Tourism Policy for the Maltese Islands
2012 - 2016

Ministry for Tourism, Culture and the Environment

14th February 2013

Scope for Tourism Investment

Investment in tourism is positively relayed in our economy to:
- sustain existing jobs and create opportunities for new employment,
- improve the tourism product and the service offer,
- create interlinkages with other sectors of the economy,
- diversify the image about the Maltese Islands and
- enhance the competing edge of Malta as a strong tourism destination worldwide.

Relevance of tourism for the Maltese Islands:
- a direct impact on GNP of about 10%,
- 14% of Government income,
- accounts to around 10% of employment &
- Imports and outflows of 6%.

(Economic Impact Study; 2003)
Tourism Outcomes in 2012

- Inbound visitors surpassed the 1.45 million mark, an increase of 40,624 (+2.8%) over 2011 and an increase of 210,490 tourists (+16.9%) over 2007.
- Most departing tourists in 2012 were holiday makers, predominantly from the euro area.
- An increase of 5% was registered in the number of tourists from Non-EU countries.
- Total nights spent by departing tourists last year went up by 8%, exceeding 12.6 million.
- Average length of stay stood at 8.7 nights, up by 0.4 of a night over 2011.
- Total tourist expenditure was estimated at €1.3 billion, 9% higher than that for 2011.
- Total per capita expenditure €931, an increase of 7% over 2011.

Tourism Policy 2012 - 2016

- Our strategic vision is presented in the Tourism Policy for the Maltese Islands (2012-2016) which follows from the National Tourism Policy (2007-2011).
- Over 220 policy responses were formulated to address key areas including:
  - Accessibility
  - Niche Markets including emerging niches (social tourism, rural tourism & photography tourism among others)
  - Tourism Offer (Product & Service offer)
  - Marketing Malta
  - Gozo
  - Boosting Income Generation and Tourism Value Added
  - Governance
Drivers of Change in Tourism

- Changes in technology, shifting economic realities & evolving consumer demands have altered the tourism setting when compared to the situation 5 years ago.
- Key changes that can be evidenced in the sector today include:
  - Shift to increased independent travel
  - Higher propensity for young people to travel
  - Aging population
  - More frequent trips but shorter lengths of stay
  - Late bookings and increased use of ICT by potential travellers
  - Changes in the number of tourists generated from each source market
  - An increase in arrivals during the shoulder months
  - An increase in low cost carrier traffic
  - Higher expectations for an enriching experience and excellent service provision
- The National Tourism Policy (2012-2016) is intended to address developing trends in the sector, aims to create a stronger competitive edge, higher value added, higher-quality and excellence in tourism.

Tourism Policy 2012 - 2016

- The Policy aims to:
  - Ensure that tourism remains a driver for sustainable development
  - Consolidate summer performance
  - Go for growth in the winter and shoulder months
  - Enhance the diversification of the sector
  - Create and maintain effective inter-linkages with other sectors
  - Address the seasonality challenges
  - Optimize the mix between tour operator business & independent travelling
  - Further increase accessibility to Malta
Tourism Policy Objectives...

- **Economic**
  - Achieve a fair, robust and widespread economic activity
  - Increase foreign income and value added into our economy
  - Sustain existing jobs and create more all-year round jobs
  - Fair return on investment to Private Investment
  - Contributor to Government finances
  - Sustain air links between Malta and other countries
  - Deliver economic growth in Gozo
  - Sustain the contribution of tourism to the economy

Tourism Policy Objectives...

- **Environmental**
  - Improve the synergy between tourism and the environment
  - Give added value to built heritage and natural heritage
  - Achieve a better quality of life in our urban areas
  - Improve the aesthetic value of Malta & Gozo
  - Minimise resource use and contribute to a low-carbon, eco-efficient and resource efficient economy
  - Take necessary measures to mitigate pollution and to reduce the negative impacts on the environment
  - Tourism activities are to respect environmental management plans and regulations.
Tourism Policy Objectives

- **Social**
  - Have a trained and multi-tasked workforce that contributes to and enjoys a fair return from sustainable economic activity.
  - Provide a forum for an exchange and sharing of ideas and cultures.
  - Protect local craft and traditions and enhance Malta’s intangible cultural sector.
  - Manage tourism growth and change within the limits of what is socially tolerated and acceptable.

Addressing the drivers of change in Tourism

- Government’s policy for the tourism industry is directed towards;
  - dynamic marketing,
  - cultural valorisation and product development,
  - quality assured initiatives,
  - human resource development,
  - the creation of synergetic effects among different sectors
  - improved coordination between tourism stakeholders
  - attracting tourists on a year-to-year basis
  - Consolidating measures that support sustainable, responsible & high-quality tourism

- Over 220 policy responses were formulated to address the industry’s growth opportunities.

- We invite you to acquaint yourselves with the policy document, to identify those policy responses that are mostly applicable for the projects you plan to submit & to explain how you intend to address the selected priorities.
Policy Section: Accessibility

Policy Responses that could relate to your investment proposals include:

- Balance the mix of legacy, low cost and charter operations
- Push for more growth in the winter and shoulder months
- Develop Malta as a city break destination
- Adapt marketing efforts to encourage increased frequencies in underserved routes and decrease efforts in over-served areas
- Encourage airlines to increase direct all year round flight connections between Malta and Poland
- Improve accessibility to/from China, Brazil and Russia.

Policy Section: Niche Markets

- Malta’s tourism offering will continue to be based on the segments identified in the previous policy:
  - Leisure
  - Culture
  - MICE
  - EFL
  - Sport
  - Diving
  - Cruise

- The MTA will work with the relevant stakeholders to develop a marketing and product plan for each segment, where such plans do not already exist and identify product gaps based on research and market potential. These plans will take into account the issue of saturation that may be facing some of the niche markets.

- The MTA will encourage investment in and where possible carry out projects that target these product gaps.
Sport

- Exploit Malta’s potential as an ideal destination for training camps and tournaments in the winter and shoulder months.
- Sport tourism activities which offer opportunities for growth include:
  - Climbing tourism
  - Cycling tourism
  - Water sports
  - Beach volley tournaments in off-peak season
  - Billiard tournaments
  - Trekking and related initiative such as geo-caching.
- The MTA will continue with its efforts to promote Malta as a yachting destination
- Efforts will be undertaken to extend existing training programmes for athletes and sport enthusiasts also with those entrepreneurs, managers and event organizers who are willing to specialize on sports tourism.
- Maximize the growth opportunities for the diving niche in Malta and Gozo.

MICE

- Make better use of unique locations to host conferences and incentive meetings
- Improve the winter performance of the MICE segment
- The MTA will develop a scheme targeting very large conferences
- The MTA will develop a marketing campaign with interested four-star properties so as to target the pharmaceutical sector
- Government is extending the scheme targeting public sector and NGO conferences
- Government will explore more ways of promoting and incentivising international conferences to be organised in Gozo
- MTA will spearhead along with the private sector the set up of a Convention Bureau.
Cruise Tourism

- Showcase the Maltese Islands as an ideal destination for cruise companies
- Promote Malta as a tourism destination amongst cruise passengers
- Promote home port opportunities
- Facilitate boutique cruising to Gozo targeting high value added tourists and attract small and medium sized cruise ships which do not pose any conflicts with the berthing facilities situated in Gozo
- Promote the distinctiveness between the cruise offering in Gozo at Mgarr Harbour and that of Malta at the Valletta Grand Harbour.

Historical & Cultural Segment

- Attract tourists who are interested in:
  - Heritage
  - Cultural traditions
  - Art
  - Pilgrimage
  - Creativity and
  - in all those spheres which create cultural distinctiveness for the Maltese Islands
- Promote Valletta and the Harbour Area as a short-break cultural destination
- Promote UNESCO World Heritage Sites
- Promote Malta as a vibrant cultural destination, traditional and contemporary cultural productions, the Opera Seasons in Malta and Gozo, works of contemporary art, fashion, design and creativity.
English Language Teaching

- Push for further growth in EFL business in the winter and shoulder months;
- Liaisoning with the appropriate educational partners to help in the promotion of language policies that further enhance English proficiency in Malta
- Encourage more local families to host foreign students
- Promote Malta as an EFL centre in new growth markets – particularly China, Japan, Brazil and Turkey
- Promote the experience that collaboration between niche markets such as EFL, diving, sailing and culture, can offer.

Emerging Niche Markets

- We will explore and study new growing markets such as:
  - Social tourism
  - Photography tourism
  - Attracting artists
  - Birding
  - Rural tourism
  - Architectural tourism
- Take initiatives to instigate developments and encourage the private sector to delve into these markets and identify possible synergies across the different niche markets.
- Promote such experiences and synergies in our source markets.
Policy Section: Tourism Product

- Our tourism product covers the whole spectrum of products and services that the tourist comes into contact with during his/her stay in Malta.

Tourism Product: Airport

- Explore the possibility of introducing check-in systems at the hotel reception desk also with a view to enhance airport efficiency and improve networking opportunities between the hotel industry and MIA.

Tourism Product: Accommodation

- Continuation of the joint marketing scheme and the public sector and NGO conferences and incentives scheme.
- Establish a policy for accommodation development, taking into account the type of accommodation required, the optimum mix, market developments, the market segments we are tapping, the destination’s limiting factors and environmental considerations.

Tourism Product...

- Tourism Product: Accommodation
  - The MTA in conjunction with the relevant stakeholders will undertake a review of the four-star accommodation to identify product gaps.
  - The MTA will identify measures that need to be taken to upgrade the three-star hotel sector.
  - Efforts will be undertaken to eradicate unlicensed accommodation.
**Tourism Product:**

- **Tourism Product: Grand Harbour**
  - Market the Valletta cruise harbour as an established Mediterranean port.
  - Work with tour organisers to ensure that excursions provide a diversified tourist experience which serves as a taster of Malta’s versatility.

- **Tourism product: Inter harbour ferry links**
  - Government will consider options for improving accessibility to and from Gozo, undertaking the relevant studies and ensuring that the criteria of sustainable development are met.

---

**Tourism Product:**

- **Tourism Product: Visitor Attractions**
  - Evaluate the problems of overcrowding and introduce visitor management techniques in specific visitor attractions.
  - Invest in the enhancement of visitor attractions in our cities, towns and village cores.
  - We will continue to build on our cultural heritage patrimony by continuing with the implementation of key projects which are in different stages of implementation.
Tourism Product:

**Tourism Product: Entertainment**
- Support entertaining activities in our village cores as well as towns and cities as these require all year round animation which brings to life the dynamism of Malta and Gozo.
- Promote Malta and Gozo as entertaining destinations appealing to different generations, families with children and the adult market.
- Work with local tourism stakeholders to strengthen the entertainment opportunities for the visiting tourist.

**Tourism Product: Eating Out**
- Encourage investments in restaurants specialising in Maltese cuisine and promoting Maltese produce.
- Support innovative and authentic methods adopted in presenting Maltese food.

**Tourism Product: Rural areas, Villages and Towns**
- Support small scale infrastructure based on the characteristics of the locality and its social needs.
- Support the re-use and renovation of existing derelict buildings which are falling into decay in our village cores and towns.
- Increase awareness of Malta’s biodiversity to tourists visiting our islands and foster responsible behaviour among all relevant tourism actors.

**Tourism Product: Retail**
- Identify improvements required in our current retail services offered to tourists and cruise passengers.
Tourism Product: Beaches and Coastal areas

- We will support the upkeep of existing blue flag beaches and the awarding of new ones along the coastal area of Malta and Gozo.
- Direct tourism activity on the principles of conservation and sustainable use, and by promoting and raising awareness about Natura 2000 sites.
- Work to improve the marine experience for technical and non-technical divers, supporting the scuttling of wrecks, subject to environmental assessment procedures.
- Preservation of our marine waters is a priority by maintaining the best bathing water quality standards and by achieving good status of our coastal waters.

Tourism Product: Events

- The MTA will market Malta’s calendar of events & work with tour operators that have an interest in promoting Malta’s such events.
- The MTA will market the culture calendar of events which was published at the beginning of 2012 by the Ministry for Gozo.

Tourism Product: Audio visual and film making

- Government will continue to encourage the creation of films and documentaries and to support film productions as these play a critical role in developing our creative sector and to promote the country’s historical charm and attractions with foreigners and prospective visitors.
Policy Section: Quality Service

Policy Responses that could be tapped either indirectly through your proposals or directly through existing initiatives:

- Improving the quality of service through training, re-training, capacity building and lifelong learning opportunities.
- General tourism awareness courses and quality certification.
- Improving work conditions for employees in the sector.
- Contribute to the formulation of a green job strategy.
- Generate more tourism professions, rewarding employment initiatives, to safeguard an attractive, high-status working environment with competitive pay, rewarding equal pay for equal work and healthy working conditions.

Ministry for Tourism, Culture and the Environment

We will work with International and Maltese Training Institutions and Universities to further enhance language skills and knowledgebase amongst people working in the tourism sector.

Promote a service culture to complement the tourism product on offer with a view to providing a memorable experience to our visitors.

MTA will continue to encourage the private sector to invest in staff development and training and we will continue to reward the efforts of those employees who excel in the delivery of their service by communicating a positive image about Malta and Gozo.
Policy Section: Marketing Malta

- Strengthen the marketing platform of Malta and Gozo, consolidating the role of existing source markets and exploring opportunities for growth from emerging markets.

- MTA will work with other public entities and private enterprises to undertake joint marketing initiatives, combining resources and creating synergies with a view to marketing Malta.

- Through the marketing policies we will be looking at:
  - New source markets
  - More independent travellers
  - Niche Markets
  - Use of IT
  - Consolidating existing performance

---

Gozo

- Increase tourism earnings, domestic and international tourism, expenditure and distribution of income, addressing seasonality, increasing Gozo’s competitive advantage in line with the principle of eco-Gozo.

- Market Gozo as an eco-island, promoting the Gozo tourism brand, focusing on particular niche markets, such as rural tourism, health tourism and diving tourism.

- Domestic tourism needs to be recognized for its scale and relevance and feature in a more integral manner in overall tourism promotion for Gozo.

- Specific policies for niche markets in Gozo.

- Support and/or undertake the embellishment of specific areas in Gozo including:
  - villages and town centres, cultural attractions, fortifications and heritage sites, including landmarks of pristine value that are located in rural areas, tourist areas and resorts
  - natural attractions which constitute part of the rural tourism attractions in Gozo
Market the island as a unique rural tourism destination. The rural tourism policy is to direct such initiatives and developments. Within this context, it is our policy to target the following segments with a view to boost income generation from tourism and addressing seasonality in Gozo:

- High end net worth independent and discerning tourist seeking peace and tranquillity
- Average spenders that may include people visiting friends and relatives and families seeking holidays offered by a rural environment
- Relational tourists who are interested to build a positive relationship with the local Gozitan communities and with the Gozitan environment
- Visits by groups of tertiary level students following courses or pursuing studies abroad relating to rural environments, such as geography, environment, agriculture, crafts, tourism
- Small scale conferences focusing on particular themes which blend with the rural ambience, peace and tranquillity

Boosting Income Generation & Tourism Value Added

- Boost income generation by instigating additional tourist expenditure through increasing visitor numbers and by helping the private sector to provide more value for money product and services that meet tourist’s expenditure.

- Work with existing, new and specialised tour operators to identify opportunities for new packages for the Maltese Islands and to ensure that current package travel operations are maintained or expanded.

- Encourage investment by the private sector in areas which build upon the attributes, characteristics and experiences which we can offer.
Policy Section: Governance

- Strengthen governance arrangements within Government and the interface with the private sector and other stakeholders.
- Undertake research which will be disseminated and made available to interested parties.
- Disseminate more information about the concept of networks and encourage the setting up of such networks.
- A business advisory and support unit will be set up within MTA to assist tourism operators, particularly micro, small and medium enterprises.
- Future financial frameworks will be geared to strengthen the competitiveness and entrepreneurship of SME’s by facilitating the participation of small tourism businesses in EU funding programmes, by simplifying rules and by providing a ‘one-stop shop’ to make it easier for beneficiaries of EU funding.

Conclusion

- The policy document relates to a proactive framework which builds on the achievements of previous policies, it keeps constant pace with the changing trends in tourism while safeguarding the viability of the tourism sector from an economic, ecological, ethical, innovative and social dimension.
- We want all stakeholders to contribute in the implementation of a vision of excellence for the sector through the realistic future roadmap which is laid out in the policy document.
- Opportunities need to be both explored and addressed correctly.
- These challenges are being directed towards patterns of investment and consumption that can be pursued in the future without damaging Malta’s human or natural environment.
- We encourage you to invest in the sector and to seek to further assistance and guidance throughout the submission process.
Thank You

Website: www.tourism.gov.mt
Email: marie-louise.mangion@gov.mt
Josephine.A.Deguara@gov.mt
Contact: 2291 5058/ 2291 5060