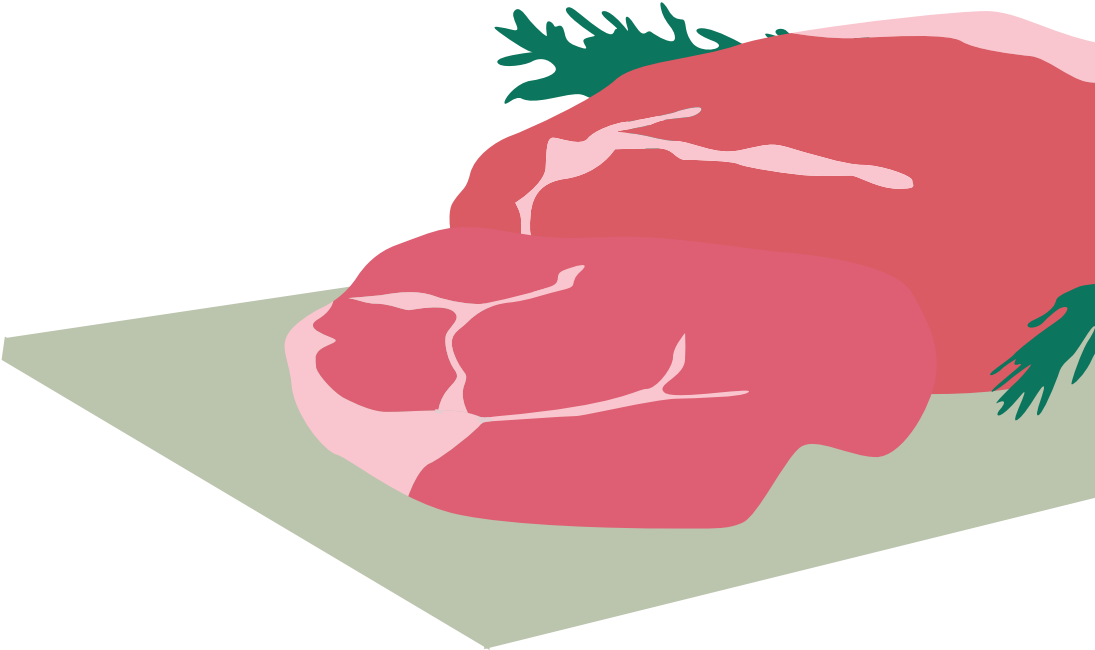
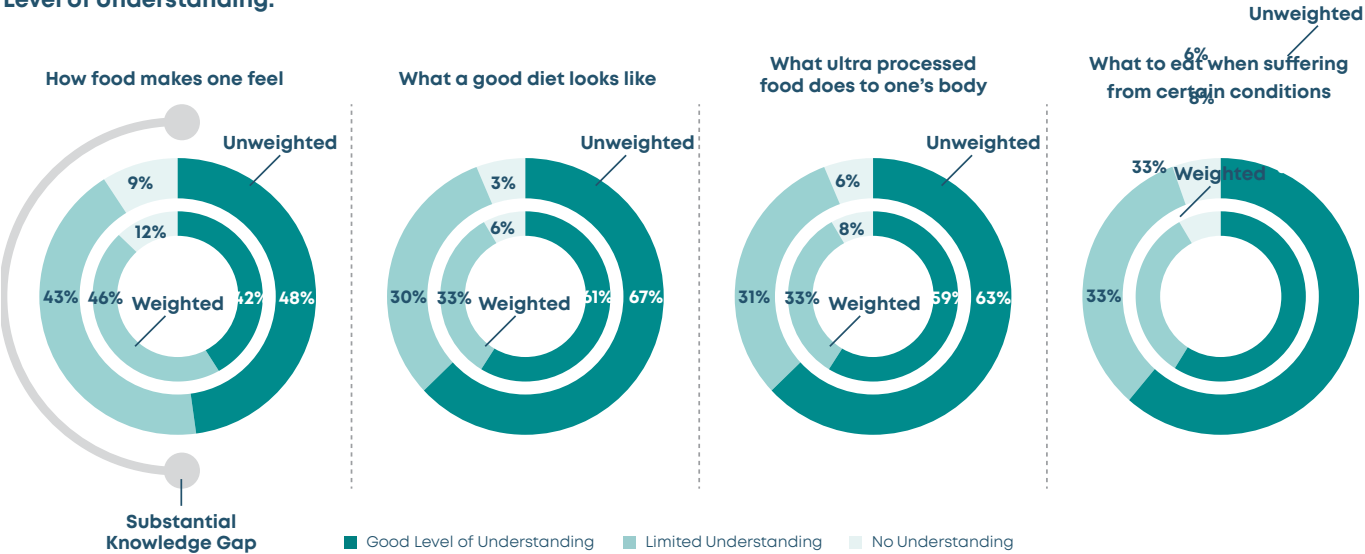
Preference for Local vs Imported: There is a clear preference for local products across the board in both the weighted and unweighted outputs. Overall, between 65-70% of respondents stated that they prefer local. There is a slight deviation from this trend as a considerable segment shows a preference for imported beef (lower in the weighted scenario).

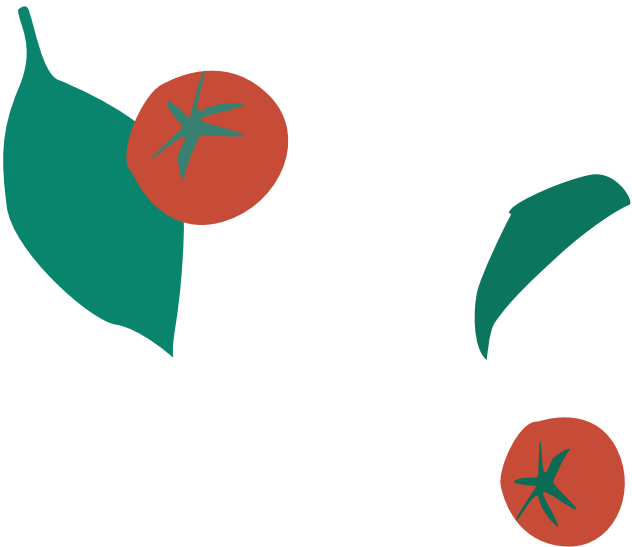
Local vs. Imported



Level of understanding: Overall, there seems to be a good level of understanding across all domains, with around 60% reporting a good grasp of most topics. However, a knowledge gap exists regarding the impact of food on wellbeing, with over 50% of respondents having limited to no knowledge in this domain (in both weighted and unweighted scenarios)

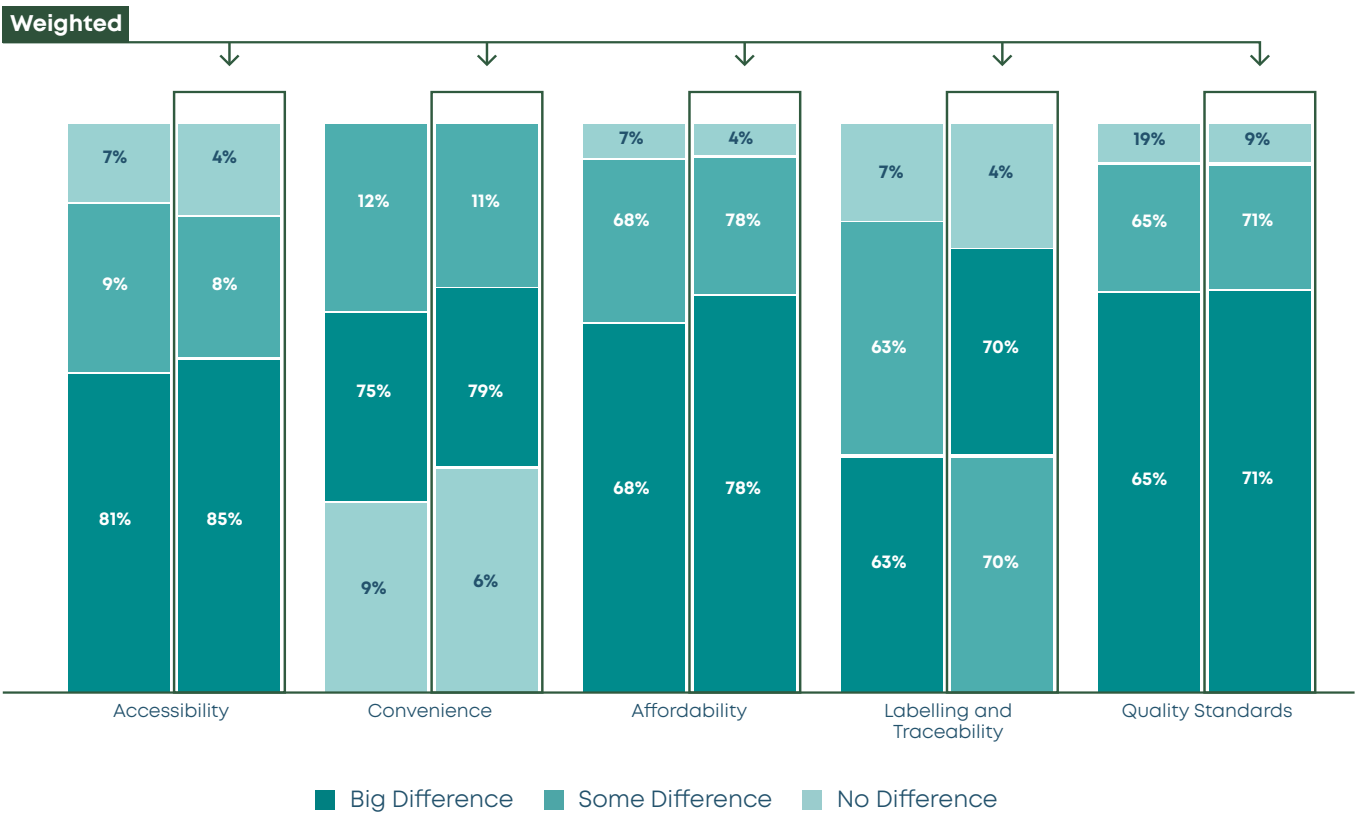
Level of Understanding:





Factors influencing demand for local products:
'Quality', 'Affordability', and 'Accessibility' are the three main nonprice determinants (NPD) influencing demand for local products. 'Convenience' is predominantly listed as making no difference in their decision to purchase local products.

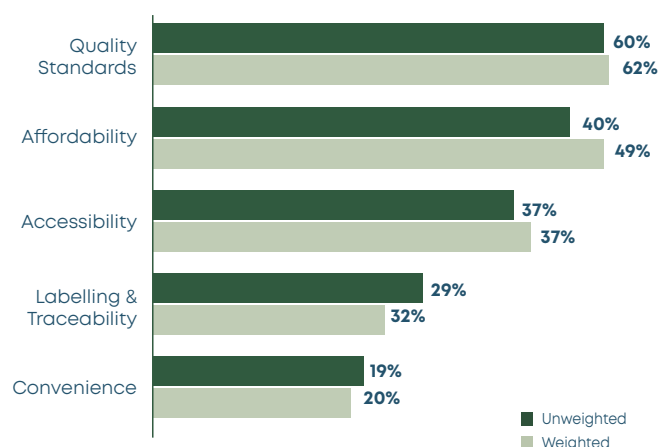
Factors influencing demand for local products



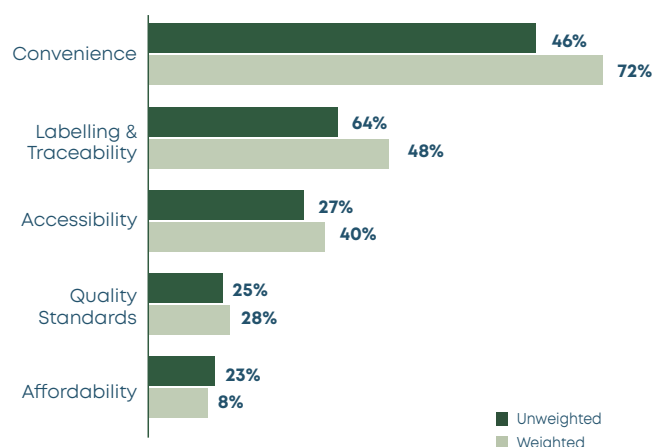
Factors influencing demand for local products:

'Quality', 'Affordability', and 'Accessibility' are the three main nonprice determinants (NPD) influencing demand for local products. 'Convenience' is predominantly listed as making no difference in their decision to purchase local products.

Makes a big difference



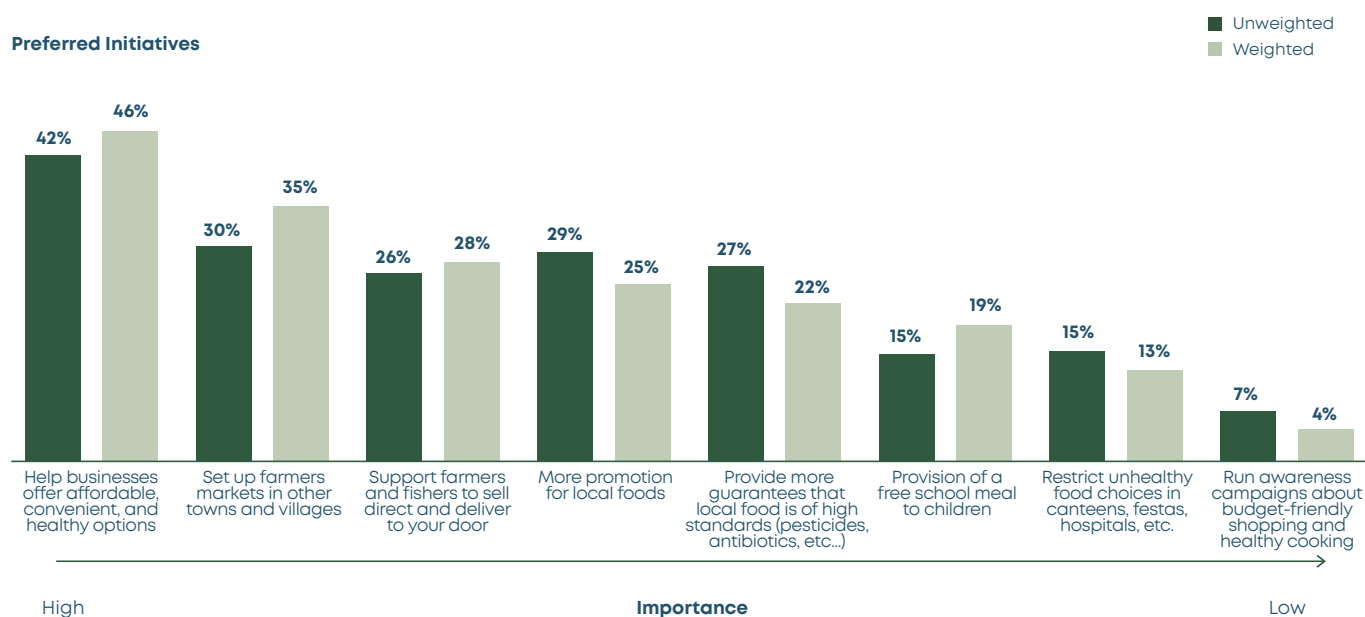
Makes no difference

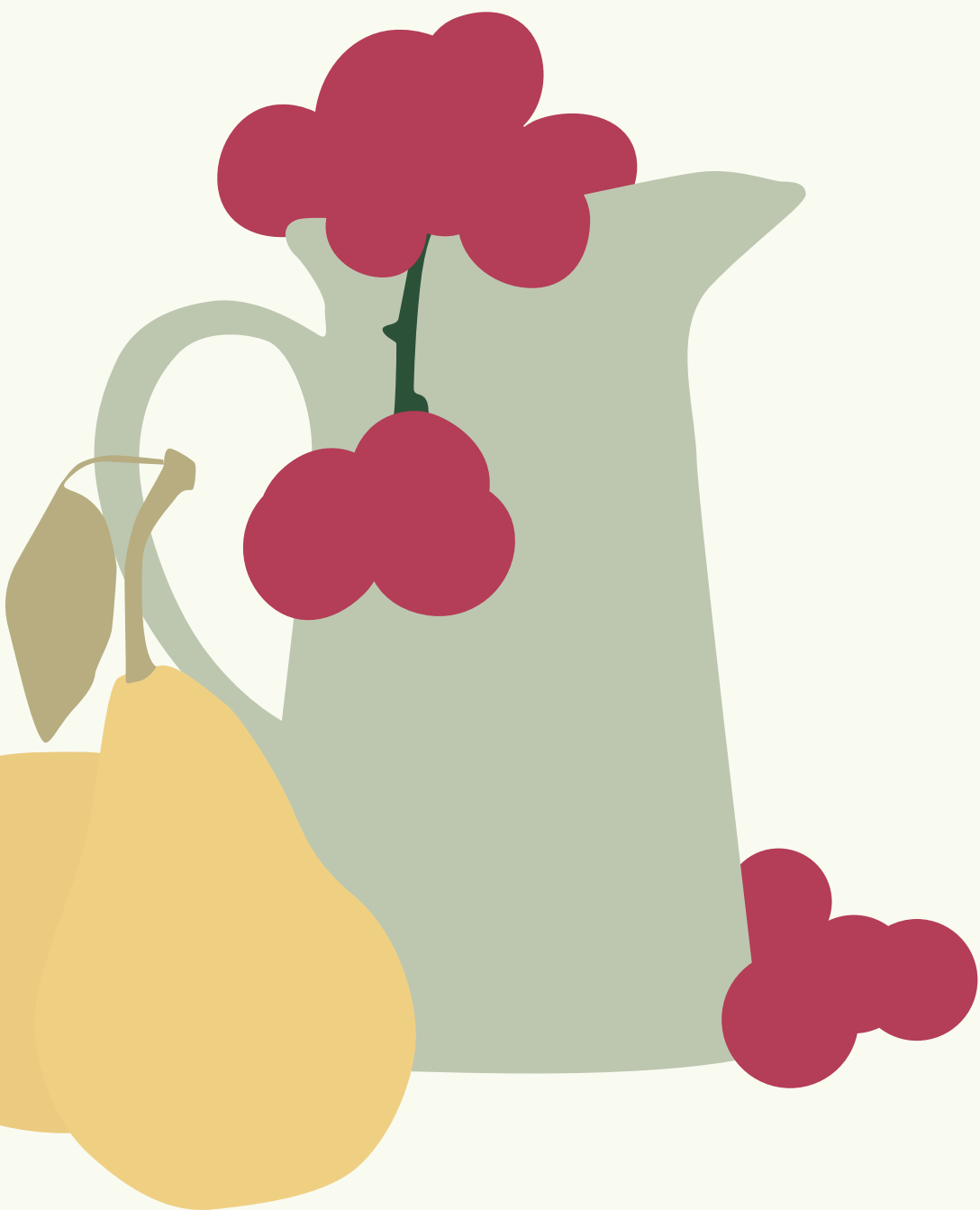


Clarification: Accessibility and Convenience have distinct meanings in this survey. Accessibility is referring to proximity to shops or availability of delivery, while convenience refers to prepacked or pre-cut products.

Preferred initiatives: The top 3 initiatives preferred by the respondents revolve around (i) assisting businesses to offer healthy options; (ii) increasing accessibility by setting up farmers' markets in other villages; and (iii) facilitating delivery. The least preferred initiatives are awareness campaigns and the restriction of unhealthy food choices.

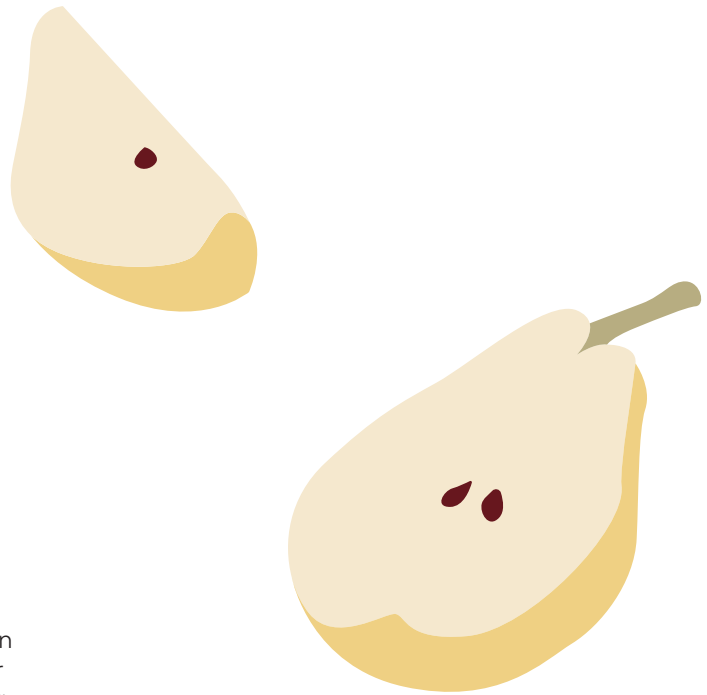
Preferred Initiatives





5 Vision and Strategic Pillars





Guided by these analyses and insights, we have been able to develop a clear vision for Malta's Strategy for Resilient Food Systems – one that seeks to promote a sustainable, resilient, and economically vibrant food system. It is embedded in Malta's distinctive food ecosystem, reflecting our steadfast dedication to ensuring the viability of the food sector, propelling food security and championing sustainability. Translating this vision into actionable goals involves structuring the Strategy around three main pillars, each encompassing significant aspects of the food system - from production to consumption. These pillars form the bedrock of the Strategy, framing its development and facilitating measured delivery.





Pillar 1: Securing the Viability of Local Production: Empowering Economic Activity for the Present and Beyond

This pillar is foundational to the Strategy, focusing on creating the infrastructure and support systems that provide equitable opportunities for local farmers and fishermen. It recognises the essential role that these individuals play in the social and economic fabric of Malta. By investing in the necessary infrastructure, and creating an environment conducive to sector growth, this pillar seeks to empower producers with the tools they need to be more competitive. It is about enhancing the economic viability of local production to ensure it remains integral to Malta's social and economic fabric.

Pillar 2: Future Proofing Food Supply: Strengthening Resilience and Security

With an eye on the future, the second pillar aims to boost the security and sustainability of Malta's food supply. It involves taking cohesive actions across the food ecosystem to ensure that Malta can withstand and adapt to the challenges presented by geo-political shifts, climate change and other global uncertainties. This means ensuring resilient supply chains that can support Malta's food needs in times of crisis. In essence, it is about making the food system robust enough to endure the tests of time and change. It is also about addressing issues linked to food waste and harnessing growth and innovation linked opportunities.

Pillar 3: Igniting Pride in Local Food and Nurturing a Knowledge-Driven Food Culture

The third pillar aims to rekindle the connection between the Maltese people and their food. It is about nurturing an understanding of nutrition, encouraging sustainable consumption patterns, and fostering pride in the unique quality of local produce. This pillar envisages a society where local food is not only preferred but celebrated, mirroring the way our Mediterranean neighbours valorise their culinary produce. It is a commitment to turning every citizen into a champion for local food, driving demand that supports sustainable incomes for farmers and fishermen, and creating a knowledge-driven culture that values food as a cornerstone of wellbeing and our socio-economic fabric.

5.1

Pillar 1: Securing the viability of local production: Empowering economic activity for the present and beyond

Our Ambition:

Our drive is to invigorate the agricultural sector towards economic viability and sustainable practices. Simultaneously, we aim to bolster our fisheries and aquaculture sector – taking our aquaculture industry a further step forward and helping our traditional fishermen. Our goal is to mould them into resilient and viable sectors. Collectively, they will enhance Malta's food security, support our primary sectors, and reflect our deep-rooted culture.

The goals, principles and initiatives detailed in this pillar aim to empower local producers, enhance market access, and foster innovation and entrepreneurship.

Strategy Goals:

- Boost Producer Revenue through Better Market Infrastructure
- Empower Small-Scale Productive Farming, Sustainable Fishing and Future Generations
- Safeguard Agriculture Against Financial Risks
- Ensure Better Utilisation of Agricultural Land

Strategy Guiding Principles:

- Market Efficiency: Improving market efficiency and transparency to ensure an equitable distribution of income to producers.
- Economic Viability and Sustainability: Prioritise the economic viability of local production while promoting sustainable agricultural and fishing practices.
- Collaboration and Co-operation: Foster cooperation and partnership among different stakeholders in the agricultural sector to drive mutual success.
- Diversification and Capacity Building: Encourage diversification of income streams alongside strengthening the capacity of small-scale farmers, fishing community engaging the youth.
- Value Addition and Responsible Land Use: Promote food processing and value-added enterprises to enhance the competitiveness of local produce while implementing policies that protect agricultural land and advocate for responsible land use.





Our strategy to get there:

5.1.1

Goal 1: Boost producer revenue through better market infrastructure

Modernising Agricultural and Fisheries Wholesale Markets and Infrastructure

Through the Pitkali reform and a “Standardised Grading System”, we aim to reduce pricing disparities, enhance transparency, and create a more level playing field for all stakeholders involved. This refined approach will simultaneously eliminate arbitrary pricing, allowing for prices that are reflective of tangible quality metrics. Furthermore, this clarity will empower our producers. With a transparent grading system, our farmers will be able to fine-tune their cultivation processes, ensuring that their offerings consistently meet or exceed these standards.

In line with our priority to ensure a better quality of fresh agricultural products, infrastructural investment in cold storage infrastructure at the Pitkali will continue to be undertaken. This is aimed to extend the shelf life of agricultural products and mitigate the impact of post-harvest losses. By curbing the rapid degradation of produce, we can stabilise the supply, effectively counteracting the erratic price changes and ensuring more revenue for farmers.



Bolstering direct sales channels for farmers and fishermen

Recognising the benefits of the Ta' Qali Farmers' Market, as part of the regeneration plan for Ta' Qali and in line with the Government's programme of works, plans are underway to have state-of-the-art facilities for the Farmers' Market area – a modern hub dedicated to local producers, where visitors can have an augmented experience that combines the visibility and sales of local items and creates a unique venue for locals and tourists.

Building on this momentum, the establishment of a "Maltese Product Market" within the new Pitkalija and Farmers' Market is expected to be a key factor in enhancing the visibility and sales of local agricultural products. This infrastructural investment will enable consumers to have a modernised shopping experience, making the market more efficient and sustainable for all operators involved. It also aims to support farmers to get more revenue from direct sales, further strengthening our agricultural sector.

Similarly, our aspirations for the fisheries sector extend beyond the confines of the wholesale market. Recognising the freshness and quality of catches from our local fishermen, we will initiate a process to assess the feasibility of reinvigorating local fish markets in strategic fishing ports, with the right infrastructure to support the exclusive sale of locally caught fish. The objective is to provide a platform for local fishermen to sell directly to consumers, while also allowing fishmongers to procure space, provided they exclusively offer local produce. Prior to this proposal's execution, in-depth evaluations of market interest and feasibility will be initiated to ascertain the potential success and long-term viability of these markets.

Working together with Malta Enterprise and the Ministry for EU Funds, we also aim to ensure that producers and producer organisations are supported to use digital sales channels. A key area of focus is to ensure that they have access to the appropriate digitalisation grant and investment support schemes. Additionally, we aim to ensure that individual producers and producer organisations have the appropriate assistance to join and operate within existing digital marketplaces to sell their produce. For those interested in a more tailored approach, we also aim to ensure those producers and producer organisations considering establishing their own dedicated e-commerce platforms are appropriately supported to do so.

The Ambition for a Dedicated Market for Local Food

Continuing our vision for market infrastructure, there is a broader ambition on the horizon: the development of a "Circular Food Village". The vision behind this concept is to promote the strengths of the local food supply chain end-to-end, from production to consumption, enhancing the sustainability and profitability of local producers while making fresh, local foods more accessible, also providing emerging local food enterprises a platform to interact directly with consumers. This initiative aligns with Malta's strategy to elevate its production sustainability and food culture, ensuring a blend of tradition, innovation, and accessibility. Before this vision becomes a reality, detailed demand assessments and investor interest would need to be sought, to ensure that this project makes sense as a commercial venture.

Bio-districts

Furthermore, through Malta's Action Plan for Organic Food, the Ministry will undertake a study and implement a pilot project to designate 'bio-districts' and 'bio-trails' for the purpose of creating and strengthening local short-supply chains for organic food and farms. 'Bio-districts' and 'biotrails' have the potential to increase sharing of best practices and provide economies of scale, serving as regions where nature meets culture, enhancing sustainable businesses, and providing new opportunities for the sale of local products and for farm tourism.

Additional Policy Infrastructure

An important initiative which the Government has included in its programme of work for the food sector is the design and development of a farmer benchmarking system with a categorisation scheme for farmers and livestock breeders based on their economic activity and contribution towards the agricultural sector. This classification is based on the 'Income Approach' relation between the Farm Net Value Added and the Annual Working Unit, and addresses the issue of the so-called genuine farmer, as well as enable policy makers to design and develop policies that are better targeted to different categories of operators within the sector and to incentivise the transition from one category to another.

5.1.2

Goal 2: Empower small-scale productive farming, sustainable fishing, and future generations

Strengthening Small-Scale Sustainable Food Production and Investing in the Future

It is recognised that small-scale farmers constitute most of Malta's professional and productive farmers, contributing to the provision of fresh, wholesome food. To this aim, a "Small-Scale Sustainable Food Production Programme" will be established. This programme will seek to develop high-impact initiatives that can actively and significantly support small-scale farmers (defined in the ambit of national categorisation systems) overcome some of the inherent challenges they face, guaranteeing, for example, improved access to agricultural land, farm workers, short-supply chain markets, funding, risk mitigation, modern technology, new water, environmentally-compatible input materials such as certified seeds and propagation material, and pesticides with a low risk profile, business development support, and guidance for succession planning.

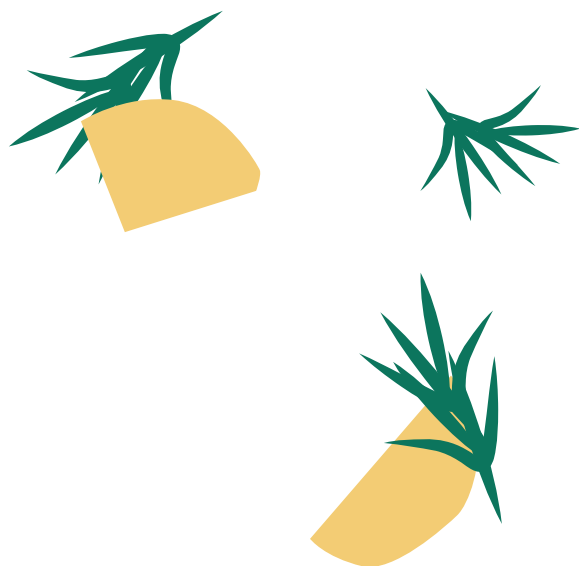
Pooling Resources to Reduce the Cost of Farming Inputs

In the context of Malta's agricultural sector, input costs average 55%⁸ of total operating expenses for small-scale farmers. In addressing this significant cost component, and linking to the need to strengthen small-scale production, it is proposed to set up a "Collective Acquisition Platform", preferably managed in partnership with co-operatives or producer organisations. By consolidating their purchasing power, these farmers have the potential to negotiate lower prices and boost their profitability. Beyond mere cost savings, pooling resources also ensures consistent availability of essential inputs. Coupled with ongoing commercial advisory support, this initiative aims to not only reduce financial burdens but also instil operational resilience, thus setting the foundation for a more sustainable agricultural sector in Malta.

Making Local Produce Easier to Source for Food Businesses

In Malta, large-scale food businesses often encounter difficulties with securing guarantees around supply consistency, pricing, and quality standards, and as a result, many opt for importing produce rather than sourcing from local Maltese farmers. Central to addressing this challenge is the facilitation of "Structured Agreements" between farmers and major food buyers. By establishing clear standards for quality, pricing, and supply consistency, these agreements intend to provide farmers with the assurance of steady demand and fair prices. In turn, businesses can be confident in securing a reliable local produce supply.

⁸ Europa, Analytical Fact sheet. (2023).



Strengthening Co-operatives

To enhance the commercial and operational capacity of agricultural and fishing producer organisations cooperatives, we plan to offer support through structured capacity-building workshops. The agriculture and fishing sectors constantly evolve with new technologies and practices. Training ensures that cooperative members are equipped with the latest knowledge, driving efficiencies in production and direct selling.

In addition, we see a clear need for targeted commercial advisory services to equip producer organisations with insights into market pricing, to ensure they are maximising profits for their members, and keep them informed on market dynamics, including environmental shifts and global trade trends, and identify and develop new opportunities relating to packaging and processing. The goal is to enable informed decisions for market positioning, product development, and profit distribution.

Audits are essential to our approach. They provide a clear view of co-operative operations, ensuring accountability and highlighting areas that need refinement. Through ongoing assessments, we ensure that cooperatives remain aligned with set objectives and industry standards.

The planned Ambassador's Organic Food Advisory Forum is set to serve as a catalyst and pre-cursor to the formation of a producer organisation for the organic sector. Similar initiatives are also taking place in the fisheries and aquaculture sectors.

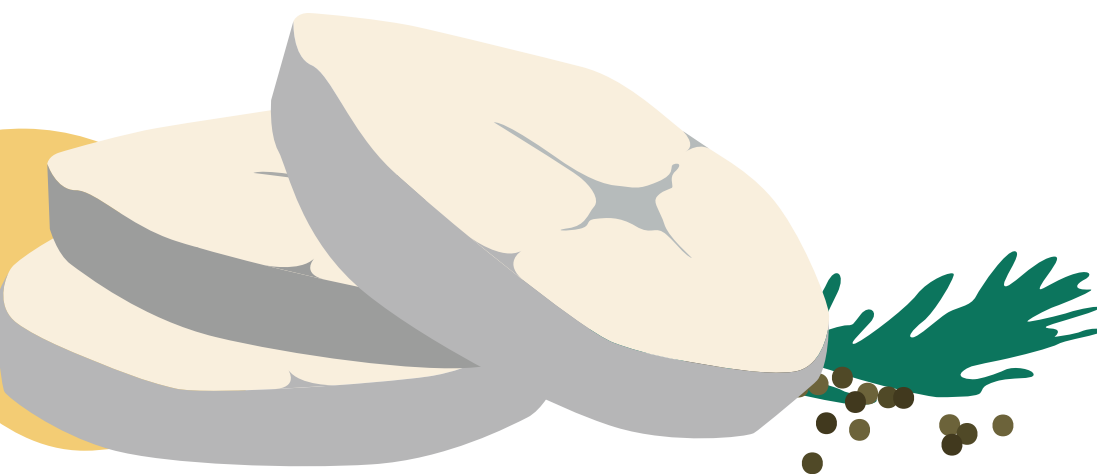
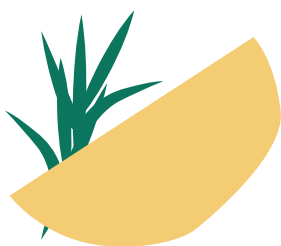


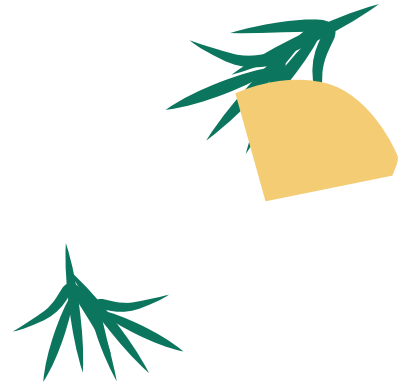
Increasing access to processing facilities

Supporting the establishment and expansion of food processing and value-added enterprises is a key priority. We will partner with Malta Enterprise and INDIS Malta Ltd, in a strategic effort to promote food processing as a strategic manufacturing business activity. We aim to implement supportive measures that stimulate the growth of value-added enterprises within INDIS-managed estates. Our focus will be on reducing post-harvest and catch losses, creating job opportunities, and enhancing the value of local agricultural and fish produce.

In situations where there is limited market interest, due contemplation will be given towards the establishment of shared processing units, possibly through joint ventures with local enterprises or producer organisations. In parallel, efforts are underway to identify and fill gaps in the existing supply chain through supplementary facilities.

The government's investment of circa €200,000 in facilities for the treatment of animal by-products, including but not limited to the "Mazzit" production plant, presents an opportunity for farmers to generate new ancillary revenue streams. By processing the by-products of locally slaughtered animals, farmers will have a chance to turn what is often discarded as waste into a valuable resource. The new facilities enable the adaptation of traditional processing practices to modern methods, creating a new market for products such as tripe and blood sausage.





Strategic Revenue Enhancement Initiatives for Agriculture and Fisheries

Recognising the unique attributes of Maltese biodiversity and agricultural genetic resources, there is a need to carve out niche markets for distinctive Maltese agricultural and fish products. The emphasis is on products that echo our rich heritage, and support Malta's positioning as a gastronomic tourist destination. Support mechanisms under consideration include R&D thematic funding, setting up specialised testing facilities, and formulating targeted marketing strategies. The role of public-private partnerships and specialised training programmes is also being studied to strengthen Malta's stature in the global food market.

The Government of Malta recognises the food sector's potential to drive economic growth. To support local farmers and create new revenue streams, the government is taking proactive measures to promote food product exports that the country is well-known for, such as pork, tuna, honey, olive oil, salt, tomato paste and citrus fruits. These products have unique qualities and flavours that are highly sought after in international markets. The Malta Food Agency is equipped to promote Maltese food through international trade fairs, marketing campaigns, and strategic partnerships.

Agriculture and aquaculture can become more sustainable and profitable through innovation and alternative revenue streams. One such approach is agri-voltaics—installing solar panels on farmland to produce energy while maintaining agricultural use. This boosts farmer income through electricity sales, lower energy costs, and higher land value. Power can also be sold via Power Purchase Agreements (PPAs). To support this, the government will introduce a policy allowing solar panels on greenhouses used for organic farming, encouraging a shift toward higher-value production.

Addressing Generational Renewal in Farming and Fishing

Attracting younger generations to Malta's agriculture and fisheries sectors is key to long-term sustainability. Current initiatives include €5 million in CAP funding for 260 young farmers, new jobs, and upcoming programmes like paid apprenticeships and vessel support for young fishermen. Bluefin tuna permits for under-41s and specialised training in food safety and navigation are also in place.

Education efforts like "Let's Talk Farming" foster early interest. Looking forward, Malta aims to connect young entrepreneurs to global incubators and launch local programmes focused on business, tech, and sustainability. Collaboration with research institutions will support innovation and value-added products.

A dedicated generational renewal strategy will combine current and new measures, offering tools for success and promoting profitable business models. Proposed fiscal incentives include pension top-ups for retiring farmers/fishermen who transfer assets to younger professionals, tax exemptions for land acquisition, and contribution credits. These steps aim to modernise and revitalise the sector for future generations.

5.1.3

Goal 3: Safeguard agriculture against financial risks

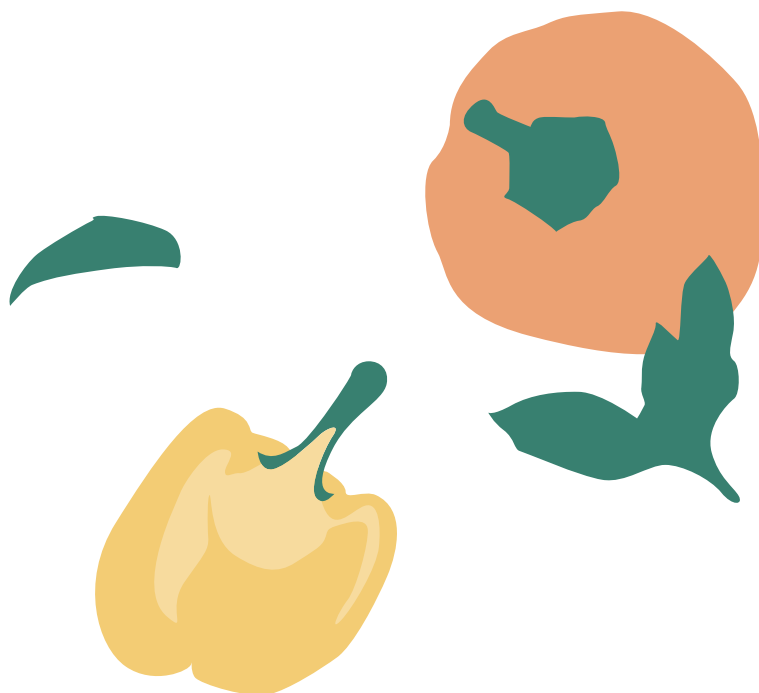
Boosting Access to Finance

A significant portion of the local agricultural and fisheries sectors comprise of sole traders or micro enterprises, often without land ownership, which restricts their ability to offer guarantees when seeking financial support. This scenario, combined with the inherent perceived risks of the sector, results in limited access to traditional banking finance for many local farmers and fishermen. Acknowledging this, and following preliminary studies, the Government is working to determine the viability of financial instruments through an ex-ante assessment on both the Common Agricultural Policy Strategic Plan (CAP SP) and the European Maritime Fisheries and Aquaculture Fund (EMFAF). Should these be viable, the Government will design the financial instruments and liaise with the Malta Development Bank to test the interest of the banking sector to offer such credit facilities to farmers and fishermen.

Introducing Agri Insurance to Mitigate the Impact of Natural Disasters

Given Malta's unique agricultural environment, with its smaller plots and limited diversification, the sector remains acutely exposed to unexpected adversities. The potential impact of a single climatic anomaly or pest intrusion can pose significant threats to the entirety of our agricultural output and could potentially wipe out the sector. To address this, the strategic introduction of an EU-compliant Crop Insurance Scheme is being considered. This scheme, co-developed with producers and supported by both government and farmer contributions, will cover potential crop losses. This initiative would likely commence with government-backed cover, gradually transitioning towards private insurance as the fund matures. This unified approach ensures efficient risk management and promotes the resilience and growth of our agricultural sector.





5.1.4

Goal 4: Ensure better utilisation of agricultural land

National Land Use Initiatives

The White Paper on Acquisition and Ownership of Agricultural Land Reform outlines a vision focused on the sustainable management and protection of Malta's agricultural land. Central to this reform is the establishment of the *Rizorsi Agrikoli Malta* Agency in 2023, tasked with overseeing responsible land tenure, implementing land and water management projects, and administering related schemes.

Key proposals include creating specific agricultural zones, establishing a land cadastre and sales register, and differentiating rights based on farmer status to ensure fairness. The reform also introduces systems to monitor land tenure, sales, and lease registrations.

The Agency will actively acquire private agricultural land put up for sale, reallocating it to genuine farmers—particularly new entrants—to encourage generational renewal in the sector. It will also serve as an intermediary aligning land use with national planning and development goals.

Additional measures include reviewing how government-owned land is allocated and introducing financial and tax incentives. Notably, as of 1st January 2024, individuals inheriting agricultural land are exempt from succession tax if the land is leased to third parties or inherited by professional farmers. These efforts aim to create a more efficient, equitable, and future-ready agricultural land management system.

In the maritime sector, the upcoming National Aquaculture Action Plan will examine the viability of utilising vacant or under-utilised land locations for aquaculture research. In collaboration with Malta Enterprise, these locations will be assessed for economic feasibility and environmental sustainability, with the goal of responsibly augmenting our food production capacity.

5.2

Pillar 2: Future-proofing food: strengthening resilience and security

Ambition:

By addressing vulnerabilities and enhancing the adaptability of the food system, our ambition is to transform our food system and to guarantee food security for all Malta's citizens, irrespective of external circumstances. We aim to establish a system that is environmentally sustainable, economically viable and culturally respectful, which fosters a resilient society capable of withstanding future uncertainties.

The strategy goals, guiding principles and initiatives in this Pillar are designed to provide a strategic direction for strengthening the resilience and security of Malta's food system.

Strategy Goals

- Goal 1: Strengthening Malta's Food Security Infrastructure
- Goal 2: Promoting Sustainable Practices and Reducing Food Waste
- Goal 3: Enhancing Agricultural and Aquaculture Innovation and Sustainability

Strategy Guiding Principles:

- Resilience & Security: Ensure a reliable and secure food supply system.
- International Cooperation: Foster collaboration with international partners to strengthen food security.
- Waste Reduction & Preparedness: Implement strategies to reduce food waste and enhance preparedness for supply disruptions.
- Diversification and Climate Resilience: Diversify food sources and adopt climate-resilient agricultural practices.
- Sustainability & Innovation: Promote sustainable practices and embrace innovation.



Our strategy to get there:

5.2.1

Goal 1: Strengthening Malta's food security infrastructure

In the context of global challenges and Malta's unique position as an island nation, ensuring a consistent and resilient food supply is paramount. Our geographical and logistical challenges necessitate a multifaceted approach to food security.

Establishment of a single food authority: *Awtorità għas-Sigurtà tal-Ikel*

As part of the ambition to build healthier food systems, the Government is committed to establishing a new authority, *Awtorità għas-Sigurtà tal-Ikel* (Malta Food Safety and Security Authority) whose main objective is to spearhead the sustainability, safety, and security of our country's food systems. The new authority will bring together under one roof existing roles and functions in the areas of food safety; official controls; licenses; certification; marketing standards; risk assessment; security of supply; and scientific reference; and in addition provide the space and infrastructure for new functions that are presently not being addressed, including the need for market intelligence and information systems on food stocks; legal basis and co-ordinating mechanisms for contingency and crisis; and the physical infrastructure for storage of food reserves.

The new Authority will go beyond the regulatory aspect and incorporate governance and compliance, bringing together control systems that are presently fragmented and fall under the responsibility of different entities. The Authority will thus provide a holistic solution, addressing fragmentation and gaps, particularly in food safety, fraud, and security of supply, and offer unique leadership and full responsibility for food systems.

Development of a National Food Supply Risk Assessment and Contingency Plan

One of the first tasks that the new Food Safety and Security Authority will undertake is the preparation of a national food supply risk assessment and contingency plan. This will provide the evidence base to systematically identify and analyse the key factors that contribute to food insecurity in Malta. This comprehensive approach will enable the identification of critical gaps in our food security framework, facilitating the development of strategies that are both responsive and anticipatory. Through this assessment, Malta aims to enhance its preparedness for future challenges, strengthen the resilience of its food system, and ensure that all Maltese citizens have access to sufficient, safe, and nutritious food always.

Framework for Exceptional Transport Contingencies

Malta's geographical position and reliance on imports underscore the need for a robust transport contingency framework. The Government has plans to develop a comprehensive blueprint which will cater to potential disruptions across both sea and air freight channels. It will delineate alternative routes, logistical parameters, and strategic partnerships, ensuring the continuity of food imports. Alongside the physical logistics, financial mechanisms are being scrutinised to underpin this framework. Such mechanisms would facilitate rapid transitions to alternative import avenues during crises, ensuring Malta's populace remains unaffected by global transport challenges.

Tackling Food Affordability

In response to rising living costs caused by the global economic crisis, the Maltese government has introduced key subsidies on energy, fuel, and essential food staples like grains and flour to protect households and maintain food affordability as a pillar of national food security.

Furthering this commitment, the government secured an agreement with major importers and retailers to reduce the Recommended Retail Price (RRP) of fifteen essential food categories by at least 15%, based on October 2023 prices. This reduction, in effect from February to December 2024, covers over 450 widely consumed products. Participating items are marked with the *Stabbiltà* logo in stores, easing household financial pressures and reinforcing food price stability.

Strategic Food Reserves and Food Chain Observatory

The establishment of strategic food reserves is a foundational element in fortifying Malta's food security amidst global uncertainties. Recognising the intricacies of global supply chains and the potential for disruptions, the initiative seeks to create a buffer. This includes the systematic expansion of reserves, aided by modern and efficient storage infrastructure. Financial instruments, such as subsidised loans, tax incentives, and potential grants, will be deployed to support this infrastructure expansion. A central pillar of this strategy is the deployment of a comprehensive food stocks register and food supply market data observatory. This digital tool will be designed to not only optimise real-time stock monitoring but also to utilise predictive analytics for anticipating future supply needs.

Building on work that is already being carried out at Malta's *Biċċerija* (the public abattoir), including capture and collection of data such as per capita consumption of meat, imports, slaughter data, trade, etc., MAFA will implement a pilot project for the establishment of a food chain market observatory for the pigmeat industry over an initial period of one year.

International Cooperation and Knowledge Exchange

Malta recognises that tackling food security challenges in isolation is ineffective. The complexity of food supply chains and resource management highlights the value of international collaboration in improving strategies and implementation.

To meet national food security needs, Malta is strengthening partnerships with international organisations and neighbouring countries. These collaborations offer mutual benefits—gaining global expertise while sharing Malta's unique insights shaped by its geography and climate.

Through joint research, regular dialogue, and knowledge exchange, Malta aims to identify strategy gaps and introduce tailored innovations. These alliances also enable mutual crisis support through shared resources, emergency supplies, and technical aid—critical as global issues like climate change continue to impact food security.

Bi-lateral Agreements to Secure Food Supply

In a world marked by geopolitical tensions and unforeseeable global events, Malta recognises the imperative of strategic international partnerships. These agreements, underpinned by detailed protocols, aim to ensure the continuous flow of essential food supplies. This encompasses safeguards against disruptions caused by conflicts, significant natural events, or other global challenges. The establishment and fortification of these partnerships not only aim to reinforce Malta's food supply channels but also to establish a framework of cooperation and mutual support, ensuring food availability remains consistent.

Diversification of Food Sources

Diversifying food import sources is vital for Malta to reduce reliance on specific regions and avoid disruptions from geopolitical, environmental, or economic issues. Strengthening existing trade agreements is part of this strategy, requiring regular updates to reflect global changes and safeguard Malta's food security.

At the same time, identifying new trade partners helps spread risk and improve access to diverse products and better terms. Locally, Malta is also considering the feasibility of investing in alternative high-protein food sources like seaweed, algae, and insects—boosting both food security and economic opportunities. Overall, the goal is to ensure stable food availability through a broader, more resilient supply network.



5.2.2

Goal 2: Promoting sustainable practices and reducing food waste

Creating circular practices that minimise food waste

In Malta, a key aspect of enhancing food security and sustainability lies in creating an efficient ecosystem that significantly reduces food waste. This approach is not merely about managing surplus but fostering an environment where food is utilised to its fullest potential, thereby streamlining our food systems for efficiency that could, in turn, lead to more favourable pricing structures.

The activation of public-private partnerships that bring together food importers, logistic operators, and supermarkets is central to creating an ecosystem that reduces food waste. These collaborations aim to innovate and implement practices that prevent food from becoming waste. By drawing on successful models within Europe, we are exploring legislative and non-legislative instruments to support these waste reduction efforts, ensuring that the entire supply chain contributes to a more sustainable food economy. The Malta Food Agency's recently launched initiative '*Żomm, Tarmix*' is an excellent example.

In parallel, our Strategy recognises the continuing importance of community food banks as a safety net with social benefit. Strategic collaborations are crucial for the success of this endeavour. Partnerships with established charities, local community groups, and the Malta Food Agency are being fostered with renewed vigour. The Pitkali markets, integral commercial hubs of Malta, are being roped into this strategy, not as mere suppliers but as partners. The markets will play an enhanced role in ensuring that surplus produce, especially nutritious fruits and vegetables, find their way to the food banks.



5.2.3

Goal 3: Enhancing agricultural and aquaculture innovation and sustainability

Innovative and Climate-Resilient Agricultural and Fisheries Development

In response to climate change and Malta's unique agricultural landscape, a focused strategy is essential to ensure a resilient, environmentally friendly food supply. Sustainable practices like organic farming, minimal tillage, crop rotation, and cover crops are being promoted through education, incentives, and streamlined certification.

The government is exploring local feed options, such as organic barley for pigs, to reduce import costs and carbon emissions. This shift supports both economic and environmental goals.

Research and innovation are also key. Collaborations with universities and the creation of an agricultural innovation hub will support new techniques, packaging, and business models. Additionally, a Fisheries Strategy (2025–2030) will implement management plans backed by ongoing research and sustainable yield practices.

Animal Health and Welfare

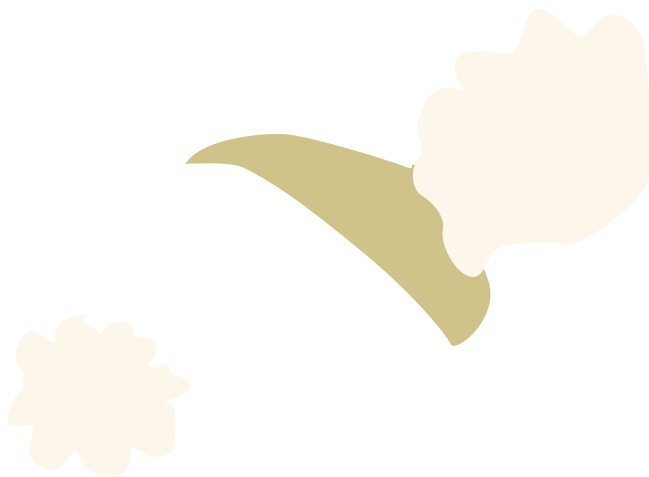
Adopting sound farming practices, such as systematic breeding programmes, welfare of animals, good hygiene, and access to vaccines, can reduce the need for antibiotics and maintain or increase productivity levels. In the fisheries and aquaculture sector, improving knowledge about resource management, legislation, and the impacts of environmental changes can help to address issues such as plastic waste and microplastics in the oceans, illegal fishing.

The Animal Welfare Strategy⁹ sets legislation and enforcement on welfare standards for animals that form part of the food chain. Moreover, the Ministry for Health collaborated with the Ministry for Agriculture, Fisheries, and Animal Rights to launch the Antimicrobial Resistance Strategy and Action Plan 2020–2028 to combat antibiotic resistance.

Research and Innovation

Malta is taking steps to ensure the long-term sustainability of its food production systems by implementing a research framework that encourages innovation in agriculture and aquaculture. The country has launched several projects to support farmers and fishermen in expanding their businesses and achieving greater success. These initiatives align with the EU's Green Deal and Blue Growth campaign and are being spearheaded by the recently established Aquatic Resources Malta (ARM) and the Agriculture Research and Innovation Hub (AGRIHUB).

⁹ Ministry for Agriculture, Fisheries and Animal Rights. (2022). National Animal Welfare Strategy.



Sustainable Aquaculture Development in Malta's Exclusive Economic Zone

Malta's maritime position and new Exclusive Economic Zone (EEZ) present a unique opportunity to advance sustainable aquaculture. To meet rising seafood demand and reduce pressure on wild stocks, the government is promoting innovative practices like land-based closed-loop systems and integrated multi-trophic aquaculture. These methods aim to produce high-quality, eco-friendly seafood while minimising environmental impact.

Support will include financial incentives, technical assistance, and clear regulations. Collaboration with operators, researchers, and coastal communities will be key to driving innovation and growth.

The EEZ also opens new possibilities for deep-water aquaculture and the farming of diverse species, reinforcing food security and aligning with Malta's goals of sustainability and economic diversification.

Circular and Environmental Practices within the Food Value Chain

The food value chain is a complex system where each stage affects the others. By analysing the entire chain, we can identify and solve problems, inefficiencies, and opportunities for improvement. Therefore, it is essential to focus on research and innovation across the entire food value chain, from production to consumption, instead of only certain parts. A comprehensive approach to research and innovation can result in more sustainable and impactful advancements in the food industry.

Through the Aquatic Resource Malta Agency, the Government will continue its work on the BYTHOS project, which aims to promote sustainable management and cleaner production in the fishing industry to reduce environmental risks. This involves creating a joint space in Sicily and Malta where experts in biotechnology, business, and industry can collaborate with local enterprises to increase investment in research and innovation in biotechnology for human health and blue growth.

Furthermore, Aquatic Resource Malta Agency launched a new project in 2021 called SIMTAP, which focuses on creating autonomous integrated multi-traffic aquaponic systems. The goal is to design, set up, and test an innovative food production system that reduces fish feed inputs, resource consumption, and waste and pollution.

Sea urchins play a crucial role in the marine ecosystem by ensuring the survival of 18 different fish species. Their absence increases the risk of invasive alien species that negatively impact ecosystems. The sea urchin population in Maltese waters has significantly declined, placing them at risk of extinction. To replenish its population, a 2-year moratorium on collection of sea urchins came into effect on 7 July 2023. In parallel, the Department of Aquaculture is also implementing a restocking programme, where sea urchins will be cultivated and released into the seas to increase their population.¹⁰

Through an EU-funded project, the Aquatic Resource Malta Agency is seeking to close the cycle of species with the aim of cultivating new species alongside Seabream and Seabass.

¹⁰ Government of Malta. (2023). Press release: Aquaculture project to increase the population of sea urchins in Maltese waters.

5.3

Pillar 3: Igniting pride in local food and nurturing a knowledge-driven food culture

Our Ambition:

We strive to cultivate a renewed appreciation for Maltese food, aiming to gently increase consumer demand. By deepening understanding and knowledge about our food, we envision a Malta where knowledge and pride in what we eat translates to improved health and socially responsible, sustainable food choices.

Our Strategy Goals:

- Foster Healthy Dietary Habits Amongst the Population.
- Empower Local Food Heroes and Cultivate Love for Local Produce.
- Rediscover Maltese Produce and Culinary Heritage and Elevate Maltese Cuisine.

Strategy Guiding Principles:

- Culinary Heritage and Elevation of local food products: Celebrate Malta's culinary traditions and elevate its produce and cuisine both locally and globally.
- Quality and Trust: Ensure rigorous standards for local food, fostering trust in Maltese produce.
- Education and Awareness: Encourage informed and sustainable food consumption habits.
- Community Engagement and Cooperation: Strengthen community bonds and promote cooperative efforts for a thriving food culture.



Our strategy to get there:

5.3.1

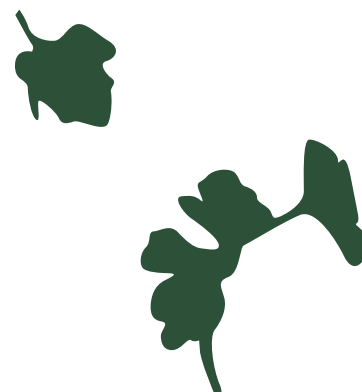
Goal 1: Foster healthy dietary habits amongst the population

Enhancing Knowledge of Nutritional Understanding

To address the issues of poor diet and obesity, we will launch “Better Nutrition” programmes to effectively reach and engage the entire population of Malta’s citizens. This includes ensuring messages are clear and accessible, utilising both traditional and digital media to create a dialogue that is both educational and engaging. Interactive resources and programmes are planned to make the journey towards improved nutritional understanding both enjoyable and informative.

Additionally, enhancing public education efforts to foster a closer connection with the origins of our food is crucial. Initiatives that promote the use of local, seasonal produce and involve the community in the food production process aim to nurture a deeper appreciation for whole foods and sustainable eating habits.





Building a Knowledge Base for Affordable Nutrition

As we address the increasing concerns around diet in Malta, it becomes imperative to reinforce the understanding of how to manage food choices in a way that is both nutritionally sound and financially affordable. Central to this will be the launch of a “Smart Shopping” Programme. This programme will equip citizens with knowledge on how to select ingredients that are nutritional value and not expensive. It will also focus on educating on the distinctions of food labelling, and the prioritisation of whole over processed foods. The Smart Shopping programme will also focus on the role of seasonality in dictating food choices and the invaluable opportunity to reconnect with the cycles of local produce, ensuring that meals are nutritious and environmentally friendly.

The skill of cooking efficiently, making the most of available ingredients, and minimising waste is another critical area for development. A “Smart Cooking” programme will be launched to provide information on strategies such as batch cooking, how to use leftovers, and the preparation of simple, wholesome meals from scratch. Such practices are not only economical but also foster a deeper connection to the food we eat, encouraging a more mindful approach to nutrition and consumption.

These programmes will be supported through digital platforms to drive community engagement on cooking tips, shopping advice, and nutritional information to create a supportive network that empowers individuals and families to make healthier dietary choices without imposing undue financial burdens.

Creating Knowledge on What Good Food Is

In addressing the broader challenges of dietary health in Malta, a critical component is enhancing public understanding of the composition and production of the food we consume. To address this, we will launch an “Eat Wise” programme will educate our adults and youngsters about the complexities of modern food choices, how to distinguish between the so-called ‘ultra-processed’ foods and less processed, more nutritious alternatives.

The “Eat Wise” programme will help highlight the benefits of whole and minimally processed foods, such as fruits, vegetables, whole grains, and lean proteins, and encourage a return to more traditional eating patterns that are inherently more nutritious and supportive of long-term health.

We will embed the “Eat Wise” programme across all school curricula with an express objective to shift children towards healthier diets and build their understanding on the positive health impacts of good food.

Moreover, fostering a connection between consumers and local food producers can play a significant role in promoting less processed food options. By understanding where and how food is produced, individuals are more likely to appreciate the value of fresh, locally sourced ingredients over ultra processed alternatives. Community-supported agriculture (CSA) schemes, farmers’ markets, and farm-to-table initiatives will be pushed to bridge the gap between producers and consumers, offering insights into sustainable farming practices and the benefits of seasonal eating.

5.3.2

Goal 2: Empower local food heroes and cultivate love for local produce

Recognising the Nutritional and Environmental Benefits of Short Supply Chains

In response to the growing concerns around dietary health and environmental sustainability, the strategy will seek to nurture consumer trust through enhanced transparency and engagement around the origins and freshness of local produce and seafood.

The strategy will raise awareness and build momentum around the concept of 'picked or caught the same day'. By promoting this principle, we aim to drive consumer preference towards local produce and seafood, highlighting the unparalleled freshness that can only be offered by Malta's short supply chains, and build a point of differentiation for local produce versus imports, showcasing the quality and taste of local offerings and the reduced carbon footprint associated with minimal transportation and storage, aligning closely with Malta's environmental objectives. One of the ways that this can be achieved is by adopting the model of bio-districts and bio-trails.

Sharing Local Food Stories

Maltese food is more than just produce, recipes and the dishes. It embodies the stories, traditions, and hard work of our local farmers, fishermen, and food artisans. To this end, the Strategy will incorporate a "Local Food Stories Project" which spotlights these tales and to forge deeper connections between consumers and producers. By emphasising the importance of local sourcing — highlighting the unmatched freshness and quality that comes from proximity — this initiative champions the ethos of supporting local.

Furthermore, in the fabric of Maltese society, where community and tradition hold significant value, the Strategy will extend its focus to strengthening the bonds between consumers and the local producers who are the backbone of the island's food supply. The "From Our Sea, from our Soil" Programme will be launched to bring awareness on the profound impact that supporting local agriculture and fisheries has on the social fabric of Malta, strengthening not just the local economy but also reinforcing the social ties that bind communities together. This programme will drive direct engagement between consumers and producers through initiatives that include farm visits, meet the producer events, and community-supported agriculture programmes.

Championing Sustainable Fish and Seafood Consumption

In response to the surging global demand for seafood, Malta faces the challenge of providing fresh, high-quality fish while preserving the delicate balance of our marine ecosystems. We will advocate for the consumption of fish and seafood that are coming either from species that have a sustainable population, or that have been caught using methods that minimise ecological harm. To achieve this aim, we will provide funding to expand the reach of programmes that provide information on which sustainable, local caught fish species like Bogue (Maltese: Vopi) and Mackerel (Maltese: Kavalli) to preferentially consume.

Additionally, we recognise aquaculture's role as a sustainable counterpart to wild fishing. By harnessing its potential, we can supplement our seafood sources without overburdening the natural marine environment. Quality and freshness are at the forefront of our seafood ethos. While proper handling can curtail this decline in quality, the freshness of locally sourced seafood in Malta offers an inherent advantage. Given our proximity to the sea, fish caught locally can be served on the same day, ensuring a freshness that is hard to rival.

Certifying Maltese Authenticity and Sustainability

The authenticity and quality of our local produce form the bedrock of our culinary story. Building on the framework set by national programmes such as the “Agri Kwalità”, and the Products of Quality National Scheme (PQNS), we will work to introduce the “Maltese Food Authenticity Certification”. This initiative seeks to validate the genuineness, quality, and sustainable production of local food products. By standardising these criteria, we are not only ensuring consumers get the best of Malta but also supporting local farmers and fishermen in gaining the recognition they deserve. This trusted mark aims to build consumer trust and pride in Maltese produce, encouraging them to opt for local, knowing they are making a conscious choice for both quality and sustainability.

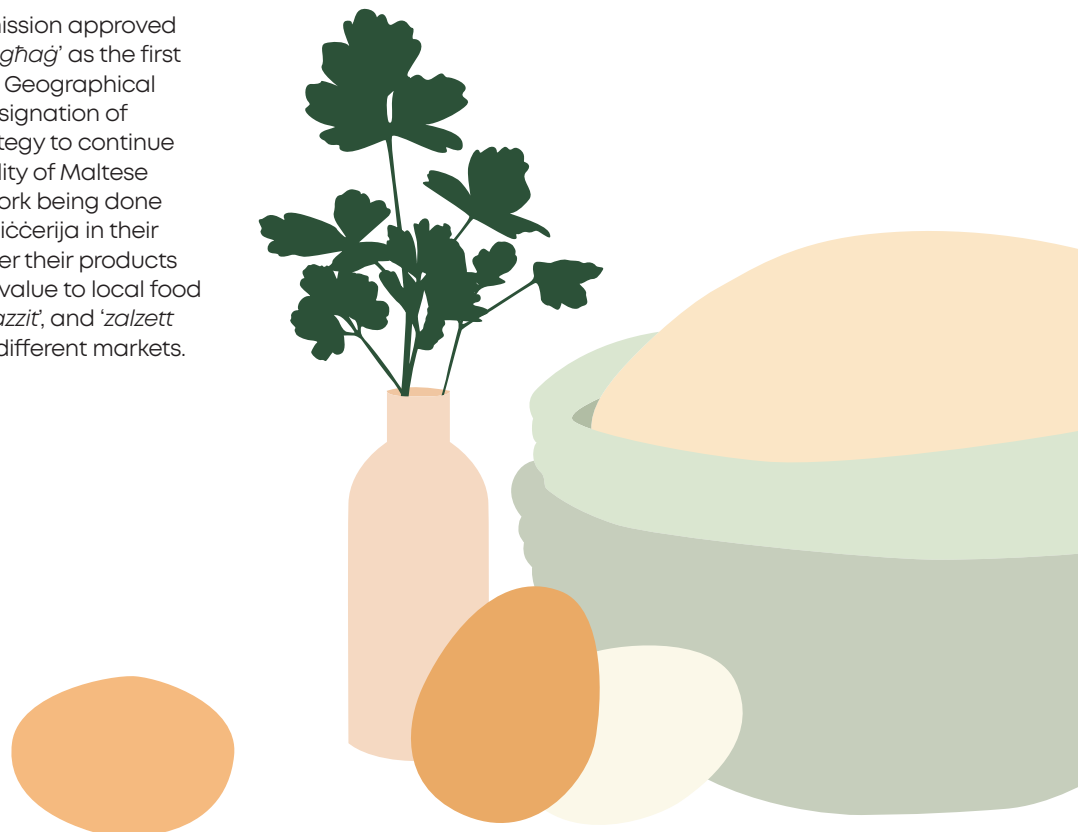
We also have an explicit goal to bring the “Maltese Food Authenticity Certification” programme to most food retail outlets, including supermarkets, fish mongers, butchers, and grocers, to make it easier for consumers to identify and purchase locally sourced food.

In tandem with this certification, we will launch an innovative “Food Traceability Platform” that offers an unparalleled level of transparency, allowing consumers to trace the journey of their chosen Maltese product right from its source. This not only reinforces the authenticity verified by the certification but also fosters an even deeper level of trust between producers and consumers.

Earlier this year, the European Commission approved the protection of the ‘*Gbejna tan-nagħaġ*’ as the first Maltese food to be registered with a Geographical Indication (GI), with the Protected Designation of Origin (PDO) label. As part of our strategy to continue to elevate the profile and marketability of Maltese food products, we will support the work being done by the Malta Food Agency and the Biċċerija in their efforts to help local producers register their products as GIs. These achievements will add value to local food products such as honey, olive oil, ‘*mazzit*’, and ‘*zalzett tal-Malti*’, enhancing their appeal in different markets.

In addition, we plan to introduce a “Sustainability Label” that reflects and represents local sustainable food production. The criteria and standards behind this label and certification system shall be consistent with the principles of ensuring food availability by strategically managing and expanding our food sources, always keeping potential global challenges in mind. This means, for example, using local feed as opposed to importing materials to minimise the carbon footprint associated with long-distance transportation, supplementing our seafood sources without overburdening the natural marine environment, using minimal or no use of environmentally harmful pesticides, prioritising animal welfare, using agri-voltaics, employing nature-based solutions that remove carbon from the atmosphere, mitigating the impact of post-harvest losses, recognising and rewarding ethical business, charitable donations, caught or picked on the same day, minimal processing, training of professional farmers, etc.

MAFA is also strongly committed to combatting food fraud. In January 2022, the office of the Supervisory Unit within the Malta Food Agency was assigned the responsibility to ensure that whoever advertises the sale of local fruits and vegetables, is selling a truly Maltese product. The goal is to protect farmers and fishermen from unfair competition, as well as to ensure that a genuine product is delivered to the consumer. This effort and investment in human capacity is also being replicated in other entities and expected to be consolidated through the new food authority.



5.3.3

Goal 3: Creating the right ecosystem for food knowledge and nutrition to thrive: Empowering sustainable and healthy food choices

By strengthening collaborations between the government, local farmer cooperatives, and food companies, we aim to improve the availability of 'Ready-to-cook' produce. This initiative seeks to offer Maltese households convenient, portioned ingredients that are not only fresh and affordable but also tailored to reduce unnecessary bulk buying. With the support of organisations like Xjenza Malta, INDIS and Malta Enterprise, we will focus on supporting businesses that can deliver pre-packaged, healthy produce options, facilitating daily cooking routines for the Maltese population.

Equally crucial is addressing our portion sizes, both in restaurants and at home. The "Portion Wise" initiative will take a direct approach to this. Malta's increasing obesity rates underscore the need for change, and some of our cultural norms around portion sizes play a part in this health concern. Through public awareness campaigns, we aim to challenge and reshape these norms, advocating for smaller, nutritionally balanced meals that benefit our health without compromising on taste or satisfaction.

The community remains at the heart of our culinary evolution. We are laying the groundwork to introduce community kitchens and classes. Beyond mere cooking lessons, these sessions will educate participants on the value of every ingredient. Emphasising seasonal cooking, we will demonstrate how families can cook fresh local produce while managing costs. Techniques like creating varied meals from single ingredients will be integral, encouraging efficiency and minimising waste.

Recognising the challenges faced by individuals with food intolerances and food allergies, we remain steadfast in our commitment to support their dietary needs. By collaborating closely with producers and suppliers, we aim to ensure the availability of foods for people with intolerances and allergies. Our goal is to ensure that choice and quality are never compromised for those with specific food needs.

Tackling Poor Diet

Malta, mirroring global trends, confronts the significant health challenges posed by lifestyle diseases. Central to this issue are our dietary habits, notably our consumption of foods high in sugar, fats, and calories, such as savoury pastries, soft drinks, and confectionary. These dietary choices, while deeply ingrained in most cultures around the world, have repercussions ranging from dental concerns to more severe health conditions like heart diseases, diabetes and other conditions linked to obesity.

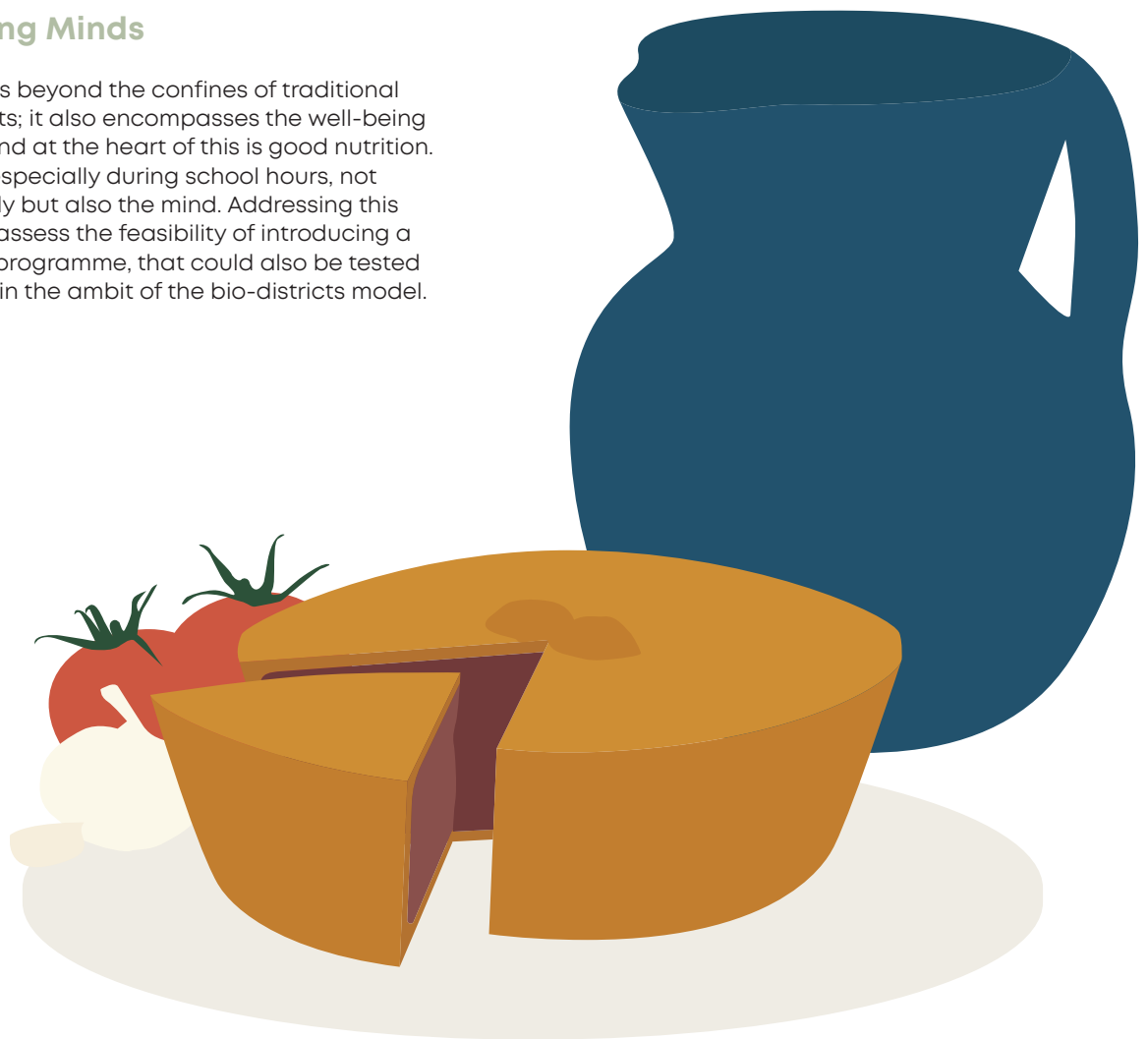
Understanding the implications of poor dietary habits, we aim to carry out an in-depth study on consumer preferences and dietary consumption patterns. Our mission is dual-faceted: guiding the Maltese populace towards healthier, better informed dietary choices, and simultaneously motivating the food industry to diversify, introducing palatable yet healthier alternatives. As part of our comprehensive approach, we will encourage food processors and caterers to engage in voluntary food reformulation initiatives. These efforts aim to improve the health profile of food products, reducing levels of salt, sugar, and unhealthy fats.

Integrating Comprehensive Food Education in Schools

In response to the alarming rise in childhood obesity and associated health issues, and as part of Malta's broader ongoing educational reform, we aim to holistically integrate food and nutrition education into the school curriculum. This will not be just an addition of a subject but an immersive experience that spans across various disciplines. By instilling knowledge about the importance of balanced meals, the environmental impact of our food choices, and the cultural significance of our culinary traditions, we hope to cultivate a generation that is not just academically informed, but also practically equipped to make healthier, more sustainable food choices. This initiative seeks to go beyond the textbook, with hands-on cooking sessions, farm visits, and interactions with local food producers, ensuring that students not only learn about food but also experience it. This is the concept that food education must be coupled with enabling environments.

Fuelling Young Minds

Education extends beyond the confines of traditional academic subjects; it also encompasses the well-being of our students, and at the heart of this is good nutrition. Proper nutrition, especially during school hours, not only fuels the body but also the mind. Addressing this need, we plan to assess the feasibility of introducing a 'Meal-at-School' programme, that could also be tested as a pilot project in the ambit of the bio-districts model.



5.5.4

Goal 4: Rediscover Maltese culinary heritage and elevate Maltese cuisine

Rediscovering Malta's Culinary Roots and Envisioning the Future

Recognising the importance of preserving and promoting Malta's culinary heritage, we will continue to build upon initiatives such as Taste Malta, to revive historical recipes and bring them to audiences in the present with a modern twist. The objective is more than just documentation; it is about encouraging a renewed appreciation for the rich culinary traditions of Malta and inspiring innovations that resonate with today's tastes, including a revival of traditional recipes with game meat sourced from local regulated hunting practices.

Looking ahead we see potential to push a concept to develop a national food, culture, and gastronomy museum, a dedicated space to celebrate Malta's culinary history and heritage. The ambition is to provide both locals and visitors with immersive experiences, that compare with those of some of the most famous food museums in the Mediterranean, in Europe, and beyond. From understanding the historical context to engaging in cooking demonstrations and interactive workshops, the goal is to transform Malta's rich history and culture in food into a living and memorable experience.





Broadcasting Malta's Gastronomic Legacy

Recognising that the narrative of Malta's rich heritage and modern innovations around food deserve a global platform, we have a compelling opportunity to harness the power of multimedia in amplifying Malta's food culture. Our vision is to establish partnerships with renowned chefs, experienced storytellers, digital content creators, influencers, and production experts to craft high-quality multimedia content. This isn't just about showcasing recipes; it is about narrating the farm-to-fork and fish-to-table tales behind the dishes, the history of Maltese cuisine, and the passion of the actors who bring it to life.

Imagine a high-quality production, on par with top global streaming platforms, set against Malta's scenic landscapes. Local and international chefs come together to explore and reinvent traditional Maltese dishes. A companion podcast series dives into the stories behind our food — from fishermen to grandmothers preserving age-old recipes. Short online videos offer insights into local techniques and ingredients, driving engagement on social media.

Some of this is already underway, supported by Malta Tourism Authority initiatives. We aim to build on this momentum, forming partnerships and spotlighting local food heroes. These productions will not only entertain and educate but attract both locals and international food and culture seekers.

Inspired by the values of *cucina povera* — cost-effective, seasonal, and resourceful cooking — this content positions Malta as more than a travel destination. It becomes a culinary culture to experience and celebrate. Backed by a strategic global PR and media campaign, our multimedia approach will help showcase Maltese cuisine to a broader international audience.

Placing Maltese Cuisine on the World Food Map

A robust international PR and media platform will be instrumental in amplifying Malta's culinary evolution. By creating a buzz and captivating the global audience, we can lay the groundwork for initiatives like a "Taste Malta" Festival. Conceived as an opportunity for our celebrated local chefs to collaborate with renowned international figures and linking to established activities such as the International Food Festival, the Four Hands Dinner, and the now famous Agrifair and the Annual International Fish Fest, the aim is to refresh and broaden the appeal of Maltese cuisine. It would present a harmonious blend of time-honoured traditions with modern innovations, all centred around our exquisite Maltese produce.

Building on this ambition to place Malta at the heart of the global food map, plans are in motion for the country to organise a landmark Food Symposium, an international event that aims to unite global stakeholders from agribusinesses, chefs, environmentalists, and policymakers. Spanning multiple days, this symposium will provide a platform for in-depth discussions on pressing food-related topics, including sustainability and innovation, fostering collaboration, and steering the future course of the global gastronomy scene.

As we chart our path forward, we remain committed to exploring and championing initiatives that resonate with our culinary ambitions. Our ultimate vision? To ensure that every Maltese resident takes pride in our national food heritage and enjoys the benefits of a thriving gastronomic landscape that is built on the foundations of our fertile territory — our generous soils and our plentiful seas — and the hard labour and true passion of our local food heroes.



6 Governance



Malta's Strategy for Resilient Food Systems is the result of strategic leadership. The Steering Committee, chaired by the Permanent Secretary of MAFA, Mr Sharlo Camilleri, Deputy Chair, Ms Sonya Sammut, Director Food Systems, and composed of top management represented by Director General, Agriculture and Rural Affairs, Mr Saviour Debono Grech, Dr Marica Gatt, Director General, Animal Health and Welfare Department, then Director General, Fisheries and Aquaculture, Mr Bjorn Callus, Director General, Strategy and Support, Mr Bjorn Azzopardi, Chief Executive Officer, Malta Food Agency, Mr Brian Vella, and Mr Stefan Cachia, Director General, Abattoir, was instrumental in the design and development of this Strategy. Looking forward, we will ensure that the Strategy is supported by a robust governance structure to guarantee that it can be delivered successfully, reviewed in a timely manner, and implemented with impact. .

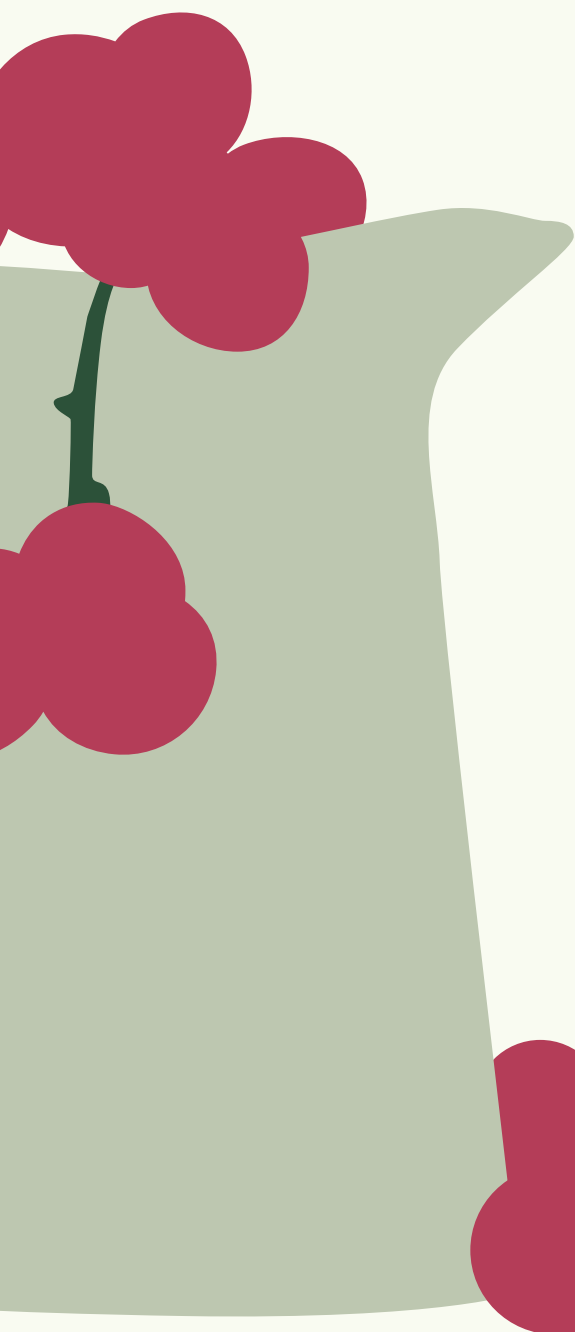
1. The MAFA takes the lead in delivering, designing, and implementing this Strategy. The newly established *Awtorità għas-Sigurtà tal-Ikel* shall have a dominant role in designing food systems policies, reviewing the Strategy, and developing and implementing programmes and projects for food security and sustainability.
2. The Food Strategy Steering Committee set up within the MAFA shall be responsible to identify directions, issues, constraints and opportunities in the ambit of the review and implementation of the Strategy. The Steering Committee will also serve as a sounding board for ideas and plans before taking them to a more general audience.
3. Food Strategy Working Groups will take responsibility for leading implementation of the strategic actions across the three main pillars of the Strategy. The Working Groups shall coordinate on-the-ground activities to ensure the Strategy's objectives are achieved, as well as providing regular updates to the Food Strategy Steering Committee on the progress and challenges faced during implementation.
4. The MAFA is responsible for chairing the Steering Committee and the Working Groups; developing 3-year action plans, ensuring that initiatives are sequenced appropriately and

prioritised based on their impact and feasibility; proposing and implementing budget measures in accordance with the 3-year action plans; developing and implementing the Food Systems Strategy flagship project; and coordinating the implementation of the Strategy.

5. The Inter-Ministerial Food Strategy Monitoring Committee, comprising key Ministries with competence and responsibility for cross-cutting issues in food systems, will ensure coherence in policies and strategies and alignment in their execution. The Committee will function to foster collaboration among the Ministries to ensure unified action towards the strategy's goals; periodically review and evaluate the Strategy's progress, ensuring alignment with overarching national objectives and addressing any emerging challenges; monitor and report to the Food Strategy Steering Committee.
6. The Cabinet Office within the Office of the Prime Minister will receive progress reports and monitoring the overall implementation of the Strategy.

By establishing this governance framework, we will ensure that Malta's Strategy for Resilient Food Systems moves from strategy to implementation, with clear roles, efficient coordination, and defined accountability.





7 Malta's Strategy Flagship Project

MAFA will launch its Strategy for Resilient Food Systems with a flagship project to develop bio-districts—small-scale, short-supply food systems that integrate agriculture, tourism, and local governance. These districts, based on organic principles, aim to strengthen rural economies, foster sustainable practices, and enhance community ties through food.

Bio-districts will serve as models for sustainable food systems by promoting organic farming, short supply chains, and local branding. They aim to address challenges like weak competitiveness, poor cooperation, and unhealthy diets. The project will bring together producers, businesses, and public stakeholders to deliver certified, high-quality food through schools, home deliveries, restaurants, and farm sales.

To implement this project, the MAFA will seek funding through the Common Agricultural Policy Strategic Plan for Malta. The project will aim to establish at least two bio-districts—one based on organic certification, and another defined by geographic area. It will generate blueprints for bio-district designation, sustainability labels, trading agreements, and new organic brands.

The project's main goal is to increase organic certification of farmland and food products. It will require the presence and growth of certified operators in selected areas. Other sustainable businesses will be integrated under EU food and marketing codes, contributing to resilient, sustainable, and locally rooted food systems.



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