



MDB

Care Malta Limited

THE AD HOC FACILITY

The Malta Development Bank (MDB) jointly with local commercial banks, has provided a facility to Care Malta Limited for finishing of an elderly home in Lija.

THE AID MEASURE AND LEGAL BASIS

The ad hoc aid measure by the MDB is in the form of a loan with a repayment period of 25 years, granted as end finance for the finishing of the elderly home in Lija.

In terms of the Malta Development Act (CAP 574 of the laws of Malta), the MDB is empowered to provide such lending facilities provided that the aid is in accordance with the parameters and criteria as stipulated in Article 56 - "Investment aid for local Infrastructure" and other applicable provisions of Commission Regulation (EU) no. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market application of Articles 107 and 108 of the Treaty (The General Block Exemption Regulation).

RATIONALE

Malta's demographic profile is characterised by a rapidly ageing population, with increasing demand for long-term care services. Key trends include:

- Rising life expectancy
- Increased prevalence of chronic conditions and dementia
- Growing demand for regulated high-quality care environments
- Limited availability of new elderly care beds in the private and public sectors.

The most recent data for 2025-2026 indicates that 1578 elderly persons are currently on the waiting list for admission to residential care homes¹.

¹ Main sources: *The Malta Independent* and *Malta Daily*

Malta is currently experiencing a structural shortfall of approximately 1,500+ residential elderly care beds on a persistent, year-on-year basis. However, this figure likely understates the true level of demand.

In practice, a proportion of elderly individuals who would clinically or functionally benefit from residential care continue to remain within the community, often due to strong preferences associated with Ageing in place, as well as reliance on informal family support or privately engaged carers.

Attard, Balzan and Lija, three villages in the vicinity of the proposed elderly home are considered to have a high ageing concentration.

MDB's role vis-à-vis the nature of this project.

Healthcare and social infrastructure are priority areas for the MDB. By supporting the completion of an elderly care home, the MDB is helping to address the growing demand for high-quality, accessible long-term care services arising from Malta's ageing population.

The project will increase residential care capacity, improve the quality of life and well-being of older persons, and support their families and carers. It will also contribute to employment and sustainable social and economic development, in line with the MDB's mandate to facilitate viable investments that deliver a clear public benefit.

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