



## Annual Report 2012

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## **EXECUTIVE SUMMARY**

This report covers the activities of the Authority for Transport in Malta for the year ending 31<sup>st</sup> December 2012. This was the third year of operation for the Authority which was set up on the 1<sup>st</sup> of January 2010 following the enactment of the Authority for Transport in Malta Act (Act XV) of 2009.

The major accomplishments of the operations of Transport Malta, (TM), can be summarised as follows:

### **Merchant Shipping**

As at the end of 2012, the number of ships registered under the Malta Flag was 5,950 representing 45.6 million gross registered tonnes. These results confirm Malta as the largest register in Europe and one of the 10 largest registers in the world in terms of gross tonnage. The average age of all merchant vessels registered as at 31<sup>st</sup> December 2012 was 11.9 years.

The initiatives taken by TM to improve the technical performance of vessels flying the Malta flag has started to bear fruit with Malta being confirmed on the white list of both the Tokyo and the Paris MOU.

The period under review has also seen the preparation of submissions and exchanges with the Commission on the ongoing investigation on the Maltese tonnage tax regime. TM, in coordination with the industry and other stakeholders, provided to the Commission the necessary assurances to reaffirm that Malta has always used and will continue to use the tonnage tax regime in a responsible manner, endeavouring to ensure growth and sustainability of the international, in particular European, shipping industry, whilst at the same time respecting fair competition.

### **Ports and Yachting**

During the year under review, in line with the Government's policy, TM continued with its efforts to provide more intermodal transport options. In this regard, an important milestone achieved during 2012, was the signing of an eight year contract with a Ferry operator, Marsamxetto Steamferry Services Limited, for the "Provision of Scheduled Maritime Ferry Services for the Grand Harbour and the Port of Marsamxett". To compliment this service, TM has also ensured that this service was linked to the Upper Barakka Lift thus enabling passengers to transit from Cottonera to Valletta and vice versa.

During 2012, the total number of cruise passengers visiting the Maltese Islands stood at 611,757, up by 10% over the previous year. The number of cruise liners calling at Gozo in 2012 totalled 14 in number with a total of 3,539 passengers on board.

The number of trailers handled in the Grand Harbour during 2012 increased by 15% to 77,154 trailers over the previous year whilst the number of containers handed at Malta Freeport increased by 7.5% to 2.54 million TEUs.

### **Public Transport**

Following the introduction of the new public transport service in summer of 2011, TM's major undertakings in 2012 focused on the improvement of the service and alignment with the contracted levels of service and with the needs and expectations of the public. Throughout the year, TM carried out extensive monitoring of routes through surveys in key locations across the route network to measure reliability and punctuality levels for all main routes. A number of route changes were implemented leading to an increase of the fleet by 21 buses, bringing the total fleet to a total of 285 buses. These modifications were well received by the public and the number of complaints received in this regard reduced drastically. The public transport operator reported a total of 34 Million passengers carried in Malta and Gozo. This is higher than the total of 33.2m reported in 2011 and represents an increase of 2.6%.

### **Roads and Infrastructure**

Apart from the maintaining and upgrading of the arterial and distributor network (ADN) during 2012 TM completed the reconstruction of 9.3km of the Ten-T road network for an estimated cost of € 32.5 million and neared completion of another 2.1km of Ten-T roads for an estimated cost of € 5.5 million.

During the year under review the backlog of residential roads, which are +70% built-up and have never been surfaced, has been reduced considerably.

Furthermore, TM substantially completed the refurbishing of the Valletta and Marsaxokk breakwaters including the installation of a steel bridge at the St.Elmo arm of the Valletta breakwater. Works at the newly constructed Cirkewwa Sea Passenger Terminal were also substantially completed with outstanding works at year end relating to the passenger link-spans and dredging at berth 3.

TM also continued working on the preparatory work for other major projects which are scheduled to start during 2013, namely the:

- Refurbishment of Deep Water Quay
- Marsa Underpass
- Reconstruction of the Salina Rd
- Redesign and construction of the Kappara Junction

### **Aircraft Registration and Aviation matters**

Following the introduction of updated legislation related to aircraft registration, TM has proactively pursued a number of initiatives to promote Malta as one of the leading jurisdictions for aircraft registration and an attractive location to base air-operating companies.

Notwithstanding the fact that the industry is still in its infancy, the Authority has achieved very encouraging results and in fact the Malta National Aircraft Register accounted for 128 aircraft as at the end of year 2012, representing an increase of over 24 % over the previous year. The growth in the register has occurred despite the current global economic climate and at a pace which exceeded expectations. During the year, seven new aircraft operators were issued with an Air Operating Certificate.

**Mark Portelli**

Chairman

27<sup>th</sup> March 2013

## **MEMBERS OF THE BOARD OF TRANSPORT MALTA**

During the period 1st January 2012 - 31st December 2012, the Board Members of Transport Malta were:

Mr Mark Portelli (Chairman)  
Mr Jonathan Vella (Deputy Chairman)  
Ms Luisa Bonello  
Ms Helen Camilleri  
Mr Chris Degiorgio  
Mr Andrew Sacco  
Dr Giorgina Scicluna  
Mr David Stellini  
Mr Lino Vassallo  
Mr Simon Vella  
Ms Veronica Zammit Tabona

Dr. Noel Buttigieg Scicluna was Secretary to the Board while Dr. Stanley Portelli was the Chief Executive Officer of the Authority. Dr. Stanley Portelli tendered his resignation as Chief Executive Officer of the Authority on 17th December 2012.

Transport Malta has four Supervisory Boards which focus on the authority's principal activities. The members of each of board, for the period under review were:

### **1. Maritime Board**

Chairman	Mr Mark Portelli
Member	Ms Francesca Mamo
Member	Mr Josie Licari

### **2. Land Transport Board**

Chairman	Mr Simon Vella
Member	Mr Stephen Muscat
Member	Mr Malcolm Custò

### **3. Roads and Infrastructure Board**

Chairman	Mr Jonathan Vella
Member	Mr Ray Busuttil
Member	Mr Sammy Rapa

#### 4. Aviation Board

Chairman	Mr Lino Vassallo
Member	Mr Jonathan Shaw
Member	Mr John Portelli

**Note:**

On appointment of a new Minister responsible for Transport on 13<sup>th</sup> March 2013 the Members of the Authority Board and the Members of the Supervisory Boards offered their resignation.

## **MISSION STATEMENT**

The Authority's mission is to promote and develop the transport sector in Malta by means of proper regulation and by promotion and development of related services, businesses and other interests both locally and internationally.



## **STRUCTURE OF TRANSPORT MALTA**

Transport Malta is the Authority for Transport in Malta as set up by Act XV of 2009. As a government authority, Transport Malta was set up to assume the functions previously exercised by the Malta Maritime Authority, the Malta Transport Authority, and the Department of Civil Aviation.

The Authority shall endeavour to achieve the following main objectives and policies:

- (a) develop integrated transport policies aimed at achieving modal shifts that favour public transport and non polluting strategies;
- (b) ensure the development of an efficient and socially sustainable public transport system in Malta;
- (c) promote the maritime and civil aviation facilities of Malta and the registration of ships and aircraft under the Maltese flag;
- (d) promote policies that favour the development of Malta as a maritime hub in the Mediterranean and as an entry port to the European Union;
- (e) encourage measures for the development of civil aviation and ancillary services, and in particular of air transport services of both passengers and cargo;
- (f) ensure that the administration, services and operations of ports and yachting centres in Malta are more efficient and cost-effective;
- (g) provide a sound financial basis for the Authority to be able to achieve target returns and investments;
- (h) standardize practices in the transport sector in Malta in line with international norms and with those of the European Union in particular;
- (i) construct and maintain roads, manage traffic and promote traffic safety and;
- (j) develop and maintain maritime infrastructure.

Transport Malta is composed of five operational and four supporting directorates as follows:

- 1. *Integrated Transport Strategy Directorate***
- 2. *Ports and Yachting Directorate***
- 3. *Merchant Shipping Directorate***
- 4. *Roads and Infrastructure Directorate***
- 5. *Land Transport Directorate***
- 6. *Civil Aviation Directorate***
- 7. *Corporate Services Directorate***
- 8. *Enforcement Directorate***
- 9. *Information and Communication Technology Directorate***

## **INTEGRATED TRANSPORT STRATEGY DIRECTORATE**

### **Functions and Duties**

The Integrated Transport Strategy Directorate (ITSD) is responsible for the:

- Integration of transport research and infrastructure planning
- Development and coordination of transport policies
- Educational aspects of transport within the Authority
- Development of standards
- Coordination of European Union affairs including EU funding

The ITSD is tasked to develop a holistic strategic framework for the development of a national transport system that is safe, secure and sustainable and which brings together diverse expertise and resources from legacy organisations. Within this context the directorate focused on the following key aspects during the year under review.

### **Transport Research and Infrastructure Planning**

#### ***National Transport Strategy***

In line with plans established in 2011 and developments in preparation for EU funding for the period 2014-2020, the Directorate started to develop an integrated national transport strategy for Malta which is envisaged to be completed by the end of 2013.

To this end, the Directorate hosted a sequence of preliminary meetings, first internally and then followed up by meetings with consultants and JASPERS to kick off the development of a high-level approach towards the formulation of the strategy. The key deliverables of this exercise was the outlining of the multi-criteria analysis approach that the Directorate shall utilise to evaluate and identify infrastructure development required for the future.

It is expected that this process will continue in early 2013 and will include the input from key government and non-governmental stakeholders prior to its public consultation process towards the end of 2013.

#### ***Survey data collection***

The strategic role of the Directorate requires the development of an extensive and comprehensive database of transport surveys. This data forms the basis of the policy development, infrastructure planning and design, training and educational programmes.

The Directorate collects traffic, pedestrian and speed data which forms a basis for the transport research and transport planning work of the Directorate and is also used for road

design purposes. The Directorate also collects and analyses traffic accident data which is used to determine accident black spot, critical links and junctions and also help identify any areas on the road network which merits attention.

Extensive origin-destination and trip duration surveys were carried out at the Mgarr-Cirkewwa link to establish travel patterns. Traffic data is also being shared with the Health Authorities to serve as a basis to examine the correlation between traffic impacts and health.

In the year under review, the Directorate coordinated the collection of data and information required for engineering and environmental consultants, appointed through JASPERS technical assistance programme, to carry out a preliminary analysis of the assessment of road tunnel options between Malta and Gozo.

### ***Traffic Management Scheme Appraisal on Local Roads***

The Directorate is responsible for the appraisal of traffic management applications by Local Councils for roads within their jurisdiction. The Directorate worked continuously with local councils with the aim to improve the safety and efficiency of the traffic and transportation systems within local council areas. Requests submitted by local councils were assessed within the framework for creating a sustainable transport network and optimising the use of existing infrastructure. The main areas addressed with local councils included minor upgrading of links and junctions, assessment of traffic flow systems, on-street parking management, traffic calming and speed management.

Current requests for traffic management measures by Local Councils and requests from the public are submitted to the Authority through letters, emails or through the eGov Customer Care system. During the year, a new eForm system for traffic applications was developed to facilitate the electronic online submission of requests for traffic management measures made by local councils thus enabling better quality control of requests submitted and an improved tracking of internal and external consultation on these applications.

The year under review also saw the updating and consolidation of the guidelines and policies which were prepared over the previous years in relation to traffic management. Such policies and guidelines were revised to meet the developing demands in traffic management over the years and were collated in one document for easier reference.

In 2012, the Directorate processed a total of 1,645 traffic management scheme inquiries and applications including 234 applications for reserved parking. 523 requests were approved, 198 were refused, 710 were settled and 214 are still pending assessment or are awaiting further information from local councils. This represents an increase of 11% applications processed over the previous year.

The Directorate also administers the Board for Reserved Parking for disabled Persons which assesses requests in line with eligibility criteria by persons with reduced mobility for reserved parking outside of their residences. During the year under review a total of 415 applications for reserved parking for disabled persons were assessed by the Board. 153 applications were approved, 3 applications were approved for 4 months at summer residences, 4 applications were approved for a temporary period of 6 months, 41 applications were approved for a duration of 1.5 months as Keep Clear and 214 applications were refused. This represents an increase of 77% increase in case load.

The Directorate is also responsible for the assessment of traffic management schemes within local council areas where Traffic Impact Studies are carried out by officials to determine the impacts of different schemes on the traffic and transportation scenario on local roads. Such assessment is generally followed up by public consultation exercises where the feedback of effected residents and other third parties are examined and a way forward is determined to ensure maximum efficiency of the system.

The following areas were assessed:

- Kappara
- Mellieha
- Balzan
- Paceville

In additional a number of new routes for trackless trains were assessed for safety and suitability.

The Directorate also manages enforcement on roads under the responsibility of Local Council which is applicable in cases where traffic management measures are implemented without the necessary approvals from Transport Malta. A total of 114 enforcement notifications were issued during the year 2012, 47 cases were settled while 67 cases were still pending at the end of December 2012.

### ***Traffic Signals***

The Directorate continued to manage the deployment of traffic signals around Malta and Gozo, using state-of-the-art LED lighting that reduces electricity use by a factor of 10.

Scheduled replacement of electro-mechanical traffic signal controllers to programmable electronic controllers, in both pelican crossings and at signal controlled junctions, continued through 2012 in order to improve reliability and flexibility of timing ahead of the planned implementation of ITMS in 2013.

### ***Transport and Land Use Planning***

In 2012, Transport Malta had received 341 MEPA planning applications for consultation. The directorate has coordinated the inter-directorate feedback by Transport Malta on 226 of these applications.

Over the year, 39 sets of Terms of Reference for Traffic Impact Statements were issued in respect of major planning applications which were considered to have a significant impact on the traffic network. During the course of the year, 20 Traffic Impact Statements were received, assessed and reported on to MEPA.

Transport Malta was also consulted by MEPA on 36 in number Planning Control applications, most of which were initiated by MEPA to effect changes to the various local plans.

The Directorate continued its work related to research and promotion of Green Transport Plans (GTP) for major planning developments. During 2012, progress reports of existing GTPs were received and reviewed through the TIS process. Terms of Reference for a further three GTPs were issued.

### ***Major Infrastructure Planning***

The Directorate supported and coordinated the work by consultants carried out under the 2012 programme of JASPERS technical assistance to Malta. The final report on the Preliminary Assessment of Road Tunnel Options between Malta and Gozo was published in March 2012. Following the publication of this pre-feasibility study in March 2012, the Directorate entered into discussion with various EU entities to seek possible funding opportunities for the carrying out of an extensive feasibility study into the different fixed and non-fixed link options between Malta and Gozo.

### ***Other Infrastructure Planning***

The Directorate continued to provide technical support in the design of transport infrastructure including design of parking, layover and vehicle circulation areas in inter-island ferry ports and bus termini, public transport priority measures and government-owned off-street parking areas.

### ***Development and Coordination of Transport Policies***

The Directorate progressed in its work in the development of specific and integrated transport policies aimed at achieving modal shifts that favour public transport and non-polluting strategies. This included the review and update of the policies for reserving parking for disabled persons as well as those relating to the placing of tables and chairs on the kerbside.

### ***Speed Management Policy***

Following the publication of a consultation document in 2011, the Directorate hosted a stakeholder conference in April 2012 to proceed in deepening the public and stakeholder consultation. The revised policy and technical guidance manual on speed management in Malta received approval during 2012.

### ***Intelligent Transport Systems***

A number of new transport policy documents were drafted including policy proposals for an intelligent transport systems deployment in Malta for the period 2013-2017.

Work continued on the consolidation and update of the existing policies and laws relating to intelligent transport systems at a national level. Meanwhile, at an EU level work continued in the development of guidelines for the future Trans-European Network for Transport (TEN-T) and the application of these guidelines to future programmed development of local transport infrastructure.

### ***Road Safety***

The end of 2012 saw the development of the Road Safety Strategy and the establishment of an inter-organisational national Road Safety Advisory Council. The primary focus of this advisory council shall be the development of a national road safety strategy.

With the support of the Road Safety Advisory Council, the Directorate is taking a direction which focuses on the Enforcement, Engineering, Educational and Vehicle Safety aspects related to road safety where the strategy was formulated on the following structure:

- Establish objectives
- Safety Performance Indicators
- Strategy for Action
- Monitoring Indicators.

### ***Educational Aspects of Transport within the Authority***

The ITS Directorate is also responsible for transport safety training and education programmes. The Road Safety Skills Programme is directed at different target groups. During the year 2012, this programme was delivered to a total of 7611 children in 46 different schools. This is an increase of 418% over the previous year. In addition to organising road safety education for children, the Directorate also targeted prospective and existing adult drivers through a specific series of road safety seminars focussing on increasing awareness about traffic regulations, the impact of driving under the influence of drink and drugs and speeding. These seminars were organised at different places of work and at places of higher

education. Officials from the Directorate regularly participated in discussion programmes broadcast on local media that featured road safety.

The Directorate is also responsible for preparing road safety articles in a local journal for school children and concurrently manages a road safety competition for children to monitor the development in understanding of basic road safety concepts by school children.

### ***Development and Monitoring of Standards***

ITSD continued its work in the promotion of standardised practices in the transport sector in Malta in line with international norms and with those of the European Union in particular.

### ***Road Safety Audits and Inspections***

In accordance with EU legislation, a planned programme of road safety audits, assessments and inspections, at the different stages of road design, construction and operation, are managed by the Road Safety Auditors of the Directorate. Audits, inspections and assessment of Exception Reports were carried out at the following locations:

- St Andrew's Road, Pembroke
- Mgarr Road, Mgarr, Gozo
- Marfa Road, Mellieha
- Xatt I-Ghassara tal-Gheneb, Marsa
- Council of Europe Road, Luqa
- Garibaldi Road, Luqa
- Dawret il-Mellieha, Mellieha
- Coast Road, Naxxar
- Mgarr Road, Ghajnsielem, Gozo
- Triq Mikiel Anton Vassalli, San Gwann

In total, the audits and inspections carried out at the above locations amounted to 15 studies which are an increase of 114%.

### ***Standards for Traffic Lights, Signs and Intelligent Transport Systems***

In 2012, the Directorate started the review of the current standards for traffic lights & signs (as encapsulated in national law and policies) in the light of the upcoming implementation of Intelligent Transport Systems in Malta in 2013-2014.

A number of gaps and grey areas were identified and proposals to strengthen and update national legislation will be drafted in 2013 for consideration by Government.

### ***Compliance in Maritime Port Operations***

Until such time that the function was moved fully to the Enforcement Directorate, the Directorate's senior management continued to provide high level input on relevant Maritime Security Compliance Member State Obligations, Directives and Regulations and also started to structure an integrated relations process with other interested parties, namely relevant to port concession contract compliance aspects.

### ***Aviation Safety Management System***

Through the last quarter of 2012, when this functionality was also moved to the Civil Aviation Directorate (CAD), the Directorate also provided assistance to CAD to facilitate the development of a State Civil Aviation Safety Management System and Programme.

This system is required to meet the stringent standards for safety and security in the aviation sector that are being developed through International Civil Aviation Organisation (ICAO) and European Aviation Safety Agency (EASA).

## **Coordination of horizontal European Union and International Affairs**

### ***Assessment of EU Legislative Proposals***

During 2012, 179 Working Party meeting Instruction Notes (Council of Ministers - Transport) were reviewed and the related coordination of legal and technical clearance of the dossiers was completed. The coordination of a variety of transport related input was provided for consideration by the Ministry for Infrastructure, Transport and Communication (MITC) towards positions led by other Ministries. A further 101 draft national positions and briefings (for committees, expert groups and other meetings attended by staff from across TM), as well as their coordination and approval by Government were developed in 2012. Seven Explanatory Memoranda were drafted for consideration by the Maltese parliament.

Following the preliminary national report on Intelligent Transport Systems (ITS) prepared during the previous year, a five year Action Plan and roadmap for the deployment of ITS was prepared for submission to the EU Commission. This is planned to be mostly funded through EU projects drafted in 2011 and approved for funding in 2012. The Directorate continued to contribute to the joint programming of research between EU Member States on transport issues in an urban environment as one of the EU's long-term strategic policy projects.

### ***International Agreements***

The Directorate continued to support the Foreign Affairs Ministry through the mixed commission establish between the Republic of Malta and the Republic of Tunisia. Ministry in



the development and negotiation of a comprehensive bilateral road transport agreement and an agreement on exchange and mutual recognition of driving licences.

Malta continues with its active role and participation in the Inland Transport Committee of UNECE and International Transport Forum within the OECD.

### **EU Funded Projects**

Following the submission and approval, under ERDF Operational Programme, of a project aiming to encourage modal shift in land transportation the Directorate continued to coordinate the €10m project that will see the construction of a number of ICT enabled bus priority measures, bus interchanges and a Traffic Management Control room supported by on-road CCTV cameras and Electronic Variable Message Signs. This key project will allow Transport Malta to monitor traffic conditions in real time and relay information back to the drivers to improve efficiency and reduce congestion.

During 2012 the Directorate continued with preparatory work in relation to other projects as follows:

<b>Project Name</b>	<b>Key Deliverables</b>	<b>EU Programme</b>
<b>MedNet</b>	<b>Development of Port Single Window</b>	<b>MED Programme</b>
<b>STREETS</b>	<b>Development of Geographical Information Systems</b>	<b>Italia-Malta Cross Border Co-operation (2007-2009) Programme</b>
<b>PortPVEV</b>	<b>Reducing Carbon footprint of Land and Maritime Transport &amp; ITS</b>	<b>Italia-Malta Cross Border Co-operation (2007-2009) Programme</b>
<b>D-Air</b>	<b>Reducing Carbon footprint of the Airport region</b>	<b>INTERREG IVC</b>

Transport Malta continued to actively contribute to the DemoEV (Life+) demonstration project which is designed to test and showcase Full Electric Vehicles and to pilot vehicle charging infrastructure, in conjunction with MRRA and other entities.

## **PORTS AND YACHTING DIRECTORATE**

### **Functions and Duties**

The Ports and Yachting Directorate has a regulatory role in monitoring the maritime activities which take place within ports and the internal and territorial waters of Malta. It also manages port facilities which are under the control of the Authority, including yachting and mooring facilities. The Directorate is primarily responsible for ensuring that port users and service providers comply with legislation and contractual obligations, while at the same time promoting the efficient use of our ports and maritime facilities. It also ensures the achievement of the right balance in the use of our waters for leisure and commercial operations.

The Ports and Yachting Directorate is responsible for:

- The promotion of port services and maritime activities;
- Preservation of good order in the internal and territorial waters, including safety of navigation;
- Registration of small ships;
- Prevention and control of pollution, including the provision of port reception facilities for of ship-generated wastes;
- The provision of a safe and efficient maritime transport system;
- Ensuring the provision of technical nautical services, fire fighting facilities, supplies and other ship requirements;
- Licensing of marine commercial craft;
- The management of port facilities;
- Regulation of yachting and maritime leisure facilities;
- The compilation of maritime statistics;
- The organisation of mooring areas ; and
- The organisation of popular bays and swimmers' zones including the annual Safety at Sea campaign

### **Ports in Malta**

#### The Grand Harbour, Valletta

The Grand Harbour is a multi-purpose international port. It offers a comprehensive range of services covering practically all maritime requirements including:

- cruise and ferry cargo berths
- cargo handling berths
- specialised grain and cement silos

- petroleum installations and bunkering facilities
- ship building and repair yards
- super yacht refit centre
- ship chandelling
- port reception facilities including tank cleaning
- marinas
- warehousing and open storage facilities
- maritime related support services

#### The Port of Marsaxlokk

Marsaxlokk hosts the container transshipment terminal and industrial storage facilities which are operated by the Malta Freeport Terminals. It also has a number of petroleum terminals. These include the terminals operated by Oiltanking Malta Limited and San Lucian Oil Company. Other petroleum installations in the port are operated by Enemalta Corporation, the public entity responsible for power generation and the import of petroleum for the local market. The LPG Gas Installation is located within this port with its LPG bottling and storage facility located at Benghajsa and operated by Gasco Energy.

#### Marsamxett

The Port of Marsamxett is primarily a leisure port and provides a base from where a number of domestic commercial vessels operate local cruises. It hosts a number of marinas and also a yacht yard.

#### Mgarr and Cirkewwa

The island of Gozo is connected by a scheduled Passenger Ro-Ro service that operates on a route between the ports of Cirkewwa and Mgarr. The Port of Mgarr, Gozo is the largest port on the island. In addition to the ferry terminal, the Port of Mgarr is also a fishing port. It also has a marina and several berths for small craft. The port also caters for small cargo vessels and the occasional small cruise liner. The Port of Cirkewwa is primarily a ferry terminal comprising of a passenger and vehicle handling facilities. The ferry service is operated by Gozo Channel Company Limited.

#### **Statistics and New Services**

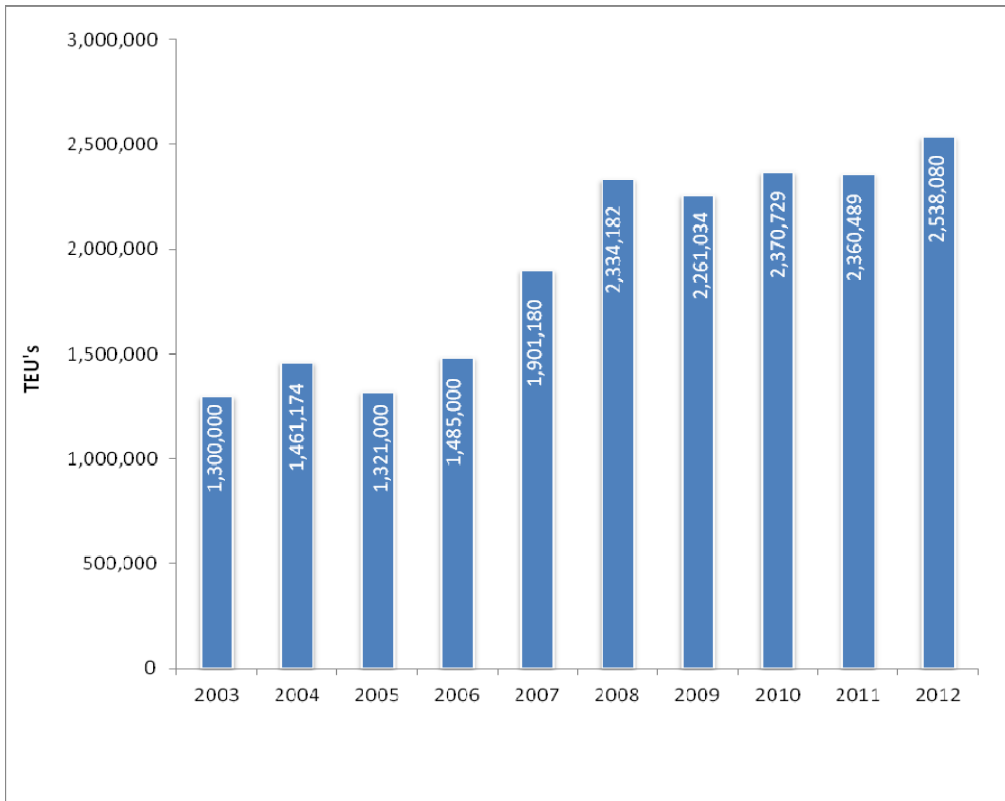
The Ports and Yachting Directorate is responsible for the collection of maritime data with regard to Directive 2009/42/EC on statistical returns in respect of carriage of goods and passengers by sea. It continuously liaises with ship agents and operators to provide data in a timely and accurate manner in view of assuming its obligations to provide the information as required by the National Statistics Office and Eurostat. The information collated is used for

internal purposes and also upon requests by third parties, assisting stakeholders in market research and forecasting purposes.

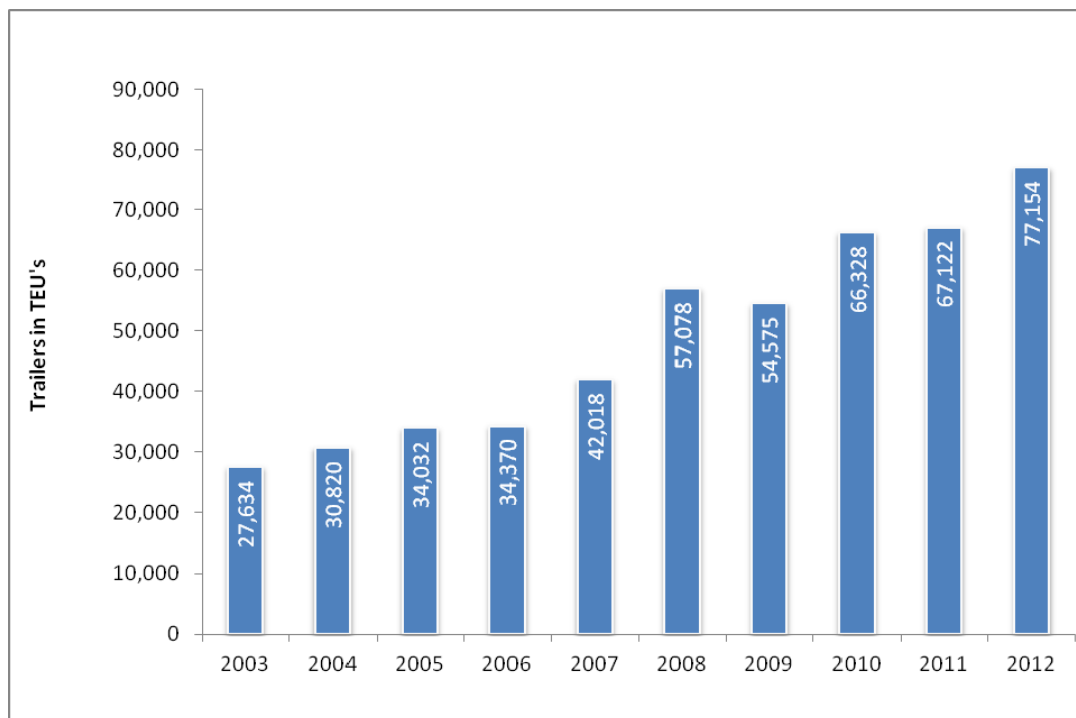
The main statistics are illustrated in a number of tables within this document. Meanwhile, a number of important elements to highlight are:

- During 2012 the total number of cruise passengers visiting the Maltese Islands stood at 611,757, up by 10% over the previous year. 80% of cruise liners visitors came from EU states – 32% from Germany and 20% from Italy while 32% of passengers from non-EU states came from the United States. There were 335 in number cruise liner calls to the Maltese Islands during 2012, which is an increase of 17 vessels when compared to 2011. Out of these, 14 cruise vessels with a total of 3,539 passengers onboard visited Gozo.
- The number of ferry passengers has slightly decreased from 258,692 to 256,960 over the previous year. This is mainly due to the increase in passengers which arrived on humanitarian purposes during 2011 due to the Libyan crisis.
- Unitised cargo continued to register an increase in volumes in the Port of Valletta. Trailers at the Port of Valletta registered an increase of 15%, from 67,122 to 77,154, over the previous year. The number of containers handled at Malta Freeport increased by 7.5% to a record throughput of 2.54 million TEUs (Twenty-Foot Equivalent Units).
- The number of ship calls for the year 2012 was 10,491, which is slightly less than the total of 11,746 in 2011.
- The number of visiting foreign yacht at Marinas amounts to 1,972 yachts during 2012.

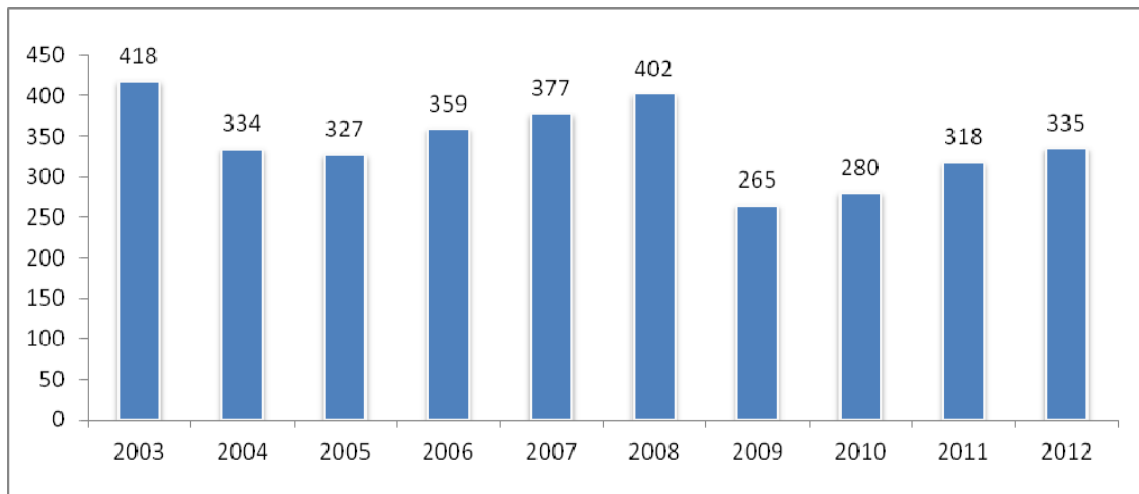
### Container Throughput at Malta Freeport (TEUs)



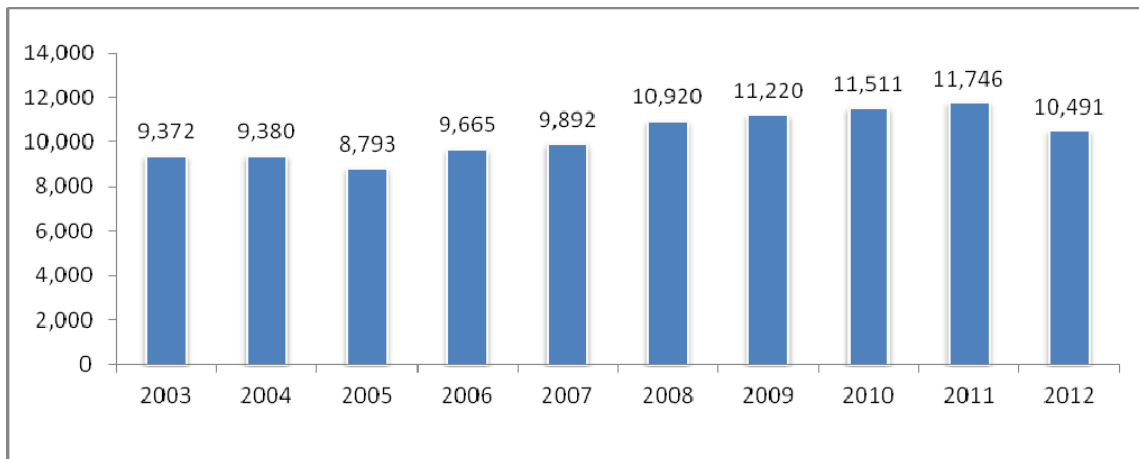
### Trailers Handled at the Port of Valletta



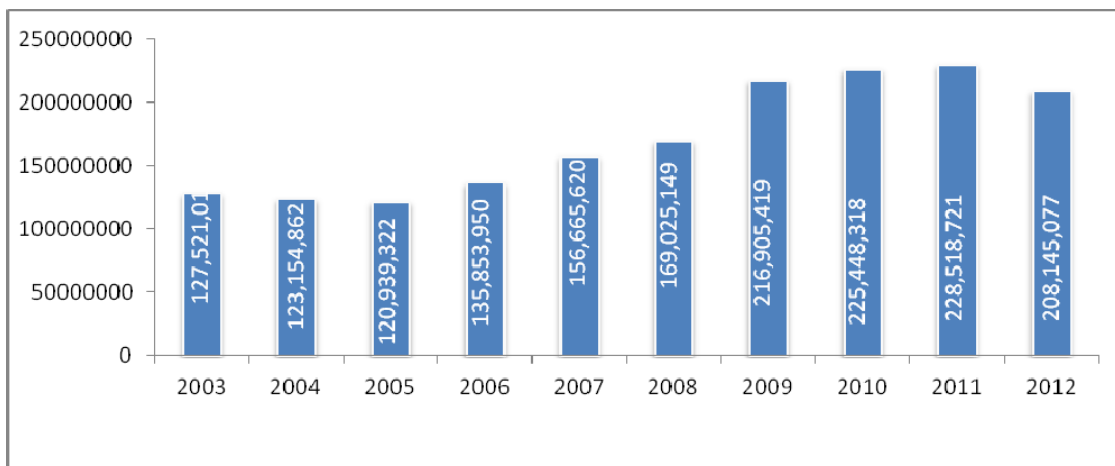
### Cruise Liners in Malta (2002-2012)



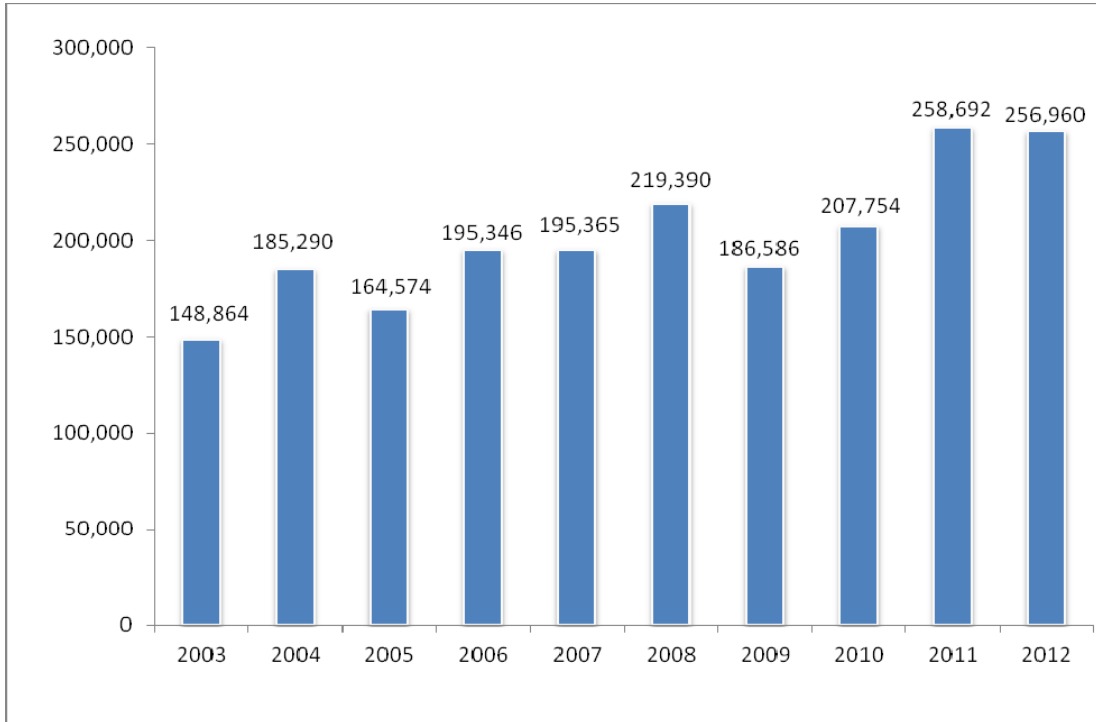
### Number of Vessels arriving in Maltese Territorial Waters



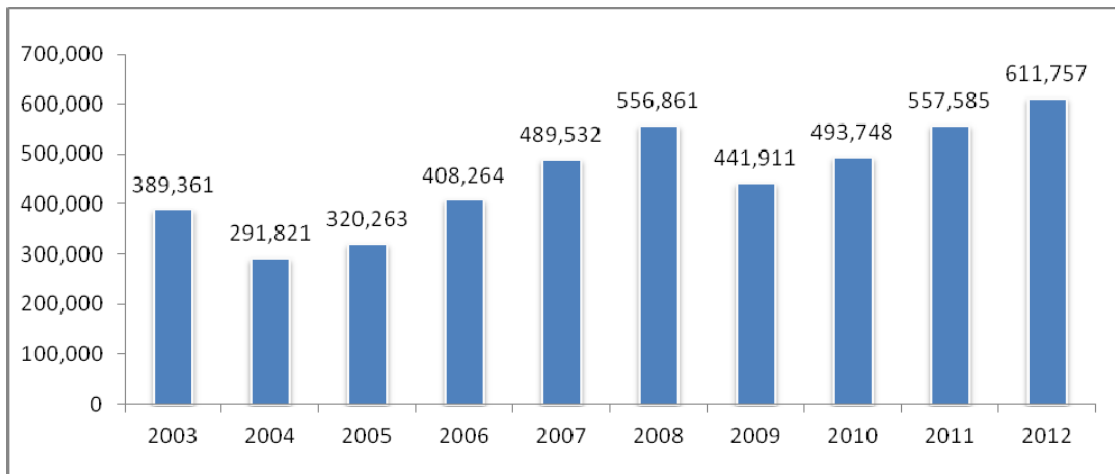
### Gross Tonnage of Vessels arriving in Maltese Territorial Waters



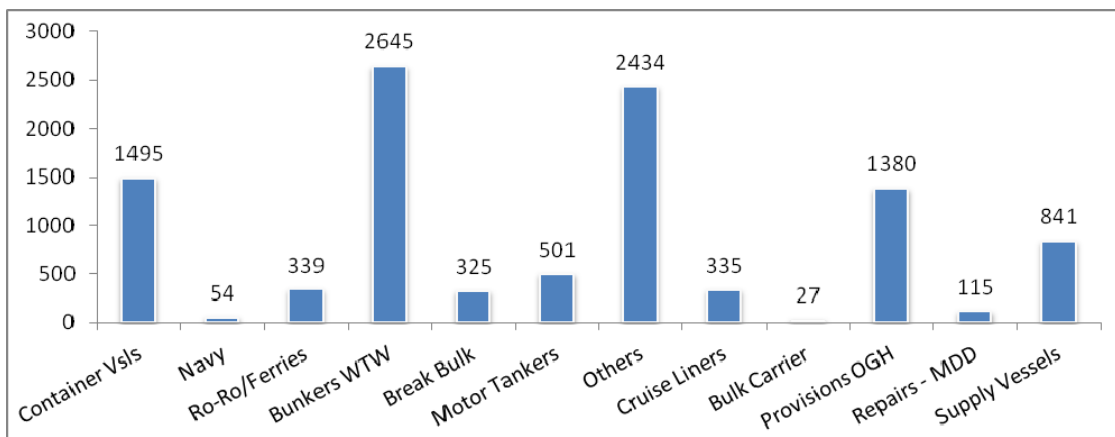
### Ferry Passengers in Malta (2001-2012)



### Cruise Passengers in Malta (2002-2012)



### Shipping Movements from January to December 2012



## **Malta Freeport**

During the year under review, one of the world's largest containerships berthed at Malta Freeport's Terminal. CMA CGM Marco Polo, which has a length of 396 metres, a width of 54 metres and a draught of 16 metres, with a carrying capacity of 16,000 TEUs and equipped with all the latest environmentally sensitive technologies entered for an operation at the Terminal.

Maersk Line, the world's largest shipping line, last year chose to shift its central Mediterranean hub port from Gioia Tauro to Malta Freeport Terminals. It now recently introduced several new services which are calling regularly at the Malta Freeport. These include the mainline services 'AE20' and the 'Aegean Sea Service' and the feeder services 'L28' and 'L45'.

The mainline service 'AE20' is now calling eastbound between Asia and Europe on a weekly basis. This service already calls at Malta Freeport westbound, also on a weekly basis. Ten vessels with a maximum carrying capacity of 9,600 TEUs are deployed on this service.

Another service which started calling at Malta in the last part of the year on a weekly is the 'Aegean Sea Service' which is operated by Seago Line, a liner company which since 2011 started handling the Intra-European container activities on behalf of the Maersk Group. In North Europe, the 'Aegean Sea Service' is covering the main markets and offers connections from Felixstowe, Bremerhaven and Antwerp. Undoubtedly, the addition of the weekly connection from the port of Felixstowe is of benefit to local entrepreneurs as this connection offers them a transit time of just 10 days from Felixstowe to Malta Freeport. This service also offers a comprehensive coverage of ports in Turkey and connections to Piraeus and Valencia.

Seago Line is also using the Freeport's facilities on a regular basis for two Feeder Services, namely 'L28 Service' and 'L45 Service'. These two services strengthened Malta Freeport's connections with the Libyan market which is now being served by an increasing amount of carriers. The 'L28 Service' offers a shuttle service to Benghazi from Malta Freeport whilst the 'L45 Service' provides a number of port connections in Libya and Tunisia.

During April, Malta Freeport handled the Large Car Truck Carrier (LCTC) of Wallenius Wilhelmsen Logistics, M/V Fedora. which has a capacity of 8,000 cars and was built to the highest class of Lloyd's Register of Shipping. It has a length of 227.8m, a beam of 32.26m, an air draft of 51.98m and a gross tonnage of 71,583.

Wallenius Wilhelmsen Logistics (WWL) is a world leader in the transportation of cars. Last year WWL transported 4.3 million units, 1.8 million by sea and 2.5 million inland. The Company has 60 modern car carriers and Ro-Ro vessels in operation, servicing 13 trade routes to six continents. WWL employs 3,500 employees worldwide with offices throughout the Americas, Asia, Europe and Oceania. Their services range from global ocean



transportation using highly advanced and flexible vessels, to storage and port distribution centres, port processing, inland distribution and complete supply chain management, offering a reliable, on-time delivery from factory to dealer..

### **Oiltanking Malta**

During the year under review, Oiltanking Malta Ltd inaugurated the extension of their office building which coincides with the twentieth anniversary of the commencement of the company's operations in 1992. It was the expansion of the company's operations that brought about the requirement of larger offices to accommodate more operators and to house facilities for the welfare of its employees such as a canteen and other services. Oiltanking's operations are linked to those of the Freeport and, apart from work related to the latter, it also generates work for other services such as tugboats, mooring, pilots and ships' agents. The company has grown into a major oil storage centre in the Mediterranean with approximately 1,000 ships using the company's facilities every year.

### **Marinas and Yachting**

Malta has maintained its ground as an attractive berthing destination to various seafaring visitors. Touring the various marinas available round the islands, one can witness the magnificent site of various marinas bursting with activity - a direct result of initiatives taken by Transport Malta and the Ministry for Infrastructure, Transport and Communications.

Malta currently offers six (6) permanent marinas at Msida, Ta' Xbiex, Mgarr Gozo, Portomaso, Manoel Island and the Grand Harbour and these cater for the various sizes of yachts and small ships which can range from 16 metres to 100 metres in length. Statistics show a steady increase in the number of berthing places from 1,511 in 2009 to 1,904 in the current year. These marinas are complemented by a number of seasonal, temporary marinas.

An development application for a new yacht marina at Sa Maison have been submitted to MEPA together with an Environmental Impact Statement. The proposed marina will provide 310 new berths and TM is expecting the EIA and planning processes to be concluded by MEPA during the first half of 2013.

During the summer, as part of its drive to better organize popular bays, the Authority reinstalled speed marker buoys, navigational aids and forty five swimmers' zones around the Maltese coast. These initiatives are aimed at enhancing safety at sea. An organized mooring zone has been established at Ta' Xbiex.

During this year, Senglea saw the Sixth Edition of a very successful Boat Show with the participation of a large number of exhibitors. Also, the 33<sup>rd</sup> edition of Rolex Middle Sea race was organised with a record of 83 yachts hailing from 19 different countries.

### **Small Ships Registration and Commercial Vessels**

Apart from regulating the registration of small ships, water based recreational activities and the preservation of good order in any part of the territorial waters and internal waters of Malta, the Directorate is also responsible for the safety of commercial vessels and the safe manning requirements of such vessels.

During the year, a new web-based system which caters for the Small Ships Register (SSR) has been introduced. The system provides an online licence renewal facility so that clients may renew their licence remotely and thus eliminate the need to physically call at the Transport Malta offices.

During 2012, there was an impressive increase in the number of new registrations of small ships of 20 percent over the previous year.

The main activities in relation to this Unit are represented in the following table:

Type of Activity	Total in 2012
<b>Commercial Vessels Certificates</b>	
New	139
Renewals	433
<b>Commercial Vessel Operator Licence</b>	
New	44
Renewals	199
<b>Certificates of Competency</b>	
New	114
Revalidation	28
Equivalency	42
<b>Authorisation of Maritime Events</b>	27
<b>Registration of Small Ships</b>	
New Registrations of small ships	579
Renewal of small ships	6,288
<b>Moorings</b>	
Malta	1,238

<b>Gozo</b>	<b>149</b>
<b>Nautical Licence</b>	
<b>New</b>	<b>1,198</b>
<b>Renewals</b>	<b>1,386</b>

### **Harbour Ferry Services**

During the year under review, Transport Malta signed a contract with Marsamxetto Steamferry Services Limited for the “**Provision of Scheduled Maritime Ferry Services for the Grand Harbour and the Port of Marsamxett**”. The contract signed is for a period of eight (8) years. The Operator, chosen through a competitive tender, will operate two simultaneous services, one in each Port.

The Operator is obliged to operate the service all year round, with departures operating at a maximum interval of thirty (30) minutes from each landing place, within a minimum stipulated schedule in both ports.

The regulated tariffs can only increase once every three (3) years with an increase that is limited to the inflationary costs associated with providing the service (including the increase in the cost of fuel). Such increase must be approved by Transport Malta.

Furthermore the Operator has an obligation to invest in two new ferry vessels within 12 months from signing.

### **Legislation**

During the year under review this Directorate was involved in the enactment of a number of legislative provisions in line with its regulatory functions:

- Port Workers (Amendment) Regulations, 2012: these amendments concerned the increase in the Foremen of Port Workers’ Tariff when engaged in the supervision of the handling of cargo.
- Another initiative to enhance efficiency in ports saw the Mooring Services Regulations, 2012 regulations replacing the regulations promulgated in 2011. The scope of these regulations was to:
  - cater for the provision of mooring services by licensed mooring men in a number of terminals, quays, wharves and other areas as directed by the Authority;
  - re-introduce the licensing requirements of mooring men;

- re-establish the Mooring Services Board;
  - give the right to the Authority to enter into a service level agreement with the licensed mooring men;
  - regulate the administration, collection and recovery of the mooring services tariff by the Authority;
  - give the right to the Authority to authorise terminals to provide their own mooring services; and
  - After consultation with the industry stakeholders, increase the applicable fees charged for mooring services to reflect the increased labour cost, operational expenses and to allow for future investment for an improved service.
- Towage (Tariff of Rates) (Amendment) Regulations, 2012: in accordance with the agreement signed with the Operator of towage and tug services in Malta catering for the periodical review, the applicable charges were reviewed to take into consideration the increase of the operational costs incurred by the Operator in the provision of these services.
- Transposition of Directive 2010/65/EU of the European Parliament and of the Council of the 20<sup>th</sup> October of 2010 dealing with the reporting formalities for ships arriving in and, or departing from the ports of the Member States. This transposition was effected by virtue of the following regulations:
    - Ports (Amendment) Regulations, 2012;
    - Dangerous Cargo Ships, Marine Terminals and Facilities and Bunkering (Amendment) Regulations, 2012;
    - Port Reception Facilities for Ship-Generated Wastes and Cargo Residues (Amendment) Regulations, 2012;
    - Vessel Traffic Monitoring and Reporting Requirements (Amendment) Regulations, 2012; and
    - Ports Security (Amendment) Regulations.

### **Response to pollution and oil spill incidents**

During 2012 the Authority managed the response to three several land-based oil spill incidents that affected the marine environment. On average, about four (4) incidents are reported every month by the shipping community or the public.

Transport Malta also carried out an emergency operation and engaged a private contractor to clean up an unattached spill in Birzebbugia.

### **Port Reception Facilities for Ship-Generated Waste and Cargo Residues**

In relation to maritime safety, this Directorate, carries out duties associated with the provision of Port Reception Facilities for Ship-Generated Wastes and Cargo Residues as per S.L. 499.30 transposing Directive 2000/59/EC.

The following are a list of activities carried out in 2012:

- Twenty-two (22) inspections of entities that have Port Reception Facility Plans in place (approved this year and last year) were carried out in collaboration with the Inspectorate Unit (Ports and Yachting Directorate).
- Following the re-approval of twenty two (22) Terminal, Facility and Yachting Centre Port Reception Facility Plans last year (2011), one further plan was re-approved. Plans are valid for three (3) years.
- A total of fourteen (14) Waste Exemption Certificates were processed and / or issued in 2012 as per article 10 of S.L. 499.30 that transposes article 9 of 2000/59/EC.
- General queries related to the implementation of the Port Reception Facilities for Ship-Generated Waste and Cargo Residues Directive in Malta and queries on the implementation of measures under MARPOL 73/78 were also handled by the PIR Unit.
- Follow-up of notifications from other countries on allowing a ship to proceed with ship-generated waste or cargo residues onboard.
- The revision and maintenance of the Departmental Operating Procedure for the implementation of measures under the Port Reception Facilities Regulations that the PIRU implements including the approval of plans, exemptions and frequency /methodology of inspections for all terminals.

### **Implementation of OPRC 90 / Contingency Planning**

Malta is a signatory to the above-mentioned convention that requires a number of articles to be implemented including setting up National and Regional Systems for Preparedness and Response (Article 6) and International Cooperation in Pollution Response (Article 7).

The following developments have contributed to the implementation of the latter including:

- The maintenance of the National Marine Pollution Contingency Plan 2009 (NMPCP 2009) that is constantly subject to update due to the nature of the document (Contingency Plan).
- Legislation supporting the implementation of OPRC90 is currently in the final stages of drafting.

- An annual Maintenance plan for the Pollution Response Equipment to ensure that all the required tests/checks are carried out as per manufacturer's instructions. Contracts with Vikoma Ltd and Longbow Ltd were put in place to oversee the required maintenance on a quarterly and annual basis.

### **Exercises**

The Directorate organized its annual major oil spill exercise, MALTEX 2012, on the 11 and 12 September 2012 in collaboration with the European Maritime and Safety Agency. The exercise is necessary to test and consequently review aspects of policies, procedures and communications between National, Regional and International entities. The activity is well documented and this year was filmed.

### **Equipment Maintenance and other related Agreements**

The Maintenance plan for Pollution Response Equipment created last year was completed by September 2012. Longbow Ltd conducted maintenance every quarter of the year while Vikoma Ltd conducted a four day annual maintenance. All equipment was tested / inspected every month and is in a very good working order. The same maintenance plan will be used next year. The contract with Longbow Ltd has been signed for another year.

In relation to this an Addendum to Harbour Towage Agreement was signed with Tug Malta Ltd for the deployment and operation of the pollution response equipment owned by TM. The Addendum provides for regular drills and for the provision of pollution response services at pre determined rates.

### **Environment**

This Directorate provides specialised consultation and feedback on environmental issues with respect to maritime activity mostly related with the ports industry at a national, regional and international level. The latter is ongoing throughout the year and often include the participation to meetings and the provision / interpretation of data related to shipping, port operations with respect to effects on the maritime environment.

Tasks carried out in 2012 have included:

- Production of detailed and informative status reports for internal consultation
- Review and feedback on documentation forwarded from time to time on the subject of Pollution Prevention and Control vis-à-vis shipping, ports and environment.
- Collation, provision and interpretation of data as necessary

- Attendance, participation and contribution to inter-ministerial Working Groups for the implementation of maritime-related Environmental Directives including the Water Framework Directive.
- Providing support and liaising with external entities on issues pertaining to Shipping, Ports and Environment including the Malta Environment and Planning Authority REMPEC and other entities as necessary.

### **Traffic Management and Valletta Ports Vessel Traffic Services (VTS)**

The Ports & Yachting Directorate operate a 24/7 service to manage maritime traffic including processing of arrival and departure notifications and offer vessel traffic services. This service is provided to further enhance the safety and the efficiency of port operations and shipping movements in the approaches to the ports and local waters and also comply with International and EU requirements. Ships navigating in Maltese waters can avail themselves of various services. Through effective control over navigation in Maltese territorial and internal waters by the Valletta Ports Vessel Traffic Service (Valletta VTS), vessels can navigate Maltese waters safely, also supported by regularly maintained, efficient lighthouses, beacons, buoys and other navigational aids required to further enhance safety of navigation. The Traffic Management section deals mainly with the terminal operators and ship agents and handles the pre-arrival and pre-departure notifications and berth planning. Vessel Traffic Services (VTS) deals directly with shipping movements providing an Information Service (IS), a Traffic Organisation Service (TOS) and when deemed necessary a Navigational Assistance Service (NAS). The service is provided on a 24/7 basis. The personnel manning the VTS operators have been trained both locally and in the UK to International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) standards.

### **Hydrography**

The Hydrography section acts as a National Hydrographic Office and provides Transport Malta with the support services required to comply with international obligations to provide hydrographic services for Maltese waters. In the context of navigational safety, the section is the provider of nautical information. To achieve this, hydrographic surveys are conducted to gather relevant data including water depths. Together with other navigational information, up-to-date nautical charts, publications and notices are produced for mariners and port users.

During the year under review, the Hydrographic Unit carried out several surveys at Malta Freeport Terminals to monitor and update navigational charts following dredging operations. This unit also completed surveys for dredging at Lascaris Wharf and for the reorganisation of Swimmers Zones by providing up to date Charts and delineating new swimmer areas. The

location and charts of the 200m speed restriction Zones were also provided. Additional services include surveys and preparation of charts for moorings and marina concessions.

## **Projects**

### *EEA Norway Project (2009 - 2014)*

During the year under review, a proposal was put forward in order to address the possible gaps in training at National Level with respect to Oil Pollution Prevention and Response as well as gaps in the current version of the National Marine Pollution Contingency Plan 2009 (NMPCP 2009). The project was expected to start in 2012, however will now commence in 2013. Background work to ensure the success of the project has been carried out in 2012 and TM is currently awaiting official approval of the project..

### *Calypso Project*

The CALYPSO project is being led by the University of Malta under the Italia – Malta 2007 – 2013. The latter has been ongoing since 2011 and should be completed next year, 2013. The local partners in the project are TM (Head of the PIR Unit is one of the Work Package Leaders) AFM and CPD, where TM is also a financing partner. Sicilian partners participating including the Universities of Palermo and Catania, Italian Coast Guard, Guardia di Finanza etc. In 2012, the projected installation of the HF radar system to monitor sea surface currents in the Malta Channel has been achieved in Malta. The first data received was used during the MALTEX 2012 annual exercise in order to model the movement of oil on the sea surface.

### *MEDNET*

The new EU legislative instrument on vessel reporting formalities was adopted on 20 October 2010 and this will have an impact on the operations and responsibilities of the Directorate. The Port Formalities Directive is part of the initiative of the European Commission to establish a European maritime transport space without barriers designed to harmonise and simplify administrative procedures in respect of Short Sea Shipping within EU waters. This Directive includes the obligation to establish a maritime single window by 2015 which aims at providing a common platform for such systems as SafeSeaNet, e-customs and other public authorities' IT systems dealing with the clearance of vessels and their cargoes and passengers.

It is envisaged that the Malta Maritime Single Window will be a single e-maritime platform which will be capable of receiving information from the shipping industry, mainly ship agents and ship owners/operators, and which will be made available to the government authorities dealing with the clearance of vessels in and out of Maltese ports, such as Customs, Border Control agencies, Veterinary Services and Port Health. Malta is obliged to invest in a Maritime Single Window so that all reporting formalities by vessels are carried out through this system.



In view of the implementation of the Port Formalities Directive, Malta is participating in the MEDNET project, through which will:

- Commission a study to analyse the current legislative requirements that need to be included in the Single Window system;
- Determine the present level of electronic systems operated by the different public authorities;
- Assess any bottlenecks that will hinder the implementation of the National Single Window;
- Identify best practices in place;
- Assess the current PortNet system and carry out a needs analysis of how this has to be updated to cater for the functionality of a National Single Window application;
- Mapping of requirements into functional requirement; and
- Study the possibility of extending the Single Window to other port business stakeholders including terminal operators, shipping and freight forwarding agencies.

#### *PPRISM*

Malta has been participating in the Port Performance Indicators: Selection and Measurement (PPRISM); project. This project, lead by ESPO and participating through the ESPO's Technical Committees meetings, especially of the Economic Analysis and Statistics Committee, is a EC co-funded project. It was successfully concluded earlier this year, leading to the publication of a European Port Performance Dashboard.

Together with the academic partners that participated in PPRISM, ESPO has now decided to join a consortium that will apply for a follow-up project under the 7<sup>th</sup> Framework Programme (FP7).

The new project is expected to develop a ports observatory with a set of indicators measuring EU ports performance, activities and developments. The results of the PPRISM project and other relevant work, including failures from past projects, should be taken into account. Indicators should initially be identified across the five main categories that were established under PPRISM. Starting from a limited set, focusing on the five different categories, forward-thinking should seek possible extensions and elaborations of the set of indicators. This collaborative action should go beyond port authorities and develop an approach to obtain data from the whole port community. At the same time, it should ensure that inland ports are also covered by the observatory.

To ensure this broader focus, we have invited relevant EU stakeholder organisations to join the consortium as associate partners. EFIP, ECSA, ESC, CLECAT and EMPA have already confirmed their willingness to do so.

### **Maritime Training**

Malta provides a number of maritime training institutions for the training of qualified and competent seafarers that are needed for the sustainable growth of the maritime industry and the maritime cluster. Apart from Government investment through the MCAST Maritime Institute there are a number of private institutions providing such training. The Ports and Yachting Directorate works closely with these entities to promote training and to ensure that training courses are available and in line with the public's and industry's requirements. Training and certification that falls under the Directorate include the Nautical Licence, certificate of competency for personnel serving on commercial vessels, port workers and port workers' foremen.

## MERCHANT SHIPPING DIRECTORATE

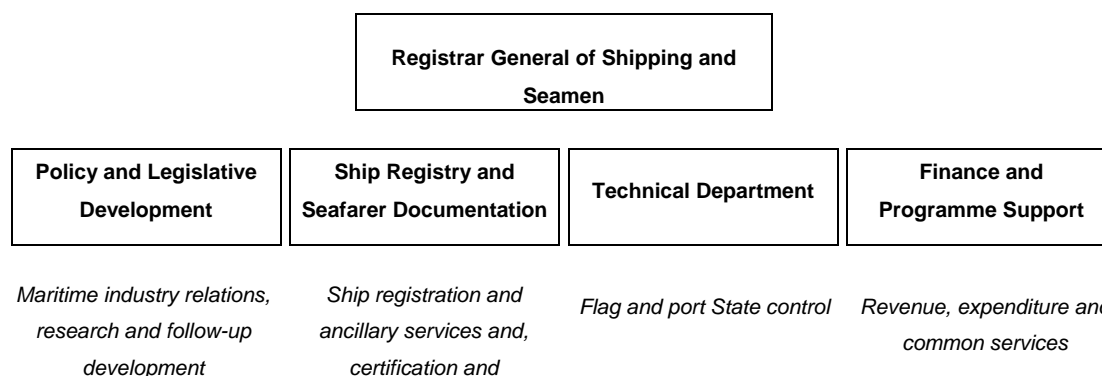
### Functions and Duties

The functions and duties entrusted to this Directorate in terms and in pursuance of the provisions of the Authority for Transport in Malta Act are to regulate, control and administer all matters related to merchant shipping and marine pollution prevention and control provided for under the Merchant Shipping Act and other related legislation, including ship and yacht registration under the Malta flag and their technical performance with regards to safety and pollution prevention and to promote the Maltese register with the international shipping community.

The Directorate is also entrusted with regulating the employment and certification of seafarers and to promote and advance the skills of seafarers and of persons employed in the maritime industry and to foster Malta's relations in international shipping fora and to administer the implementation of maritime and other related international conventions and agreements. In order to provide a one stop shop service to its client base, the Merchant Shipping Directorate is also responsible to regulate and control the licensing of shipping organizations and to regulate, control and administer maritime radio communication services for Maltese ships.

It is the prime objective of the Merchant Shipping Directorate to ensure effective discharge of its duties as a Maritime Administration particularly its responsibilities as the flag Administration of one of the leading ship registers in the world.

In pursuance of this objective, the Directorate is organised into four departments with distinct areas of responsibility yet interacting with and complementing one another, guaranteeing, particularly with regards to Maltese ships, a unified approach and a comprehensive service.



During the period under review the ongoing organisational review aimed at ensuring adequate capacity building and optimisation of resources has continued.

### **Projects, Initiatives and Performance of Duties**

A project aimed at enhancing cohesion and timeliness in the services provided by the Directorate is the establishment of an electronic fleet management information system. The ship registry module, alias the Fleet Management System, has the objective of replacing the current manual register system and other existing electronic databases and aims at managing all the information related to the ship's register. This electronic system has effectively become the main tool used by the ship registry department to assist with daily ship registration operations and the issue of all certificates of registry.

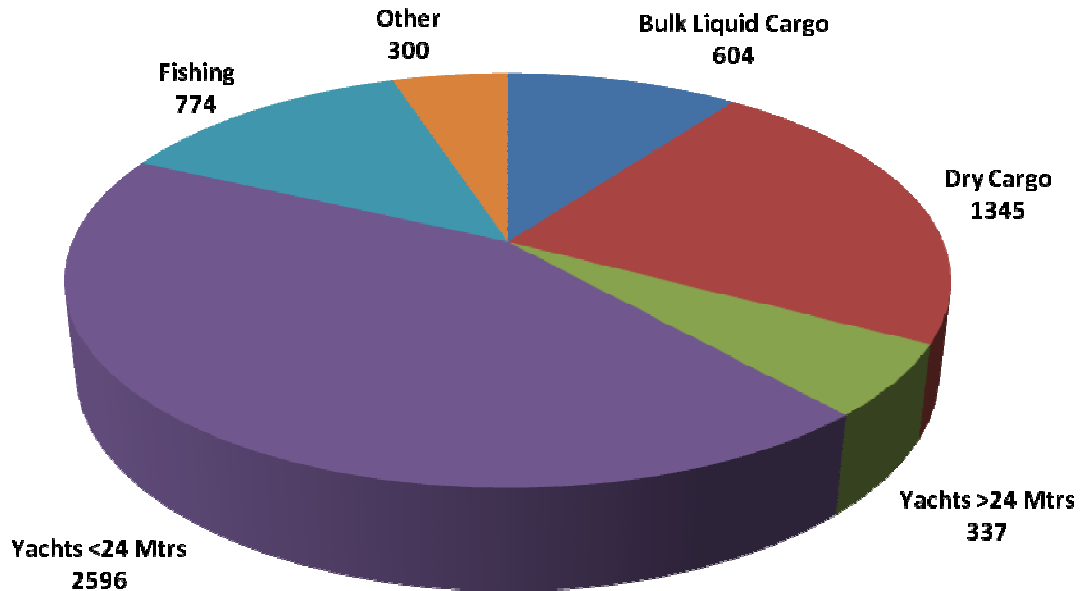
### **Registry of Ships**

Between January and December 2012, 628 vessels totaling 9,304,305 gross tonnage were registered under the Malta flag while cancellation of registry was effected in respect of 517 vessels with a total gross tonnage of 9,323,262. The cancellations mainly relate to the deregistration of vessels owned or beneficially owned by Iranian ship owners in terms of sanctions instituted by the EU.

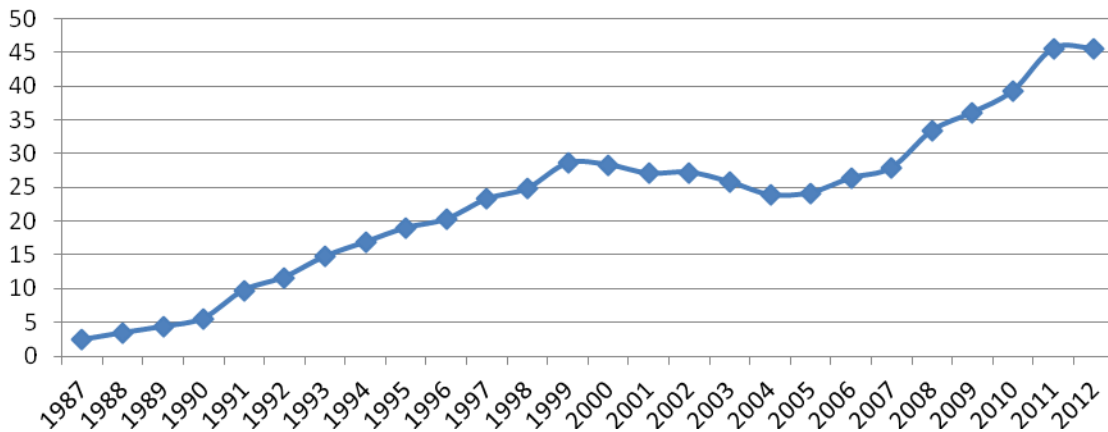
As at end December 2012 the number of ships registered under the Merchant Shipping Act exceeds 5,950 for a total gross tonnage exceeding 45.6 million. Through the ongoing efforts of the Merchant Shipping Directorate, Malta has maintained its position as the largest register in Europe and one of the 10 largest registers in the world in terms of gross tonnage. The average age of all vessels registered during this same period was 8.3 years; this decreased to 7.8 years for ships of 100 gross tonnage and over. The average age for deletion of registry was 17.3 years, with ships of 100 gross tonnage and over averaging 17.4 years. The average age of all merchant vessels registered as 31 December 2012 was 11.9 years.

Positive results were again registered in the registration of superyachts under the Malta flag. Despite the financial situation worldwide which had an impact on this luxury sector, the trend registered during the past years was further consolidated last year. The Malta flag registered an increase of 15.7% over the previous year in the registration of superyachts over 24m in length, under the Merchant Shipping Act, with almost 340 superyachts flying the Malta flag..

**Vessels by Type**  
**Registered under the Merchant Shipping Act**  
**as at 31 December 2012**



million gross tonnage



These statistics are a clear indication of the policy adopted by Malta's flag Administration to focus on quality shipping and ensure that ships with a poor detention or safety and marine pollution record do not operate under the Malta flag. The Maltese authorities maintain that growth must not be at the expense of quality while growth can be attained through quality.

## **Flag State Control**

The expansion and further strengthening of the Directorate and the continuous specialized training of its personnel remain one of the top priorities. This and the further expansion of the overseas network of Flag State inspectors are deemed the key to the further improvement of the monitoring and follow-up capabilities of the Directorate.

The Directorate continued to operate the system introduced in 1993, that of conducting random inspections of Maltese ships worldwide using the services of its own global network of inspectors. These inspections are in addition to the regular statutory surveys carried out by the classification societies and are effected on the specific instructions of the Directorate. The results and the performance of the inspectors are closely monitored by the Technical Department. Since this activity is part of the monitoring process that is the responsibility of a Flag State Administration, as a rule, inspections are conducted at TM expense.

Between January and December 2012, 867 inspections (18,398,142 gross tons) were carried out in 238 ports in 46 different countries worldwide. The Directorate detained 39 ships until it was ascertained that they had been brought up to the required standard.

Malta's ship inspection regime is received well by the international shipping community including shipowners themselves. Undoubtedly, it has improved substantially the monitoring capabilities of the Directorate and the overall performance of the Maltese fleet. Without in any way diminishing the importance of an ever increasing awareness amongst shipowners and seafarers of the need for quality shipping, the flag State control regime has been an important contributing factor towards the reduction in the rate of detentions of Maltese ships in foreign ports.

Although no official figures have yet been released by the Secretariat of the Paris Memorandum of Understanding on Port State Control the detention rate for Maltese ships in ports covered by the Memorandum for calendar year 2012 can be provisionally quoted as 3.75% which would reaffirm Malta's place in the MoU white list.

The efforts and strategy implemented by the Directorate for the past two years have obtained positive results, with the Malta flag placing in the white list of the Tokyo Memorandum of Understanding. The year under review has seen the further consolidation of this position and the detention rate within the region has been further improved. The detention rate for calendar year 2102 can be provisionally quoted as 2.61% which would strengthen Malta's place in the MoU white list.

## **Port State Control**

It is the responsibility of the Directorate to ensure, as much as possible, that ships leaving Maltese waters on international voyages, irrespective of flag, are being maintained in accordance with the required international standards.

The Directorate implements a system of Port State Control aimed at reaching the same standards prevailing in existing and well-established regional Port State Control regimes. The New Inspection Regime (NIR) implemented within the Paris MoU, of which Malta is an active member, introduced a significant departure from the previous regime, as it is a risk based targeting mechanism, which rewards quality shipping with a smaller inspection burden and concentrates on high-risk ships, which will be subject to more in-depth and more frequent inspections. This necessitated the re-organisation of the operations of the Directorate and the introduction of new procedures in order to meet the new obligations.

Between January and December 2012, 183 foreign flagged ships were inspected. This is nearly 22% of the total number of foreign merchant ships entering Maltese ports, excluding those that came in for drydocking. Detention orders were issued in respect of 13 vessels of different nationalities.

Meanwhile the Directorate has continued with its active participation in the Paris Memorandum of Understanding on Port State Control where Transport Malta is a member and in the Mediterranean MoU on Port State Control of which Malta is one of the founder members and of which Malta currently holds the chairmanship.

## **Ship Casualty Investigation**

During the period under review, a total of 276 occurrences were reported on Maltese registered ships. The majority of these were classified as less serious or minor incidents. Three accidents, which were classified as very serious, involved loss of life of crew members, 42 accidents resulted in serious injuries to persons on board; the most serious being a boiler explosion, which injured all the engine-room crew. Other reported occurrences involved, *inter alia*, minor allisions, main propulsion failures, collisions, groundings, strandings and fires.

The Directorate cooperated with the Marine Safety Investigation Unit in order for the latter to carry out the necessary safety investigations in accordance with the Laws of Malta. It is important to point that although marine casualties are not a performance indicator of the Maltese registered fleet, one can identify a substantial decrease in the number of reported occurrences over the previous years.

## **Maritime Radiocommunication Services**

During the past year, the Directorate continued to render maritime radiocommunication services to its client base. During the period under review 2833 radio licences were issued.

These included Operational and Non-Operational Provisional Global Maritime Distress and Safety System (GMDSS) ship radio licences, permanent GMDSS ship radio licences including their amendment and renewal, Operational and Non-Operational Provisional Non-GMDSS ship radio licences, permanent Non-GMDSS ship radio licences including their amendment and renewal.

The Directorate is also responsible for the approval of Accounting Authorities and Point of Service Activation entities and the allocation of Maritime Mobile Service Identities (MMSI) and Selcall numbers to Maltese ships.

### **Certification of Seafarers**

As part of its responsibilities as Flag State Administration the Directorate, also has the responsibility for the training and certification of seafarers engaged on Maltese ships.

By end December 2012, the Directorate had processed over 158,531 applications from officers serving or wanting to serve on Maltese ships, for the issue of endorsements attesting to the recognition of their certificate of competency issued by a foreign Administration. Of these, 16,575 were processed in the year under review.

Meanwhile, the Directorate continued to oversee courses run by the Maritime Institute of the Malta College of Arts, Science and Technology and other training conducted by approved institutions both in Malta and abroad, onshore and afloat which courses lead to the issue of certificates of competency, certificates of proficiency and other seafarer certificates in terms of the Merchant Shipping Act, the STCW and other Conventions.

Currently 13 maritime training centres are approved. During the period January – December 2012 the Directorate has approved 15 maritime training courses with 16 more courses from various institutes presently under review.

During the period under review the Directorate organised 28 examination sessions, both locally and abroad, leading to the issue of Certificates of Competency as Officer in Charge of a Navigational Watch, Chief Mate, Master mariners and GMDSS. These examinations were financed by Transport Malta.

During this same period, 1 new Certificate of Competency was issued as Officer in Charge of a Navigational Watch, 2 certificates for Chief Mate and 28 certificates for Master. Moreover, 24 GMDSS General Operator Certificates of Competence together with 18 revalidations, 6 revalidated GMDSS Restricted Operator Certificates, 19 VHF-SRC certificates, 20 PSCRB Certificates, 9 EDH Certificates, 82 SSO Certificates, 30 Engineering Watch Rating Certificates and 27 Navigational Watch Rating Certificates were issued.



## **International Relations and Participation**

The reality of a register that is among the largest in the world increases the responsibility Malta has to meet its international commitments and to participate actively in international shipping fora. The heavy involvement of Directorate officials at these meetings is imperative for Malta to achieve its key objectives relating to maritime safety, security, protection of the environment and the safety and welfare of seafarers.

The Directorate maintained close contact with international governmental and non-governmental organisations the functions of which are related to its duties and responsibilities, with the international shipping press, with organisations and individuals who provide services on behalf of Malta's maritime Administration such as Maltese Embassies and Consulates abroad, particularly the Consulate General in Greece, the recognised classification societies and the appointed inspectors, and with various sectors of the shipping industry, particularly ship owners, managers and financiers, maritime Administrations, and representatives of seafarers.

The Directorate continues with its close cooperation with the Malta International Shipping Council, formed as an initiative of forward looking owners of ships operating under the Malta flag. The Council is a full member of the European Community Shipowners Association that brings together the national shipowners' associations of the European Union, Iceland and Norway.

The continuing interaction with and the assistance and cooperation of these organisations and institutions is crucial in order that the Directorate may continue to provide an efficient service and to meet its obligations as a flag State Administration.

Malta has continued to further enhance its active involvement in the International Maritime Organisation, the United Nations specialized agency for maritime safety, security and the protection of the environment from pollution from ships. Malta is on the Council of the organization having been reelected in November 2011. During 2012, the Directorate has started campaigning to achieve re-election during the next Council elections due to be held in November 2013.

Directorate officials participate actively in practically all IMO fora. During the period under review Merchant Shipping Directorate officials with the assistance of the Malta High Commission in London participated at the IMO Council and, in the work of the Facilitation, Legal, Marine Environment Protection, Maritime Safety and Technical Cooperation Committees and that of other Sub-Committees.

Furthermore, Directorate officials participated in the meetings of the International Oil Pollution Compensation Fund of which Malta is a contributing member. With the increased involvement

of the Directorate in the regulatory aspect of maritime radio services, Directorate officials were active participants in meetings of the International Mobile Satellite Organisation where Malta has a seat on the Advisory Board.

In May, maritime Malta welcomed for the first time, the IMO Secretary-General Mr Koji Sekimizu, who visited Malta for the 23rd Graduation Ceremony of the IMO International Maritime Law Institute. During the graduation ceremony, Malta bid farewell to 37 lawyers from 28 States awarded the Master Degree in International Maritime Law. Substantial financial assistance was extended by Transport Malta to the International Maritime Law Institute.

At regional level, Directorate officials participated at the annual Committee Meetings of the Mediterranean and the Paris MoUs on Port State Control at the meetings of the Paris MoU Technical Evaluation Group and other technical seminars organised by the Paris MoU secretariat.

The period under review also saw the further consolidation of the Malta Maritime Fora initiative. In February, Malta hosted a meeting of the Paris MoU Advisory Board, of which Malta is a member, whilst in October the 4<sup>th</sup> meeting of the CEPT FM Maritime Forum Group was hosted. Moreover, during 2012, Malta also hosted students from the World Maritime University in Malmo and from the Slovenia University.

### **European Union**

The Merchant Shipping Directorate has continued its active involvement in providing input for the formulation of Malta's policy with respect to the ongoing debate at EU level on maritime related matters. It has examined EU legislative and other proposals and continuously provided input for discussions in various EU fora, in particular the Shipping Working Party, COREPER I and the Transport, Telecommunications and Energy Council.

Two of the main EU legislative proposals examined during the period under review relate to the enforcement of the 2006 Maritime Labour Convention, which will enter into force in August 2013. In view of the entry of the force of such Convention, these proposals intend to make the necessary amendments to the relevant EU legislation, namely to the Directive implementing the Agreement concluded by the European Community Shipowners' Associations (ECSA) and the European Transport Workers' Federation (ETF) on the Maritime Labour Convention, 2006, and to the Directive on port State control.

The Directorate continued its work on the proposal amending the Directive on the minimum level of training of seafarers. The purpose of this proposal was to align EU legislation with international rules in order to reflect the amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers adopted by the International Maritime Organisation. This proposal was adopted and the Directorate has

worked on the transposition of this Directive into Maltese legislation. The Directorate has also continued taking an active role in the process of EU coordination for the preparation of positions to be taken during various meetings of the International Maritime Organisation.

Moreover, the Directorate as an active member, through its Chief Officer of the Administrative Board and an ardent supporter of the work of the European Maritime Safety Agency (EMSA) played a very active role in the revision of the founding Regulation of the Agency. Today EMSA operates in the areas of maritime safety, maritime security and prevention of pollution by ships. It organises events for stakeholders during which they are trained informed and piloted to achieve better standards in their areas of operation. Amongst other things it also oversees operations in the cases of oil slicks and also manages the EU Identification and Tracking of vessels (LRIT) data centre which covers more than 6,000 EU-flag ships.

Apart from EU fora related to transport, the period under review has increasingly seen discussions related to maritime issues arise also in environment related fora, and, in this respect, the Directorate has followed these issues closely and provided the necessary input. Of significant importance, were the EU legislative proposals related to ship recycling and to sulphur content in marine fuels. These two proposals were treated as high priority items by the Directorate and contributions towards the different stages of discussions, in particular the Environment Working Party and Environment Council were regularly provided. The Directorate has also provided input and examined a number of EU documents in relation to various discussions at EU level related to climate change, insofar as shipping is concerned.

Apart from providing direct input on legislative proposals and EU documentation, the Directorate has been involved in the provision of feedback and advice to various entities with respect to maritime related issues. The Directorate has also participated in various meetings at EU level involving discussions related to shipping policy.

An important highlight of the period under review was that Malta was successfully audited by a team of EMSA Auditors in order to assess the implementation by Malta of the EU Directive on recognized organizations.

The period under review has also seen the preparation by the Directorate of submissions and exchanges with the Commission on the ongoing investigation on the Maltese tonnage tax regime. The Directorate, in coordination with the industry and other stakeholders involved, provided to the Commission the necessary assurances to reaffirm that Malta has always used and will continue to use the tonnage tax regime in a responsible manner, endeavouring to ensure growth and sustainability of the international, in particular European, shipping industry, whilst at the same time respecting fair competition.

In December 2012, the EU Regulation concerning the liability of carriers of passengers by sea in the event of accidents, entered into force. The Directorate took the necessary steps in order to ensure the effective implementation of the Regulation on all its registered passenger fleet. In particular, the Regulation provides for a strict liability for the passenger carrier and includes compulsory insurance with a right of direct action against insurers up to specified limits, thus providing the necessary protection to passengers travelling by sea.

### **International Conventions and Legislative development**

In the light of the significant regulatory aspect of its functions as a maritime Administration, the Directorate is engaged in a constant review of existing merchant shipping law and regulations so as to ensure that these are in line with current international legislation and practices. The review exercise includes ongoing monitoring of the evolving *Acquis Communautaire* vis-à-vis Maltese legislation and continuous research on the evolution of IMO and related ILO legislation.

In carrying out these initiatives, the Directorate seeks the views of the industry and the advice of local and foreign experts. Moreover, the Directorate has also maintained its full participation in the workings of the Maritime Law Advisory Council, a joint initiative with the shipping industry representatives set up to serve as a research and development agency that can advise and assist the Maltese Administration in ensuring continuous harmonisation of Maltese maritime legislation with international maritime law and the needs of the shipping industry.

During the period under review, consultations with all stakeholders were carried out on the revision of a number of legislation under the Merchant Shipping Act. Of particular importance, was the drafting of the relevant legislation regulating the engagement of armed personnel onboard Maltese registered ships when navigating in high risk areas in response to the threat from piracy. The Directorate also continued to pursue an agenda for the ratification of international maritime and labour conventions.

During the period under review, the main focus was on the finalisation of preparatory work to ratify the 2006 Maritime Labour Convention and the 2010 Manila amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended (STCW). Furthermore, the Directorate has also pursued preparatory work leading to the ratification by Malta of the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea (PAL) and its related Protocols.

### **Merchant Shipping Notices**

During 2012, the Directorate has introduced a new system of Notices to communicate any matter that it wishes to address to the shipping community.

- Merchant Shipping Notices - Notices of a general nature on issues related to operation under the Malta flag.
- Technical Notices - Notices used to communicate technical ship requirements and information of a technical nature. The Technical Notices replaced the Administration Requirements that used to be issued by the Directorate. These are denoted by the relevant international convention.
- Information Notices - Notices used to communicate useful information to the shipping industry. These Notices are for information purposes only.
- It continued to issue *these Notices* to give information, expound on procedures and communicate the parameters for the exercise of discretionary powers. During 2012, seven Merchant Shipping Notices and two Information Notices were issued:
  - *Merchant Shipping (Insurance for Maritime Claims) Regulations, 2011*
  - *Authorised Classification Societies*
  - *Further Sanctions with Regards to Islamic Republic of Iran*
  - *Revocation of Merchant Shipping Notices*
  - *Contact Details of the Merchant Shipping Directorate*
  - *Further Sanctions with Regards to the Islamic Republic of Iran*
  - *EU Regulation Concerning the Rights of Passengers when travelling by Sea and Inland Waterway*
  - *National and Public Holidays 2013 (Information Notice)*
  - *Renumbering of Administration Requirements (Information Notice)*

### **Economic Performance**

Economic performance is certainly not the most suitable indicator of the success of a Flag State Administration. Nevertheless, the economic activity generated from merchant shipping during the period under review has been quite considerable. Economic benefits, including the high amount of foreign exchange earned is of advantage to both government authorities and the local private sector. Revenue derived by Transport Malta is ploughed back into projects to the benefit of the different sectors of the maritime industry and the Maltese nation at large. Merchant shipping continues to be a very important component of Malta's maritime and international service industries, so vital for its economic well-being.

## **ROADS AND INFRASTRUCTURE DIRECTORATE**

### **Functions and Duties**

The Roads & Infrastructure Directorate (RID) is responsible for the:

- Development and maintenance of Arterial and Distributor Road Network; and
- Development and Maintenance of Ports' Maritime Infrastructure.

The Central Government has also entrusted RID with the first surfacing of the local road network, after which they are handed over to the Local Councils or other Authorities, as well as other various projects such as the upgrading of the Public Transport infrastructure, the Valletta paving project and major or specific interventions on local roads of major importance.

### **Projects, Initiatives and Performance of Duties**

#### **1. Arterial and Distributor Road Network (ADN)**

##### ***Reconstruction of ADN Roads***

During 2012, RID completed the reconstruction of 9.3km of Ten-T road network. The main scope of these projects is to improve the quality and efficiency of the Trans-European Transport Road Network (TEN-T) in Malta, by improving road safety, reducing vehicle operating costs and travel times, as well as upgrading the road environment, thereby improving internal mobility and bringing about an improvement in the quality of life for the road users.

These works covered 4 major projects and in turn make up Phase A of 6 major projects which between them cover the reconstruction of 12.1km of the Route 1, namely:

##### *Phase A*

- Garibaldi Road, Marsa and Council of Europe Road, Luqa;
- Road leading to Sea Passenger Terminal, Floriana and Marsa;
- Marfa Road up to Cirkewwa Terminal, Marfa; and
- Road from Tal-Hniena Junction to Rabat, Gozo.

##### *Phase B*

- Underpass from December 13<sup>th</sup> Road to Sea Passenger Terminal, Marsa; and
- Mellieha By-pass, Mellieha.

The works making up Phase A were completed during 2012 and works on Phase B started in the 4th Quarter of 2011 and by the end of 2012 works on the Mellieha By-pass were advanced with completion targeted for April 2013. The Marsa underpass works on the other hand encountered a major challenge in the very early phases of the project. Excavations, forming the basis of the whole project, resulted in major archaeological discoveries. Subsequently, the main thrust of the project was brought to a practical standstill as these discoveries became even more extensive and the intervention by the Superintendence of Culture Heritage more invasive. Eventually key aspects of the road had to be redesigned to allow for adequate conservation of the discoveries as well as the whole Construction Management Plan (CMP) redrafted to ensure timely completion and disbursement of EU funding. The main works are set to resume in March 2013 with completion of works envisaged for the first quarter of 2014.

During 2012, RID also finalized the plans for the reconstruction of 7.3 km of the Coast Road (Route 1). The project is divided into two lots, with tenders issued during the first quarter of 2013 for assignment in the beginning of the third quarter of 2013 and works to start at both ends in the fourth quarter of 2013.

Also during 2012 the directorate produced a number of plans for the Kappara Junction, which plans now continue to undergo various studies and planning reviews.

### ***Maintaining and Upgrading the Arterial and Distributor Road Network***

The arterial and distributor road network is constantly monitored and maintained to retain and upgrade the safety aspects of our roads as well as increase the service life of the road structures. The Directorate primarily intervened in a number of arterial and distributor roads but was also called in on other roads of major importance. Apart from various forms of routine maintenance, just under €4 million were disbursed or contracted on major patching with hot asphalt to improve the surface regularity of ageing roads, as well as increase the service life of the selected stretches.

To reduce the disturbance to the commuting public as well as facilitate the space available to the contractors during the works, more and more of major patching is being carried out at night, over one or more nights.

During 2012 the directorate also embarked on a 'delineation' program whereby various roads, including crossings and especially junctions, were enhanced by simple yet effective measures to render the roads more self explaining to the road users, particularly during low-light hours. This followed other initiatives implemented in 2012 in line with Transport Malta's goal to provide 'Safer Junctions and Forgiving Roads' for all users.

Other 'safe / forgiving' initiatives include:

- supplementing, at select ADN locations, of the imported high friction basalt aggregate wearing courses with high-grip surface overlay,
- use of crash barriers with higher specifications at accident prone road segments,
- replacing the illuminated bollards with retro reflective spring-back bollards, which are heavier duty and require less maintenance thereby giving higher value for money on top of reduced periods of downtime,
- wider use of illuminated cylindrical bollards to delineate 'high speed' junctions,
- more extensive use of basic but effective delineation aids such as reflectors, cats eyes and studs.

Furthermore, resources within RID was also entrusted to look at accident data generated by the Integrated Transport Strategy Directorate (ITSD) to identify accident black spots and put in place short-medium-long term measures to try and reduce the accidents incidence.

To this effect, the Roads & Infrastructure Directorate also welcomes the dramatic drop in road deaths during 2012 as reported elsewhere in this report. These results are the combined outcome of various stake holders within Transport Malta as well as outside and should serve as encouragement to all these stake holders to push even harder for a complete eradication of all deaths from our roads.

### ***Traffic Management***

During the year, the Directorate also continued with the various upgrades of the vertical and horizontal signage started in 2011. Various stretches of the newly constructed Ten-T roads were marked using thermoplastic paints, whereas more contained trials continued with bi-component cold-plastic paint. On the other hand RID stopped its testing of the high-build paint. RID also continued with the upgrading of the vertical signage to a higher performing microprismatic retroreflective standard.

In the meantime however, the Directorate had to postpone its plans to implement various forms of Vehicle Activated Systems (VAS), due to delay in the procurement process brought about by an appeal by one of the bidders. This appeal has since been lost and the usage of these type of signs is now expected to become wide-spread over the coming 2 years.

## **2. Residential Roads**

The Roads & Infrastructure Directorate is also entrusted by the Government with its remit (first-time surfacing) within the residential road construction programme. The Directorate's role includes the installation and replacement of domestic services to avoid intervention by the



utility companies in the short and possibly medium term, thereby extending the life of the road structures and giving a better rate of return to the investment.

During 2012 approximately 70 residential roads were completed and at year end 80 residential roads were either under construction, awarded to a contractor to commence the works or at an advanced stage of procurement.

### **3. Maritime Infrastructure**

#### ***Development of Maritime Infrastructure***

Most of the year's work was funded through the EU Cohesion Fund and/or connected with the Grand Harbour Regeneration Plan.

#### Cirkewwa Ferry Terminal

Works at Cirkewwa progressed at a fast pace with the completion of the access roads, south quay commuter shelter, internal circulation roads, marshalling and parking areas, public transport area, renewable energy systems and the terminal building including gangway. These areas were progressively opened to the public throughout the year. In December, with the opening of the new terminal building, the temporary facilities were removed and works commenced along the exit route from the north quay and on the Comino berth area. Various contracts were also concluded; the main ones being for dredging, fenders and linkspans. The latter were delivered to site in December and commissioned by the supplier during March 2013.

#### Refurbishment of the Valletta and Marsaxlokk main breakwaters

Works at Marsaxlokk, reached practical completion, which included the refurbishment of the concrete and steel of the wave-wall and deck edge and reinstatement of a number of new wave breaking dolosses. The works were disturbed by a number of storms, two of which caused damage to shuttering and access systems required to carry out the works on the seaside part of the wave-wall.

The refurbishment on the Valletta breakwaters, on both the St Elmo and Ricasoli side, were completed during the year under review. These works included the reinstatement of the lanterns on top of the light houses with new units constructed as replicas of the original design. Furthermore, the bridge on the St Elmo breakwater was opened to the public at the beginning of Summer providing a unique vantage point of the Grand Harbour.

### Deep Water Quay Refurbishment and Upgrading

Deep Water Quay is one of the two main cargo terminals in the Grand Harbour. Built in the 1950's the quay has reached the end of its design life and needs an extensive refurbishment and upgrading in order to service current and future port cargo operations and vessels. An EU grant for this project was approved during 2012 and the tendering process for the works has been concluded.

### Marinas

Various planning processes are underway for the proposed new marina at Sa Maison and the installation of a pontoon in the marina at Gzira Gardens, Ta' Xbiex.

### St Angelo Bridge, Birgu

Emergency works were carried out to consolidate the seaside ramp leading to the bridge which was found to have deteriorated significantly and was in a precarious state.

## **4. Miscellaneous Projects**

### ***Public Transport Reform Infrastructure***

MODUS is an EU funded project which Transport Malta has embarked upon to help encourage a modal shift in land transportation in Malta. The project also brings together a number of key ITS components being active Bus Interchanges, Bus Priority Measures, a Park and Ride Facility, and the Intelligent Traffic Management System.

This reform is led by the Integrated Transport Strategy Directorate (ITSD), which is also responsible for most of the designs. The Roads and Infrastructure Directorate is in charge of the contracting, supervision, and project management for the various components of the infrastructure.

### ***Valletta Paving Project***

During the year the Directorate managed the repaving of 8 stretches of key roads, the most challenging of which was the repaving of a stretch in Triq ir-Republika. This entailed the use of original paving buried under the asphalt which had to be meticulously recovered and cleaned before it could be re-laid alongside new paving.

### ***Specific interventions on local roads of major importance***

As in previous years the Roads & Infrastructure Directorate was called in to intervene in a number of roads of Major Importance. These were mostly non arterial or distributor roads which however have a linking function and therefore see major traffic pass through them.

## 5. Participation in International Fora

### ***Conference of European Directors of Roads (CEDR)***

The Roads & Infrastructure Directorate through its Chief Officer and Senior Manager represent Malta in the Conference of European Directors of Roads, being a body which brings together the Directors of Roads from 24 European Countries to provide a platform for understanding and responding to common problems.

As of 2012, Malta forms part of the Advisory Group to the Governing Board of the Conference as a lead up to the Maltese Chairmanship of CEDR in 2014.

During November 2012, Malta also hosted one of the three annual meetings of the Deputy Directors of Roads.

### ***World Road Association (PIARC)***

In October 2012, Malta became the 120<sup>th</sup> member of the World Road Association. PIARC, as it is known due its former name of Permanent International Association of Road Congresses, was established in 1909 and organizes international forums, disseminates best practices and promotes efficient tools for decision making between the world authorities on roads, with special emphasis on developing countries and countries with economies in transition.

## LAND TRANSPORT DIRECTORATE

### Functions and Duties

The Land Transport Directorate (LTD) strives to provide an efficient, integrated and sustainable public transport service meeting the travelers' needs and expectations, together with an effective regulatory framework for land transport with road safety as a top priority, whilst at the same time promoting socio-economic development and protection of the environment. From an operational point of view, the Directorate is responsible to regulate all forms of land transport, including all vehicles, drivers and transport service operators.

The core strategic objectives of the Directorate are:

- Modal shift
- Road safety
- Eco-friendly transport
- Customer service

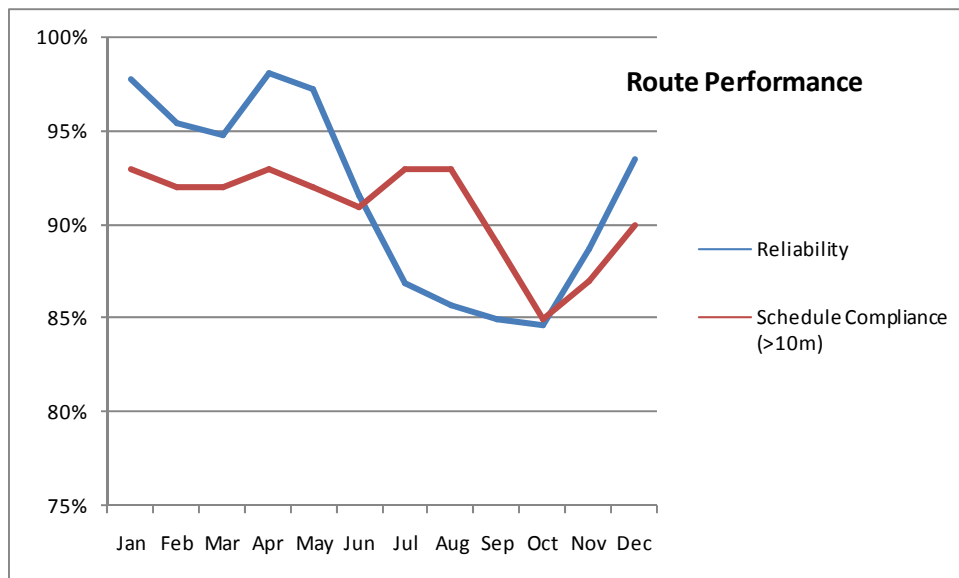
### Public Transport Reform

#### Reliability and Punctuality of Service

The Directorate continued with its efforts to improve the public transport service and align it with the contracted levels of service, and most importantly with the needs and expectations of the public.

Throughout the year, the Directorate carried out extensive monitoring of routes through surveyors in key locations across the route network to measure reliability and punctuality levels for all main routes. The information gathered has been shared with Arriva's team regularly, and also used for the calculation of penalties.

The performance of the main routes varied throughout the year. The average reliability during the first two quarters was very encouraging in the range of 95% but then fell sharply to 85% during the third quarter, going down to very low reliability levels at certain peak times of the day for many routes. Following the intervention of TM with the bus operator, the situation started improving in the fourth quarter where in December reliability climbed back to an average of 94%. It is anticipated that this trend will continue throughout 2013.



### Contract Compliance

The Directorate closely monitored the contracted levels of service to ensure passenger safety, comfort and ease of information, and driver appearance and behaviour. Throughout the year, a total of 17,383 compliance inspections were carried out by Public Transport Officers. 10,488 of the inspections carried out related to compliance inspections on board buses, another 5,553 inspections were conducted on bus drivers and other employees and a further 1,342 inspections carried out on infrastructure used on the provision of the scheduled public transport service.

### Real Time Information

As part of its contractual obligations, during 2012 the operator introduced a new service called “SMS Your Next Bus”. The service consists of sending a text message to a number which is found on each bus stop, including the bus stop number. A reply is received listing the arrival times of the next buses serving that stop.

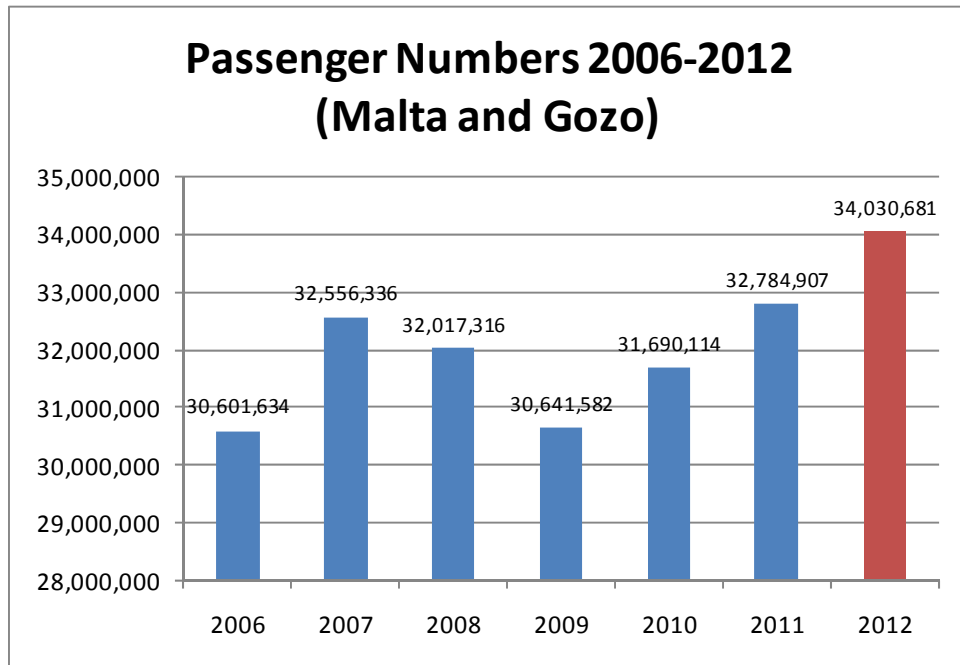
### Route Changes and Modifications

In May 2012 a number of route changes were implemented leading to an increase of the fleet by 21 buses, bringing the total fleet to 285 buses. These modifications came about after consultation with the Local Councils and with the bus operator, and also taking into account the remaining complaints that were being received on the actual route network. These modifications were well received by the public and the number of complaints received in this regard reduced drastically. Further slight modifications took place during November 2012.

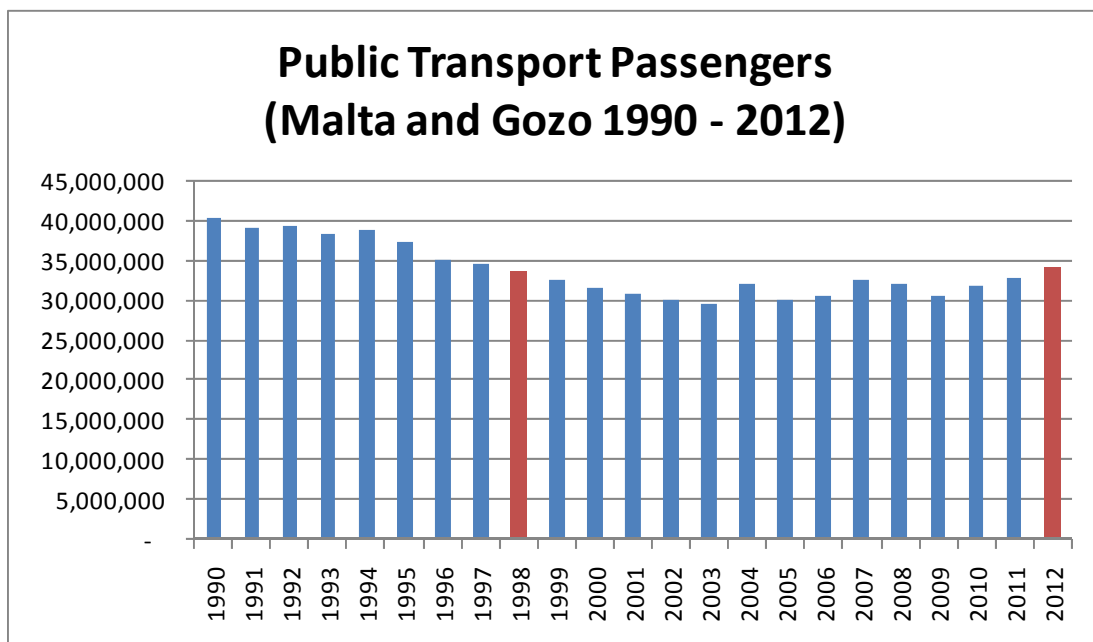
### Passenger Numbers

The public transport operator reported a total of 34.0m passengers carried in Malta and Gozo. This compares to a total of 33.2m reported in 2011, therefore representing an increase of +2.6%.

Since the introduction of the new public transport service that was launched on the 3rd of July 2011, the public transport operator reported a total of 49.8m passengers which represents an increase of +6.4% on the previous year.



The number of passengers reported in 2012 represents the highest number of passengers carried by public transport since 1998.



Ticketing

The new bus service also brought about new ticketing options. However, the amount of tickets being sold on board buses is still high, with a slight decrease being reported from the previous year from 95% to 94%. The bus operator plans to launch a number of initiatives throughout the first half of 2013 to encourage bus users to buy their tickets before boarding.

### **Barrakka Lift**

The Barrakka lift was officially launched on the 15<sup>th</sup> of December 2012 and was opened to the public as of the following day. The project was mostly financed through the European Regional Development Fund (ERDF).

Standing at 58 meters, the lift service connects the Upper Barrakka Gardens to the Grand Harbour, offering a quick, efficient and pleasant connection between the two points. The lifts are capable of carrying 800 passengers per hour and each trip takes around 23 seconds.

The lift is operated by Transport Malta daily between 0700hrs and 2100hrs to coincide with the opening hours of the Upper Barrakka Gardens.

### **Sustainable Passenger Transport Services**

The Directorate continued with the implementation of a number of reforms in various land transport sectors.

#### Taxi Reform

The implementation of the Taxi Services regulations, which came into force in November 2010 continued. These regulations are aimed at making the service more efficient, safe, secure and dependable for customers while setting higher quality standards for the operators and drivers together with their vehicles.

The following measures were implemented during 2012:

- 10 new taxi licenses were issued;
- The installation of new peripheral devices on existing taxis is well underway with half the fleet having been upgraded;
- The taxi service regulations were amended to include provisions to broaden the type of vehicles that can be registered as electric minicabs, revisions to the good conduct and repute requirements, changes to the taximeter tariffs, and other minor improvements;
- The training and assessment programme for new taxi drivers continued, attracting 47 new drivers to the sector in 2012;

- A special training programme has been devised for drivers who used to drive taxis before 2006 and lost their entitlement in the period between 2006 and 2010.

### Passenger Transport Services

Transport Malta continued with its efforts to bring all passenger transport operators in line with national and international legislation. This required all operators to be in possession of an operator licence. In 2012, a total of 26 National Operators' Licenses were issued.

In addition to this, Transport Malta issued 40 Certificates of Professional Competence for transport operators, following a number of training courses and exams organised by the Directorate in conjunction with MCAST. These exams, which are based on EU Directives, have seen a pass rate of 38%; however unsuccessful candidates have been given the opportunity to attend for preparatory courses and to re-sit their exams until they obtain their qualification.

In December 2012, Transport Malta, in consultation with the representatives of the sector, published a set of amendments to the Passenger Transport Regulations. These amendments provided equitable solutions to a number of claims by passenger transport operators and included provisions to minimize administrative and operational burdens for operators, while facilitating the entry requirements for passenger transport vehicles, particularly for tail-lift vans and vintage buses. Other amendments included a revision of the good conduct requirements for both passenger transport operators and drivers.

### Trackless Trains

Throughout the year, Transport Malta approved the operation of 38 temporary trackless train routes during special events in various localities.

### **Vehicle Hire Service Reform**

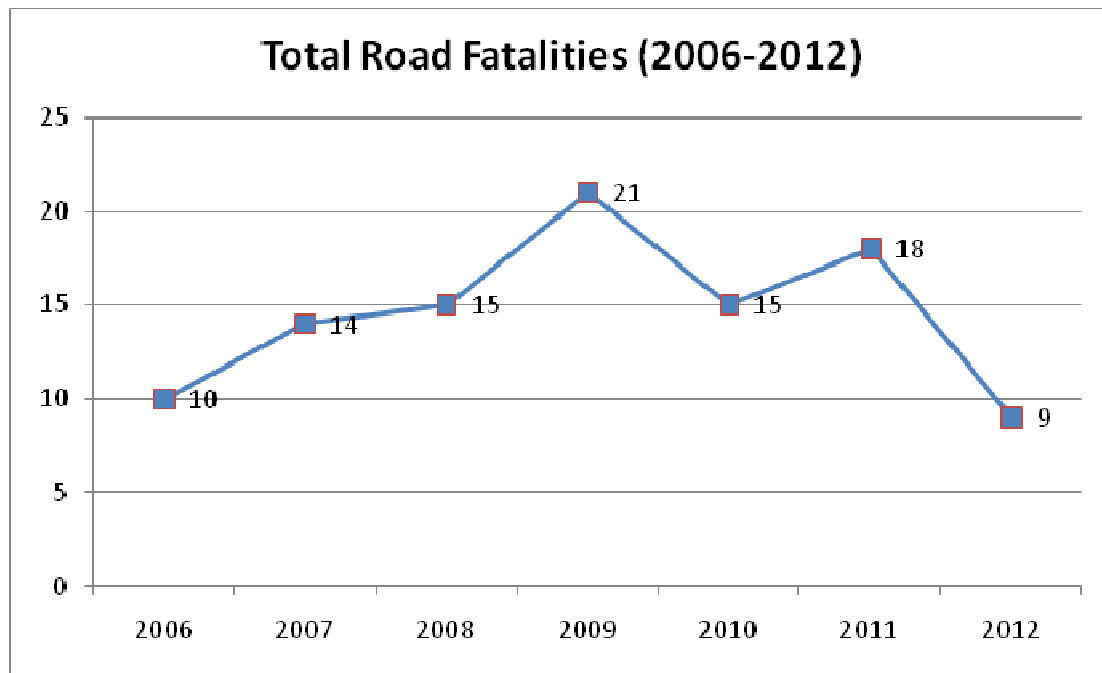
Following consultation with the respective stakeholders, a new set of regulations for Vehicle Hire Services was published for public consultation during 2012. The main aim is to de-regulate and streamline the rules governing this sector, thereby reducing the administrative burdens on operators, while at the same time introducing added responsibilities on operators, better quality of vehicles and a minimum set of service standards to ensure a high standard of service.

The feedback received was consolidated in a final set of draft regulations which are expected to be published in 2013.

### **Improving Driving Standards**



The number of road related fatalities in Malta during 2012 reduced by 50% to 9 fatalities. This is the lowest since 2006 as indicated below.



One of the core strategic objectives of the Directorate is to improve road safety through effective driver education, and driver licensing. This requires an effective regulatory framework, and a proactive educational approach aimed not just at how drive a car, but more about the attitude towards safe driving, behaviour in society in general, and acceptance and abiding by regulations.

During 2012, a number of actions were taken in preparation for the adoption of the new measures that will come into force on the 19<sup>th</sup> January 2013, in line with the Motor Vehicles (Driving Licences) Regulations (Subsidiary Legislation 65.18), as a result of Directive 2006/126/EC. These include:

- Improving initial and periodic training requirements for driving examiners;
- Improved quality control for driving tests;
- Harmonization of motorcycle categories;
- Improved testing standards for motorcycles, including controlled maneuvers;
- New test for mopeds;
- Additional medical tests for drivers of larger vehicles every five years;

- Increases in minimum age requirements to drive certain motorcycles and large goods and passenger carrying vehicles;

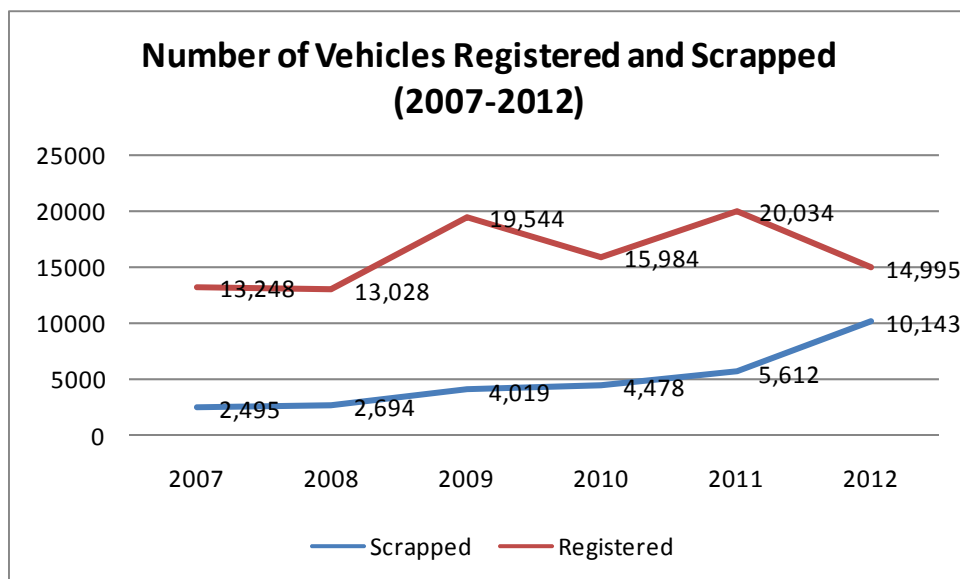
The training and assessment leading to the Certificate of Professional Competence (CPC) in line with EU Directive 2003/59/EC was also implemented in the passenger transport sector. Training was held by approved training providers in Malta and in Gozo whilst testing was undertaken by TM Driving Examiners. A total of 447 drivers completed their training and were certified in 2012, as part of a scheme financed by TM.

In November 2012 the Directorate organized a one week training programme for its driving examiners. The programme was conducted by two foreign experts and supported by our local ones, and was meant to continue with our efforts to upgrade the knowledge and skills of examiners with regards to assessment techniques.

### Eco-Friendly Transport

TM once again supported the extension of the scrappage scheme, offering another 2,889 vehicle owners the opportunity to benefit from a grant to purchase a cleaner new vehicle, as long as they scrap their old vehicle.

As can be seen from the chart below, the scheme has encouraged more people to scrap their vehicles, whilst the number of vehicles registered reduced to 2008 levels, therefore reducing the gap between the amount of vehicles scrapped and those registered.



### Customer Service

TMrecognizes the challenge it faces when it comes to customer service, particularly since it interacts directly with a large number of customers every day. The table below lists the main licensing transactions throughout 2012, compared to the previous year. Overall the number of driver and vehicle licensing related transactions increased by 2% from the previous year, after an increase of 6% between 2010 and 2011.

	Licensing Service	Number of Transactions		
		2011	2012	% Change
<b>Vehicles</b>	Registered Vehicles	18,882	14,995	-8%
	Change of Owner (Transfers)	43,843	43,949	1%
	Other Changes to Vehicles	12,021	11,018	-8%
	De-Garaged Vehicles	5,433	5,442	0%
	Exported Vehicles	79	14	-82%
	Garaged Vehicles	9,990	9,125	-9%
	Scrapped Vehicles	5,612	10,138	81%
	Road Licences Issued	309,545	329,093	6%
	Number Plates Issued	56,181	49,276	-12%
	Pre-Registration Vehicle Inspections	9,112	6,790	-25%
<b>Driving Licences</b>	New Driving Licences Issued	5,828	5,717	-2%
	Renewed Driving Licences	22,170	24,746	12%
	Driving: Practical Tests	14,309	13,729	-7%
	Driving: Theoretical Tests	7,815	7,546	-3%
	International Driving Permits	544	527	-3%
	Withdrawn Driving Licences	770	499	-35%
	Changes to Driving Licences	3,516	4,244	21%

<b>TOTAL OPERATIONAL</b>	<b>525,650</b>	<b>536,848</b>	<b>2%</b>
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The Directorate continued with its efforts to improve the overall customer service.

A number of results were achieved:

- Waiting time for the practical driving test was retained at between three and four weeks;

- The registration of vehicles deposited was provided within two working days;
- Over-the-counter average and maximum waiting times for most services in halls were reduced;
- New arrangements were implemented to facilitate the process for Gozitan residents to obtain driver permits and tags;
- Introduced 24-hour response time for processing transfer of ownerships of vehicles that were deposited rather than processed over the counter;
- Radical update of the website in a more structured manner enabling user to find their required service information easier.
- Development of ten new electronic forms (eForms) to be launched in the first quarter of 2013, enabling users to apply for various services online;
- Introduced information screens in waiting halls to provide service information to waiting customers;
- Provided a more focused and dedicated service to insurance providers enabling them to provide a more efficient service to customers renewing their road licence at their offices.

The Directorate will continue to monitor the waiting time in halls since this still remains a challenge.

## **Quality Control**

### Driving Tests

Quality control on practical driving tests continued on target by supervising 3.12% of all tests, to ensure consistency in practical tests. This resulted in a low number of complaints on driving tests of only 25 complaints which amounts to less than 0.19% of all tests, which is a slight improvement over the previous year.

Quality checks were also carried out at the Theory Test Centre to analyze the level of difficulty of the test questions and to make sure that all the questions available on the data bank are being used consistently.

### Quality Control on VRT stations

The Directorate continued with its commitment to ensure that vehicles are safer and cleaner on our roads. To this effect, a number of quality control measures using a risk based assessment on VRT stations, were carried out.

The following measures were implemented:

- Conducting 1,260 post VRT checks on high risk vehicles, by calling them into our offices for a further inspection;
- Close monitoring of VRT Stations by conducting a total of 118 unannounced inspections at various VRT Stations to ensure that correct and full test procedures are being observed;
- All VRT stations were required to photograph all vehicles undergoing a test, for further checking. A total 5,774 photos were verified by the Authority for correct photo taking procedures, and checking of the date and time when the vehicle was tested.

### **Road Licence Arrears**

The Directorate continued to follow up the unlicensed vehicles on the road, which resulted in a reduction of 7% in unlicensed vehicles between 2011 and 2012. This followed another 7% decrease between 2010 and 2011. This was partly due to the budgetary measures recommended by TM that came into force in 2012 enabling vehicle owners to regularise their position by either scrapping, garaging or licensing their vehicle and benefitting from a reduction in licence fees and administrative penalties.

In this regard the Directorate sent notices to all vehicle owners with overdue licences explaining the scheme and encouraging them to regularise their position. In 2012, a total of 4,300 vehicle owners regularised their position.

## **CIVIL AVIATION DIRECTORATE**

### **Functions and Duties**

The Civil Aviation Directorate (CAD) aims for a safe and sustainable development of civil aviation in Malta.

To implement this vision, it has established the following strategic objectives:

- Sustainable Growth in Aviation Register and civil aviation operations (aircraft operators, maintenance, training, air navigation, personnel licencing etc);
- Enhance civil aviation oversight and safety;
- Enhance the efficiency and standardisation of civil aviation operations;
- Maintain a strong and efficient continuing oversight of civil aviation operations;
- Strengthen law governing civil aviation;
- Safety promotion
- Minimise the adverse effect of civil aviation on the environment.

Additionally, the CAD cooperates with other local and International entities to enhance aviation security, passenger/cargo facilitation, fair competition, environmental matters, civil-military interface and health related issues.

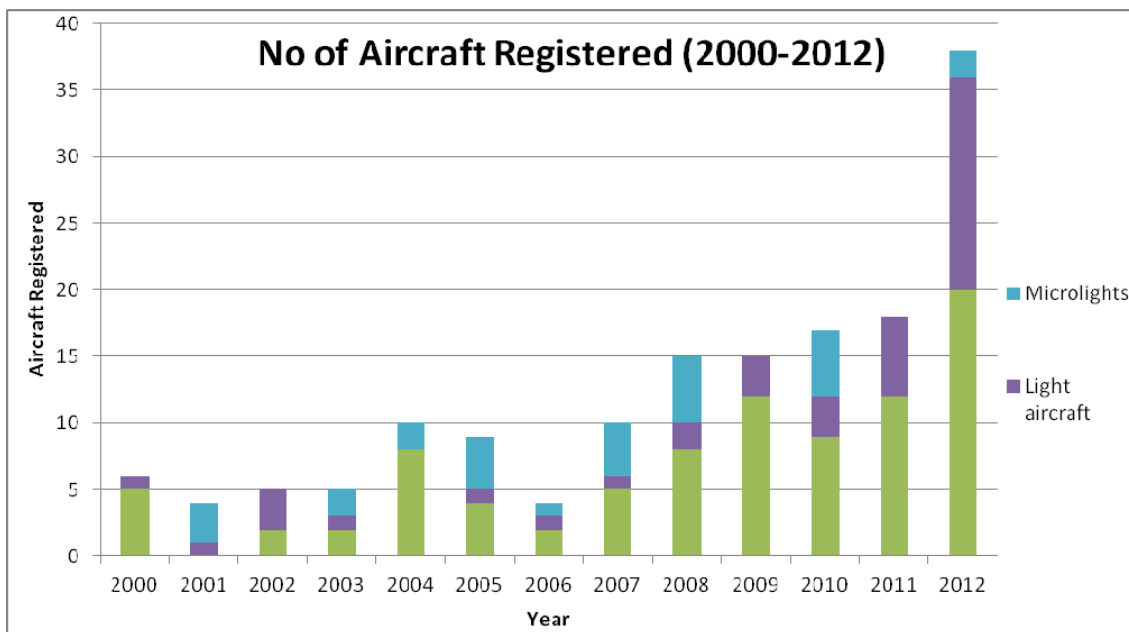
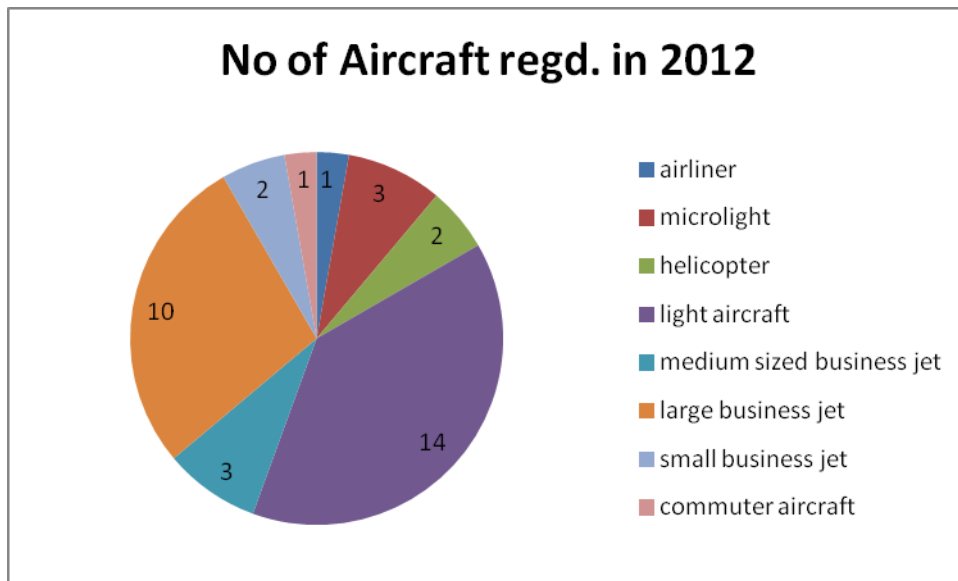
### **Business Development**

Following the introduction of updated legislation related to aircraft registration, the Authority has proactively pursued a number of initiatives to promote Malta's potential in the aviation sector.

The year 2012 has surely reaped the benefits with a total of 7 new aircraft operators being issued an AOC compared to the 8 AOCs issued over the past 15 years, 3 operators being processed at present and many more showing a great interest, some of which have already shown their intention to start in the first quarter of 2013.

Likewise, the number of aircraft on the Register has also shown a positive trend whereby numbers have increased by 24% over 2011 and 35% over 2010. Operators have already started to expand their business and grow the aircraft numbers on their AOC.

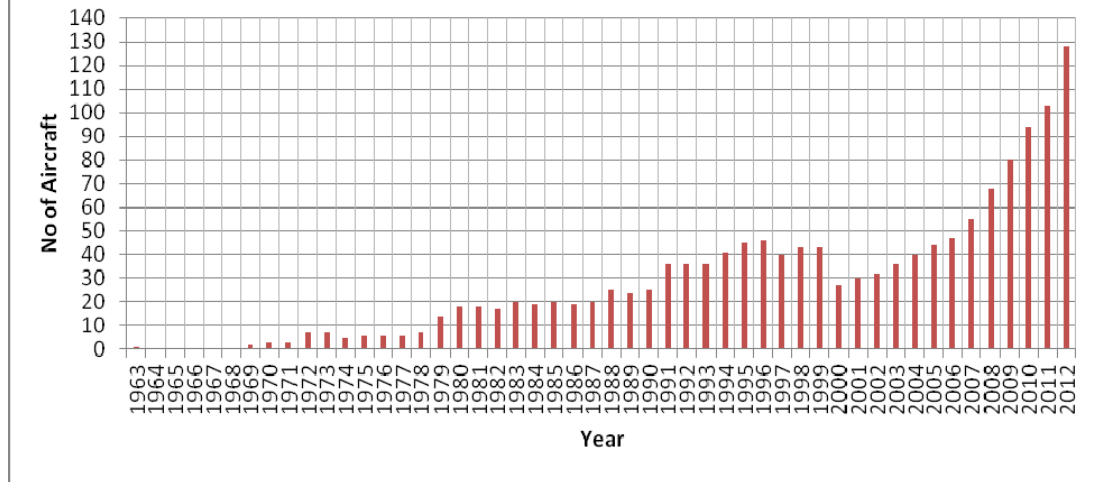
During 2012, the CAD has attended the European Business Aviation Convention & Exhibition (EBACE) and the Middle East Business Aviation (MEBA) and represented Malta on the panel of speakers at the Gates and Partners Solicitors event organized in London. During the year an international conference, namely The Aeropodium, was organized in Malta and acted as a platform to promote Malta as a jurisdiction for aircraft registration.



#### Aircraft Registration

The Malta National Aircraft Register accounted for 128 aircraft as at the end of year 2012. The Airworthiness Inspectorate has exceeded their expectations with 47 aircraft register movements (*registered 36 new aircraft and deregistered 11*) when compared to 27 movements (*18 registered and 9 deregistered*) in 2011.

## Number of Aircraft on the Register per Year (1964-2012)



### Inspections

The **Flight Operations Inspectorate** (FOI) registered 7 new Operators during 2012 totaling 15 operators up to November 2012, nearly increasing the number of air operator certificates issued by the directorate by nearly 100%. The number of inspections and audits carried out has therefore also increased by 33% from 145 in 2011 to 193 in 2012 as illustrated below:

No.	Air Operators	Inspections in 2012	Inspections in 2011
1	Air Malta	22	24
2	Carre Aviation	10	19
3	Comlux Aviation Malta	17	16
4	Eurojet	11	14
5	Hangar 8 AOC	14	-
6	Harbour Air	1	15
7	Hermes Aviation	11	-
8	Hyperion Aviation	15	-
9	Luxwing	12	-
10	Malta Wings	10	-
11	Medavia	21	26
12	Orion (Malta)	10	17
13	Privajet	11	14
14	Skyfree	11	-
15	Vista Jet	17	-
<b>Total FOI Inspections</b>		<b>193</b>	<b>145</b>



The **Aerodromes Unit** (ADRU) carried out regular inspections on the Malta International Airport plc and one on Gozo Heliport Limited.

The **Personnel Licensing Unit** (PELU) managed 360 pilot licences and 46 air traffic controller licences. It regularly conducted theoretical examinations for the Airline Transport Pilot Licence (ATPL) and the Private Pilot Licence (PPL). It also conducted English Language Proficiency (ELP) Assessments for pilots and air traffic controllers.

The PELU audited the following Flight Training Organizations:

- European Pilot Academy
- Malta School of Flying
- Diamond Flight School
- 67 Academy

And the following Type Rating Training Organisations (TRTOs):

- Air Malta
- Medavia

The PELU also audited Malta Air Traffic Services Limited as a training organisation.

During 2012, the PELU carried out inspections of the Registered Facilities providing training for the Private Pilot Licence namely:

- Diamond Flight Training (Malta) Ltd
- Falcon Aviation Co. Ltd
- Malta School of Flying Co. Ltd
- Sky People Aviation Training Ltd

Three new Flight Training Organisation (FTO) approvals were also issued in 2012 for Malta School of Flying, Diamond Flight School and 67 Academy. Diamond Flight School is first Malta approved flight training organisation to conduct flight training for the Commercial Pilot Licence (CPL) and the Instrument Rating (IR).

The PELU is currently working on the implementation of the Aircrew Regulation which will become applicable in Malta on 8<sup>th</sup> April 2013.

The **Duty Management Office** (DMO) vetted and approved hundreds of commercial and private flights landing in Malta and overflying Maltese airspace. The office has also jointly issued permits for the use of Maltese aviation facilities by foreign Military and State operators. The 24/7 operation was however changed during the year to better utilise the resources available within other units of the directorate whilst still offering a vital front office activity remotely.

The **Air Navigation Services Unit** (ANSU) carried out an audit on Malta Air Traffic Services Ltd (MATS) and another audit on the Meteorological Office (MET) at Malta International Airport. No findings were recorded. The ANSU was involved in the safety oversight of the implementation of the first phase of a new surveillance system employing cameras erected at strategic locations around the airfield thus enabling aerodrome and ground controllers to have better views of aerodrome traffic. The ANSU also participated in the safety oversight of the implementation of a new system being used by MET by means of which meteorological data is obtained automatically and the data transferred to MATS for air navigation purposes.

The ANSU participated in 10 safety assessments at MATS and reviewed 13 without direct participation in the safety assessment meetings. The ANSU also participated in preparatory meetings leading to some of the more complex safety assessments in order to facilitate the risk assessment process. Some of the safety assessments are still ongoing.

The ANSU continued to populate the ECCAIRS database which keeps record of all reported occurrences. There were 374 occurrence reports during 2012. These are listed and classified in the table below:

Class of incident	Number of reported incidents
<b>Accident</b>	0
<b>Serious incident</b>	2
<b>Major incident</b>	0
<b>Incident</b>	93
<b>Occurrence without safety concern</b>	279
<b>Total reported incidents</b>	374

*Note: Of the above occurrences, 52 were of a technical nature concerning ATC equipment.*

The CAD endorses the Just Culture principle and encourages the reporting of occurrences in order to be able to identify possible trends of occurrences in civil aviation. This will enable the

ANSU to ensure that, where necessary, remedial action is taken and followed up in an effort to prevent, as much as possible, re-occurrences of such incidents.

With regard to participation in international meetings abroad, the ANSU was involved in the final preparatory phase of the BLUE MED Functional Airspace Block as part of the Single European Sky, the implementation of which started on 4th December 2012. The ANSU also participated in various meetings at EUROCONTROL and at the meetings of the Single Sky Committee of the European Commission.

The ANSU also populated the Year 2012 LSSIP database and during the last quarter of the year, started work on the database for 2013. The LSSIP ensures the correct planning, reporting and monitoring of the common agreed implementation actions in the ESSIP. In addition, the LSSIP also covers the planning, reporting and monitoring of the implementation of the Single European Sky legislation and the Flexible Use of Airspace.

The ANSU collaborated with other stakeholders and published the National Performance Plan for Malta. This Plan describes how Maltese air navigation service providers will perform in accordance with agreed targets set based on traffic, environmental and financial estimates and how these will assist in meeting targets set by EU legislation.

In the last quarter of 2012, ANSU was strengthened by the addition of two personnel, who were already working in the CAD, but were assigned duties within the ANSU and the Aerodrome Standards Unit. These personnel have to undergo further training during 2013. As part of this ongoing training of ANSU staff, one member of staff successfully followed and completed various subjects leading to the award of the Certificate of Achievement of the EUROCONTROL National Supervisory Authority Training Initiative.

The **Airworthiness Inspectorate** (AI) carried out the following Audits and Inspections during 2012 which inspections are conducted as part of the biannual audit plan for every approved organization as well as required due to changes in the organizations.

Organisation Audits	Approval Reference	No of Audits	No of Findings
<b>AirMalta plc</b>	MT.MG.01	1	1
<b>Medavia Co. Ltd.</b>	MT.MG.02	1	5
<b>Eurojet Co. Ltd.</b>	MT.MG.03	0	
<b>Comlux Malta Ltd.</b>	MT.MG.08	1	5
<b>Carre Aviation Ltd.</b>	MT.MG.09	1	3
<b>Orion (Malta) Ltd.</b>	MT.MG.10		
<b>Privajet Ltd.</b>	MT.MG.12	3	5

<b>Malta Wings Ltd.</b>	MT.MG.13		
<b>Hangar 8 AOC Malta Ltd.</b>	MT.MG.14	1	
<b>Luxwing Ltd.</b>	MT.MG.15		
<b>Hyperion Aviation Ltd.</b>	MT.MG.16	1	
<b>VistaJet Ltd.</b>	MT.MG.17	2	
<b>SkyFree Ltd.</b>	MT.MG.18		
<b>Hermes Aviation Ltd.</b>	MT.MG.19	1	
<b>FlyTech Services Ltd.</b>	MT.MG.100		
<b>AP Malta Ltd.</b>	MT.MG.04	2	5
<b>AvconJet Ltd.</b>	TBA	1	1
<b>Europstar Ltd.</b>	TBA		
<b>AeroMaritime (Med) Ltd.</b>	MT.147.01	1	0
<b>MCAST</b>	MT.147.02	2	0
<b>AP Malta Ltd.</b>	MT.147.03	2	4
<b>Air Malta plc</b>	MT.145.01	1	0
<b>Medavia Co. Ltd.</b>	MT.145.02	2	14
<b>AeroMaritime (Med) Ltd.</b>	MT.145.03	1	0
<b>MCM Ltd.</b>	MT.145.05	2	6
<b>Team Europe Ltd.</b>	TBA		
<b>FAE</b>	MT.MF.01	1	13
<b>SR Technics</b>	CH.145.	0	N/A
<b>Lufthansa Technik</b>	DE.145.	1	N/A
	<b>Total</b>	<b>28</b>	<b>62</b>

A total of 28 Organisation Audits were conducted and 62 findings addressed.

#### Registration of Lease Agreements

No of Registered Lease Agreements	28
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#### Type of Agreements

Operations Contract	1
Dry Lease Agreement	2
Aircraft Operating Lease Agreement	12
Sub-Lease Agreement	6
Dry Head-Lease Agreement	6
Tripartite Management Agreement	1

### Registration of Irrevocable De-Registration Authorisation and Power of Attorney

No of Registered IDERAs	34
No of Registered POA's	8

### Certification of Aircraft

Certificates	
Issue of Certificate of Airworthiness	33
Issue of Noise Certificate	33
Issue of Airworthiness Review Certificate	48
Issue of EASA Permit to Fly	12
Issue of National Permit to Fly	13
<b>Total</b>	<b>139</b>

Total Number of certificates issued is 139 and 128 Certificates were issued pursuant to EC Regulations whereas 13 are pursuant to Air Navigation Order Requirements.

### Aircraft Continuing Airworthiness Monitoring

This is a mandatory sampling programme of aircraft inspections. These inspections include inspections of aircraft during maintenance, airworthiness reviews, technical records reviews and ramp inspections.

Year 2012	Planned	Actual
<b>Total Inspections for 2012</b>	22	36
<b>No of Aircraft</b>	77	102
<b>Percentage</b>	28%	35%

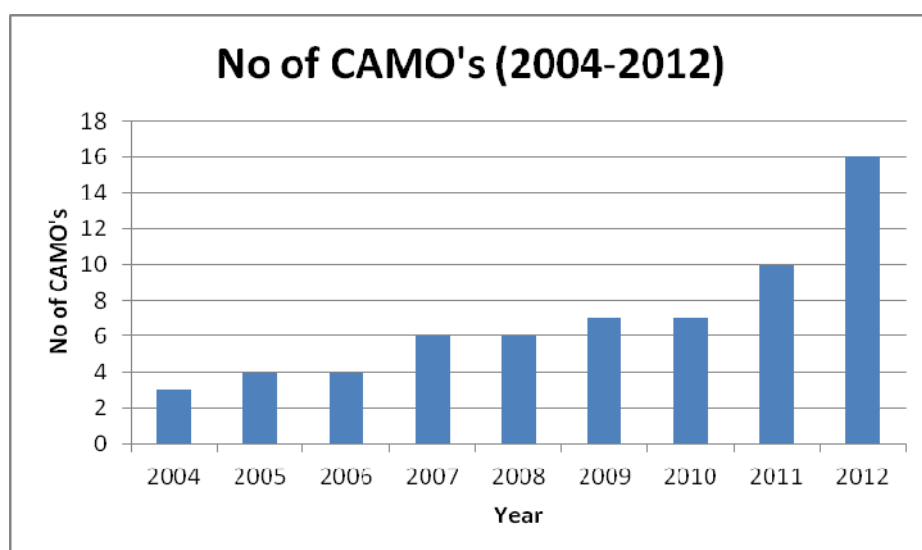
Year 2012	Nos
<b>Relevant ACAM Inspections for SAFA</b>	21

SAFA Inspections	Nos
<b>Total No of Inspections</b>	15

A total of 10 inspections were performed abroad.

## Organisation Approvals

### Continuing Airworthiness Management Organisations (CAMO)



### Desktop Audits

<b>Approval of Aircraft Maintenance Programme</b>	
First Issue	27
Revision	7

<b>Approval of CAME's</b>	
First Issue	6
Revision	8

<b>Approval of Technical Log (CAMO)</b>	
	6

<b>ARC Recommendations Reviews (Owners/Operators)</b>	
	8

<b>MEL Reviews (Operators)</b>	
	15

<b>Training Material Review (Part-147)</b>	
	3

<b>Approval of MOE's (Part-145)</b>	
First Issue	1
Rev	3

<b>Approval of MTOE's (Part-147)</b>	
<b>First Issue</b>	0
<b>Revision</b>	3

<b>Postholder Interviews (Organisations)</b>	12
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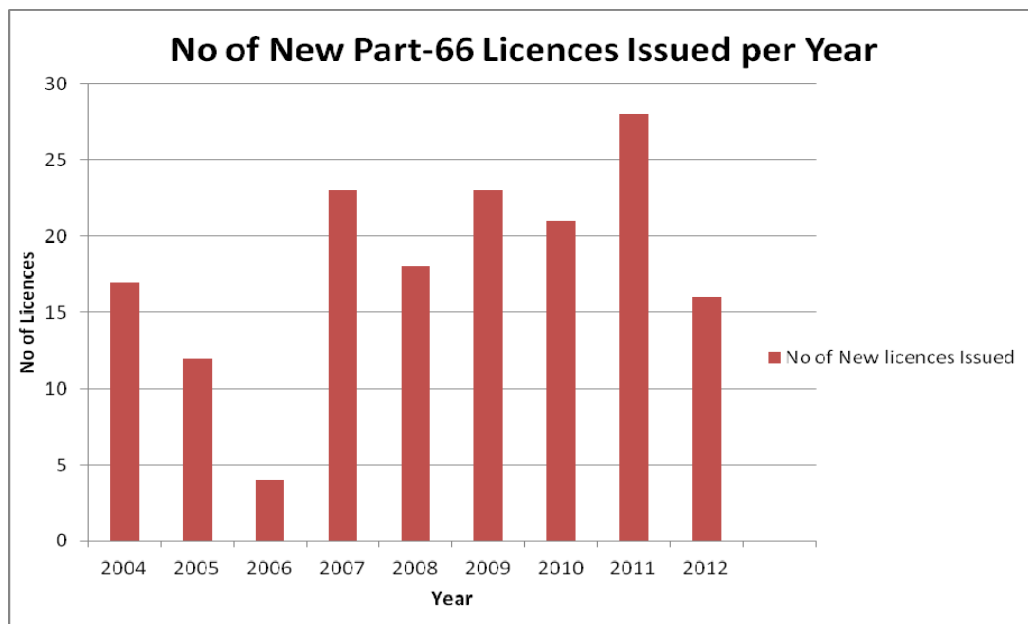
A total of 100 desktop inspections/reviews were carried out. A total amount of 130 audits and inspections were carried out. A total of 3 audits were performed abroad.

### Aircraft Maintenance Licenses

The *Airworthiness Inspectorate* issued the following licenses:

#### Issue of Part-66 Aircraft Maintenance Licences

<b>Initial Issue</b>	<b>16</b>
<b>A1</b>	<b>10</b>
<b>B1.1</b>	<b>5</b>
<b>B1.1/B2</b>	<b>1</b>
<b>Variations</b>	<b>25</b>
<b>B1.1</b>	<b>15</b>
<b>B2</b>	<b>2</b>
<b>C</b>	<b>8</b>
<b>Renewals</b>	<b>2</b>



## Part-66 Basic Modules Examinations

A total of 26 examinations were conducted. 485 students sat for examinations.

### MODULE EXAMS DURING 2012

Ref.	Exam	Candidates		% Pass	Average	Date of	Module
	Module	Sat	Passed	Rate	Mark	Exam	
1-12-1	1.1	10	6	60.0	80.0	17-Apr-12	Mathematics
2-12-1	2.1	20	5	25.0	65.2	24-Apr-12	Physics
3-12-1	3.1	19	13	68.4	77.5	8-May-12	Elec Fundamentals
3-12-2	3.2	32	7	21.9	65.3	16-Oct-12	Elec Fundamentals
4-12-1	4.1	10	7	70.0	72.5	22-May-12	Electronic Fund
4-12-1	4.1.2	7	3	42.9	74.7	22-May-12	Electronic Fun (B2)
4-12-2	4.2	22	15	68.2	77.3	23-Oct-12	Electronic Fund
4-12-2	4.2.2	3	0	0.0	53.0	23-Oct-12	Electronic Fun (B2)
5-12-1	5.1	8	2	25.0	67.0	12-Jun-12	Digital Techniques
5-12-1	5.2.2	7	5	71.4	80.9	12-Jun-12	Digital Techniques (B2)
5-12-2	5.2	32	5	15.6	67.8	2-Nov-12	Digital Techniques
5-12-2	5.2.2	1	0	0.0	57.0	2-Nov-12	Digital Techniques (B2)
6-12-1	6.1	22	9	40.9	68.3	20-Mar-12	Mat & Hardware
7-12-1	7.1	18	9	50.0	72.8	11-Sep-12	Maint Practices
7-12-1	7.1.E	19	7	36.8	67.1	11-Sep-12	Maint Prac (Essay)
8-12-1	8.1	35	12	34.3	66.1	19-Jun-12	Basic Aerodynamics
9-12-1	9.1	31	29	93.5	82.1	26-Jun-12	Human Factors
9-12-1	9.1.E	30	22	73.3	76.4	26-Jun-12	Human Factors (Essay)
9-12-1	9.1.E	30	22	73.3	76.4	26-Jun-12	Human Factors (Essay)
10-12-1	10.2.E	35	18	51.4	69.9	10-Jul-12	Aviation Legislation (Essay)
11-12-1	11.1	19	9	47.4	71.0	27-Mar-12	Aer, Struc u Systems
11-12-2	11.2	14	3	21.4	64.9	24-Jul-12	Aer, Struc u Systems
13-12-1	13.1	3	0	0.0	63.3	20-Nov-12	Aer, Struc u Systems
14-12-1	14.1	6	2	33.3	67.3	20-Sep-12	Propulsion
15-12-1	15.1	25	12	48.0	70.0	11-Dec-12	Gas Turb Engines
17-12-1	17.1	27				19-Dec-12	Propeller
Total		485	222	42.9	70.2		

### Passenger movements

Passenger movements at the Malta International Airport have increased by 4% and 11% over 2011 and 2010 movements respectively. In fact, the number of passenger movements in 2012 totaled 3,649,162.



## **CORPORATE SERVICES DIRECTORATE**

### **Functions and Duties**

The Corporate Services Directorate (CSD) provides support and services to all Directorates across the Authority in areas of Finance, Administration and procurement, Human Resources, Marketing and Public Relations, Customer Care, Legal Affairs, Property Management, and Business Process Improvement and Quality Assurance.

### **Projects, Initiatives and Performance of Duties**

#### **Finance**

During the year under review, the Directorate provided the following focus:

- Continued to develop and implemented a monthly management information reporting system encompassing the activities of all the Directorates
- Took an active role in managing cash expenditure in capital projects whilst optimising the timing of grants receivable
- Implemented Treasury procedures to ensure better cashflow management
- Assisted various Directorates in designing and implementing accounting and internal control procedures within the Directorate
- Continued to assist in internal audit initiatives, as directed by internal audit committee
- Closely monitored the performance of the organisation against budget and assisted with development of new ICT systems of control
- Strengthened reporting procedures from the various Directorates for better control and recording of data
- Continued to monitor costs and review areas of variance to budget and to propose value for money solutions
- Co-ordinated the year end statutory audit of financial statements

#### **Legal**

During this year the legal office which was set up last year continued an exercise to streamline the legal activities of the Authority. Amongst the functions of the legal department there are the following:

- The coordination of the legal affairs of the Authority in particular the assignment and re-alignment of duties, tasks and responsibilities to the Authority's outside legal consultants
- The rationalization of the legal function within the various directorates.
- Performing legal functions such as drawing up and replying to judicial acts;
- Initiating legal action to recover debts due to the authority;
- Assisting operational directorates to identify legislation requiring change;
- Ensuring compliance with the Authority's legal obligations;
- Assisting operational directorates in enforcing concession contract requirements;
- Advising on the Authority's regulatory role and action required.

## **Human Resources**

During the year, the Human Resource Department focused on the main areas of activity namely recruitment and training, while concluding negotiations which lead to the signing of three Collective Agreements with *Union Haddiema Maghqudin* (UHM) and General Workers Union (GWU) respectively. The two agreements with UHM covered the Administrative, Clerical, Technical and Support staff as well as the Managerial and Professional grades while that with the GWU related to Vessel Traffic Services personnel. Meanwhile various positions were mainly filled through internal calls. This gave an opportunity for career progression thus maximizing on their skills, competences, experience, knowledge and expertise.

Meanwhile, the Authority's labour turnover remained very low. In this regard exit interviews were still conducted with all staff that opted to pursue their career elsewhere. On the training and development front, staff was also given the opportunity to attend specialized training courses both locally and abroad. Most of this training related to specialised courses both locally and abroad. A training sponsorship scheme was also launched thus offering staff the opportunity to follow courses outside official working hours at diploma, first degree and Master's degree level up to a maximum of €5000 each based on a total budget of €50,000. These sponsorships were also subject to specific conditions including the commitment to serve the Authority following the successful completion of the course undertaken.

The Health and Safety Committee, composed of representatives from the various Directorates also met regularly throughout the year to review the Health and Safety Risk Assessment Reports and to take appropriate action as required. To enhance the focus on this area, a Health and Safety Officer was also appointed.

Performance Reviews applicable to the Managerial grades were also conducted this year thus giving people in these grades an opportunity to get a better understanding of their

performance during the year thus identifying their main strengths and other areas requiring development.

We have also started work on the E-Learning module covering customer care and health & safety, after the tender was awarded following a lengthy appeals process. The module will be completed by all employees and is intended to provide a basic understanding and awareness on these fundamental areas. The first pilot filming session has been completed and input from customer care manager and Health and Safety Co-ordinator is being sought.

The claim for ESF funds for € 2 million for training and development was unsuccessful but we have re-submitted and are awaiting outcome.

## **Procurement**

The Procurement Unit acts as the co-ordinating unit for the Authority's procurement function. Its major role is to ensure that all relevant procurement procedures are in place and adhered to by all directorates of the authority. In this regard, the unit is responsible for the management process related to the issuance and adjudication of tenders, direct orders and quotations. During the year under review, the Procurement Unit managed procurement processes worth several millions of Euro which also included projects falling under the Trans-European Transport Road Network (TEN-T) infrastructural works, as well as other projects co-financed by the EU.

The activities of the Procurement Unit included the issue of 203 tenders, encompassing both Departmental and General Contracts tenders. In addition a total of 268 quotations were issued as well as 5 Expressions of Interest. The total value of tenders awarded was € 36 million.

The Procurement and Outsourcing Committee is composed of a chairman, secretary and three members. It meets regularly and approves all procurement that is in excess of €2,500. During 2012, the Committee met 51 times and dealt with 769 items.

## **Customer Care, Media and Marketing**

The Authority acts as a service organization to the general public when it comes to registrations, licenses, applications and other regulatory aspects of transport by land, sea and air. To this effect, a strong customer care function has been developed across all Directorates. The CSD is now moving a step forward and has started to research customer requirements and streamline the processes related to customer service. During 2012, the Authority has

consolidated properly resourced customer-care handling infrastructure and procedures, in line with research outcomes on customer needs conducted during 2010.

The Authority seeks to communicate a pro-active message favouring safer practices across all modes of transport aimed at transport facility users, private vehicle/boat owners, and commercial operators. It also promotes its activities and achievements to the general public in the most cost effective manner.

To this effect the following measures have been adopted:

- Established marketing targets/target audiences for each directorate
- Established a marketing budget for each Directorate taking into account targets set for same
- Assisted with sourcing cost effective advantageous media placement rates
- Assisted other directorates with participation in marketing events locally and overseas such as Posidonia in Greece, Monaco Boat Show and Ebace in Geneva
- Managed tendering processes for selecting outsourcing partner/s that will execute plans
- Established the Brand Guardian Council to oversee all customer contact points and ensure customer expectations are exceeded
- Consolidated Parliamentary Questions' responses
- Managed the Authority's Web-site content
- Initiated work on the establishment of a Customer Care Charter.

### ***Customer Care***

The launch of the Transport Malta Customer Care Project was one of the main initiatives undertaken by TM since it requires a major cultural change in the way all employees within TM perceive the client and in the way the Authority operates. The Authority is now well on the way to becoming a customer-centered entity.

This project included the following action –

- Established Customer Contact Points
- Identified the List of Services provided by each Customer Contact Person / Point within each Directorate
- Established Service levels in Line with requirements of Directive IV OPM
- Introduced Call Centre Systems & Technology
- Appointed Customer Care Officer for each operating Directorate

- Established Basic Level of Query (FAQs) for Each Contact Point
- Established Criteria for Major / Urgent Complaints
- Invested in Customer Relationship Management Software
- Provided training to personnel

### Call Centre

The establishing of a Call Centre was a central part of the plan to transform Transport Malta into a customer-centric entity. One of the primary aims for contracting the call centre was that of reversing the general public's perception that reaching TM operational offices by telephone is impossible. The Call Centre Service started operations on the 26th October 2011 with the gradual transfer of the six main general lines, answering basic and general queries on all directorates, whilst complaints and complex queries are forwarded to the customer care officers at the respective units / directorates. During 2012, the Call Centre has provided the following service:

Calls Offered	Calls Answered	Calls Lost
<b>121,138.00</b>	115,906.00	5,232.00

The performance of the Call Centre is also gauged by the following average figures for the same numbers provided above:

	Avg. Abandonment Time (seconds)	Avg. Speed of Answer (seconds)	Avg. Talk Time (minutes)	% Answered Calls	% Ans. Within 30 seconds
<b>Actual</b>	00:28	00:06	02:00	96.02	84
<b>Average 2012</b>					
<b>Contractual obligations</b>	-	-	-	90	90

These figures are well within the contractual obligations of the service provider which are also indicated.

The Agents at the Call Centre undergo periodic training on specific TM supplied FAQ's (updated and prepared by our Customer Care team in collaboration with all the directorates). These agents have also been granted access to the Vehicle registration Administration system (VERA) and Driving Licence System (DLS) dashboards on a read-only basis so that any particular queries on the expiry date of licences, fines etc are answered - these type of queries make up a high percentage of the calls at both Sa Maison and Floriana.

The Customer Care Unit also performs mystery calls to ensure the level of service provided by the Call Centre remains to the highest standards.

#### Customer Relationship Management Software (CRM)

The CRM is a crucial Reporting System which was installed at each customer care officer's PC and went live on the 5th December 2011. Customer Care officers within each directorate now follow a clear process and log the status of each complaint in the system

The system facilitates the tracking of all complaints lodged and sends reminders to prompt close out. These are monitored by the respective customer care officer who in turn maintains contact with the complainant until satisfactory close-out. Customer Care Officers are also expected to highlight TM processes requiring change. These are discussed at brand guardian council meetings.

TM follows a 100% complaint and query close-out policy which will ensure a continuous improvement in the services provided by TM. As can be seen form the table below, the CRM system allows us to track the different stages of the complaint handling process thus effectively ensuring the right kind of on time response to clients.

Log Complaint/Query	Draft Reply	Get Approval	Deliver Action	Satisfactory Close-Out with Client	Sat. Closed but requiring TM Internal Process Review	Sat. Closed but issue is Beyond TM Control	Total
0	0	1	339	7457	348	328	8473

## Brand Guardian Council

Since the Authority is made up of large and diverse legacy entities, it is important that the general public identifies with one common Authority. The re-branding exercise has been a success and the brand guardians have been embarked with the required liaison between the CRM and the respective directorates' performance. They now ensure consistent performance of all employees engaged at each client contact point. Brand Guardians have now also been entrusted with providing the link between CSD and the directorate they represent in handling requests under the Freedom of Information Act, which came in force on the 1<sup>st</sup> September 2012.

## **Media**

The Media and Customer Care Unit also acts as the official interface between the press and the Authority. In this regard, the unit issues on a very regular basis press releases and press replies related to all aspects and functions of the Authority. These include Public Transport Reform Updates, Road Closures due to Works, Performance Results and investigations related to incidents involving Maltese registered vessels. Thus, the unit ensures that all formal communications are complete, accurate and handled through the appropriate channels before being published.

The Media and Customer Care department also deals with the coordination of all Parliamentary Questions and their respective replies. During 2012, a total of 853 (as against 826 in 2011 and 616 in 2010) PQ's have been processed.

It also co-ordinates the publishing of all adverts and notices in the media. The wide variety of activity within TM necessitates a very active media placement which takes the form of the publishing of Notice to Mariners, Human Resources Vacancies, Tender Notices and Notices of Road Closures due to Works.

## **Marketing**

The Media and Customer Care Department is also responsible for the handling of all marketing and promotional activities within the Authority. The major marketing functions revolve around promoting the Maltese shipping and aviation registers and also includes the handling of all functions related to the Authority's participation at both local and international exhibitions, the production and distribution of multimedia productions, advertising, and other promotional material. The department, as described in other sections of this report, is also responsible for the implementation of the Safety at Sea campaign, an initiative that forms part

of the Authority's strategic objectives, namely to promote a safer culture within all modes of Transport. In this regard, the unit has stepped up its efforts to launch another edition of this annual campaign to educate and increase safety awareness among boat users.

The Media and Customer Care department also ensures that all promotional activity is channelled and coordinated according to pre-set budgetary allocations which are discussed and agreed with all directorates and which reflect the requirements of the various business activities taking place in the respective directorates. This varies from notifications of road closures, safety awareness campaigns to the hosting of exhibition stands at international yachting, shipping and aviation fairs.

### **Business Process Improvement Unit (BPIU)**

The BPIU has been primarily engaged in implementing a quality management system based on ISO9001:2008 to assess the Authority's ability to meet customer, regulatory and its own requirements. This did not involve certification but the adoption of the principles of the ISO standard.

Work during 2012 revolved around the following key areas:

- **List of Services and Policy Manual** - An exercise was commenced at the end of 2011 to provide an External Policy and Guidelines manual for each main service that can be used by the general public and Departmental Operating Procedure for employees to clearly outline what needs to be done for the service to be provided. The First part of the exercise consisted of collection of data related to the over three hundred services/ processes identified. The second part of the exercise that is currently in progress and should be ready by mid 2013 consists of documenting and publishing the current processes aligned in one TM format. This process has been completed in the Integrated Transport Strategy Directorate from all aspects and will be a model to follow for other directorates.
- **Standard Operating Procedure (SOP)** - the Unit in collaboration with the other Directorates established (Authority-wide) Standard Operating Procedures (SOP), Directorate Operating Procedures (DOP) and respective forms, drawings and records as required by each directorate. In this respect, the Unit has been directly involved in five (5) new SOPs mainly related to Finance and Occupation Health and Safety. In 2012 the unit was also involved in twelve (12) DOP in the following processes in the respective directorates:

#### **Ports & Yachting Directorate:**

- Issue 2 for the Implementation of Port reception Facilities for Ship-Generated Waste and Cargo Residues Regulations S.L. 499.30



#### **Land Transport Directorate**

- Driving and vehicle licensing;
- Post VRT vehicle & VRT station inspection procedures; and
- Registering and licensing of new and used motor vehicles.

#### **Merchant Shipping Directorate**

- Seafarers Certification Unit (SCU) Management review meeting agenda.

#### **Integrated Transport Strategy Directorate**

- Permanent Traffic Management.

#### **Civil Aviation Directorate**

- Malta Civil Airworthiness Requirements.

#### **Roads and Infrastructure Directorate**

- Project management work instructions and procedures;
- Procedure for Claims for Compensation by Road Users; and
- Procedure for Call-Off;
- Procedure for Vertical Traffic Signs;
- Temporary road information signs.

The BPI unit was also involved in the update and registration of over 80 forms.

- **Internal Auditing** - during the year under review, the Unit assisted in internal audit initiatives, as directed by Chief Officer Corporate Services Directorate and/ or the internal audit committee. The following focus has been provided:

- Quality Control report on Travel;
- Audit on Customer Care response to complaints & enquires; and
- Audit on Enforcement Directorate Vehicle Inspectorate Unit.

- **Non-conformance register** - The procedure SOP/TM/107 Control of non conforming products and services has been drafted and is being implemented. The non conformance process enables management to ensure that products and services provided, to and by the Authority for Transport in Malta, that do not conform with requirements are identified, controlled through corrective as well as preventive actions and recorded. Non conformances may be identified from the Procurement Committee minutes, Internal Audit/ Reports, External Audits, Ombudsman, External Customer Complaint and Operational Reports.

The unit has established a process to follow up on report findings and suggestions. Once a report is disclosed and received by the unit this is analysed and for each non conformance or

observation identified a report is created. The Non Conformance Report shall be registered in Non Conformances Report Log Form by BPIU Quality Manager and kept up to date.

- **Co-ordination of Risk Assessment** - The Corporate Services Directorate co-ordinated an Authority-wide risk assessment with PriceWaterhouseCoopers. The report findings were scrutinised and adopted by the Internal Audit Committee and then forwarded to the Board of Directors. In this way, all directorate chief officers have been made aware of the risks. During 2011, the unit was also engaged in assisting the audit committee to finalise the mitigation plan. The Unit in 2012 is engaged in performing reviews at directorate level to ensure measures proposed in the mitigation plan have been implemented. The findings from the review shall be scrutinised and adopted by the internal audit committee and then forwarded to the Board of Directors. The project for the identification, registration and monitoring of risks has been split in three phases as follows;

1. Risk identification by PwC
2. Establish action plan and registration of each risk identified by PwC and BPIU
3. Review progress made on action and upkeep of risk register by BPIU

- **Health and Safety Risk Register** - The unit together with the Property Manager has co-ordinated health and safety risk assessments on all TM property through a H&S specialist. The report findings were scrutinised and adopted by the TM Occupation Health & Safety Committee. During 2012, the unit was engaged through Chief Officer CSD in assisting the O.H. & S. Committee to finalise an O.H. & S. Risk Register containing all findings including the mitigation plan. An O.H. & S. representative has been appointed and engaged in performing reviews to ensure measures proposed in the mitigation plan have been implemented and updating the registers accordingly. The findings from the review shall be scrutinised and adopted by the O.H. & S. Committee and then forwarded to the Chief Officer Corporate Services Directorate.

- **Procurement systems and automated budgetary control** - An exercise was commenced in 2010 to establish and implement an effective and efficient purchasing process within Transport Malta that is in line with the requirements of Authority For Transport In Malta Act (Act XV of 2009), S.L. 174.04 Public Procurement Regulations and applicable Maltese legislation. Furthermore the evaluating and controlling of purchased products against documented specifications to ensure compliance to the requirements set by the Authority as well as those of third parties.

In 2011 the exercise continued with the design of new budget processes to instil financial discipline at Directorate, Functional and Project Levels through a common system of financial

planning and control. It also ensures the efficient and systematic compilation of the annual budget to meet the Authority's legal requirements and to serve as a benchmark for the use of financial resources. Ultimately it serves as a monitoring tool for the Chairman, Board Members and Top Management.

The outcome of the project is the following;

- Procurement – the existing procedure has been completely reviewed to introduce more control measures and safe guards. To improve tendering and variation process the procedure has been split in three procedures, Procurement of goods and services, Invitation to tenders or for quotation and Variation orders and instructions to contactors;
- Budgeting – a complete new procedure has been designed that clearly states roles and responsibilities, the process and timeframes.
- Budget Monitor and Control - a complete new procedure has also been designed that clearly states roles and responsibilities of Budget Holders to monitor and control the budget.

In 2012, further work was undertaken to allow budget holders and delegates to issue Purchase Order from respective directorate. In 2013, further work is being undertaken to introduce same system for Roads Vote and to further automate the procurement procedure.

- **Ad hoc Process mapping and business process improvement** - The Unit has also set up and lead groups of multi-skilled employees assigned with the responsibility of improving a process or designing a new one. By Process Improvement Analysis using process mapping and other tools we verified the current model of process (As-Is) which made it possible to propose designs for the future model (TO BE). It provided diagnostic information on issues to be improved and opportunities for beneficial change. The main focus was on the following processes;

- Court Summons process – Process has been reviewed to ensure that all court summons is being attended.
- Driver and Vehicle Log Book process – Process has been reviewed to ensure that Drivers and Vehicles are being maximized and adequate reporting is available for statistical purposes.
- Mail Distribution Management process - The unit designing a new process including roles and responsibilities improving the management of mail and correspondence ensuring timely communications and prevent loss of data.

- Payment process – Process has been reviewed and a new process has been documented to (i) reduce time required to issue payment from date invoice is received up to the date cheque is submitted; and (ii) increasing control measures and segregation of duties.
  - Petty Cash process – Establish guidelines on the use of petty cash for all users and holders.
  - Road Closure – Process has been reviewed and documented to ensure standardisation with clear roles and responsibilities.
  - Maintenance Request Process – new process has been mapped increasing efficiency and effectiveness with improved reporting capabilities.
  - TM Revenue Streams with the help of Ernst & Young Malta Limited – All TM revenue streams have been mapped and are being reviewed to identify any improvements that may be introduced to increase the level of control.
  - Customer Care Complaints and Queries reporting process – restructured data input standards and documented process to improve the reporting capabilities providing statistical information.
  - Salaries process – Reviewed the TM Salaries Macro Process holistically, identifying and eliminating gaps between Units and in the process to enhance the efficiency and effectiveness of this process by; i. Greater accuracy and less human error; ii. Capturing overtime requests in a structured manner; iii. automation to exponentially reduce the time required to check payroll hours; and iv. Exponentially reduce the time required to feed data into the payroll system by exporting data directly.
  - Enforcement Officer Allocation process – The unit designing a new process to ensure that a report is compiled in order to identify how resources are being allocated and the number of hours being worked on each task.
- **ICT systems improvements and stop-gap solutions** - The great advantage to having a future process model before system development is in having the opportunity of thinking about the better way to do the things beforehand to avoid needless automation. Following the streamlining of the processes the unit has also proposed several business process automations and ICT systems for improvement. The main focus was on the following;
- Procurement – a new application has been developed that completely automated the Purchase order Authorization and distribution process; and
  - Maintenance reporting system

We are also working on the following that will be finalised in 2013

- Enforcement officer allocation system
- Salary Adjustment Process automation
- Salary Verification Process automation

## **Property and Maintenance Unit**

The unit in October 2012 took over the maintenance function that was previously the remit of the Roads and Infrastructure Directorate. New maintenance ICT systems were introduced to monitor outstanding jobs and to gauge staff efficiency.

## **ENFORCEMENT DIRECTORATE**

### **Functions and Duties**

The Enforcement Directorate is empowered by law to ensure that transport facilities meet efficiency and safety standards. The role of this Directorate is to have the responsibility for the overall enforcement of the provisions of the said Act and other laws and regulations regulating road, sea and air transport.

The Enforcement Directorate has mainly focused on the below mentioned four functions:

- Act as regulator for all licensed transport providers;
- Ensure all vehicles are within legal emission levels;
- Ensure sea-craft navigating in ports and popular bays operate within the law;
- Regulate and provide security services to TM premises and other port facilities; and
- Regulate security in Maltese ports

To meet these obligations, the Enforcement Directorate undertakes the following:

- Enforce the applicable legislation on operators to ensure compliance;
- Ensure that all transport sectors operate safely and efficiently;
- Provide customer care to all stakeholders via enforcement staff;
- Bring all defaulters before respective courts/tribunals to be sanctioned accordingly or otherwise;
- Follow up complaints and take action when necessary;
- Hold roadside checks and tests related to emissions, road-worthiness, carriage of dangerous goods and tachographs;
- Conduct company checks at the operating centre of companies involved in international activities;
- Conduct enforcement activities related to the Safety at Sea Campaign and issues related to small craft and commercial vessels;
- Provide security services to all Transport Malta premises be they offices or port facilities;

- Ensure that each port facility is compliant with the Port Security Regulations through an inspection regimen and by ensuring that periodical drills and exercises are undertaken;
- Conduct risk assessments in each port facility in Malta according to Regulation (EC) 725/2004; and
- Develop and update port security assessments and plans for each Maltese port to which Directive 2005/65/EC applies and undertake the required exercises.

The directorate's main thrust lies in enforcing the regulations related to passenger transport service providers and commercial vehicles, whereas private vehicles regulations related emissions and safety are also enforced.

In 2012, the Enforcement Directorate issued 1,025 tickets for various contraventions that fall under its remit. Most of the issued contraventions relate to badly maintained vehicles, obstructions on bus stops, taxi stands and minibus stands and other issues related to public transport. As such, the Directorate's focus is on issues pertaining to the provision of public transport. The aim for focusing on Public Passenger Transport Services and issues related to commercial vehicles is to minimise the duplication of roles with the Malta Police Force and Local Wardens.

### **Inspections undertaken by the Enforcement Directorate in 2012**

Throughout 2012 the Enforcement Directorate performed various tests and inspections on various categories of vehicles. Generally these are undertaken by the Vehicle Inspectorate Unit within the Enforcement Directorate. Underneath are the statistics related to such tests and inspections:

#### **Emission Alert Campaign Instigated Tests**

	<b>2011</b>	<b>2012</b>
Vehicles Called for Test	415	653
Vehicles Tested	162	208
Vehicles that Passed Test	155	201
Vehicles that Failed Test	7	7
Failure Rate	4%	3.5%

Note: The discrepancy between *Vehicles called for Test* and *Vehicles Tested* represents vehicles that did not respond to the Authority's request for testing. The licence of such vehicles will not be renewed until such time as they have undertaken and passed this test. Such infringement is also recorded on the vehicles data file at Transport Malta.

### Roadside Technical Inspections

	2011	2012
Vehicles Inspected	2160	2040
Vehicles that Passed Inspection	981	1085
Vehicles that Failed Inspection	1179	955
Failure Rate	54.6%	46.8%

### ADR (Carriage of Dangerous Goods by Road) Checks

No of Vehicles	2011	2012
Vehicles Checked	78	77
Vehicles that Passed Check	24	3
Vehicles that Failed Check	54	5
Failure Rate	69%	55%

The above statistics demonstrates that during 2012, the Vehicle Inspectorate Unit (constituting of five personnel) undertook more inspections and checks than in 2011; this in spite of the fact that during the first quarter of the year the performance of the said Unit was affected by industrial action.

### Inspections on Foreign Plated Vehicles

To better manage the issue of vehicles with foreign number plates on Maltese roads, the Enforcement Directorate split the vehicles with foreign number plates into four categories these being; vehicles imported for personal use, vehicles imported by dealers, vehicles imported by persons of foreign nationality working in Malta, and vehicles imported by persons on holiday in Malta.

In all the above cases, if a vehicle is found not to be in compliance with the stated regulations, the necessary action in their regard will be taken. To this effect, such vehicles are either impounded by TM or their owners are instructed to put their vehicles in a private garage and pass on the log book and number plates to TM until they correct themselves with the stipulated regulations. In 2011, the Enforcement Directorate checked 863 vehicles whilst throughout 2012 it inspected 946 vehicles.

### Motoring Schools

Enforcement is also conducted on motoring schools to ensure that they are conducting their operations in accordance with the established legislation. To this effect, Enforcement Officers check Motoring Schools to ascertain that only those who attained their eighteenth birthday are

allowed to learn to drive and that these are issued with a standard learner's permit. Moreover, enforcement is also conducted to ensure the following: practice is not conducted on Sundays and public holidays; that only applicants who are in possession of a valid category B driving license are allowed to have an advanced learner's permit and that the vehicles used by examiners display the learner's plates. During 2012 Enforcement officers affected 115 inspections on motoring schools to check the above.

### **Safety at Sea Enforcement**

As was the case in the past years, the Enforcement Directorate conducted the Safety at Sea Campaign between 15 June and 25 September 2012. The main aim of this campaign is to further enhance safety at sea whilst reducing abuse. To this effect Transport Malta continued to improve on concepts and measures aimed at improving on the service that was offered in previous years.

The policy throughout the Safety at Sea Campaign is mainly based on the educational aspect of enforcement. The goal is to instill in the general public a sense of awareness that by acting cautiously and responsibly when at sea one will avoid incidents that can be fatal. To this effect, Enforcement Officers mainly focused on the most persistent problem that is being faced; that of over speeding close to shore.

<b>Transactions</b>	<b>2011</b>	<b>2012</b>
Vessels Inspected	306	330
Vessels Found In Order	75	63
Vessels Found Contravening the Regulations	113	272
Warnings issued	118	153
Charges Issued (Overspeeding)	113 (76)	119 (56)

Furthermore, in 2012 the Enforcement Directorate continued to implement the concept of Bay Coordinators. The scope of these Coordinators is to establish continuous presence at the main Maltese bays during peak hours throughout the summer period to ensure that the Authority's presence is felt and to ascertain that sea craft owners abide with the stipulated regulations. This leads to a safer atmosphere within Maltese bays benefiting all. Such coordinators were present in the two main Maltese bays, Blue Lagoon and Mellieha Bay.

Additionally, the Enforcement Directorate offered assistance to the Ports and Yachting Directorate in the latter's endeavor to regulate the moorings in various bays around the Maltese Islands. Such assistance involves the carrying out of inspections to ensure that the moorings are permitted by TM and to ensure that such moorings are being used by the permit holders. This enables the Authority to instill an orderly system in this sector. Moreover, inspections were also conducted at the landing places from where most boat operators



operate, mainly Sliema, Bugibba, Marfa, Cirkewwa, Ghadira and Zurrieq to create awareness amongst operators that are checked that all is in order regularly.

### **Transport Malta Premises Security**

The Enforcement Directorate also provides security services at Transport Malta premises. Such service has two features. One relates to the security function at TM Offices (Marsa Head Office, Sa Maison Offices, Licensing and Testing Offices, the Technical Department Offices, the Roads and Infrastructure Directorate Offices and upon request at the training grounds at Hal Far (Testing). The other aspect of security relates to the security function that is conducted at TM's Port Facilities (Senglea Wharf and Flagstone Wharf).

With regards to security duties at Senglea Wharf and Flagstone Wharf, security officers perform duties in accordance with the provisions promulgated in S.L. 499.35 Ports Security Regulations that transpose Regulation (EC) 725/2004 on enhancing ship and port facility security.

### **Maritime Security Compliance Function**

The Enforcement Directorate is recognised as the designated authority responsible for ensuring the implementation of the provisions of the Regulation (EC) 725/2004 on enhancing ship and port facility security pertaining to port facility security and ship/port interface, from the point of view of the port facility. As such, the Directorate ensures that Malta's major ports together with the designated port facilities operate securely and in full compliance with the provisions of EU and National legislation. To this effect, the Directorate carries out port facility security risk assessments and monitor, review, advice, and approve the Port Facility Security Plans (PFSP), training of Port Facility Security Officers and actions related to port facilities' security issues. This is done in accordance with the standards and performance criteria stipulated in the legislation and required in the present operational environment.

To this effect the following duties are undertaken:

- monitor, review and advise in relation to all documents relating to PFSP and all relevant EU legislation on port security;
- monitor, check and approve all pre-arrival notification forms for incoming vessels and advise PFSOs of their approval;
- co-ordinate with Port State Control and Merchant Shipping Directorate on problem vessels discovered within Maltese ports;
- undertake risk assessments of all port facilities;
- ensure all security policies are implemented in all ports and facilities;
- respond to all enquiries relating to ISPS and EU security matters from all agencies;

- make recommendations to the Authorities on security matters relating to ports and security levels; and
- act as focal point to IMO and other relevant agencies and ports on security matters in ports.

Furthermore, the Directorate also acts as the Office of the Port Security Officer (PSO). Such post is requested as per L.N. 499.35 Port Security Regulations which transposes Directive 2005/65/EC. The PSO acts as a point of contact for port security related issues. Essentially, the PSO is the person for planning and managing the security function. In multipurpose ports such as those that are to be found in Malta that have both cargo and passenger operations and mixed-use complexes with significant non-maritime, public, or commercial activities the PSO is expected to mitigate any conflicts that might arise and address security concerns. Moreover, the PSO is also responsible for the development, implementation, direction, revision and maintenance of the Port Security Plans and to coordinate with all the ports' stakeholders. To this one needs to add membership in the National Maritime Security Committee and the coordination of Port Security Committees.

## **INFORMATION AND COMMUNICATION TECHNOLOGY DIRECTORATE**

### **Functions and Duties**

The Information and Communication Technology (ICT) Directorate is responsible for developing and implementing ICT policies, procedures and technologies aimed at enhancing efficiency and sharing of information, the reduction of costs and the increase of checks, strengthening of controls and enforcement of regulations and to assist in the promotion of safer, cleaner and more efficient transportation. The directorate is responsible for the provision of ICT related support services to the other directorates and is also responsible for the running and maintenance of several end-client systems and e-services.

### **Projects, Initiatives and Performance of Duties**

During 2012, the network infrastructure has been solidified and harmonized in order to provide better facilities, increase efficiency whilst hardening contingency measures to further safeguard the assets of the Organization. Hardware facilities have been improved through the procurement, installation and configuration of a significant number of workstations, workgroup printing facilities and other specialized hardware increasing the base level of hardware facilities available to TM staff. Consequently the Directorate has also undertaken the task to upgrade the client operating system of all workstations and also completed the upgrade of the office suite productivity software.

A number of important projects have been completed whereas others have been initiated or are in progress across all TM Directorates as detailed hereunder. The Directorate has also introduced Intranet facilities and launched a new web portal offering the public and all stakeholders a corporate client centric interface which is continually being updated and improved with new and up-to-date information and services inclusive of a state of the art geoportal.

User support and management has also been our focus this year and performance has been good over the year as constituted through the performance benchmarks included within the helpdesk facilities and tools employed. This was achieved notwithstanding the increased pressure to support a very large organization with diverse needs spanning some 6 sites across Malta and Gozo with limited resources.

### **Infrastructure Development & Support**

#### New Fiber Optic Point to Point Connections

One of the major initiatives the Directorate took in 2012 was the installation of new Fiber Optic connections to all of TM remote sites. This was necessary in order for the remote sites to make use of all network facilities over the TM network, inclusive of data backup and recovery, security through TM's Firewalls and the use of VOIP technology for telephone services.

### Back-End Systems

The ICTD employs a virtualized environment to support the majority of back-end operations. This infrastructure allows for the centralized management of multiple ESX servers and virtual machines (VMs) from different ESX servers through a single console application allowing the configuration of ESX servers and VMs, as well as performance monitoring throughout the entire infrastructure, using events and alerts.

### Sharepoint Intranet

During the past year ICTD has continued with the implementation of the Intranet through SharePoint. This software is aimed to facilitate the organisation and archiving of documents, act as a central repository for general forms, policies and procedures and spearhead document management. It is also intended to contain all media files related to the Authority. The implementation of this software will enable all TM personnel to gain instant access to shared information, templates and empower employees in their decision-making. While all users are making use of this facility, Directorates are being aided to develop their own intranet sites to support their operation and document store.

### Teleworking

Teleworking is becoming increasingly important supporting the needs of a flexible workforce with continual accessibility to the office and data/network resources. TM teleworking users continued to increase during the year and today over 24 users have this facility available on a 24x7 which is supported by the Directorate through a secure environment and mutual authentication enabling encrypted links to back-end resources from selected client machines. Apart from these, ICTD are also supporting the port community (shipping agents, police, AFM, Freeport, Pilots, Mooring Men) giving them access to our Port management application through the same mechanisms.

### ICT Helpdesk and User Support

The ICT unit provides ICT support to all TM users at TM sites. It also caters for GHRC and Freeport Offices. During 2012 the section handled over 6,000 tickets from various directorates via the HelpDesk system.

### Other ICT Infrastructural Development Projects

The Authority continued with its investment programme in various ICT related infrastructure which included:

- Installation of palm reader installations and access control systems at various TM offices;
- Wi-Fi facilities at St.George's Bay in Paceville, Cirkewwa new passenger Terminal, and Roads and Infrastructure Directorate Office;

- Installation of 10 Mbps Fiber Optic link between Luqa and MTC-Marsa to upgrade the provision of Vessel Traffic Services;and
- Installation of CCTV Cameras at St.Elmo Breakwater Bridge and Grand Harbour entrance, New Barrakka Lift, Cirkewwa new Passenger Terminal, Pjazza de Valette – Valletta.

## **Projects**

### Web Portal

The process to develop a web portal to cater for all Transport Malta requirements and replace the previous website started in mid 2011 and in early 2012 TM ICT had identified the supplier through the procurement process as well as listed the requirements through exhaustive meetings held with each and every Directorate.

TM now has a portal that caters for the needs of specialized users and stakeholders of the Authority as well as the general public who may interact with the Authority from time to time. Besides providing an information platform, the web portal provides on the fly information on road closures, notice to mariners, shipping schedules and TM news and events to name just a few. Furthermore the web portal aims to become a one stop shop for TM clients by incorporating a number of e-services to help clients get the required services from the comfort of their own homes.

### Geoportal

During 2012 the Geoportal was also launched and is available on the TM webportal. The Geoportal is a web based Geospatial portal providing a means for viewing, editing and discovering geospatial information related to specific transport modes. This webportal is available to the general public, stakeholders and also internal users. The Geoportal contains spatial features which Transport Malta is in the process of consolidating and also provides open access to attribute information about spatial features. Featuring the spatial data on the Geoportal is an ongoing process which shall be driven by all Directorates, in a way that we shall keep it updated. This shall facilitate services provided by Transport Malta and also consolidate all transport modes into a common spatial platform.

Transport Malta webportal and Geoportal came finalist for the best e-government service award in 2012 Malta MCA awards, and this shows a significant achievement for Transport Malta.

### EUCARIS

EUCARIS which stands for EUropean CAR and driving license Information System is an information exchange system that provides an infrastructure and software to countries to share, among others, their car and driving licence registration information helping to fight car

theft and registration fraud. EUCARIS is developed by and is for governmental authorities and is able to support all kinds of transport related information exchange based on the Prüm treaty, also partly adapted by Council Decision 2008/615/JHA and 2008/616/JHA. The treaty and Council Decisions supports cross-border cooperation, particularly in combating terrorism and cross-border crime.

TM has been working on Eucaris for a number of years now and in 2011 the tender document was issued and awarded to a third party supplier. During 2012 ICTD undertook the implementation and the project has been now concluded and is in the final stages of verification by the EU Commission. Once approved by the Commission the system will go live and Malta will be in a position to exchange information on vehicles.

### e-forms

The e-form project was launched by MITA in April of 2012 and Transport Malta was chosen as one of the main partners for implementation. The e-form platform consists of an electronic system that gives citizens and clients the ability to request services from the Authority by filling in electronic forms, from the comfort of their own home, rather than the manual form counterpart and avoid having to queue up at the authorities various desk points. The process is faster and checks for all prerequisites before allowing the user to submit the form electronically. Once received the application is verified by TM personnel online and in the event that one application fails to meet the required standard the form can be re-sent to the client electronically for a re-submission. Users of e-forms also have the ability of being able to track the form progress online, which is one of the main advantages that are not available in a manual submission. The system has also standardized the way forms are presented online so once users have submitted an e-form they will be aware of what is required the next time even if using a different e-form.

During 2012, TM launched:

- 20 e-forms pertaining to the Land Transport services
- 11 e-forms pertaining to the Ship and Yacht Registration
- 13 e-forms pertaining to the Traffic Management
- 7 e-forms covering several services provided by Civil Aviation directorate.

A significant number of e-Forms were developed and implemented. These are now available to the public for use as part of the e-Government service offerings. Apart from e-forms, we are also integrating eforms platform and our back-end serices, where all the e-forms data will be directly accessible thus reducing duplication of work effort and provides a single point between e-forms and the back end system.

### ERRU (European Register of Road Transport Undertakings)

The European Commission has adopted rules for linking national electronic registers of road transport undertakings. This linked-up database is called the "European Registers of Road Transport Undertakings" (ERRU) and should be operational by 1st January 2013. ERRU allows a better exchange of information between Member States, so that the competent authorities can better monitor the compliance of road transport undertakings with the rules in force. Undertakings that do not respect the rules when operating abroad will face the consequences in the Member State where they are based. This creates fairer competition conditions in the road transport market. The set-up of the national registers and their interconnection are required under the legislation on the access to the profession of road transport undertakings (Regulation (EC) No 1071/2009). A first decision on the format of the national electronic registers has been adopted in 2009 on minimum requirements for the data to be entered in the national electronic register of road transport undertakings.

### Réseau Permis de Conduire (RESPER) – Drivers' Licence Network

RESPER is a telematic network to be established across the EU. It shall act as a hub for the exchange of information between national authorities responsible for issuing driving licences, in particular to guarantee recognition of documents and acquired rights originating in other Member States, combat document fraud and avoid the issuance of multiple licences. Moreover, the European Court of Justice has recently identified an obligation for Member States to exchange information on driving licences under certain circumstances.

In view of the very large number of documents in circulation and licence holders changing normal residence between Member States each year, only a telematic network such as RESPER will be able to carry out the above tasks systematically and efficiently. Similar to ERRU, RESPER should also be operational by 19th January 2013.

TM ICT has also been working on the above projects for a number of years now but mainly during 2012 and will be going live in early 2013

### STREETS

In 2012, STREETS was one of the projects approved by the ERDF, Italy-Malta OP. Through this project, TM aims to implement an enterprise-wide GIS implementation across all the Authority to consolidate operations within the directorates, facilitates transportation planning decisions, visualise and manipulate data of the Land, Sea and Air transport. This intranet based GIS solution shall be imperative to other national projects currently underway. The overall activities will focus on the development of an efficient and integrated GIS based transport information system. Specific deliverables shall concentrate on the build up of spatial data related to the multimodal transport network to provide efficient connections between the ports, land and air transport models. Subsequently the system would develop into a web based GIS platform and integrate to other specific transport applications as identified in a needs assessment exercise. The enterprise-level GIS shall support planning, daily operational

and business needs for managing and maintaining a transport network and services. The aim is to ultimately use this platform as an integrator, bringing together every aspect of the Authority's operations by providing interoperable technology, geographic data standards, deployed data storages and technologies.

#### Traffic Lights Support Management

In 2012, a traffic light monitoring and reporting solution was kicked off, whereby its implementation is earmarked for the first quarter of 2013. Through this system, operators can log reports directly to the system whereby these are monitored and controlled through a homogenised approach enabling better control and increased efficiency. In conjunction with this, a separate exercise was undertaken to map approximately 200 Traffic Lights and Pelican Lights to be accessible on the Geoportal. These two systems shall communicate together to provide a spatial means on reporting faults and other issues related to the Traffic and Pelican Lights.

#### Journey Planner

During 2012, ICTD also undertook the development of the Journey Planner solution. This shall be a web based service application and will be available on the Transport Malta webportal to represent all transport mode (car, walk, water taxis, Buses, Open Top Bus Routes journeys) with scheduled timetables. Subsequently, this service will be provided also as an app on a mobile device where mobile users can download it. We are earmarking that the final implementation will take place during the first quarter of 2013.

#### PORTNET

The PortNet System is an electronic vessel notification system whose aim is to facilitate communications amongst the port users and service providers. It serves as a common system for transmission of documents and operational requests on a 24/7 relating to clearance of vessels calling at or leaving our ports. Use of this facility enhances the work of the port community as this allows them to follow the process of the ship-call in real time, from the initial notification to acknowledgements by port professionals, right up to the berthing of the vessels.

PortNet is also connected to SafeSeaNet, the European database of the European Maritime Safety Agency (EMSA) for marine safety and environment protection, for the implementation of the HAZMAT reporting and communication requirements as part of and in compliance with the VTMS Directive. This electronic notice also permits the implementation of pollutant waste reporting requirements as stipulated by the Port Reception Facilities Directive.

This year, the ICTD embarked on a project to take the Portnet application, which has been in operation since 2002, to the next level in order to serve as the national single window to increase the efficiency through time and cost savings for traders in their dealings with



government authorities for obtaining the relevant clearance and permit(s) for moving cargos across national or economic borders in line with directive 2010/65/EU on reporting formalities.

### VTS

The ICTD within TM prepared an ITT with the aim to have the Ports and Coastal Vessel Traffic Services equipment upgraded to the latest cutting edge technology on the market whilst providing a robust Maintenance and support agreement for the entire system, i.e. both Coastal VTS and Port VTS systems

The system aims to enhance safety and protection of the marine environment through the prevention of accidents. The system also contributes to the efficiency of maritime traffic and in particular the management of ships' calls into ports and designated anchorages.

Both systems comprise a number of system components and sub systems. These include a communication and data exchange network and a number of remote sensors including radars, VHF equipment, Automatic Information System (AIS) Base Stations and Receivers, VHF Direction Finders and Meteo Data sensors and have the capacity for the exchange of information.

### Small Ships Register

The new system is designed to provide TM with a fully fledged small ships system supported by a central database for Small Ships along with the relevant back office functionality to maintain and administer the SSR register. The system offers a web interface that will enable TM to propagate a number of services to the citizen and e-agents such as the renewal of the small ships license online along with the payment of the relevant fees.

The system incorporates the following modules:

- Small Ships Register
- Nautical/Instructors Licenses Certifications
- Mooring

These modules interact with each other to query any necessary information from each other. In order, to facilitate such integration, each of these modules has to interconnect with a Core Person Database. Additionally, these modules will interact with external Government entities such as Tax Compliance Unit and Housing, in order to retrieve/provide the necessary details.

[www.transport.gov.mt](http://www.transport.gov.mt)