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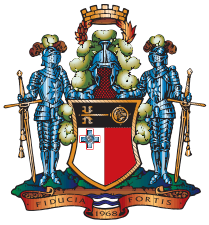

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EUROPOP25: MALTA'S REVISED POPULATION OUTLOOK

Lynn Cumbo and Liam Micallef

Analytical Article Series 3/2026

EUROPOP25: MALTA'S REVISED POPULATION OUTLOOK[1]

Introduction

In April 2026 Eurostat published its latest set of long-term population projections covering the period 2025-2100, collectively termed as the EUROPOP2025 demographic projections. The baseline demographic projection shows the size and structure of the population implied by a predetermined path of the three main drivers of population change: fertility, mortality and migration, using population data as at the end of 2024 (1 January 2025) as the base year. Since these projections are surrounded by a high degree of uncertainty around the conditioning variables, alternative scenarios based on different assumptions for fertility, mortality and migration are also produced.

This article starts with a brief overview of Eurostat's methodology of these demographic projections. We then delve into the revisions in the baseline demographic projection for Malta compared to that in EUROPOP2023. The alternative scenarios on fertility and mortality are discussed in the following section and given the role of migration in Malta's population, we also examine the alternative scenarios on migration and describe the economic implications under these sensitivity analyses.

Methodological framework[2]

Eurostat's population projections are 'what-if' scenarios that aim to show, over a long-term horizon, the hypothetical developments in population size and structure based on sets of assumptions for the three primary drivers of population change: fertility, mortality, and migration. These projections are not forecasts as they do not consider current or future policies in member states, nor do they attempt to predict the future course of any individual driver. Rather, each set of projections represents a conditional baseline derived from observed demographic trends at the time of its preparation, extrapolated forward under a specific set of modelling assumptions.

The underlying methodological framework is the cohort-component method which employs the standard demographic balance equation. In this framework, cohorts are tracked as they age through successive projection periods. At each annual step, cohort sizes are adjusted to reflect mortality and migration flows, while new births are added as a youngest cohort. The latter is determined by the number of women of childbearing age and their assumed age-specific fertility rates. The aggregate projected population at any point in time is therefore the sum of these cohort-specific dynamics, allowing the model to capture changes in both population size and age structure simultaneously.

The framework is based on a partial convergence assumption determined by Eurostat, and this is the primary driver of the three components' trajectories. This assumption is grounded in the premise that continuing European integration and income convergence indirectly influences demographic behaviour, leading to a gradual, though incomplete, convergence of fertility, mortality, and migration trends across EU Member States over time. Country-specific conditions dominate the near-term assumptions, while the convergence mechanism becomes increasingly influential over the longer projection horizon.

The baseline projection constitutes the central scenario of EUROPOP2025, projecting the population of each member state from the base year of 2025 to 2100, and applying the cohort-component

[1] Prepared by Lynn Cumbo, Senior Economist, and Liam Micallef, Economist within the Economic Analysis Department of the Central Bank of Malta. The authors would like to thank Governor Alexander Demarco, Deputy Governor Rita Schembri, Dr Aaron G. Grech, and Ian Borg for the helpful comments.

[2] For the full details on the methodology of Eurostat's population projections, refer to Population projections in the EU - methodology - Statistics Explained - Eurostat.

method under the framework described above. The three components of the baseline are modelled as follows:

1. Fertility assumptions are derived from observed total fertility rates, incorporating a country-specific estimate for the near term based on nowcasting of monthly birth data, before converging gradually towards a long-run value under the partial convergence assumption.
2. Mortality assumptions are based on age and sex-specific mortality rates that partially converge towards common profiles over the projection horizon.
3. Migration assumptions are derived from a combination of historical EU and non-EU immigration and emigration flows. These flows are modelled on the basis of historical averages up to a mid-term benchmark year (which is 2031 in EUROPOP2025), after which net migration is assumed to converge gradually towards common EU-wide rates. The migration assumption is complemented by a working-age feedback mechanism whereby the annual shrinkage in the working age population generates additional non-EU immigration flows as a replacement.

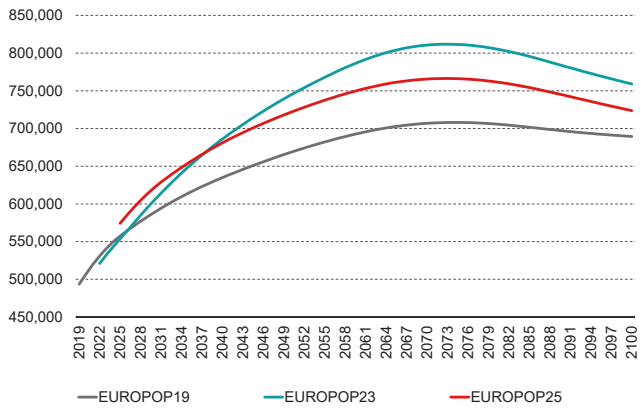
In addition to the baseline, Eurostat publishes a set of alternative scenarios that vary the assumptions on individual components to illustrate the sensitivity of the projected population to changes in the underlying drivers which shall be described in further detail in this article.

The baseline population projection

The EUROPOP2025 baseline demographic projection, projects Malta's population to increase by around 21% between 2025 and 2100, equivalent to around 150,000 persons. The total population is expected to reach a peak of 766,348 people in 2073 – a 25% increase from the base year. This suggests that total population growth will average 0.6%. However, growth is expected to be higher in the earlier projection horizon. For example, between 2025 and 2030, population growth is expected to average 1.6% each year. Following the peak in 2073, the population is projected to fall to 723,710 by 2100, which would be around 6% lower than its peak. This trajectory reflects the combined effect of migration and mortality rates. Net migration flows, while remaining positive throughout, is assumed to decline steadily from around 10,600 persons at the start of the horizon to 3,450 persons by 2100. Mortality follows the opposite path, with annual deaths rising progressively as the population ages: around 10,000 deaths are assumed in 2100 compared to around 4,300 deaths in 2025. While fertility is assumed to improve gradually in line with the partial convergence assumption, this recovery is not sufficiently strong to offset the negative impact of slower net migration and higher deaths.

Over recent years, successive rounds of Eurostat's population projections for Malta have been revised considerably (see Chart 1). Since EUROPOP2010, Malta's population has been consistently revised upwards, driven primarily by stronger

Chart 1
DIFFERENT VINTAGES OF POPULATION PROJECTIONS
(number of persons)



Source: Eurostat.

than anticipated migration inflows.[3] In contrast, the latest projections represent the first notable downward revision, making EUROPOP2025 a significant departure from the earlier pattern of revisions. Relative to EUROPOP2023, which had projected a population of around 744,000 by 2050, the latest projection for the same year is approximately 3% lower. The downward revision emanates mainly from a significant downward revision in projected net migration.

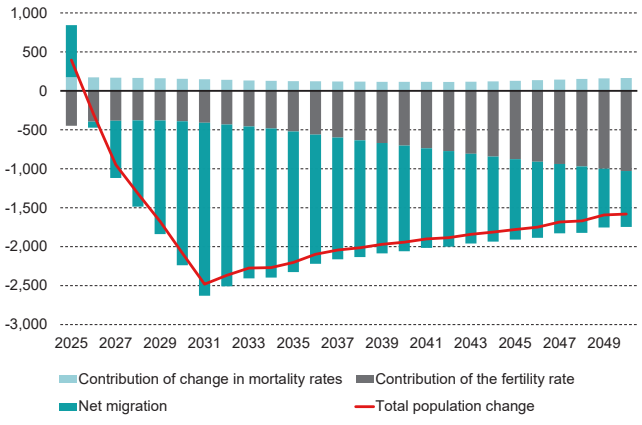
Total population growth between 2025 and 2050 was projected at around 1.2%, on average, in EUROPOP2023, whereas in the latest projection, this has been revised down to around 0.9%. Although EUROPOP2025 starts at a higher level, the two projections are set to intersect around 2037, after which the latest baseline population projections are lower than those in EUROPOP 2023.

Chart 2 decomposes the revisions of the EUROPOP2025 baseline projection growth when compared to EUROPOP2023 into the three constituent population drivers: net migration, the contribution of the fertility rate and mortality rates. Across the entire projection horizon, the net effect of these revisions is negative, implying that the new assumptions on the population drivers lead to weaker growth, and hence, cumulatively a lower projected level of Malta's population when compared to the previous baseline.

The dominant driver of this downward revision is a reassessment of the net migration assumption, which is consistently and substantially lower than that embedded in EUROPOP2023 from 2026 onwards. From 2027 net migration flows are revised downward by 734 persons, which gradually rise to 2,200 fewer persons from net migration in 2031. Over the period 2026 to 2050, the latest projections cumulatively expect around 32,000 fewer migrants than in the previous projection. This assumption is also consistent with an observed moderation in foreign net migration flows in the Maltese data.

The change in the assumption on mortality rates represents the smallest contribution to the overall revision. Compared to EUROPOP2023, EUROPOP2025 assumes modestly lower mortality, reflecting a slightly higher life expectancy at birth. This results in a small but positive contribution to the projected population throughout the horizon, generating a cumulative addition of 3,625 persons to the projected population by 2050. In line with standard EUROPOP methodology, mortality rates are assumed to converge gradually back to their pre-pandemic declining path, treating the pandemic's effect as a temporary deviation rather than a permanent structural shift.

Chart 2
CONTRIBUTION TO REVISION IN POPULATION CHANGE
(number of persons; EUROPOP2025 over EUROPOP2023)



Sources: Eurostat; Authors' calculations.

A persistent negative contribution to the overall downward revision to the population projection also

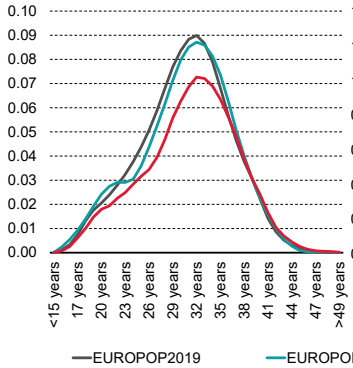
[3] See Grech, A. G. & Borg, I. (2017) "Revisions in population projections and their implications for the growth of the Maltese economy".

stems from the revision to the fertility assumption. The base total fertility rate for Malta in EUROPOP2025 stands at 1.01, markedly below 1.15 assumed in EUROPOP2023, representing a downward revision of approximately 14% at the starting point of the projection. This divergence in the base assumption is consequential: as the projection extrapolates forward from its starting conditions, a lower base fertility rate mechanically compounds over the projection horizon, implying a structurally smaller cohort of women of childbearing age in future decades. Cumulatively, this change in assumption implies 16,730 fewer persons.

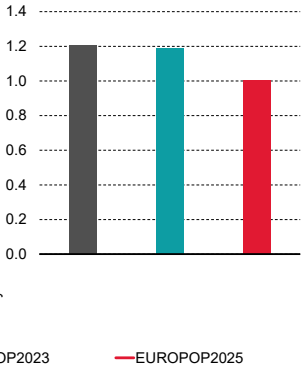
The downward revision to the fertility assumption for the baseline projection of EUROPOP2025 is further contextualised by the age-specific fertility rate profile in the base year when compared to what was projected for the same year in previous EUROPOP vintages.[4] Chart 3 shows that the age-specific fertility rates turned out lower than previously projected in EUROPOP2019 and EUROPOP2023 for the year 2025 across most child-bearing years (see Chart 3: Panel A). Although the early and mid-thirties remain the ages with the highest age-specific fertility rates, these rates now imply 70 children per 1,000 women aged 31-34 compared to over 80 children per 1,000 women projected in preceding EUROPOP vintages. This provides the basis for the downward revision in the age-specific fertility rate assumptions in the latest demographic projections and hence, the total fertility rate. Indeed, given the age-specific fertility rate profile for the base population, the total fertility rate at the base year 2025 stands at 1.01 in EUROPOP 2025 compared to 1.19 and 1.21 projected in EUROPOP2023 and EUROPOP2019, respectively (see Chart 3: Panel B).

At 1.01, Malta's fertility rate is the lowest in the EU in 2025, approximately 23% below the EU average. While EUROPOP2025 continues to assume a gradual recovery in fertility over the projection horizon (an average annual growth rate of 0.58%), this recovery is set to proceed at a slower pace than assumed under EUROPOP2023. Nonetheless, low fertility is a phenomenon that is EU-wide, reaching an all-time low of 1.31 across the EU in 2025.

Chart 3
PANEL A
AGE-SPECIFIC FERTILITY RATES FOR 2025 ACROSS EUROPOP VINTAGES
(children per woman)



PANEL B
TOTAL FERTILITY RATE AT BASE POPULATION ACROSS EUROPOP VINTAGES
(children per woman)



EUROPOP2019 EUROPOP2023 EUROPOP2025

Source: Eurostat.

Implications from alternative scenarios in EUROPOP2025

Apart from the baseline scenario, the EUROPOP2025 set of demographic projections includes different scenarios on fertility, mortality and migration.[5] These scenarios represent sensitivity analyses on

[4] As mentioned in the introduction, the base year of EUROPOP2025 is actual population data as at the end of 2024 and hence, the same population level at the start of 2025. In previous EUROPOP vintages, 2025 was part of the projection horizon, therefore, the age-specific fertility rate profiles of EUROPOP2019 and EUROPOP2023 shown in Chart 3 were projections for the now base year 2025.

[5] The EUROPOP2025 demographic projections comprise of six alternative scenarios to the baseline. The fertility and mortality scenarios and the three scenarios on migration are discussed in this section. The sixth scenario which is the "delayed convergence" scenario is omitted from the discussion as this is a sensitivity analysis on the time to convergence of migration to EU rates and levels and a higher migration-to-working age population feedback mechanism. The result is a population level between the higher migration and the lower mortality rate scenarios shown in Chart 4.

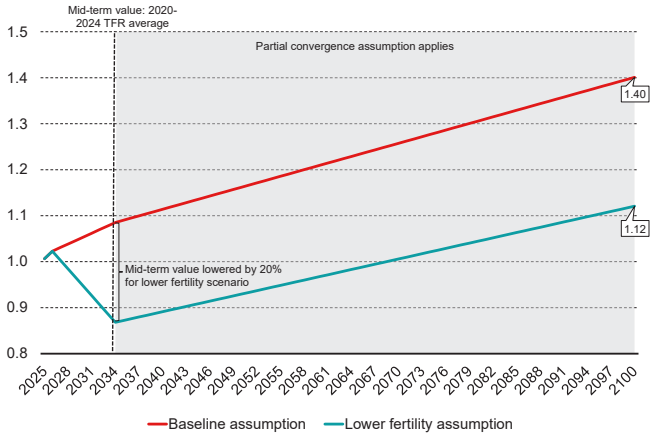
the underlying population drivers as the baseline projection represents one outcome from the selected combination of pre-determined paths. All scenarios start from the same base population of 574,250 people for 1 January 2025 and apply the relevant modified assumption from 2027 onwards.

Fertility and mortality scenarios

The alternative scenarios around the baseline fertility and mortality assumptions show a projection of the population under a lower fertility and lower mortality path. The lower fertility scenario is constructed by lowering the mid-term and the EU convergence value of the total fertility rate by 20%. In doing so, the total fertility rate in the lower fertility scenario stands at 1.12 in 2100, down from 1.40 in the baseline projection (see Chart 4).[6] On the other hand, the lower mortality assumption is applied by targeting a higher life expectancy at birth of males and females by two years than the baseline value in 2080.

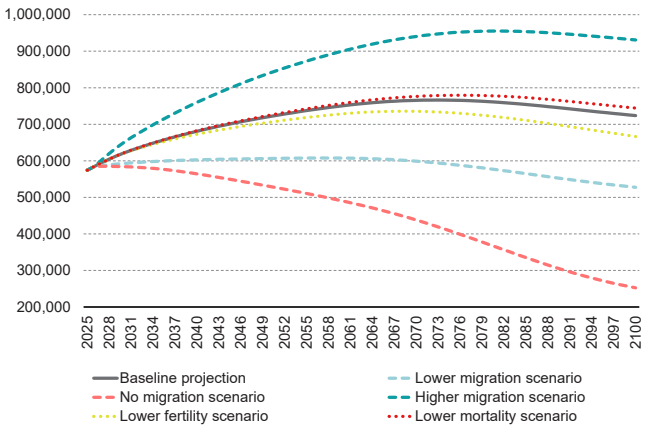
Chart 5 shows that in the scenario with lower fertility, population projections would be lower by around 57,000 persons in 2100 compared with the baseline. Meanwhile, the scenario with higher mortality rates creates only a small upward deviation when compared with the baseline. *Ceteris paribus*, one might expect a substantially smaller population from the lower fertility scenario than the one shown in Chart 5 given that this is a likely situation in view of the strong downward trend in Malta's total fertility rate. However, in Eurostat's projection model, a lower fertility rate triggers higher immigration as a response to the smaller working age population resulting from fewer births. Therefore, the effect from a lower fertility rate is partly offset by slightly higher

Chart 4
FERTILITY ASSUMPTION – BASELINE AND SCENARIO
(total fertility rate)



Source: Eurostat.

Chart 5
ALTERNATIVE SCENARIOS IN EUROPOP2025
(number of people)



Source: Eurostat.

[6] The latest population data from the National Statistics Office (NSO) (*News Release* 120/2026) shows that the total fertility rate in 2025 stood at 0.98. In the baseline projection, the total fertility rate is assumed at 1.05 by 2030 while in the lower fertility scenario this is assumed at 0.95. The former implies a 7.1% increase from the current level while the latter reflects a 3.1% decrease. The total fertility rate in Malta has fallen by an average of 4% between 2017 and 2025 suggesting that the lower fertility rate path is a likely trajectory for the very near term.

net migration.[7] This highlights the projections' sensitivity to the modelling choices inherent in the employed framework.

Migration scenarios

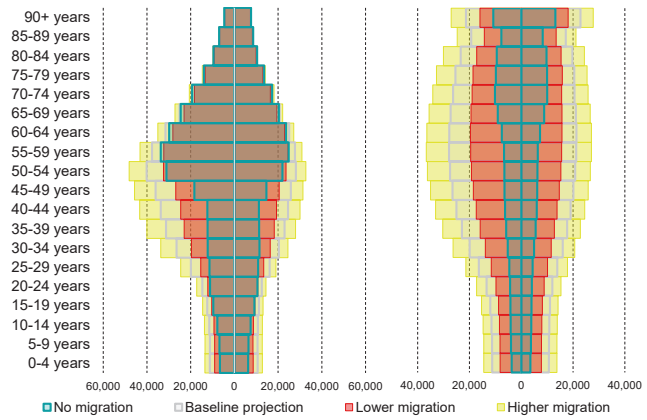
The migration scenarios consist of a higher, lower and a no migration scenario. The scenarios on higher and lower migration are constructed on the non-EU immigration component only and assume 33% higher or lower annual non-EU immigration flows than the baseline. On the other hand, the no migration scenario assumes that there are no further migration flows after the first projection year until the end of the projection horizon. While extreme, this scenario helps to understand the contribution from the natural drivers of population change, that is, births and deaths, for both Maltese and foreigners.

Chart 5 shows that under the no migration assumption, the population drops immediately and broadly halves by 2100. Under this scenario, the population is projected to stand at around 530,000 persons by 2050, significantly lower than the 720,000 projected in the baseline. Moreover, by the end of the projection horizon, population in a no migration scenario would stand at just 252,000, that is 56.0% lower than its starting level in 2025. This would suggest that the new births are insufficient to maintain the current population levels.

A less extreme scenario is the lower non-EU migration scenario, in which net migration flows are positive but lower than those in the baseline such that the overall population level is more stable relative to the scenario with no migration. According to this scenario, the population level would stabilise at around 600,000 until 2069, after which the population would start to decline. At the upper range of the projected population levels from the scenarios presented in Chart 5, the higher migration scenario shows that the population would rise exponentially reaching almost one million in less than sixty years from 2025. Similar to the baseline and the lower migration scenario, the level of the population starts to fall after reaching a peak, albeit it is still higher by around 27% and 72%, respectively, during the last few years of the projection horizon.[8]

The population pyramids in Chart 6 show the structure of the population in 2050 and 2100 under the alternative scenarios on migration. An ageing population is present in all scenarios as reflected by a narrower base in the pyramids

Chart 6
POPULATION PYRAMIDS FOR 2050 AND 2100
(number of people)



Source: Eurostat.
Note: Males are on the left of the pyramid, females are on the right.

[7] This scenario also affects emigration levels as a lower population level lowers the hazard rates used to project the number of emigrants in absolute terms.

[8] In 2025, the net migration level stood at 13,906 (NSO *News Release* NR 120/2026). By 2030, the net migration flow in the baseline is assumed at 7,571 while in the higher and lower net migration scenario, this is assumed at 13,047 and 2,097, respectively. Although net migration has slowed down from the levels in 2019 and 2022, the latter scenario implies a very strong deceleration in the coming years, making the baseline and higher migration assumptions more reflective of the recent and expected trends.

compared to the wider bars at the top. This emerges from the common slow-increasing fertility rate assumption and is more prominent under the no migration scenario as there is no replacement outside of the natural increase. Indeed, the ageing process is faster in the no migration scenario as by 2050, its pyramid shape is more constrictive than those of the other scenarios. The pyramids show how the lower migration scenario offers a middle ground population scenario by assuming lower non-EU immigration. This scenario shows a lower overall population level than the baseline with a more balanced age profile when compared to the no migration scenario.

Another striking feature in the population pyramid of 2050 is that it is the widest in the middle. This reflects the underlying assumption that population levels in Malta will remain sustained by consistent inward migration flows within the working age population. This feature is even more prevalent in the high migration scenario, whereby a bulge in the middle of the population pyramid creates a very unique demographic profile, typically seen in Middle-East countries.

The *old-age dependency ratio (OADR)*, which compares the number of individuals beyond working age (65+) to the working age population (15-64) is an important measure in gauging long-term population-related pressures arising from ageing especially with regards to social policies aimed at curbing ageing impacts and safeguarding fiscal debt sustainability. Table 1 shows the implied OADR from the scenarios in Chart 5 for the base population level and in future time periods. The OADR from the base population figures as at 2025 indicate that there are approximately 27 people aged 65 and over for every 100 people aged between 15 and 64. All scenarios show an increase in the OADR as the working age population declines, due to fewer births over time relative to the level of the older population. However, the fastest increase occurs in the *no migration* scenario such that by the end of the projection horizon, the OADR stands at 104.0% – meaning there would be more people aged 65 or older than people of working age. The OADR from the lower migration scenario shows a more gradual increase to 70.7%, slightly higher than that from the baseline projections but significantly lower than in the no migration scenario as a more moderate migration flow alleviates the pressure on the working age population. Naturally, the lowest OADR throughout the horizon is in the higher migration scenario as the population is supported by larger inflows of non-EU nationals of working age.

Table 1
OADR FROM DIFFERENT SCENARIOS
Number of persons aged 65+ to number of persons aged 15-64

	Baseline	Higher migration	Lower migration	No migration
2025	26.6	26.6	26.6	26.6
2030	26.2	24.9	27.7	28.8
2050	31.6	27.7	37.0	47.3
2100	67.5	65.8	70.7	104.0

Source: Eurostat data.

Conclusion

This article provides an overview of Eurostat's most recent long-term demographic projections. The baseline projection shows that Malta's population is projected to reach a peak of over 760,000 in 2073, primarily driven by net migration flows and to a lesser extent, an assumed upward trajectory of the total fertility rate. Despite this increase over time, there is a significant downward revision when compared to EUROPOP2023 projections.

Alternative scenarios show that in a higher non-EU migration scenario, Malta's population could reach 955,229 in 2081 before falling to a level that is still over 900,000 people in the long term. Conversely, in a scenario of no migration Malta's population would plummet to just 250,000 people by 2100, while if lower-than-baseline non-EU immigration is assumed, the population would stabilise at the 600,000 mark for most of the projection horizon.

The main implication from each scenario is that positive net migration is the leading driver of population growth in Malta even when fertility rates are assumed to increase. Nevertheless, these population projections should be interpreted with caution as they are merely scenarios that are highly sensitive to their underlying assumptions and modelling framework.

The most recently published population statistics by the NSO show that the total population at the end of 2025 stood at 588,254, reflecting an increase of 2.4% over the previous year.[9] This is consistent with the upward trajectory envisaged in the EUROPOP2025 baseline projection. However, whether population developments continue to follow a similar path will ultimately depend on how fertility, mortality and, most importantly, migration evolve relative to the assumptions underlying the different set of scenarios.

[9] See NSO *News Release* 120/2026.