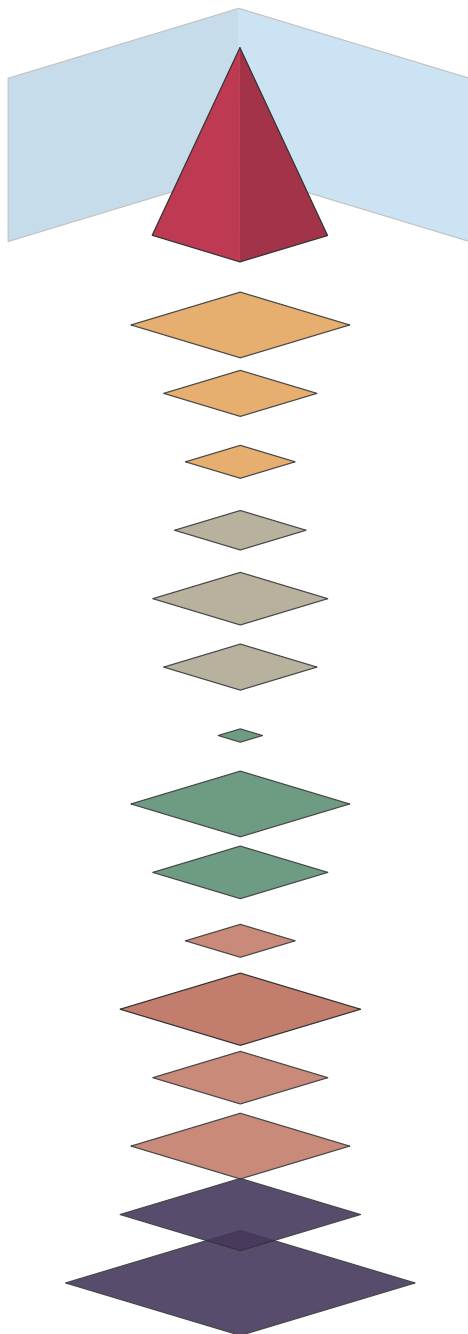




MALTA



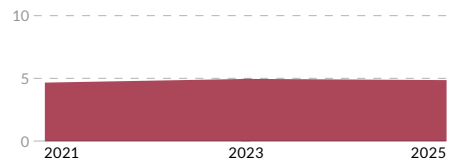
4.87 $\nearrow 0.13$

CRIMINALITY SCORE

111th of 193 countries $\nearrow 16$

21st of 44 European countries $\nearrow 2$

5th of 8 Southern European countries $\nearrow 1$



CRIMINAL MARKETS

4.13 $\nearrow 0.17$

HUMAN TRAFFICKING	5.00	0.00
HUMAN SMUGGLING	3.50	0.00
EXTORTION & PROTECTION RACKETEERING	2.50	$\nearrow 0.50$
ARMS TRAFFICKING	3.00	0.00
TRADE IN COUNTERFEIT GOODS	4.00	0.00
ILLCIT TRADE IN EXCISABLE GOODS	3.50	$\nearrow 0.50$
FLORA CRIMES	1.00	0.00
FAUNA CRIMES	5.00	0.00
NON-RENEWABLE RESOURCE CRIMES	4.00	$\nearrow 0.50$
HEROIN TRADE	2.50	$\nearrow 0.50$
COCAINE TRADE	5.50	0.00
CANNABIS TRADE	4.00	$\nearrow 0.50$
SYNTHETIC DRUG TRADE	5.00	0.00
CYBER-DEPENDENT CRIMES	5.50	0.00
FINANCIAL CRIMES	8.00	0.00



CRIMINAL ACTORS

5.60 $\nearrow 0.10$

MAFIA-STYLE GROUPS	2.00	$\nearrow 1.00$
CRIMINAL NETWORKS	7.00	0.00
STATE-EMBEDDED ACTORS	7.50	0.00
FOREIGN ACTORS	5.00	0.00
PRIVATE SECTOR ACTORS	6.50	$\nearrow 0.50$



This project was funded in part
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States Department of State.

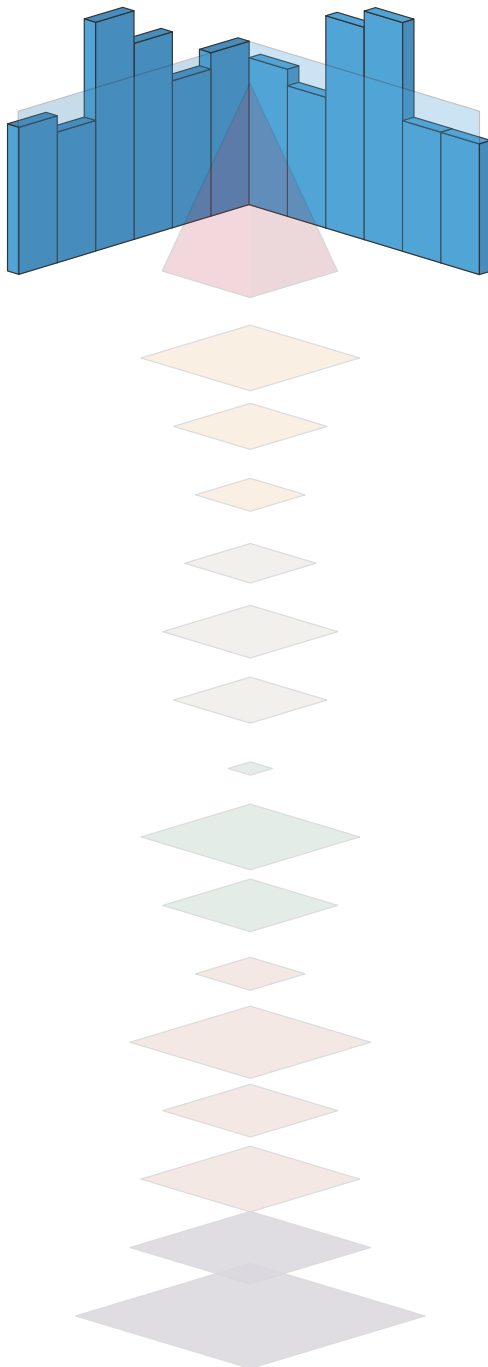


Funded by
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MALTA



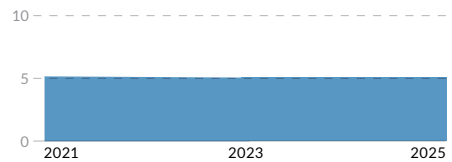
5.08 $\nearrow 0.04$

RESILIENCE SCORE

83rd of 193 countries $\nearrow 1$

34th of 44 European countries -

7th of 8 Southern European countries -



POLITICAL LEADERSHIP AND GOVERNANCE	4.50	0.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	4.00	0.00
INTERNATIONAL COOPERATION	7.00	$\nearrow 0.50$
NATIONAL POLICIES AND LAWS	6.00	0.00
JUDICIAL SYSTEM AND DETENTION	4.50	0.00
LAW ENFORCEMENT	5.00	$\nearrow 0.50$
TERRITORIAL INTEGRITY	4.50	0.00
ANTI-MONEY LAUNDERING	4.00	$\nearrow 0.50$
ECONOMIC REGULATORY CAPACITY	6.50	0.00
VICTIM AND WITNESS SUPPORT	7.00	0.00
PREVENTION	4.00	0.00
NON-STATE ACTORS	4.00	0.00



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CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Malta's strategic geographic location at the crossroads of Africa and Europe has made it a notable destination and transit country for human trafficking. Victims, both foreign and domestic, are subjected to sexual exploitation and forced labour, with particular vulnerabilities among refugees and asylum-seekers. The majority of foreign victims originate from Eastern Europe, Central America, Africa and Southeast Asia, with Filipino and Chinese nationals particularly targeted for labour exploitation in domestic work and massage parlours. Cases of sex trafficking have also been documented, targeting victims from Eastern Europe and often linked to broader criminal enterprises. Women from Ukraine and Russia are especially vulnerable to sexual exploitation in nightclubs. The presence of organized crime elements linked to the Cosa Nostra, the 'Ndrangheta and North African organized crime groups suggests a transnational dimension to human trafficking in Malta. Investigations have revealed links between local criminal actors and foreign trafficking networks, particularly from Romania and Nigeria. The exploitation of foreign labourers is also a growing concern, with recruitment agencies misleading workers about employment opportunities, charging exorbitant fees and trapping them in exploitative conditions. The lack of government oversight over licensing of massage parlours further exacerbates the risk of human trafficking.

Although human smuggling does not appear to be a significant activity in Malta, the country is used as a transit point for migrants en route to other European destinations, such as the UK and Germany. Egyptian smugglers operate routes from Libya to Malta, though collaborative agreements between Malta and the Libyan government have reduced the number of arrivals. Reports indicate coordination between Maltese authorities and Libyan militia groups involved in human smuggling, raising concerns about migrant rights violations.

Extortion and protection racketeering remain limited, with sporadic cases reported. Nevertheless, organized crime groups in Malta appear less capable of systematically engaging in such activities.

TRADE

Malta functions primarily as a transit and destination point for arms trafficking, despite strict gun laws. The market is driven by regional demand, with illicit weapons shipments moving through Malta to North Africa and Europe. Historical

cases have demonstrated the involvement of Italian mafia groups in arms trafficking, with recent arrests linking Maltese criminals to Italian arms traders.

The counterfeit goods market in Malta remains active, with a wide array of illicit products, including electronics, clothing, footwear and pharmaceuticals. Digital marketplaces and social media platforms facilitate the sale of counterfeit goods, some of which are linked to international supply chains, particularly from China. Despite the existence of legal frameworks aligning with EU regulations, enforcement challenges persist.

Illicit trade in excise goods, particularly cigarettes, has long been a problem in Malta. Although the consumption of illicit tobacco has declined in recent years, smuggling operations continue, often exploiting vulnerabilities in free trade zones. Smuggled cigarettes typically originate from Italy and North Africa, with France as a major destination.

ENVIRONMENT

There is no evidence of a consolidated market for flora crimes in Malta. The illegal fauna trade, however, remains a persistent issue, particularly in relation to protected bird species. Songbirds, such as goldfinches, are frequently trafficked, with well-organized smuggling rings moving birds from northern Europe, Africa and South America to Malta. Malta has long been criticized for its lax enforcement of hunting regulations, with illegal hunting of protected bird species continuing despite EU restrictions. Illegal, unreported and unregulated fishing is another area of concern, though Malta has shown progress in reducing its risk profile. Nevertheless, local criminal networks have been implicated in threats against environmental enforcement officers.

Non-renewable resource crimes in Malta primarily revolve around oil and fuel smuggling. Large-scale operations have diminished since major investigations exposed transnational smuggling networks linking Malta, Libya and Italy. However, smaller-scale fuel smuggling persists. Recent cases indicate that illicit fuel continues to flow through Malta, with suspected links to money laundering activities. The ease of establishing shell companies in Malta has historically facilitated the laundering of illicit oil trade profits.

DRUGS

Malta's role in the heroin trade is limited, with declining consumption rates over the past decade. However, occasional seizures still occur, with law enforcement intercepting heroin shipments in transit. Cocaine trafficking remains

a significant issue in Malta. The country serves as both a destination and transit hub for cocaine smuggled from South America, primarily via Spain and Italy. Investigations have uncovered ties between Maltese criminal actors and Italian and Albanian cocaine trafficking networks. North African actors have also been implicated, particularly in cases involving multiple narcotics. The cannabis trade remains active, though its societal impact has been mitigated by partial legalization. Although small-scale trafficking continues, Malta's legal framework has reshaped the market, reducing criminal control over supply. However, some illicit transactions persist, particularly through online platforms. Italian and North African networks remain involved in trafficking cannabis to Malta, with seizures occurring regularly. Synthetic drug consumption in Malta is relatively low, with MDMA and amphetamines being the most common. Authorities continue to report seizures, though no major changes have been noted in market dynamics. Synthetic cannabinoids have emerged as a concern due to their impact on public health, with increased hospital admissions linked to their consumption.

CYBER-DEPENDENT CRIMES

Cyber-dependent crime has been a notable concern in Malta in recent years, with the country demonstrating relatively low levels of cybersecurity readiness compared to other EU member states. Hacking and cryptocurrency fraud are particularly prevalent. Media organizations have also been targeted in DDoS attacks. Malta's role as a cryptocurrency hub has contributed to criminal risks, though regulatory measures have been introduced to mitigate abuses. A 2024 Europol operation dismantled a cybercriminal network linked to malware distribution, with arrests made in Malta and Nigeria.

FINANCIAL CRIMES

Financial crimes remain one of Malta's most entrenched criminal markets, with fraud, tax evasion and embezzlement persisting despite regulatory scrutiny. Corruption plays a central role, with investigations linking political figures to fraudulent schemes. The abuse of public funds, particularly in healthcare and welfare fraud, has been extensively documented. Tax evasion remains a major issue, with estimates indicating widespread non-compliance among businesses. Despite regulatory efforts, Malta continues to attract financial criminals exploiting corporate structures for illicit activities.

CRIMINAL ACTORS

Malta does not have domestic mafia-style groups that exert significant territorial control. However, recent years have seen an increase in criminal gangs that employ violence as part of their operations, leading to several gangland-style assassinations in public settings. These gangs tend to form

around specific criminal enterprises rather than maintaining hierarchical structures, operating in an opportunistic and flexible manner. Disputes within these groups often lead to violent confrontations, with conflicts typically ceasing once key individuals are arrested or eliminated. Despite being identified as gangs, the nature of these groups blurs the distinction between loosely connected criminal networks and more structured, mafia-like organizations.

Malta hosts various loosely organized criminal networks that engage in a range of illicit activities, including fuel smuggling, illegal fishing, human trafficking, money laundering, drug trafficking, illegal gambling and contract killings. These networks operate autonomously or collaborate with foreign actors to facilitate their criminal enterprises. Although firearm and ammunition smuggling remains relatively low, local criminal networks continue to have access to weapons, sustaining their ability to engage in violent crimes. Some Maltese crime families have operated across multiple generations, with a historical presence in organized illicit markets dating back to the 1950s. In recent years, concerns have arisen over teenage gangs engaging in violent and destructive behaviour, primarily targeting local businesses, particularly in Valletta.

Corruption within Malta's public sector has been a persistent issue, with several high-profile scandals linking state officials to organized crime. Investigations over the past decades, particularly following the assassination of journalist Daphne Caruana Galizia, have revealed alleged connections between public officials and financial crimes, including money laundering, large-scale fraud and tax evasion. Although these cases remain under judicial review, they highlight systemic weaknesses that have allowed illicit financial flows to thrive. Malta's governance corruption has exacerbated vulnerabilities to financial and economic crimes, making the state apparatus susceptible to exploitation by criminal actors. In July 2024, the European Public Prosecutor's Office in Malta charged a criminal network comprising customs officers and private companies with fraud and corruption following duty evasion on Chinese imports. State-embedded actors in Malta extract significant financial resources from the system, contributing to a culture of impunity. Though their actions may not directly threaten the country's democratic foundations, they severely undermine public trust and the rule of law.

Malta's strategic location in the Mediterranean has made it an attractive hub for foreign organized crime groups. Italian mafia clans, particularly the 'Ndrangheta and Cosa Nostra, have established deep-rooted connections in the country, engaging in drug trafficking, arms smuggling and the exploitation of the online gaming industry. Malta's reputation as a base for Italian mafia operations has grown, with reports identifying the country as a key laundering hub for billions of euros through the iGaming sector. Europol has documented the presence of additional foreign criminal organizations, including Georgian networks involved in property crimes, drug trafficking and human exploitation.

These groups leverage business fronts and corrupt networks to establish influence within Malta's economy. The presence of mafia-linked fugitives has reinforced Malta's longstanding role as a refuge for high-profile criminal figures. Beyond Italian and Georgian criminal actors, North African networks, particularly those originating from Morocco, Libya and Tunisia, have also been active in the country. These groups play a role in drug trafficking and human smuggling, often in collaboration with local and European partners. A recent prostitution and human trafficking ring operated by a Romanian family further highlights the transnational nature of Malta's criminal landscape.

Malta's favourable tax policies and lenient corporate regulations have long made it an attractive destination for financial crime. The private sector remains a crucial enabler of organized crime, providing avenues for money laundering and illicit financial activities. Investigations

have repeatedly exposed Maltese bank accounts and financial institutions being used by foreign criminals to launder large sums of illicit money. In early 2024, a major scandal unfolded when national authorities across multiple European countries, including Malta, conducted a large-scale operation targeting a Russian–Eurasian criminal network and a Malta-based financial institution suspected of extensive money laundering. The investigation, involving multiple countries, uncovered evidence of complex financial schemes allegedly used to launder millions of euros over the past decade through a network of shell companies and fraudulent business structures. Despite recent legislative reforms, gaps in compliance and enforcement have allowed criminal organizations to exploit the country's financial infrastructure, reinforcing Malta's reputation as a hotspot for illicit financial activity.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Malta operates as a parliamentary democracy with regular elections and a stable political system. However, governance remains hindered by corruption and allegations of undue political influence. Although the government has enacted reforms aimed at increasing transparency, these efforts have been met with criticism due to perceived weaknesses in enforcement. The dominance of two main political parties has also led to concerns about partisanship in governance and decision-making processes. Additionally, government accountability has been challenged, particularly in relation to corruption investigations and the handling of high-profile criminal cases.

Government transparency has been a persistent issue, with watchdog organizations highlighting the need for stronger anti-corruption measures. Reports indicate that public procurement fraud, conflicts of interest and misuse of state resources continue to undermine governance. Although Malta has an established commission to investigate corruption, it has been criticized for lacking independence and being understaffed. Legislative reforms have been proposed to strengthen investigative powers, but implementation has been slow. Public perception of corruption remains high, with surveys indicating widespread concerns over government accountability.

International cooperation is a key component of Malta's resilience framework. The country actively participates in Europol and INTERPOL operations, and has ratified various international treaties addressing organized crime. Malta also collaborates with regional and global institutions to combat

money laundering and financial crime. However, compliance with international standards has been inconsistent, with the country facing scrutiny over its handling of high-level corruption cases. Additionally, Malta has been subject to EU infringement measures related to environmental regulations and cybersecurity, signalling gaps in regulatory enforcement.

National policies and laws criminalize a range of organized crime activities, including human trafficking, money laundering and illicit trade. Malta's legal framework includes penalties for financial crimes and drug-related offenses, with recent legislative updates addressing evolving threats such as cybercrime. However, enforcement remains a challenge, particularly in areas such as fraudulent labour recruitment and environmental crime. The government has taken steps to enhance oversight, but gaps persist in regulatory implementation and judicial follow-through.

CRIMINAL JUSTICE AND SECURITY

Malta's judicial system has faced criticism for inefficiency and delays in prosecuting organized crime cases. Although the country has legal mechanisms in place to address corruption and financial crimes, enforcement has been inconsistent. The judiciary operates independently, but slow court proceedings and resource constraints have hampered effective case resolution. High-profile corruption cases have often been delayed, leading to concerns over judicial effectiveness and public confidence in the legal system.

The country has a single correctional facility, the Corradino Correctional Facility, which has experienced increased

inmate populations over the years. Although prison conditions are generally considered adequate, concerns have been raised about overcrowding and rehabilitation programmes. The government has introduced initiatives to improve detention conditions, but systemic issues persist, particularly regarding legal representation and access to justice for vulnerable groups.

Law enforcement agencies have made strides in combating organized crime, particularly through the establishment of specialized units focused on financial crime, drug trafficking and cybercrime. The police force has expanded its financial crimes division in response to money laundering concerns, and increased coordination with international partners has led to successful operations against transnational crime groups. However, challenges remain in victim identification and prosecution of human trafficking cases. Reports indicate that Malta's response to trafficking has been inconsistent, with low conviction rates and barriers to victim assistance.

Malta's territorial integrity is influenced by its geographic location in the Mediterranean, making it a transit point for illicit trade and smuggling activities. Though maritime law enforcement agencies have increased patrols and interdictions, the country's proximity to key trafficking routes presents ongoing security challenges. Corruption risks at border control points have been noted, though recent reforms aim to strengthen oversight and reduce vulnerabilities. Furthermore, cybersecurity remains a weak point, with Malta demonstrating low performance in this area.

ECONOMIC AND FINANCIAL ENVIRONMENT

Malta's financial sector is a central component of its economy, but it has also been a focal point for money laundering and financial crime risks. Despite being removed from the Financial Action Task Force grey list in 2022, concerns remain regarding the effectiveness of anti-money laundering enforcement. The country has strengthened regulatory oversight, including increased scrutiny of financial institutions and improved reporting mechanisms. However, enforcement gaps persist, particularly in cryptocurrency-related transactions and online gaming platforms, which have been exploited for illicit financial activities. The Prevention of Money Laundering Act provides the legal foundation for anti-money laundering efforts, with enforcement led by the economic crime unit of the police force. Though international cooperation has improved, domestic prosecution of financial crimes remains inconsistent. Investigations into money laundering cases have increased, but conviction rates remain low. Additionally, regulatory agencies face challenges in monitoring high-risk financial activities, including trade-based money laundering and shell company formations. Malta's economic regulatory environment is designed to attract investment, but it has also created opportunities for financial misconduct. The country offers favourable tax policies that have drawn international businesses, yet concerns over corporate transparency persist. While

legitimate enterprises benefit from Malta's regulatory framework, criminal networks exploit the same system for money laundering and fraud. Efforts to strengthen financial oversight include proposed legislative reforms and increased cooperation with European regulatory bodies. However, implementation remains a challenge, particularly in aligning national regulations with evolving international standards.

CIVIL SOCIETY AND SOCIAL PROTECTION

Malta has established victim and witness support mechanisms to assist individuals affected by organized crime. The victim support unit within the police force provides crisis counselling and referrals, while state-funded services offer shelter and legal aid for human trafficking victims. However, gaps remain in victim identification and assistance, particularly for individuals exploited in forced labour and sexual exploitation. NGOs play a crucial role in providing additional support, but resource limitations hinder their effectiveness.

Prevention efforts against organized crime include public awareness campaigns and education initiatives. The government has implemented programmes to inform citizens about financial scams, cyber threats and human trafficking risks. Additionally, initiatives aimed at fostering community engagement in crime prevention have been introduced. However, inconsistencies in policy implementation and the dissolution of previous anti-trafficking task forces have raised concerns about the sustainability of prevention efforts.

Non-state actors, including media and civil society organizations, contribute to Malta's resilience by exposing corruption and advocating for accountability. Journalists and NGOs have played a critical role in investigating high-profile corruption cases, despite facing political pressure and threats. The media landscape remains polarized, with concerns over government influence on public broadcasting. Although press freedom is legally protected, recent reports highlight challenges faced by investigative journalists in accessing information and reporting on sensitive issues. Civil society organizations have been instrumental in advocating for rule-of-law reforms and increased transparency. However, the effectiveness of these efforts is often limited by political divisions and public perception. Protests and legal actions have led to policy changes, but sustained pressure is required to ensure meaningful reforms. Additionally, NGOs working on anti-corruption and human rights issues have reported difficulties in engaging with government authorities, highlighting a gap between civil society initiatives and official policy implementation.

This summary was funded in part by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.