



THE MALTA CHAMBER

PRESS RELEASE

27 November 2025

The Malta Chamber calls for clear separation between political direction and executive responsibility

The Malta Chamber reiterates the urgent need for governance overhaul in public procurement processes.

The Malta Chamber of Commerce, Enterprise and Industry notes the latest developments concerning Malita Investments plc and reiterates its call for Public Procurement Reform. Such situations, whether they effectively happened or not once again highlight the urgent need for a robust, transparent and accountable public procurement framework in Malta which The Malta Chamber has been advocating for since 2021(<https://maltachamber.org.mt/wp-content/uploads/2023/03/9d4b053d-e51b-4470-ac09-33e3b07cd37d.pdf>). This is needed to eliminate the possibility of raising any doubt on any public procurement process. Every euro of public expenditure must be governed by clear rules, effective oversight and ethical conduct to safeguard the public interest and ensure value for taxpayers' money whilst also ensuring a level-playing field for all.

The Malta Chamber also underlines that a clear demarcation between political decisions taken at ministerial level and the administrative/executive responsibility of the civil service is essential and a robust and transparent process is needed to have such demarcation seen more effectively. There should not be any attempt to blur the different and distinct responsibilities. For instance, deciding whether to privatise or not is a political decision, but once that decision is taken, the running of competitive processes and the selection of contractors is entirely a matter of executive competence that must be carried out in a professionally, impartially and independently.

Public procurement represents a substantial share of total government spending and has a direct impact on economic competitiveness, public services and overall quality of life. If public procurement is not conducted transparently, efficiently and fairly, it undermines trust in institutions, distorts competition, discourages reputable operators and can result in significant waste or misuse of public funds.

Key reforms The Malta Chamber is once again urging for

The Malta Chamber once more calls for the swift implementation of its key recommendations, including:

- A clear governance framework that separates policy direction from operational decision making in public procurement, with ministers defining vision and setting goals, but not influencing who wins contracts.

- Publication of a publicly shared procurement outlook, at least 6 months in advance and covering all Government entities and departments, so that economic operators can prepare and compete fairly.
- Systematic preliminary market consultation and the use of genuinely independent experts in drafting tender documents to improve quality, clarity and value for money.
- A shift away from the narrow “cheapest compliant bid” mindset towards quality and performance-based evaluation that ensures the best long-term return on investment.
- Stronger scrutiny of direct orders and contract variations, with full documentation and justification, as well as effective remedies against abusive practices.

A comprehensive, user-friendly public Contracts Register that transparently shows all tenders issued (including direct orders), which, apart from the current public information, would include also milestones and deliverables to be reached and whether they have been reached, payments (when due, how much, when made), disputes, variations and modifications. The Malta Chamber calls on the Government, Parliament, oversight institutions and all contracting authorities to treat public procurement reform as an immediate national priority, not a long-term aspiration. Ethical, transparent and professionally managed procurement, underpinned by a clear separation between political decision making and executive administration, is essential to safeguard public finances, support reputable businesses and restore citizens’ trust in how public projects are awarded and managed.

END