



THE MALTA CHAMBER

FEEDBACK BY THE MALTA CHAMBER

Public Consultation on the National Financial Capability Strategy 2026-2031

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Introduction

The Malta Chamber of Commerce, Enterprise and Industry, hereafter referred to as 'The Malta Chamber' welcomes the opportunity to provide feedback on **The National Financial Capability Strategy 2026 – 2031**, which strives to set out Malta's long-term vision to strengthen financial capability, support informed financial decision-making, and promote a coordinated national approach involving Government, regulators, financial institutions, employers, educators, and civil society.

As The Malta Chamber has reiterated within its [Feedback on the National Education Strategy 2024-2030](#), that **financial literacy** is crucial for the development of sustainable financial wellbeing, as well as crucial within an increasingly complex financial world, arguing that this is a core life skill, which empowers thought-out decisions which renders individuals financial capable of having control over their financial position.

The Malta Chamber acknowledges and welcomes the importance of having a dedicated Strategy towards **Financial Capability**, as literacy alone does not guarantee capability. As the Strategy Consultation Policy Document outlines, "Financial capability goes beyond financial literacy". Financial capability encompasses the knowledge, skills, confidence and behaviours required to make informed and effective financial decisions and navigate financial hurdles with strength and confidence. It is an essential life skill that contributes, as outlined in the Strategy, to economic resilience, personal wellbeing and social inclusion.

The approach adopted to have a **Life-Course Approach** to Financial Capability targeting childhood (6-10), adolescence (11-17), young adults (18-25), early career and families (26-34), mid-career adults (35-59) and older adults (60+) is positive.

The Malta Chamber's feedback below focuses on key concerns arising and is presented in accordance with the consultation questions set out as part of the public consultation.

The Malta Chamber Considerations and Recommendations

1. Do the vision and objectives of the Strategy provide the right direction for improving financial capability in Malta?

The Malta Chamber acknowledges that the Strategy reflects high-level progression from the traditional financial literacy initiatives towards a comprehensive concept of financial capability. The Strategy's vision offers a broad financial capability framework over a narrow focus on financial literacy which at such a stage may be considered to be both timely and appropriate.

The Malta Chamber notes that the Strategy's strategic objectives appear to place primary emphasis on individuals, giving less consideration to the responsibilities and capacity of firms that are directly involved at the point of financial decision-making, amongst which regulated entities which carry legal duties such as suitability and appropriateness assessments. Thus, consideration may be taken to strengthen the inclusion of a sixth objective targeted towards aligning consumer-facing duties of regulated firms with national messaging.



Furthermore, Objective 4 reading as follows, “Promote the safe and inclusive use of digital platforms and tools to support everyday financial decisions” appears to address general digital payment confidence such as apps and online banking. Distinct competencies are required to understand digitally native asset classes with unique risk and custody profiles. The Strategy policy document itself evidently outlines that that local crypto ownership carries significant knowledge gaps pertaining to legal protections.

The Malta Chamber also considers it appropriate to map the objectives across the KPI dashboard in Chapter 7. Each outlined objective should have a corresponding named indicator with a baseline and a 2031 target.

2. Do the strategic priorities adequately address Malta’s main current and future financial capability needs?

The Malta Chamber understands that the strategic priorities of the Strategy address prominent financial capability challenges identified in Malta, as well as offers both a balanced and proportionate framework to address both current and emerging needs.

However, The Malta Chamber considers it crucial to allocate more prominence towards long-term savings and investment capabilities as a specific national challenge. Particular importance ought to be attached to a number of other factors including savings, budgeting and debt management; digital financial capability and cyber-fraud awareness; financial resilience in times of economic uncertainty; long-term financial planning which includes retirement preparedness as well as pensions; and financial capability for a diverse range of groups including self-employed individuals, entrepreneurs, and SMEs. While this list of themes is reflected within the Strategy, The Malta Chamber recommends additional emphasis be allocated on the development of practical financial behaviours and decision-making skills, avoiding the sole focus being on financial knowledge only. Although awareness campaigns do provide certain benefits, these alone can only get a certain level of results. It is therefore being encouraged to incorporate real-life application and behavioural interventions as a means to generate stronger outcomes.

The Malta Chamber also considers that the coverage of Priority 3 merits significant improvement. Whilst this seeks to avoid the exclusion of individuals from digital challenges and protect them from fraud, this needs to also equip consumers with the ability to make informed decisions about products they are lawfully entitled to purchase.

Moreover, the Strategy has a crypto-asset and tokenisation gap. That is, following the application of the Markets in Crypto-Assets Regulation (MiCA), Maltese consumers have the ability to access crypto-asset services from authorised crypto-asset service providers (CASPs) and will encounter e-money tokens used as payment instruments, asset-referenced tokens, and tokenised traditional instruments under the Distributed Ledger Technology (DLT) Pilot Regime. The Malta Chamber considers it a necessity to include what MiCA authorisation does guarantee and does not guarantee; and provide the difference between an unbacked crypto-asset, e-money token with par redemption right and an asset-referenced token.



Furthermore, The Malta Chamber considers it of crucial importance that the Strategy addresses how to check whether a provider is authorised, using the Malta Financial Services Authority (MFSA) Financial Services Register and the European Securities and Markets Authority's (ESMA) registers.

We note that the Strategy lacks reference to data-request literacy resulting in abandoned transfers, confusion, and vulnerability to impersonation, because a consumer who does not know why a legitimate provider asks for data cannot distinguish that request from a fraudulent one. In this regard, a short, national, plain-language explanation of why regulated firms ask what they ask would reduce both friction and fraud.

Greater emphasis should be placed on addressing gambling and speculative financial harm within the strategic priorities and measures of the Strategy. Reference to gambling-related financial harm is made to once within the narrative to sub- Priority 2.1, however merits no linked measure. Given the scale of Malta's gaming sector, the overlap of speculative trading behaviour and gambling behaviour, as well the presence of gamified trading interfaces, warrant measures targeting the subject rather than simply a mention.

3. Are the proposed measures sufficient to support lifelong financial education, improve access to trusted guidance, and strengthen financial resilience across different population groups?

While The Malta Chamber recognises the breadth of the proposed measures, their effectiveness will ultimately depend on sustained and effective implementation, continued institutional commitment, and robust monitoring and evaluation to ensure that these measures are embedded as ongoing initiatives rather than implemented as one-off campaigns or interventions. Only through such steps will the proposed measures be able to be considered sufficient to support lifelong financial education, improved access to trusted guidance, and strengthen financial resilience across different groups of the population.

The combination of a number of initiatives including community outreach, workplace programmes, school-based intervention and targeted support for vulnerable groups is welcome and reflects international good practice and supports the life-course approach of the Strategy.

In this context, The Malta Chamber considers it appropriate to include measures targeted towards increasing access to trusted online education resources as well as self-assessment tools; strengthening behavioural outcomes instead of participation levels alone; expand employer-led financial wellbeing programmes; development of tools pertaining to practical budgeting, savings and retirement planning; and leveraging of financial institutions as delivery partners for financial education initiatives.

Financial institutions are usually at the forefront with regards to engagement and active presence within the life-course of individuals from the opening of a bank account, investments, saving for a future home, obtaining finance, retirement planning and ability to respond to financial difficulties. Through such engagement, opportunities become available to strengthen financial resilience and support learning.

The Malta Chamber considers that the sequence of certain measures requires revision.



For example, measure 3.8 pertaining to the ‘multichannel scam rapid-response service’ is scheduled for 2028. Such a measure should be brought forward to 2026-2027 and designed with the participation of industry from the start. Regulated firms have the ability to observe payments and transfers. The establishment of a verification and reporting channel existing alongside the helpline would raise prevention rates.

When looking at measures 1.19 and 1.20, the former has 2027 listed as the implementation date with the latter being listed in 2028. ‘Finfluencers’, otherwise known as Financial Influencers, have been driving “quick wealth” content which has been influencing behaviour today especially in certain age groups which are most exposed to such finfluencers. In this regard, The Malta Chamber recommends advancing the implementation date of both measures.

When considering Measure 3.5, which pertains to the promotion of “plain-language communication across institutions, supported by glossaries and a “financial terms decoder”, The Malta Chamber recommends ensuring that the glossary includes terms such as CASPs, e-money and tokenisation, amongst other financially related terminology. This would assist consumers in better understanding the financial products, services and disclosures being provided to them.

The proposed measures also lack reference to redress navigation. The ability to understand when to report or escalate an issue, the appropriate order in which to do so, and the applicable limits and procedures is vital to ensuring that consumers can effectively exercise their rights and seek appropriate assistance. The Malta Chamber therefore recommends the inclusion of a measure under Priority 2 dedicated to addressing what consumers should do in such scenarios and who to consult with. Such a measure should establish a single, clear pathway covering complaints, regulatory reporting and criminal reporting, presented in plain language and clearly identifying the relevant authorities, possibly including the Office of the Arbiter for Financial Services, the MFSA and the Malta Police Cyber Crime Unit.

Moreover, The Malta Chamber notes that the measures outlined with the Strategy ought to be accompanied by an indicative costing or identified budgetary allocation.

Given the range of the proposed measures and the resources required for their effective implementation, greater clarity on the overall financial commitment would be welcomed. The Malta Chamber therefore questions what level of funding will be allocated to the implementation of the Strategy and whether sufficient resources will be made available to ensure that its objectives and measures can be delivered over the five-year period.

4. Are there any groups that require additional or more targeted support?

As The Malta Chamber outlined within the introduction, the life-course approach adopted for the Strategy together with the priority groups identified are both acknowledged and welcome. The Strategy correctly avoids treating financial vulnerability as a factor for confining this to a single fixed category.

Nevertheless, The Malta Chamber recognises the importance of warranting direct attention towards the following groups:



- Young adults entering employment for the first time, who may also be first-time borrowers and therefore encounter complex financial decisions relating to savings and investments, borrowing and housing;
- Individuals and households experiencing cost-of-living pressures and housing affordability challenges, who may require additional support in managing competing financial demands and making sustainable financial decisions;
- Individuals with unstable or irregular incomes who may face greater challenges in managing and balancing their finances;
- Digitally excluded and digitally active individuals, as the increasing prevalence of fraud means that even individuals considered financially capable may require ongoing educational awareness in relation to cybersecurity, identifying scams, digital payments and emerging technologies;
- Individuals experiencing acute financial distress, whether as a result of usury, gambling or other behavioural factors, as well as those affected by illness, unemployment or unexpected life events, thus making such individuals in greater need of personalised guided support;
- Retirement approaching individuals, as while the Strategy does indeed address retirement, more emphasis should be directed towards the translation of retirement awareness into concrete financial planning actions;
- Entrepreneurs, SME owners and self-employed individuals as their level of financial capability can have a significant impact on business sustainability, employment within the business and wider economic growth. Support should be diverse including risk management, cash flow management, financing options, succession planning and having a written strategic plan. Furthermore, self-employed and gig workers may be subject to irregular income, provisional tax, and absent occupational pension coverage with no employer channel through which workplace-based financial capability measures can be delivered. Similar to measures 1.7 and 1.10 which depend on employer relationship, other measures may be targeted towards this group;
- Individuals across different age cohorts who are exposed to ‘influencer’ content on a number of digital platforms. Such content may be misleading or incorrect. While the Strategy recognises the importance of confidence and confidence building; it should indicate that overconfidence when trying to detect scams can also result in victimisation;
- Money mule recruitment targets¹ who are usually younger aged people between the ages of 16 and 25 or otherwise newly arrived migrants who cannot differentiate between financial capability and financial crime. Young individuals recruited as money mules may be unaware that they are committing a criminal offence and may not comprehend the permanence and seriousness of the resulting consequences such as offboarding from every regulated firm within the market. The Strategy should include a measure on this which is co-delivered by the FIAU and Malta Police targeted towards secondary and post-secondary settings and at migrant community organisations for greater awareness on the matter;
- Migrant populations as while the Strategy outlines these as an identified priority group encountering ‘linguistic, cultural and bureaucratic barriers’, migrants working in Malta are users

¹ <https://www.europol.europa.eu/operations-services-and-innovation/public-awareness-and-prevention-guides/money-muling>



of cross-border remittance channels and may therefore make them increasingly exposed to stablecoin-based remittance offerings of varying legitimacy. Such a group needs to be able to differentiate and identify what an authorised provider looks like, and knowing their rights when an account is closed;

- Bereaved partners and individuals experiencing widowhood should have their own dedicated toolkit similar and perhaps modelled on measure 1.18 relating to divorce and separation. Bereavement appears once in the document in Chapter 4 with no corresponding measure despite being a stage in life in which possibly a surviving partner with no financial decision-making capabilities must suddenly take such financial decisions.
- Individuals with disabilities, who, while identified as a priority group within the Strategy, fails to address that biometric onboarding, strong customer authentication, and liveness checks can be almost impossible for individuals, pushing them towards sharing certain credentials with members of their family which ultimately defeats fraud control.

5. What actions should be prioritised during the implementation of the Strategy?

The Malta Chamber recommends dedicated priority towards strengthening financial education within schools. The formal education system is clearly in need of strengthening financial education. Financial capability should be embedded throughout formal education with both practical and age-appropriate content throughout both primary and secondary schools.

The Malta Chamber has also been advocating for an overhaul of the country's national education system, as reiterated by The Malta Chamber within its [Budget 2027 Proposals](#)² by introducing an overhauled National Education Curriculum by scholastic year 2029, coupled with a revamped skills-based assessment for students and teacher professional development. The reformed curriculum should mandate STEAM, **digital and financial literacy** into the primary core curriculum from the start – concurrently fund classroom resources, including in private education, to practically integrate AI tools and critical thinking across all subjects. In this regard, The National Financial Capability Strategy should also prioritise expanding workplace financial wellbeing programmes. Working-age adults forming part of the workforce also require skills to improve financial capability.

The Malta Chamber also suggests that if the Strategy intends to produce tangible results, clear governance, accountability and coordination need to be established.

The governance framework being proposed should be implemented at an earlier stage in order to ensure coordinated delivery and the avoidance of initiative duplication.

As The Malta Chamber stressed within its Budget 2027 Proposals, good governance is crucial to ensure that rule of law is upheld, trust is built, and national resources are used in an efficient manner in order to promote economic stability and improve the quality of life of citizens. Therefore, any measures within the Strategy will truly depend on the 'coordinated whole-of-government approach'. It is also acknowledged that there will be a mid-term review in 2028 and a final evaluation in 2031.

² https://maltachamber.org.mt/wp-content/uploads/2026/09/Prebudget-2027_Whole-Doc_Post-BOM-Meeting_V05.pdf



A number of the measures put forward within the Strategy can easily be shifted a year in advance. Governance including measures 4.1 - 4.5 pertaining to the Inter-Ministerial Committee, the Implementation Working Committee, the thematic sub-committees, the Financial Literacy Community and the programme mapping framework have all been dates with a 2027 implementation date; however, a number of other measures are dependent on these governance measures. A five-year Strategy dedicating a year for such measures regarding governance elucidates a year without a coordination mechanism. In this regard, this should be established in H2 2026.

Measures should also be accompanied by a Measurements Framework in order to measure success on the basis of outcomes such as retirement planning activity, savings habits, digital confidence metrics and financial resilience indicators. The development of a National Financial Capability Portal as part of the Strategy which would be a central and trust source of financial information, may improve the accessibility and consistency of communication across all stakeholders.

Whilst the Strategy makes a number of references to fraud and even includes measures targeted towards addressing this, in particular measure 3.6 regarding the enhancement of 'integration of fraud-and-scam-prevention modules into financial capability programmes', the launch of national programme specifically targeted towards fraud prevention and digital financial safety due to the rapid growth of digital banking and financial scams may be considered and considered as high-priority.

The Malta Chamber supports a central repository for official financial capability information, integrating content from ministries and agencies (measure 4.10). This would ultimately reduce time and duplication in accordance with measure 4.5 regarding the establishment of a National Financial Capability Programme Mapping and Gap Analysis Framework aimed at avoiding duplication and coordination.

6. Additional comments or suggestions regarding the Strategy including issues not sufficiently considered.

The Malta Chamber would like to stress that a Strategy can only succeed if emphasis is based on thorough execution, accountability and the measurements of outcomes in order to track progress.

Progress of measures should be regularly measured and reported publicly ensure the transparency of the framework.

Furthermore, the proposed document requires a clearer direct link with the Malta Vision 2050 which is the country's strategic blueprint for its future aspiration.

A Strategy dedicated for the period 2026-2031 should also include more reference to crypto-assets and fill knowledge gaps, as well as knowledge on stablecoins.

As outlined within the aforementioned, greater emphasis may be placed on enhancing the role of financial institutions as delivery partners and the inclusion of more measures pertaining to digital fraud prevention as well as financial cybersecurity.

The Malta Chamber within its Budget 2027 Proposals outlined the importance of introducing better training co-funding schemes focusing on employee digital literacy and AI capability, ensuring



technology acts as a true operational amplifier. This is very much linked to The National Financial Capability Strategy. Chapter 2 lists AI-powered fraud among the emerging challenges and trends. Reference it also made to AI-enabled scams and fraud risks. However, AI should have measures specifically targeted towards it. Therefore, the Strategy may take into consideration the involvement of verification procedures within the deepfake environment due to the cloning of voices, video impersonations, and AI-generated investment pitches. Moreover, it is essential that the Strategy dedicates increased emphasis on the fact that individuals seem to be seeking increase financial guidance from AI assistants.

This National Financial Capability Strategy should also be linked to a National Financial Crime Policy and include reference to FIAU, the National AML/CFT Strategy and the National Risk Assessment. The creation of a formal link would strengthen both as a result of several individuals being subject to money mule recruitment, romance and investment fraud, and the consumer-facing effects of customer due diligence.

While the Strategy notes gender-disaggregated data, a nationality and length-of-residence disaggregation should be added given the substantial proportion of Malta's workforce is foreign-born. These should be applied in particular for indicators on institutional trust, product access and fraud victimisation.

Furthermore, while The Malta Chamber acknowledges the full list of stakeholders which were interviewed and pre-consulted; however, questions the deliberate decision of Government for opting not to reach out to employer bodies.

Conclusion

The Malta Chamber appreciates the efforts undertaken in formulating this Strategy. While its vision is commendable, as are the efforts to adopt a life-course approach and the emphasis placed on its four Policy Priorities, a number of gaps and areas requiring further consideration remain.

The Malta Chamber remains at the Ministry's disposal to contribute constructively on this initiative by providing feedback and insights relayed from our members.



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www.maltachamber.org.mt

+356 2203 2304

The Malta Chamber of Commerce,
Enterprise and Industry 64, Republic
Street Valletta, VLT 1117