

As at the end of 2017, the stock position of Foreign Direct Investment in Malta stood at €169.8 billion, while Direct Investment abroad amounted to €61.7 billion.

## Direct Investment in Malta and Abroad: 2017

Cut-off date:  
24 August 2018

### Foreign Direct Investment (FDI) in Malta

In 2017, foreign direct investment in Malta was registered at €169.8 billion, an increase of €8.3 billion over the corresponding period the previous year. Financial and insurance activities contributed €166.4 billion or 98.0 percent to the total stock of FDI in Malta during the period under review (Table 3).

During 2017, there was a net increase in FDI flows in Malta of €2.8 billion, equivalent to a decrease of €0.6 billion over the corresponding flows in 2016 (Table 1).

### Direct Investment Abroad

In terms of stock position, as at December 2017, direct investment abroad by resident entities was recorded at €61.7 billion. Entities offering financial and insurance activities accounted for 98.9 percent of the total direct investment abroad (Table 6).

During 2017, direct investment flows abroad decreased by €6.3 billion, compared to a fall of €4.8 billion during the previous year. This is mainly attributed to lower claims on direct investors by €7.0 billion. (Table 4) ■

**Chart 1. FDI in Malta and abroad: stock positions as at the end of December**

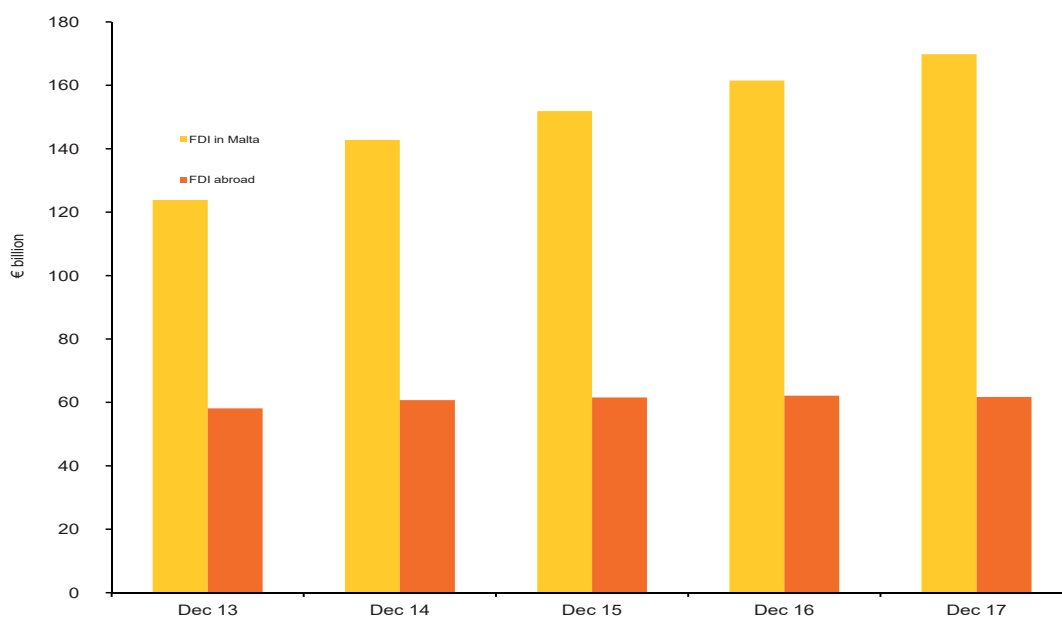


Table 1. Foreign Direct Investment flows in Malta

	€000				
	2013	2014	2015	2016	2017
	<b>Inward FDI</b>				
Equity capital	-2,269,364	-2,949,610	-397,848	-608,733	226,929
Reinvested earnings	444,990	884,016	695,548	480,563	519,797
Other capital	10,865,654	10,615,092	3,888,120	3,561,729	2,059,609
Claims on direct investors	8,629,268	8,366,216	1,475,305	1,119,755	-327,307
Liabilities to direct investors	2,236,386	2,248,876	2,412,816	2,441,974	2,386,916
<b>Total</b>	<b>9,041,280</b>	<b>8,549,498</b>	<b>4,185,820</b>	<b>3,433,560</b>	<b>2,806,335</b>

## Notes:

Figures may not add up due to rounding.

Increase in assets or decrease in liabilities are denoted as negative (Debit flows).

Decrease in assets or increase in liabilities are denoted as positive (Credit flows).

Table 2. Foreign Direct Investment flows in Malta: Economic activity

	€000				
	2013	2014	2015	2016	2017
	<b>Inward FDI</b>				
Manufacturing	101,471	45,204	137,944	48,485	3,358
Transportation, Accommodation and Real Estate Activities	40,987	32,731	69,397	88,846	122,195
Financial and Insurance Activities	8,839,329	8,457,489	3,894,704	3,257,659	2,664,570
Information and Communication	-7,422	4,006	63,817	33,980	19,466
Professional, Scientific and Technical Activities	-5,576	-6,206	1,689	6,480	5,668
Other Activities	72,492	16,275	18,269	-1,890	-8,922
<b>Total</b>	<b>9,041,280</b>	<b>8,549,498</b>	<b>4,185,820</b>	<b>3,433,560</b>	<b>2,806,335</b>

## Notes:

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Increase in assets or decrease in liabilities are denoted as negative (Debit flows).

Decrease in assets or increase in liabilities are denoted as positive (Credit flows).

Table 3. Foreign Direct Investment in Malta - stock position: Economic activity

	€000				
	Dec 13	Dec 14	Dec 15	Dec 16	Dec 17
	<b>Inward FDI</b>				
Manufacturing	882,439	960,780	1,123,479	1,203,317	1,180,366
Transportation, Accommodation and Real Estate Activities	1,104,103	1,132,063	1,251,560	1,338,136	1,460,185
Financial and Insurance Activities	130,983,929	140,150,571	148,999,741	158,210,412	166,442,844
Information and Communication	7,800	12,168	72,983	130,193	140,080
Professional, Scientific and Technical Activities	64,938	38,505	48,232	133,616	140,346
Other Activities	240,265	479,225	369,811	450,797	444,119
<b>Total</b>	<b>133,283,474</b>	<b>142,773,312</b>	<b>151,865,806</b>	<b>161,466,470</b>	<b>169,807,940</b>

## Note:

Figures may not add up due to rounding.

Table 4. Direct Investment flows abroad

€000

	2013	2014	2015	2016	2017
	Outward FDI				
Equity capital	-696,037	-340,006	-829,104	-757,360	-702,070
Reinvested earnings	-9,947	-9,819	-11,168	-6,652	-6,966
Other capital	-1,298,350	-1,414,662	5,561,102	5,607,351	7,014,002
Claims on direct investors	-1,318,234	-1,469,925	5,615,568	5,595,965	7,017,888
Liabilities to direct investors	19,884	55,263	-54,467	11,386	-3,887
<b>Total</b>	<b>-2,004,334</b>	<b>-1,764,486</b>	<b>4,720,830</b>	<b>4,843,340</b>	<b>6,304,966</b>

Notes:

Figures may not add up due to rounding.

Increase in assets or decrease in liabilities are denoted as negative (Debit flows).

Decrease in assets or increase in liabilities are denoted as positive (Credit flows).

Table 5. Direct Investment flows abroad: Economic activity

€000

Economic activity	2013	2014	2015	2016	2017
	Outward FDI				
Manufacturing	-1,040	2,094	3,991	-76	1,610
Transportation, Accommodation and Real Estate Activities	-10,707	-13,318	-8,163	-8,842	-16,480
Financial and Insurance Activities	-1,974,809	-1,746,107	4,741,471	4,890,326	6,352,271
Information and Communication; Professional, Scientific and Technical Activities	-165	-13,268	-10,259	-13,880	-6,541
Other Activities	-17,614	6,114	-6,211	-24,188	-25,895
<b>Total</b>	<b>-2,004,334</b>	<b>-1,764,486</b>	<b>4,720,830</b>	<b>4,843,340</b>	<b>6,304,966</b>

Notes:

Figures may not add up due to rounding.

Increase in assets or decrease in liabilities are denoted as negative (Debit flows).

Decrease in assets or increase in liabilities are denoted as positive (Credit flows).

Table 6. Direct Investment abroad - stock position: Economic activity

€000

Economic activity	Dec 13	Dec 14	Dec 15	Dec 16	Dec 17
	Outward FDI				
Manufacturing	14,073	12,040	7,822	18,610	8,813
Transportation, Accommodation and Real Estate Activities	169,008	185,873	181,514	197,700	459,011
Financial and Insurance Activities	57,869,195	60,439,575	61,277,150	61,789,859	61,042,226
Information and Communication; Professional, Scientific and Technical Activities	31,683	47,884	56,223	24,628	21,546
Other Activities	59,508	42,395	45,297	117,921	196,254
<b>Total</b>	<b>58,143,467</b>	<b>60,727,767</b>	<b>61,568,006</b>	<b>62,148,718</b>	<b>61,727,851</b>

Note:

Figures may not add up due to rounding.

## Methodological Notes

1. The collection, compilation and presentation of both the International Investment Position (IIP) and the Balance of Payments (BoP) statements of Malta fall under the responsibility of the National Statistics Office (NSO), with the co-operation of the Central Bank of Malta (CBM). Direct Investment is extracted from both statements, compiled in accordance with the international guidelines set out in the sixth manual of the International Monetary Fund (BPM6).

However, the Direct Investment News Release is presented on a directional basis, i.e. inward and outward, rather than on an asset and liability basis. The statement incorporates data relating to special purpose entities which are classified under financial service activities.

2. Direct Investment is defined as “a category of cross-border investment associated with a resident in one economy having control or a significant degree of influence on the management of an enterprise that is resident in another economy.” (BPM6).

a. Direct investment is sub-divided into two categories:

- Foreign Direct Investment (FDI) in Malta – where a foreign investor owns 10% or more of the ordinary shares (or voting power) of an enterprise in Malta; and
- Direct Investment Abroad – where a Maltese resident entity (or an individual, government or association) owns 10% or more of the ordinary shares of an enterprise in another economy. These companies can be subsidiaries, affiliates or branches.

b. Direct Investment is made up of three basic components:

- Equity Capital - comprising equity investment in subsidiaries, associates and branches. Capital contributions (e.g. provisions of machinery) and purchase of immovable property are also classified under equity capital.
- Reinvested Earnings - consisting of the direct investor's share of earnings not distributed as dividends by subsidiaries and associates; and earnings that branches do not remit to the direct investor. Losses are regarded as negative reinvested earnings.
- Other Capital - including inter-company transactions such as borrowing and lending of funds; and trade debits and credits between direct investors and direct investment enterprises. Transactions between enterprises in different economies that share the same direct investor are also considered as direct investment and included under other capital.

3. Direct Investment flows include transactions occurring during a particular period. Besides accumulated flows, the Direct Investment Stock Position takes into account any market value revaluations, reclassifications and exchange rate changes prevailing at the end of the reporting period.

4. The type of data collection system used to compile the Direct Investment is a composite system based on monthly, quarterly and annual direct reporting (DR) enterprise surveys, as well as various other sources that are identified from time to time by the BoP compilers. No major sectors of the economy are excluded from the aggregate data. The data for all components are compiled from these surveys. Where not directly available, preliminary figures on reinvested earnings are estimates based on an average of the previous four years. The final data on reinvested earnings are then compiled from the annual DR survey.

5. The classification used for economic activity is NACE Rev. 2, which corresponds to the Statistical Classification of Economic Activities in the European Community. Both the data on direct investment abroad and foreign direct investment in Malta are classified on the basis of the industrial activity of the resident direct investment enterprises. Due to confidentiality issues, aggregate economic activities are grouped as follows:

**Manufacturing include:**

Manufacturing industry

**Transportation, Accommodation and Real Estate Activities include:**

Land, sea and air transport

Warehousing and support activities for transportation

Postal and courier activities

Accommodation and food service activities

Real estate activities

**Financial and Insurance Activities include:**

Financial service activities

Insurance, reinsurance and pension fundings

Activities auxiliary to financial services

**Information and Communication Activities include:**

Publishing activities

Activities connected to audio and video productions

Telecommunications

Computer programming, consultancy and related activities

Information service activities

**Professional, Scientific and Technical Activities include:**

Legal and accounting activities

Business and management consultancy activities

Architectural, engineering and other technical activities

Scientific research and development

Advertising and market research

Other professional, scientific and technical activities

Veterinary activities

**Other Activities include:**

Agriculture and fishing

Mining and quarrying

Electricity, gas, steam and air conditioning supply

Water supply; sewerage, waste management and remediation activities

Construction industry

Wholesale and retail; repair of motor vehicles and motorcycles

Administrative and support service activities

Education, health and social work activities

Arts, entertainment and recreation

Other activities not allocated elsewhere

6. Data are to be considered provisional.
7. More information relating to this news release may be accessed at:  
Statistical Concepts: <http://nso.gov.mt/metadata/concepts.aspx>  
Metadata: <http://nso.gov.mt/metadata/reports.aspx?id=6>

**European statistics comparable to data in this News Release are available at:**

[EUROSTAT Website/Homepage/Statistics Database](#)

>Economy and finance

>Balance of payments - International transactions (bop)

>European Union direct investments (bop\_fdi)

For further assistance send a request from:

<https://nso.gov.mt/en/Services/Pages/Request-for-Information.aspx>

8. References to this News Release are to be cited appropriately.
9. A detailed news release calendar is available on:  
[https://nso.gov.mt/en/News\\_Releases/Release\\_Calendar/Pages/News-Release-Calendar.aspx](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)