

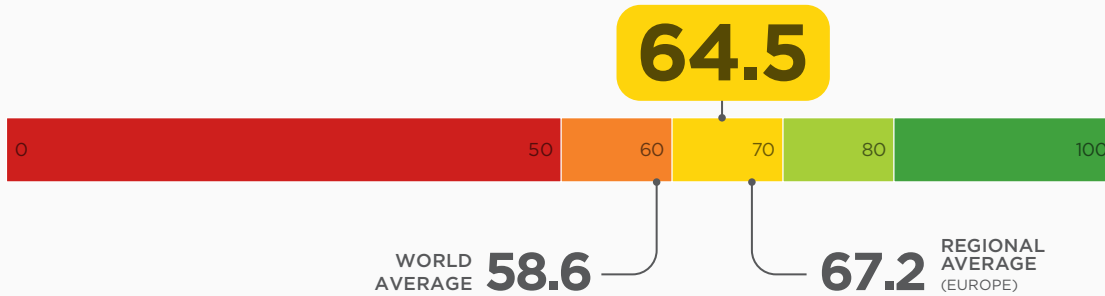
WORLD RANK:	REGIONAL RANK:
<b>50</b>	<b>28</b>
ECONOMIC FREEDOM STATUS:	
<b>MODERATELY FREE</b>	

# MALTA

Malta's economic freedom score is 64.5, making its economy the 50th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 3 points from last year, and Malta is ranked 28th out of 44 countries in the Europe region. The country's economic freedom score is higher than the world average and lower than the regional average. Malta's economy is considered "moderately free" according to the 2024 *Index*.

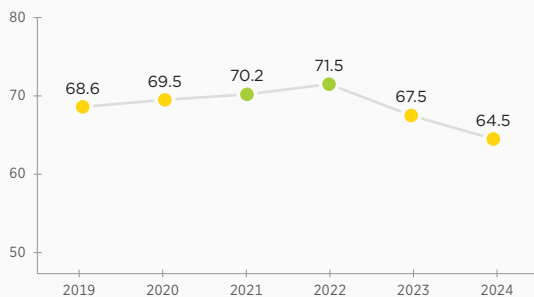
Malta's openness to international trade and investment enhances its competitiveness. Despite relatively good performance in many areas of economic freedom, some of its institutional foundations remain weak. The court system is transparent and relatively free of corruption but inefficient. Bureaucracy still discourages dynamic entrepreneurial activity. Malta has adopted transparent and effective regulations to foster competition, but the pace of reform has slowed. Business regulations are relatively straightforward. The labor market remains relatively rigid. The government mandates a minimum wage.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +8.2

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
0.5 million

**GDP (PPP):**  
\$31.0 billion  
6.9% growth in 2022  
5-year average growth rate: 5.1%  
\$59,408 per capita

**UNEMPLOYMENT:**  
3.5%

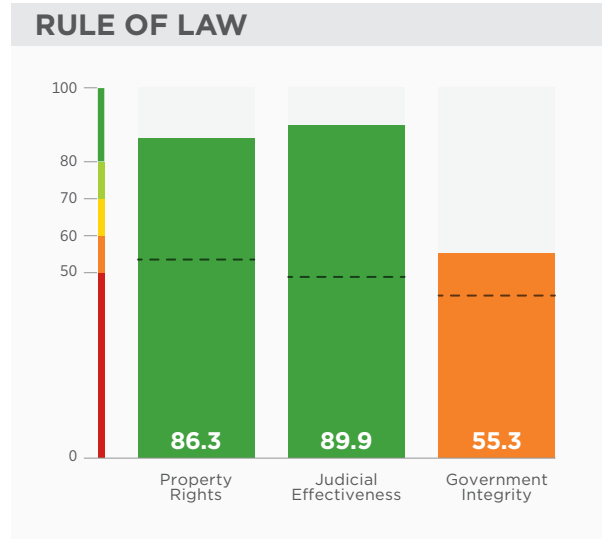
**INFLATION (CPI):**  
6.1%

**FDI INFLOW:**  
\$4.2 billion

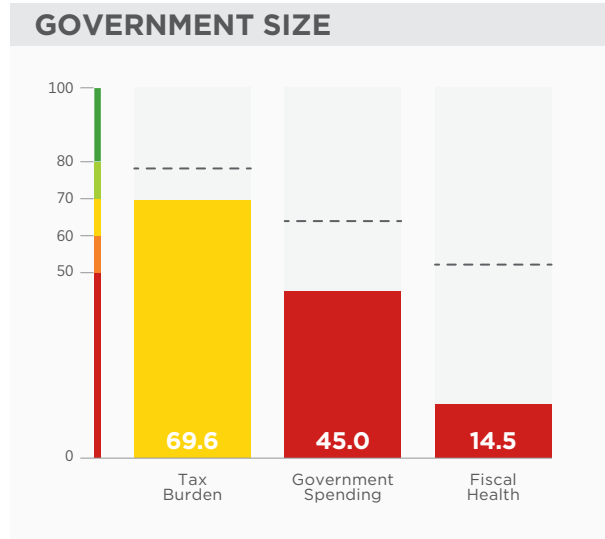
**PUBLIC DEBT:**  
52.3% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

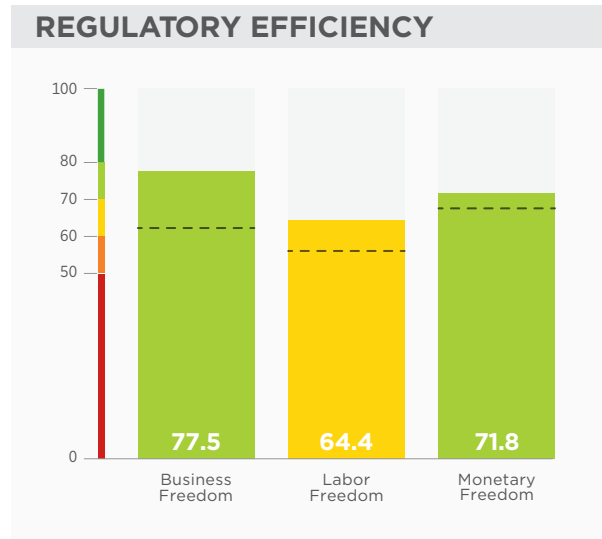
# 12 ECONOMIC FREEDOMS | MALTA



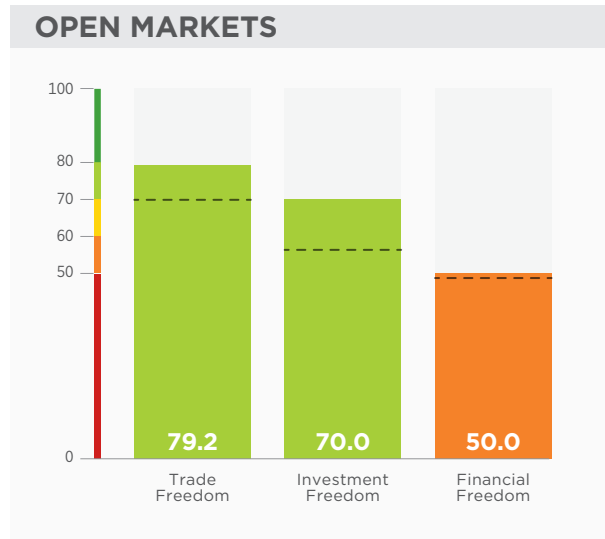
The overall rule of law is well respected in Malta. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 35 percent, and the top corporate tax rate is 35 percent. The tax burden equals 24.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 42.8 percent and -7.6 percent of GDP. Public debt amounts to 52.3 percent of GDP.



Malta's overall regulatory environment is well institutionalized and relatively efficient. The country's business freedom score is far above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate (common among EU members) is 2.9 percent, and more than 600 EU-mandated nontariff measures are in force. Foreign investment is welcome, and investment regulations are generally transparent. The financial sector has undergone restructuring, and banking is more open to foreign banks.