

Table 1. Description of the measure taken and information on their qualitative impact ¹											
Information on planned and already enacted measures											
CSR number (1)	CSR sub-categories (2)	Number and short title of the measure (3)	Description of main measures of direct relevance to address the CSRs					Europe 2020 targets	Challenges/Risks	Budgetary implications	Foreseen Impacts Qualitative elements
			Main policy objectives and relevance for CSR (4)	Description of the measure (5)	Legal/Administrative instruments (6)	Timetable on progress achieved in the last 12 months (7)	Timetable on upcoming steps (8)	Estimated contribution to Europe 2020 targets (9)	Specific challenges/risks in implementing the measures (10)	Overall and yearly change in government revenue and expenditure (reported in mln. national currency) Contribution of EU funds (source and amounts) (11)	Qualitative description of foreseen impacts and their timing (12)
CSR 1	Strengthen the overall governance framework by enhancing the national supervision of internationally-oriented businesses licensed in Malta, by ensuring the effective enforcement of the Anti-Money Laundering framework and by continuing to step up the fight against corruption.	Measure 1 – Increase in human resources of the MFSA	Strengthening of the MFSA's supervisory remit	Recruitment of personnel, especially for the supervisory units	N/A	88 persons joined the MFSA in 2018 and there are plans for additional increases in personnel during 2019.	Recruitment is ongoing.	N/A	General lack of human resources availability: in terms of regulatory experience as required in line with the Authority's demands, when also taking into consideration the exponential resource growth of the MFSA Strategies and actions to be taken also to address employee retention	Government expenditure will increase depending on the needs of the Authority for human resources. The MFSA will require investment in employer branding, international recruitment, and in setting up structures conducive to employee retention.	The increase in human resource strengthens the Authority's supervisory remit.
		Measure 2 – Enhance IT systems	Strengthening of the MFSA's supervisory remit	Introduce new IT software and hardware in order to ensure rigorous supervision of licence holders. The digitisation and digitalisation of the Authority's business in order to enable more effective, harmonised, data-	N/A	New IT software and hardware have been acquired.	The MFSA is constantly looking to acquire new IT software and hardware in order to ensure rigorous supervision of licensed entities. A three-year plan will entail strategic investments in associated information systems.	N/A		Government expenditure will increase depending on the needs of the Authority for new IT systems/products/services and the systems/products/services available on the market.	Reviewing the Authority's IT systems ensures continuous rigorous supervision which can keep up with the technological developments in the financial services industry.

¹ Measures which were already included in NRP 2018 are not being included in this NRP.

				driven, risk-based supervision.							
		Measure 3 – MFSA internal restructuring	Changes to the structure of the MFSA which are intended to strengthen the Authority.	Changes to the internal structure of the MFSA.	Bill 49 of 2018	Bill 49 of 2018 includes the proposed amendments to the internal structure of the MFSA. The Bill has just passed its Third Reading in Parliament.	Once the Act is published, the amendments to the internal structure of the MFSA will come into force.	N/A	N/A	N/A	The changes are expected to make the MFSA a more efficient, proactive and dynamic regulator.
		Measure 4 – Establishment of a National Coordination Committee on Combating Money Laundering and the Funding of Terrorism (NCC)	The NCC, supported by a dedicated secretariat, is coordinating and overseeing the implementation of the National AML/CFT Strategy.	The NCC is in charge of defining and overseeing and coordinating the implementation of the national AML/CFT strategy. The members of the NCC include policymakers (representatives from the Ministries for Finance, Home Affairs and Justice as well as the Governor of the Central Bank of Malta and the Chairperson of the Asset Recovery Bureau), supervisors (FIAU, MFSA, MGA), law enforcement agencies (Police) and the Attorney General. The NCC and its secretariat also take a leading role on a number of key projects including supporting the preparation for the MONEYVAL evaluation in 2018 and coordinating the next National Risk Assessment (NRA) in 2020.	Prevention of Money Laundering Act (Cap. 373)	The National Coordination Committee was established in April 2018.	No further measures are required	N/A	N/A	N/A	Through its work, the NCC is expected to help in addressing shortcomings identified in Malta's AML/CFT framework and strengthen the national institutional framework
		Measure 5 – Transposition of the Markets in Financial Instruments Regulation (MiFIR) and Markets in Financial Instruments	These frameworks strengthen the transparency and improve the functioning of the internal market for financial instruments through enhanced regulatory and supervisory convergence with	The MiFIR and MiFID II introduced, <i>inter alia</i> , an enhanced reporting regime which is intended to ensure greater transparency on the financial markets.	Amendments to various financial services laws.	The MiFIR and MiFID II were transposed in national primary and secondary legislation in December 2017.	No further measures are required	N/A	N/A	N/A	The regulatory framework, as amended, shall improve transparency and supervisory oversight. In turn, the increase in transparency generates

		Directive II (MiFID II)	respect to the requirements applicable to investment firms, trading venues, data reporting service providers and third country firms providing investment services or activities in the Union.								investor confidence and allows the MFSA to maintain a healthier market integrity.
		Measure 6 – Publication of the Trusts and Trustees Act (Register of Beneficial Owners) Regulations	The Trusts and Trustees Act (Register of Beneficial Owners) Regulations, require the setting up a register of beneficial owners of trusts (that generate tax consequences) and that are administered by trustees authorised in Malta. In terms of these Regulations, all competent authorities, and also tax authorities, shall have access to this beneficial ownership register.	Transposition of the relevant provisions on beneficial ownership information, emanating from article 31 of the 4 th Anti-Money Laundering Directive (AMLD) (in so far as they are applicable to trusts and trustees) into national law.	Trusts and Trustees Act (Register of Beneficial Owners) Regulations, 2017.	The Trusts and Trustees Act (Register of Beneficial Owners) Regulations were published in December 2017. The Online Register of Trusts (https://tubor.mfsa.com.mt) was launched in January 2019. All beneficial ownership information of trusts collected throughout 2018 has been converted into the online platform. Trustees may now set up their own accounts on the online platform to make electronic submissions of beneficial ownership, and subject persons and competent authorities identified in the Regulations may set up an account on the online platform to carry out searches and access the beneficial ownership in the varying degrees permitted by law. Various subject persons and competent authorities have in fact registered for an online account. The online register is therefore fully functional.	Regulations need to be amended to reflect changes to Article 31 of the AMLD introduced by the 5 th AMLD – deadline for transposition in terms of the Directive is January 2020.	N/A	Defining the concept of ‘legitimate interest’ and who will determine whether a party has proven legitimate interest or otherwise. The Directive also provides that the various registers of the Member States need to be interconnected and it is not clear how this will be implemented in practice.	N/A	This measure is intended to enhance the transparency of trusts by identifying all the parties to the trust relationship.
		Measure 7 – Guidance on Politically Exposed Persons (PEPs)	Strengthening of anti-money laundering procedures	Issuance of guidelines on the enhanced due diligence to be carried out in relation to PEPs	N/A	The Guidance on PEPs was issued on 8 October 2018. The document can be accessed through this link: https://www.mfsa.com.mt/wp-content/uploads/2019/01/19_680367334_MFSAGuidanceonPoliticallyExposedPersons08102018.pdf The above-mentioned document sets out ‘best-practice’ recommendations that subject persons are expected to abide by. More detailed guidelines have been drafted in the revised FIAU Implementing Procedures which is currently being finalised by the FIAU.	No further measures are required	N/A	N/A	N/A	Enhancing AML supervision and tackling international challenges posed by money laundering in line with international best practice and commitments with international counterparts and supervisory bodies.
		Measure 8 – All type of gaming operators became	Creating a strong foundation for the Malta Gaming Authority (MGA)’s	All gaming operators are subject persons, meaning that they have to abide by the	Prevention of Money Laundering and Financing of Terrorism Regulations (PMLFTR)	All the necessary legal measures are now in place.	A specific risk assessment is planned for 2019 to assess whether certain types of land-based gambling activities that feature a low ML risk, might	N/A	N/A	N/A	In view of these new obligations, operators will enhance their

		subject persons as from 1 January 2018	AML/CFT supervision	AML/CFT rules, including reporting any suspicious transactions and are subject to AML/CFT supervision.	FIAU Implementing Procedures Part I and Sectorial Implementing Procedures Part II		be exempt or partially exempt from AML legislation, for example, promotional lotteries and bingo.				operations to combat money laundering/financing of terrorism (ML/FT).
		Measure 9 – Creation of an AML unit	Creating a strong foundation for the Malta Gaming Authority (MGA)'s AML/CFT supervision in order to sustainably mitigate the risks relating to gambling services	The MGA created an AML department specifically to perform AML/CFT off-site and on-site examinations in coordination with the FIAU.	A number of administrative instruments have been compiled: <ul style="list-style-type: none"> - Policies and Procedures; - Risk Matrix; - Supervisory Plan; - Draft Revised MOU between MGA and FIAU. 	The MGA recruited seven AML officers and one Head of the AML Department. Furthermore, one of the AML officers has been promoted to Senior Executive.	The planned capacity for the AML Department is a total of ten. Specific training is underway.	N/A	Lack of human resources as for expertise, knowledge and experience in the matter	This will have budget implications since the authority should invest in additional personnel and training.	The increase in human resources and training will have an impact on the effectiveness of the supervisions.
		Measure 10 – Sectoral Risk Assessment (SRA)	Determining the ML/FT risk exposure of the various gaming sectors	The MGA completed a Sectoral Risk Assessment (SRA) in 2016, and also contributed to the the National Risk Assessment (NRA).	N/A	The MGA has conducted the SRA in Q2 2016, and the outcomes thereof were published as part of the Sectorial Implementing Procedures for online gambling in 2018.	This risk assessment will be updated as required. Sectorial risk assessment for certain land-based gambling business is also envisaged.	N/A	N/A	This risk assessment should be carried out by a professional firm which specialises and has the necessary expertise to conduct such risk assessment. This will obviously have an impact on the MGA's budget.	The SRA helps the MGA to identify specific risks and typologies, to take the necessary mitigation measures.
		Measure 11 – Publication of the Remote Sectoral Implementing Procedures Part II	These Implementing Procedures are enforceable guidelines for the Remote Gaming Industry	These enforceable guidelines direct the Remote Gaming Operators on how to operate their ML/CFT obligations	Publication of the “Implementing Procedures issued by the Financial Intelligence Analysis Unit, in conjunction with the Malta Gaming Authority, in terms of the provisions of the Prevention of Money Laundering and Funding of Terrorism Regulations – Part II – Remote Gaming Sector”	The Sectoral Implementing Procedures for Remote Gaming were published on 19 th July 2018.	Amending the Implementing Procedures of the Land-Based gaming sector. These amendments should be finalised by end of year 2019.	N/A	N/A	N/A	It is expected that the Implementing Procedures will further mitigate ML/FT risks.
		Measure 12 – FIAU and MGA cooperation	Both authorities should cooperate fully since the FIAU is the main authority re AML/CFT and the MGA is the supervisory authority.	The MGA acts a supervisory authority on behalf of the FIAU when conducting off-site and on-site examination. Furthermore, the exchange of information between the authorities is of utmost importance.	An MOU is in place.	Review of the MOU by the MGA started in Q3 2018	Finalising the MOU	N/A	N/A	N/A	It is expected that better collaboration between the FIAU & MGA will improve regulatory efficiency in terms of compliance.
		Measure 13 – Organising	Raising awareness on AML/CFT	MGA representatives	N/A	June 2017 – The Prevention of Money Laundering by the Gaming Sector according to the 4 th AML Directive	N/A	N/A	N/A	N/A	The aim is to educate the

		seminars and attending panel discussions which are organised for industry	obligations in the gaming industry	take part in seminars and conferences. Where these are AML/CFT related, the FIAU also participates in these events.		<p>September 2017 – The 4th AML Directive</p> <p>November 2017 - A regulator needs to have a holistic view of an operation: game fairness, responsible gaming, match-fixing, AML and more</p> <p>March 2018 – Unlocking New AML and GDPR obligations</p> <p>March 2018 – Financial Crime Compliance Forum</p> <p>April 2018 – Thomson Reuters: The On-Going Fight Against Financial Crime: Spotlight on Malta</p> <p>May 2018 – Society Education Seminar – The Prevention of Money Laundering & Financial Crime</p> <p>May 2018 – GBG Seminar: New Gaming Regulations: What they mean for you</p> <p>October 2018 – NRA Findings Presentation</p> <p>November 2018 – Gambling Compliance Forum – AML Fireside Chat</p> <p>November 2018 – KPMG eSummit – AML & Social Responsibility</p> <p>December 2018 - AML Transaction Monitoring Seminar</p> <p>January 2019 - ACE Seminar: AML Compliance & Enforcement Seminar in Gaming</p>					gaming industry and to explain the compliance main shortfalls. MGA officials participate on panels where the subject matter is related to AML/CFT
		Measure 14 – Increase in human resources of the FIAU	Strengthening of the FIAU's supervisory capacity	Recruitment of personnel, in particular for the supervisory unit.	N/A	New members of staff have joined the FIAU, including the supervisory units. The FIAU continues to review its resource needs on an ongoing basis and revises its HR development plans accordingly.	Recruitment is ongoing.	N/A	Recruiting persons having direct experience in the supervisory field, particularly having AML/CFT direct experience, remains a challenge.	The FIAU is currently working on revising its development plan and the Government expenditure will increase depending on the final outcome of the development plan of the FIAU as well as on the needs of the Authority	The increase in human resource will strengthen the FIAU's supervisory capacity.
		Measure 15 – Enhancing the FIAU's risk assessment of subject persons	Strengthening of the FIAU's risk-based approach to supervision	Revising the risk-assessment framework, including the methodology, the data collection processes, and investments in IT tools	The PMLFTR and the FIAU Implementing Procedures which enable the FIAU to request information and data from subject persons and Government entities for the purposes of carrying out its functions.	These actions form part of a comprehensive action plan being implemented by the FIAU.	Progress is ongoing.	N/A	N/A	N/A	The improvement in the risk assessment framework will enable the FIAU to better allocate its resource and understand its resource needs.

		Measure 16 – Strengthening of the FIAU’s governance	Strengthen overall governance to ensure effective enforcement of AML/CFT measures.	Strengthening the FIAU’s Compliance Monitoring Committee (CMC)	Internal policies and procedures.	The CMC’s governing principles and procedures have been revised and adopted by the FIAU. These ensure better decision-making processes and records-keeping procedures.	Completed	N/A	N/A	N/A	Improving decision-making process within the sphere of enforcement
		Measure 17 – Increasing AML/CFT outreach to subject persons	Raising awareness on AML/CFT.	The FIAU is embarking on a series of initiatives to improve its AML/CFT outreach by publishing guidance documents, responding to queries from subject persons, and organising and/or participating in AML/CFT training sessions.	The PMLA which assigns this as a function to the FIAU, and the PMLFTR and the FIAU Implementing Procedures which oblige subject persons to attend training.	January 2018 – Sector specific AML/CFT training on typologies and on carrying out the institutional risk assessment; October 2018 – Private Sector Seminar on the Results of Malta’s National ML/TF Risk Assessment; December 2018 – Training sessions on the revised Implementing Procedures Part I February 2018 – Guidance Note on Funding of Terrorism July 2018 – Sector Specific Procedures for Remote Gaming Operations October 2018 – Guidance Note Payment Accounts Regulations October 2018 – Guidance Note re Funds Transfers Regulations October 2018 – Consultation Document re AML/CFT Obligations on Virtual Financial Assets October 2018 – Consultation Document – Implementing Procedures Part I – Revised Version	Ongoing	N/A	N/A	N/A	Raising awareness on AML/CFT obligations and ensuring that subject persons have a good understanding of their obligations and how to implement them in practice.
		Measure 18 – Increasing the quality, independence and efficiency of the judicial system	The planned judicial reform is expected to enhance the quality, independence, efficiency and effectiveness of the national justice system	Government is committed to continue enhancing the national justice system. Since 2013, the Government of Malta has embarked upon an ambitious project intended to reform the national Justice system through a multitude of measures intended to address backlogs and to further facilitate access to Justice.	The extension and renovation of judicial facilities The establishment of a First Hall of the Civil Court (Commercial section) through Act 1 of 2018 The increase in the number of Judges and Judicial Staff The promotion of Alternative Dispute Resolution Mechanisms (ADRs) and Mediation The extensive use of ICT Technologies and developments in the area of e-justice The improvement of Data Collection and Data Analysis The further enhancement of the Legal Aid system	During the past 12 months the following main progress points could be identified: - the continued increase in the number of members of the judiciary and judicial staff; - the continued enhancement of judicial training; - the creation of the First Hall Civil Court (Commercial Section); and - the continued further increase and enhancement of ICT tools and e-Justice solutions.	The next step will focus on administrative autonomy for the provision of court services. The Court Services Authority (akin to an Agency) will assume the functions that are currently exercised by the Director General (Courts).	N/A		N/A	The creation of an efficient, effective, independent and high-quality national justice system will not only enhance the public faith in the judicial institution but will also secure further Foreign Direct Investment (FDI) in the medium to long term.
		Measure 19 – Key Legislative Developments	The main aim behind these legislative measures is to enhance and	Government has, over the past years shown its commitment by constantly updating	Act 51 of 2016, entitled ‘Criminal Code (Amendment No. 2) Act’: this Act provides for the	Over the last 12 months the following main progress points could be identified: - the enactment of Act 2 of 2018 (Act amending the Public Administration Act),	No further measures are required.	N/A	N/A	N/A	A sound legislative framework is the bedrock of any other

			<p>further buttress the overall legislative framework</p>	<p>and enhancing the legislative framework that in turn goes to create an environment that is averse to corruption and other offences.</p>	<p>rights of suspects and accused persons in criminal proceedings to have access to a lawyer</p> <p>Act 44 of 2016, Constitutional Reforms (Justice Sector) Act: This Act establishes a new system of judicial appointments; and enhances the accountability of the judiciary as a result of the extension of disciplinary proceedings in case of breach of ethics</p> <p>Chapter 579 of the Laws of Malta (Media and Defamation Act): This Act mainly aims to update and re-write Maltese law on libel and slander in a manner which strengthens respect for the right to freedom of expression.</p> <p>Chapter 527 of the Laws of Malta (Protection of the Whistleblower Act): This Act aims to make provision for procedures in terms of which employees in both the private sector and the public administration may disclose information regarding improper practices by their employers and other employees in the employ of their employers and to protect employees who make said disclosures from detrimental action</p> <p>Act 2 of 2018 (Act amending the Public Administration Act): This Act provides for pre-appointment Parliamentary hearings with respect to important public appointments, to Ambassadorships and to leading roles in regulatory authorities</p> <p>Act 13 of 2017: Standards in Public Life Act (Chapter 570 of the Laws of Malta): This Act provides for the appointment of a Commissioner and a</p>	<p>provides for pre-appointment Parliamentary hearings with respect to important public appointments, to Ambassadorships and to leading roles in regulatory authorities;</p> <ul style="list-style-type: none"> - the enactment of Chapter 570 of the Laws of Malta (Standards in Public Life Act), provides for the appointment of a Commissioner and a Standing Committee with power to investigate breaches of statutory or ethical duties of categories of persons in public life, and for matters ancillary or related thereto; and - Malta's joining in on the European Public Prosecutor's Office. 					<p>measure to be taken in the fight against corruption. Having a solid legislative basis will buttress all other measures intended to fight this phenomenon in the short to the medium term.</p>
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					<p>Standing Committee with power to investigate breaches of statutory or ethical duties of categories of persons in public life, and for matters ancillary or related thereto</p> <p>Act 4 of 2013 on the removal of any prescription from corruption offences committed by politicians</p> <p>Act 24 of 2015 on party financing: Making party financing more transparent and political parties more accountable</p> <p>The joining of the European Public Prosecutors Office (EPP)</p>						
CSR 2	Ensure the sustainability of the healthcare and the pension systems, including by increasing the statutory retirement age and by restricting early retirement.	Measure 1 - The development of a regional primary care hub at Paola	To reposition primary health care in the centre of the healthcare system. A larger facility will allow the expansion of the range of services offered, while enhancing the capacity and impact of existing primary care services to cater for the increasing healthcare needs of the southern regional area.	Setting up an innovative regional health hub in Paola for the provision of an enhanced primary healthcare service to inhabitants of the southern region. This hub will serve as a one-stop facility for community care and will also encompass specialised care for prevalent diseases and conditions. Treatment of minor not life-threatening conditions, including minor surgeries, will be offered from this hub. The regional hub will also facilitate the expansion of health promotion and prevention services.	N/A	<p>Tender 'Design and Build':</p> <p>Following the appeals on the evaluation of this tender carried out in March 2018, on 8 June 2018, the Public Contracts Review Board (PCRB) decided in favour of the re-evaluation by a new adjudication board.</p> <p>Court cases against the PCRB decision were held on 16 and 23 July 2018. The court judgment was handed down on 30 July 2018 which requested the re-evaluation of the bids.</p> <p>The re-adjudication of the tender was concluded, and the evaluation report was finalised. The evaluation report was submitted to the General Contracts Committee on 20 September 2018.</p> <p>Since then, results have been published and the appeals period closed on 1 October 2018. The tender has been awarded in October 2018.</p>	<p>Since the tender 'Design and Build' has been awarded, works have started at the end of March 2019 and are to be finished within a timeframe of 36 months.</p> <p>The Project Management tender has already been awarded.</p> <p>Lots 1, 3 and 4 of the Medical Equipment tenders have been awarded, while the Lot 2 tender was published at the end March 2019</p> <p>The Furniture tender has also been awarded.</p>	N/A		<p>80% (€43 million) from ERDF and 20% (€8.5 million) from national funds</p>	<p>This measure is expected to have medium-term and long-term impacts.</p> <p>Development of Paola Primary Care Hub.</p> <p>Increasing attendances to the Paola primary care services.</p> <p>Decreasing attendances to the Mater Dei Hospital (MDH) Accident and Emergency Department of patients who fall under the Paola Health Centre catchment area.</p>
		Measure 2 – Introduction of Electronic Patient Records (EPR) for primary healthcare	To make relevant patient health data easily available and accessible to healthcare professionals in the primary healthcare setting	The measure aims to replace part of the current paper-based records with an electronic system. It will also replace some of the existing electronic systems in use by the integration of	<p>International publication of a call for tenders through the Department of Contracts (DoC).</p> <p>A legal framework needs to be set up on the sharing of data between electronic record (also part of the CONVERGE [Health] Project)</p>	<p>January-March 2018: Formulation of tender dossier and related documents</p> <p>March 2018: Submission of tender documents to DoC</p> <p>April 2018: Publication of tender by DoC</p> <p>July-September 2018: Adjudication of submitted tenders</p> <p>September 2018: Approval of award of tender by DoC</p>	<p>January-June 2019: Implementation period (underway)</p> <p>July 2019-September 2019: Data Migration</p> <p>June 2019-April 2020: Rollout of GP/FD + Private Clinics</p>	N/A	Availability of hosting environment needs to be provided on time by the Malta Information Technology Agency (MITA).	<p>The measure is co-financed by ERDF as part of the CONVERGE project, managed by the Office of the Prime Minister (OPM). Total contract sum</p>	<p>Medium-term impact:</p> <p>Achieve communication between primary and secondary healthcare.</p>

				<p>their functions within the EPR.</p> <p>In so doing, the EPR will also increase administrative efficiency by greatly reducing the risk of misplaced or lost records.</p>		<p>November 2018: Signing of contract</p> <p>December 2018: Formation of Implementation Team and initial meetings</p> <p>January-March 2019: Provision of contractual documentation including Project Plan, Monthly Reports, Operations Manual etc. Project is ongoing as per stipulated timelines.</p>	<p>September 2019-February 2020: Training</p> <p>May 2020: Project Ends</p>		<p>Time it will take to train all the staff on the use of such a complex system.</p>	<p>for the EPR is €5 million.</p>	<p>Reduction on duplication of diagnostic tests.</p> <p>Better monitoring, control and management of chronic conditions.</p> <p>Better diagnosis/patient management plans.</p>
		<p>Measure 3 – Securing sustainability of the pension system</p>	<p>Malta has a medium risk with regard to the long-term sustainability of its public finances due to the projected long-term cost of ageing.</p>	<p>The Social Security Act mandates that the Maltese pensions system is reviewed every 5 years vis-à-vis adequacy, sustainability and solidarity. The next review has to be presented to the Social Affairs Committee of the House of Representatives by not later than 31st December 2020.</p>	N/A	<p>During 2018, the Ministry for the Family, Children's Rights and Social Solidarity (MFCS) established a Pension Strategy Group through the participation of the Ministry for Finance and tasked the Group with the preparations for the 2020 Strategic Review.</p> <p>The Pension Strategy Group set up a number of working groups addressing matters such as pensions and divorce, demographics and fertility, pension economic modelling and review of voluntary pensions framework.</p>	<p>As established by the Article 64B of the Social Security Act, the Government is to submit a report to the House of Representatives outlining recommendations for achieving further adequacy and sustainability in such a manner that a stable proportion is kept between contribution periods and periods in retirement by not later than December 2020.</p>	N/A	<p>Main challenges concern the increase in awareness by the stakeholders, including the general public. Further fine-tuning to the first pillar is necessary to maintain sustainability and adequacy of the pension system.</p>	<p>Government is required by legislation to lay on the Table of the House a report reviewing the state of public pensions together with recommendations with a view of achieving further adequacy, sustainability and social solidarity in such manner that a stable proportion is kept between the contribution periods by not later than end-2020.</p> <p>In 2018, the pension reform initiatives generated additional savings amounting to €11.2 million.</p>	<p>The review shall take into account adequacy, sustainability and solidarity.</p>
		<p>Measure 4 – Incentives for employers to set up private pensions</p>	<p>Fiscal benefits for employers linked to voluntary private pension plans at the work place</p>	<p>The Budget for 2019 enhanced the fiscal incentives with the maximum tax credit rising to €500, in case of contributions by both employees and employers with</p>	<p>Legal Notice 228 of 2017</p>	<p>This measure was implemented through Subsidiary Legislation 123.175.</p>	<p>New Legal Notice to be issued to implement 2019 improvements.</p>	<p>Voluntary occupational pension schemes are a supplement to an individual's first pillar pension, and therefore reduce the risk of</p>	<p>None</p>	<p>It affects Government revenue.</p>	<p>It is expected that these Rules will encourage employers to seriously consider the number of options</p>

				respect to sums up to €2,000 by both employees and employers.				retired persons falling into poverty.			available to them in order to potentially create pension schemes for their employees. Moreover, in the Budget for 2019 these incentives have been increased.
		Measure 5 – Strategy on Retirement and Financial Capability	Coordination and working with stakeholders to implement the actions presented in the Strategy.	The Retirement and Financial Capability Group (RFCG) uses educational means to promote knowledge about retirement, builds and reinforces retirement and financial capability across the Maltese society, and works hand in hand with all those involved, including active participation of retirees to come up with best possible solutions.	The Strategy on Retirement and Financial Capability	The 2017-2019 Strategy is now actively being implemented. Action items identified in the Strategy include: <ul style="list-style-type: none"> - launch of a 2-year financial education awareness campaign; - a comprehensive financial education portal that acts as a trusted independent source of information and resources; - MQRIC level 3 and level 4 education programmes in financial and benefits management education directed at professionals in Government, private sector, and NGOs; - design of financial education m-apps; - networking with the private sector, constituted bodies, etc. 	In 2019 the RFCG will continue with the implementation of the strategy action items. In 2019 the RFCG will also present to Government the 2020-2022 Retirement and Financial Ability Strategy for consideration.	Promoting knowledge on retirement as well as building and reinforcing retirement and financial capability across the Maltese society helps reduce the risk of retired persons falling into poverty.	Increasing financial capability by means of education and related resources is a generational process. Additionally, the population consists of different groups with different aspirations, competencies, and expectations. Designing targeted strategies is a significant challenge.	Financing of initiatives in 2018 has been through (i) a Government dedicated vote; and (ii) ESF financing under a specific project directed towards vulnerable groups. In 2019, the RFCG will concentrate on creating financing synergies with the private sector.	Improved decision-making on retirement and financial matters. To qualitatively measure progress the RFCG has benchmarked with the OECD financial capability toolkit. The first benchmark study was carried out in 2018.
		Measure 6 – Further incentives for people to remain in the workforce	Incentive to encourage people to continue working beyond their retirement age.	From 2019, the incentive to encourage people to continue working beyond their retirement age by increasing the pension they receive when they turn 65 will gradually be extended to public sector employees, as long as the employee requests it and the employer gives his/her consent.	4 years ago, the percentage increase in the rate of contributory pensions for retirement regulations was enacted by Legal Notice 289 of 2016.	A new legal notice will be in place.	N/A	N/A	None	It affects Government expenditure because this lengthens working career.	This measure is expected to incentivise later retirement.