



2013

ANNUAL REPORT



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EXECUTIVE SUMMARY

This report covers the activities of the Authority for Transport in Malta for the year ending 31st December 2013. This was the forth year of operation for the Authority which was set up on the 1st 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 end December 2013 the number of ships registered under the Merchant Shipping Act was 6,248 for a total gross tonnage of 51.4 million consolidating Malta's 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 merchant vessels registered as 31 December 2013 was 11.73 years. Positive results were also 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 18.1% over the previous year in the registration of superyachts over 24m in length, under the Merchant Shipping Act, with almost 400 superyachts flying the Malta flag.

Ports and Yachting

As anticipated, figures for the 2013 cruise season reflect a natural occurring trend that major destinations experience over the years. In fact, during 2013, 297 cruise ships called at Malta with 484,183 passengers onboard. This represents an average 20% drop over 2012 record figures. The figure is still representative of a buoyant destination port and is the direct result of shifting of vessels' itineraries to allow cruise operators to diversify their array of destinations offered to their customers. The number of cruise liners calling at Gozo in 2013 totalled 13 in number with a total of 2,482 passengers on board. The number of ship calls during 2013 increased by 5% to 11,012 whilst the number of containers handled at Malta Freeport increased by 8% to 2.74 million TEUs.

Public Transport

Following an extensive and wide ranging consultation exercise by Transport Malta and the Ministry for Transport and Infrastructure, whereby a total of 3,513 suggestions and complaints were received, a new route network was designed and planned for implementation between 2014 and 2015. During the last quarter of the year and following extensive discussions between the Transport Ministry, Transport Malta and the bus operator, a mutual decision was taken for Government to take over the bus service and re-issue a competitive tender to identify a new bus operator in 2014. The average Route Punctuality on main lines during 2013 experienced a slight improvement when compared to the previous year and stood at 91%.

During 2013, the Public Transport Operator reported a 15.9% increase in the number of passengers carried when compared to the previous year and an increase of 19% when compared to 2011. The number of carried passengers reported in 2013, namely 39.4 million, represents the highest number of passengers carried by public transport since 1990.

Roads and Infrastructure

Road maintenance and upgrading of the arterial and distributor network (ADN), together with new road reconstructions, were the Road and Infrastructure Directorate's major contributions during 2013. Among the major projects that were completed during the year under review were the completion of the Mellieha Bypass (Ta' Penellu), the resumption of work on Triq Diċembru 13, Marsa, and the adjudication of the tender for the construction of Triq il-Kosta. During the year under review, the Authority submitted an application for the development of a multi-level junction at Marsa to MEPA. The latter Authority granted TM a permit for a multi-level junction at Kappara. Several residential roads were also constructed for the first time. The Directorate is also responsible for the several maritime infrastructural projects and in fact during the year, the Authority completed the Cirkewwa Ferry Terminal, started work on Phase I of the refurbishment and upgrade of the Deep Water Quay at the Grand Harbour and implemented repairs to the Msida Marina Quay. During the year, the Authority completed approximately 70 residential roads whilst several other residential roads were at an advanced planning stage.

Aircraft Registration and Aviation matters

The Malta National Aircraft Register continued to register encouraging results. In fact, as at the end of year 2013, the register accounted for 155 aircraft, representing an increase of 21 % over the previous year with large aircraft, mainly business jet aircraft, accounting for a sizeable increase over 2012 results. Malta is gradually growing into a respected jurisdictions for aircraft registrations with Transport Malta acting as a catalyst and promoter of the industry by pursuing initiatives aimed at promoting our Island both as jurisdiction for aircraft registration and as an attractive location to base air-operating companies. During the year, seven new aircraft operators were issued with an Air Operating Certificate.

James Piscopo

Chairman & CEO

MEMBERS OF THE BOARD OF TRANSPORT MALTA

During the period 1st January 2013 – 13th March 2013, 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.

On appointment of a new Minister responsible for Transport on 13th March 2013 the Members of the Authority Board and the Members of the Supervisory Boards offered their resignation. A new Board was appointed on 25th April.

During the period 25th April 2013 - 31st December 2013, the Board Members of Transport Malta were:

Mr James Piscopo (Chairman)
Perit Christopher Cachia (Deputy Chairman)
Captain Alan Brown
Ms Carmen Ciantar
Ms Annette Farrugia
Dr Deborah Mercieca
Mr Paul Muscat
Captain Charles Pace
Dr Mark Sammut
Dr Vanessa Vella
Ms Alison Zerafa Civelli

Robert Borg is Secretary to the Board.

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***

To address pressing issues identified by the newly appointed board, Transport Malta initiated some critical changes in the organisational structure of the Authority aimed at addressing issues that needed urgent action. These included:

- Appointment of new Chief Financial Officer within a newly setup Finance Directorate
- Setting up of a new Traffic Management and Road Safety (TMRS) Unit.

More information about the above mentioned units is included further below.

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
- Development of standards
- Coordination of European Union affairs

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.

Most importantly, during the year, the Authority hived off the Traffic Management and Road Safety unit from within the Integrated Transport Strategy Directorate into an independent unit headed by the Director for Traffic Management and Road Safety.

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 continued in its work in developing an integrated national transport strategy for Malta which is envisaged to be completed by the end of 2014.

Following the preliminary draft strategy and multi-criteria analysis, the Directorate drafted terms of reference for the contracting of consultants to assist with the formulation of the strategy. This shall involve the supply and development of a national multi-modal transport demand simulation model (road, sea and land) to quantitatively assess future transport demand scenarios and the impact on transport infrastructures. The multi-modal transport model will also be used to gauge the effectiveness of different possible transport policy measures and plans (including measures to reduce congestion, bottlenecks, modal shift etc.) in meeting national and EU-related strategic objectives for reducing transport externalities associated with different modes on air quality, noise, environment and safety. This quantitative analysis will assist Government in its prioritisation for future investment for transport infrastructure and in the identification of suitable policy measures aimed at achieving the sustainable mobility of passengers and freight.

It is expected that this process will continue throughout 2014 and will include the input from key government and non-governmental stakeholders prior to its public consultation process in

the first half of 2014. A Strategic Environmental Assessment (SEA) shall be carried out in parallel to ensure that environmental and sustainability aspects are considered effectively in the development of associated transport policies, plan and programmes.

Other Transport Related Strategies

The Directorate coordinated Transport Malta's input on a number of EU-related strategic plans, policies and programmes that were in development over the year; often presenting Malta's position during bilateral meetings with the European Commission. These included National Reform Programme, Development of Partnership Agreement and Programmes in Malta for the Period 2014-2020, Europe 2020 Strategy and the CSR relating to Reducing Emissions from the Transport Sector and the European Semester.

Major Infrastructure Planning

The Directorate provided technical support and guidance in the traffic modelling, design, option testing and Cost Benefit Analysis for a number of road infrastructure project pipelines which are being planned for implementation post-2014.

The Directorate continued to support and coordinate the work by consultants carried out under the 2013 programme of JASPERS technical assistance to Malta. During 2013, the Directorate submitted an application for TEN-T funding for the carrying out of an extensive feasibility study into the different fixed and non-fixed link options between Malta and Gozo, which however was not successful mainly due to the options available to Malta to be considered (primarily road bridge or tunnel) did not fit the general intent of TEN-T to finance non-road infrastructure and related studies. Transport Malta expects that following intensive negotiations with the European Commission and TEN-T Executive Agency, the upcoming call in 2014 will cater for Malta's specificities.

Work continued in the collection and compilation of traffic, physical, environmental, socio-economic and regulatory data and information for the studies relating to the inter-island link between Malta and Gozo. Various technical meetings were held with the consultants engaged to carry out the feasibility study for the Malta-Gozo bridge option.

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 ports and public transport infrastructure.

Transport and Land Use Planning

In 2013, Transport Malta had received 197 MEPA planning applications for consultation. The Directorate has coordinated the inter-directorate feedback by Transport Malta on these applications. The Directorate also assisted 86 preliminary applications for screening (MEPA

tracking number) to fulfil the transport related conditions prior to their full MEPA application. A further two customers were also assisted in respect of their DNO applications.

Over the year, 38 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, 27 Traffic Impact Statements were received, with 24 being assessed and reported on to MEPA.

Transport Malta was also consulted by MEPA on 19 Planning Control applications for changes of schemed road alignment.

The Directorate continued its work related to research and promotion of Green Transport Plans (GTP) for major planning developments. During 2013, progress reports of existing GTPs were received and reviewed through the TIS process. The approach to GTPs in Malta has recently been selected as a case study box for the WHO Europe National Transport Health and Environment Action Plans (NTHEAP) manual.

Development of Transport Policies

ITSD provided specialised transport input into cross-sectoral MEPA-related policy documents including draft policies on fuel stations, development underneath roads and the strategic plan for the environment and development.

Intelligent Transport Systems

January 2013 saw the publication of Malta's Intelligent Transport System Action Plan 2013-17 which is a synthesis of how Transport Malta intends to roll out Malta's first major ITS deployment which is split in two phases and spanning over an eight year time frame. The first phase will take place between 2013 and 2017 while the second phase will be carried out in the following three years, from 2018 to 2020.

Development and Monitoring of Standards

During 2013, 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. Specific research was carried out into standards relating to traffic signals, intelligent transport systems, road safety restraint devices and petrol station design layouts.

Coordination of horizontal European Union and International Affairs

Assessment of EU Legislative Proposals

During 2013, 206 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 Transport and Infrastructure towards positions led by other Ministries. A further 23 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 2013. Six Explanatory Memoranda were drafted for consideration by the Maltese parliament.

Strategic EU Policy Development

During the year under review, the Directorate was directly involved in bilateral discussions and meetings with the European Commission (DG-MOVE) in connection with a new regulation for the revision of guidelines for the development Trans-European Transport Network (TEN-T). This regulation, which entered into force in December 2013, makes special provision for those countries that do not have railways. Malta will have a dual-layer transport network comprising a TEN-T comprehensive network and a TEN-T core network (see Figure 1). The TEN-T core network consists of the most strategic elements of Malta's external transport network and includes the sea ports of Valletta and Marsaxlokk, the Malta International Airport and the section of primary road network that provides interconnection between the core seaports, airport and the capital city of Valletta while the comprehensive network includes the inter-island seaports of Mgarr and Cirkewwa while extending size of the current TEN-T road network to include several other important strategic roads that provide vital connectivity to major towns in Malta and the island of Gozo to the core network and capital city.

The Directorate was also heavily involved in the negotiation of the regulations that govern common provisions for EU funding 2014, in so far as they affect transport infrastructure needs for the said period and beyond.



8.4. Comprehensive & Core Network: Roads, ports, rail road terminals and airports

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Figure 1: TEN-T Network (2014)

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. It coordinated with the University of Malta and the Malta Council for Science and Technology to seek further opportunities for transport research and development of EU transport strategy, in particular in the urban setting.

International Agreements

The Directorate continued to support the Foreign Affairs Ministry through the mixed commission established between the Republic of Malta and the Republic of Tunisia in the development and negotiation of a comprehensive bilateral road transport agreement and an

agreement on exchange and mutual recognition of driving licences. The Directorate also assisted the Foreign Affairs Ministry in the development of a bilateral agreement with UAE on the exchange of driving licences ensuring compliance with EU law.

Malta continues with its active role and participation in the Inland Transport Committee of UNECE where the start of the year saw Malta becoming a signatory to the Euro-Asian Transport Links Joint Declaration.

EU Funded Projects

The Directorate continued leading the implementation of the Port-PVEV Project. Various tenders were published during the year including a call for a study for the feasibility of “shore supply” for vessels berthed in the Ports of Malta. Other tenders for the purchase of Electric Vehicles were also published. In November 2013, the mid-term event of the Port-PVEV project was held in the form of an international conference on Electromobility titled “Electromobility Islands”. This included a number of suppliers exhibiting their products (electric vehicles and related infrastructure), as well as giving them the opportunity to explain this new technology to the conference participants.

During 2013, together with the Ministry for Transport and Infrastructure, Transport Malta continued to contribute to the DemoEV (Life+) electric vehicle demonstration project. The local supply was not yet in place and the project was instrumental in pushing the sector to start to deliver vehicles, infrastructure and the after sales support. In the meantime, work continued with the nationwide deployment of standard Electric Vehicle Charging Stations across both Malta and Gozo in both the DemoEV and Port-PVEV projects.

The Directorate continued the implementation, and supported other TM Directorates the projects outlined in the table below:

Project Name	Key Deliverables	EU Programme
MedNet	Development of Port Single Window	MED Programme
STREETS	Development of Geographical Information Systems	Italia-Malta Cross Border Co-operation (2007-2009) Programme
PortPVEV	Reducing Carbon footprint of Land and Maritime Transport & ITS	Italia-Malta Cross Border Co-operation (2007-2009) Programme
D-Air	Reducing Carbon footprint of the Airport region	INTERREG IVC
DemoEV	Demonstration of the feasibility of electric vehicles towards climate change mitigation	Life + Environment Policy and Governance

Traffic Management & Road Safety Unit

Towards mid-2013, Transport Malta recognised the importance of the traffic management and road safety role of the unit and this unit was developed into the Traffic Management and Road Safety Department. The streamlined operational role of the department has shifted the focus of the unit from a strategic to an operational role. Additional staff was assigned to the department to meet the new responsibilities arising from the focussed operational nature of the additional responsibilities which included:

- Management of Temporary Traffic Management during Road Works:** The department is now responsible for the temporary traffic management arrangements required during the carrying out of road works to ensure safety at all times and ensure that traffic flow patterns are managed within capacity of the alternative links and junctions. The department manages such work from the initial stages where the temporary traffic management scheme is designed by the contractor, in collaboration with the department, and all necessary consultations with stakeholders are carried out to ensure a seamless scheme throughout. During the works, the department monitors the temporary traffic management arrangements on site.

- **Implementation of Traffic Management Measures:** The department now also manages the implementation of traffic management measures on local council roads which has reduced the period between approval and implementation thus making the output of the authority more efficient.
- **Technical Assistance to Local Councils:** The authority took the initiative to establish a system within the unit whereby technical design assistance is provided to local councils in relation to requests made for the implementation of measures such as pedestrian crossings, traffic calming schemes and junction upgrading. This system has brought the work of the department closer to the work of the councils making the design of such works easier for local councils.
- **Monitoring of Existing Pelican and Traffic Light Systems:** The department is now responsible for the monitoring of the proper function and operation of the traffic and pelican light systems on the network. Such work is based on a monitoring programme whereby faults are electronically reported daily for the necessary repair works to be carried out. Such work ensures that these systems function properly at all times for the safety of road users.

This unit also manages both research and operational aspects of traffic management and traffic development systems. The most important operational aspect being managed is work related directly to Traffic Management on local council roads. The unit is also responsible for educational aspects of transport within the Authority.

Traffic Management Scheme Appraisal on Local Roads

The assessment of traffic management applications, submitted by Local Councils for roads within their jurisdiction, is carried out as one of the core responsibilities of the unit. The work is continuous and the aim is 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 completed. This eForms system is an electronic online system where submission of requests for traffic management measures are made by local councils thus enabling better quality control of requests submitted and an improved tracking of internal and external consultation on these applications. Training sessions were carried out for local councils in the use of this new online system.

In 2013, the unit processed a total of 2,015 traffic management scheme inquiries, requests and applications from local councils. 78 traffic management requests are still pending assessment and 148 requests are awaiting further information from local councils. There was an increase of 22% in the amount of traffic management requests over the previous year.

The unit 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 521 applications for reserved parking for disabled persons were assessed by the Board. This represents an increase of 25% in case load.

The unit 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.

Survey Data

The strategic role of the unit requires the development of an extensive and comprehensive database of transport surveys to support its work. This data forms the basis of the policy development, infrastructure planning and design. The unit coordinated the collection and collation of various traffic data for the purposes of transport research and transport planning and for road design purposes.

The TMRS has developed an extensive and comprehensive database of transport surveys which is continuously being updated and extended. This data forms the basis of the policy development, infrastructure planning and design, training and educational programmes.

The unit collects traffic, pedestrian and speed data which forms a basis for the transport research and the operational work of the unit and is also used for road design and temporary traffic management purposes. The unit 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.

Traffic Signals

The unit 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 2013.

Educational Aspects of Transport within the Authority

The unit is also responsible for transport safety training and education programmes. The Road Safety Skills Programme is directed at different target groups. During the year 2013, this programme was delivered in different schools in both Malta and Gozo. In addition to organising road safety education for children, the unit also targeted prospective and existing adult drivers through a specific series of road safety seminars focusing 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 unit regularly participated in discussion programmes broadcast on local media that featured road safety.

The unit 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. This year new freebees with a road safety message were used throughout the campaign.

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. Various audits, inspections and assessment of Exception Reports were carried out at different locations and for different projects. Road Safety Inspections are generally carried out where the analysis of the road accident database shows locations with a higher accident occurrence. Road Safety Audits are carried out on demand by the Roads and Infrastructure Directorate for new design and construction projects.

This year there was further investment in staff development whereby two officials of the unit were trained and certified as Road Safety Auditors.

MODUS EU-Funded Project

The year 2013 saw major developments in the MODUS project whereby major components of the project required a complete redesign to meet the requirements and demands of various sectors, other important and strategic components were completed, crucial tenders were issued and the construction works for the Traffic Control Centre have been completed.

One official from the unit attended a training course in Singapore, in line with the policy of the authority promoting staff development, in Intelligent Traffic Management Systems.

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, 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 Directorate is also considered as the competent authority in Malta in respect of maritime pilotage and hydrography.

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 ship-generated wastes;
- The provision of safe and efficient maritime transport systems;
- Ensuring the provision of technical nautical services, fire fighting facilities, supplies and other ship requirements;
- Licensing of marine commercial craft and certification of crew workings on such craft;
- The management of port facilities;
- Regulation of yachting and maritime leisure facilities;
- The compilation of maritime statistics;
- The organisation of mooring areas;
- 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 berths
- cargo handling berths

- specialized 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 liners. 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.

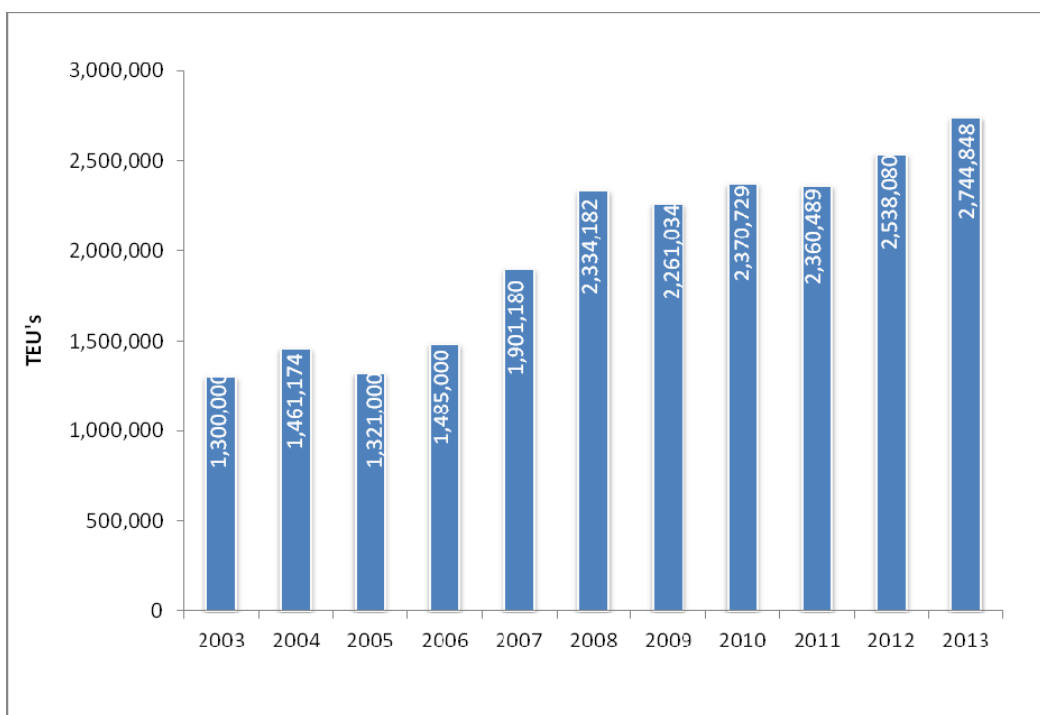
Statistics and New Services

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 for requests by third parties, assisting stakeholders in market research and forecasting purposes.

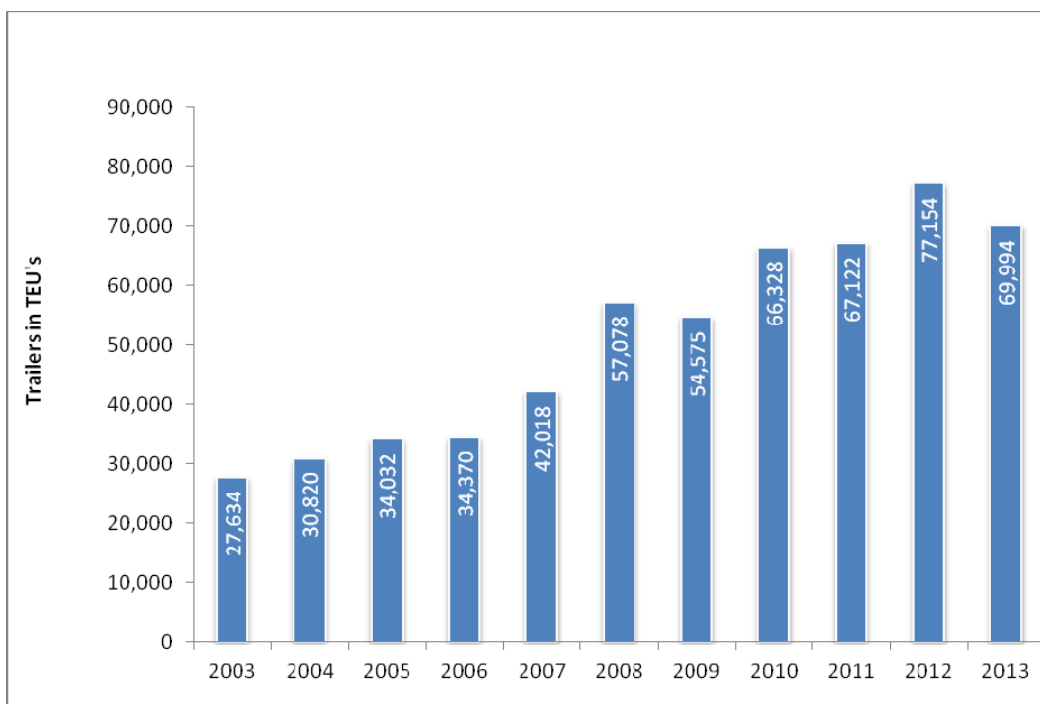
The main statistics are given in a number of tables further on. Some highlights are the following:

- During 2013 the total number of cruise passengers visiting the Maltese Islands stood at 484,183, a drop by 21% over the previous year. This was mainly due to the fact that during this year two operators, mainly MSC Cruises and AIDA Cruises pulled out, citing rising fuel costs as the reason. It is expected that MSC Cruises will call in Malta again as from April 2014. Furthermore, 80% of cruise visitors came from EU states – 25% from Germany and 17% from the UK. 9% of passengers from non-EU states came from the United States. There were 297 cruise liner calls to the Maltese Islands in 2013, a decrease of 38 vessels when compared to 2012 levels. Out of these, 13 cruise vessels with 2,482 passengers onboard visited Gozo.
- The number of ferry passengers has increased from 256,960 to 277,593 over the previous year. During the summer of the year under review, a new ferry service has been introduced. The passenger and private car and cargo ferry, Mv Audacia, operated from Malta with a stop in Augusta, in Sicily and going up to Salerno. This service complimented the other ferry services already in operation.
- Trailers at the Port of Valletta registered a decrease by 9% over last year, from 77,154 to 69,994 this year.
- The number of ship calls also registered an increase over the previous year, from 10,491 in 2012 to 11,012 during the year under review, a further increase of 5%.
- The number of visiting foreign yacht at marinas amounted to 1,868 yachts during 2013.
- The number of naval vessels calling for courtesy visits at the Grand Harbour amounted to 26 during the year under review.

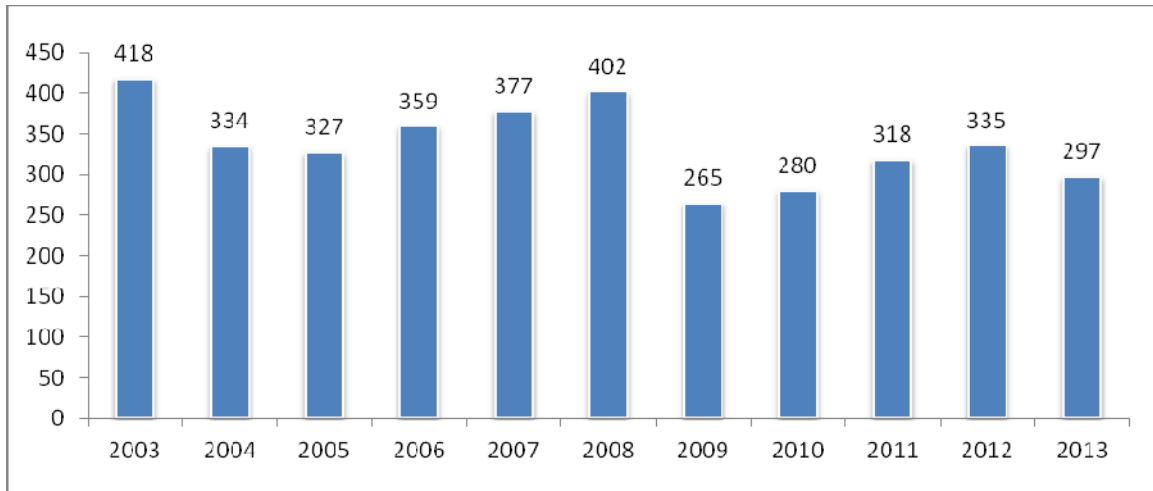
Container Throughput at Malta Freeport (TEUs)



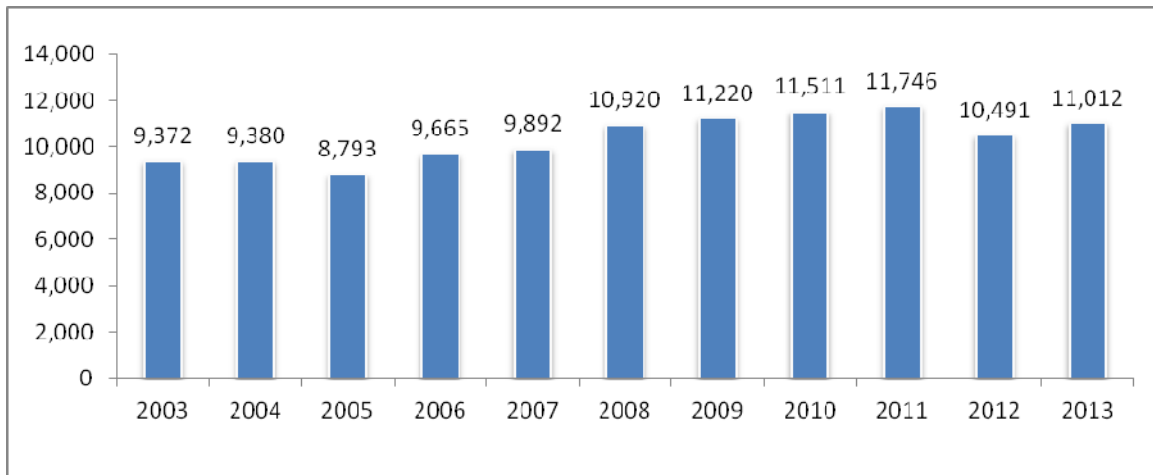
Trailers Handled at the Port of Valletta



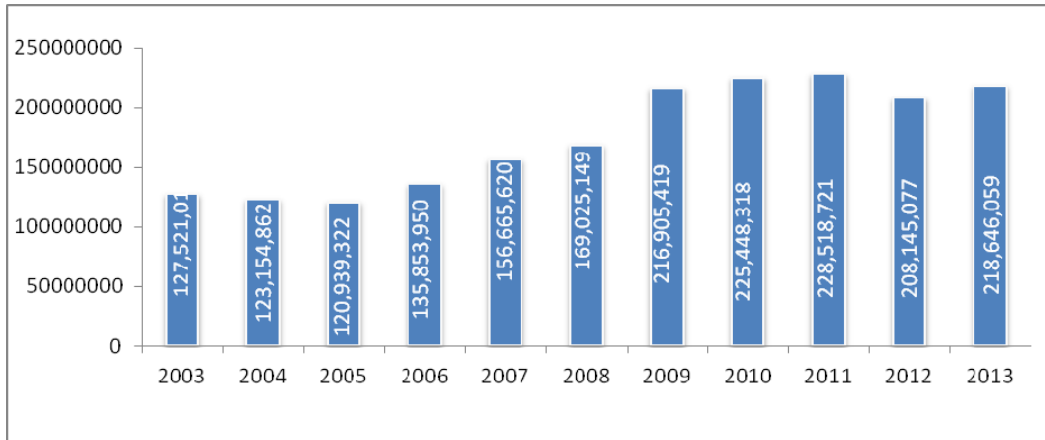
Cruise Liners in Malta (2002-2013)



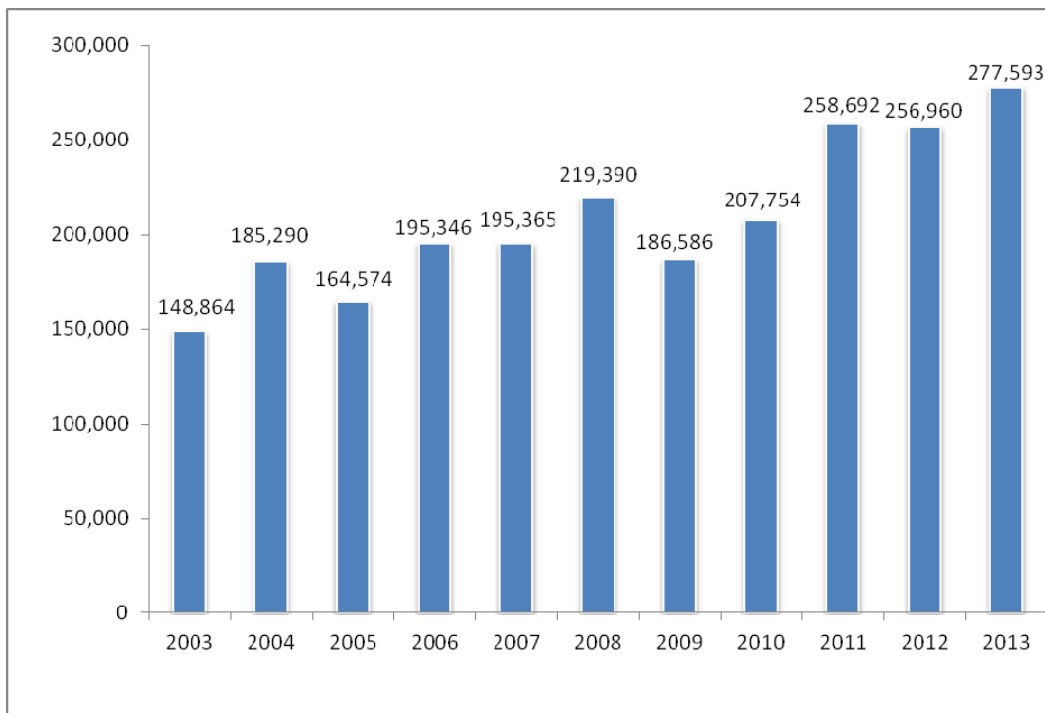
Number of Vessels arriving in Maltese Territorial Waters



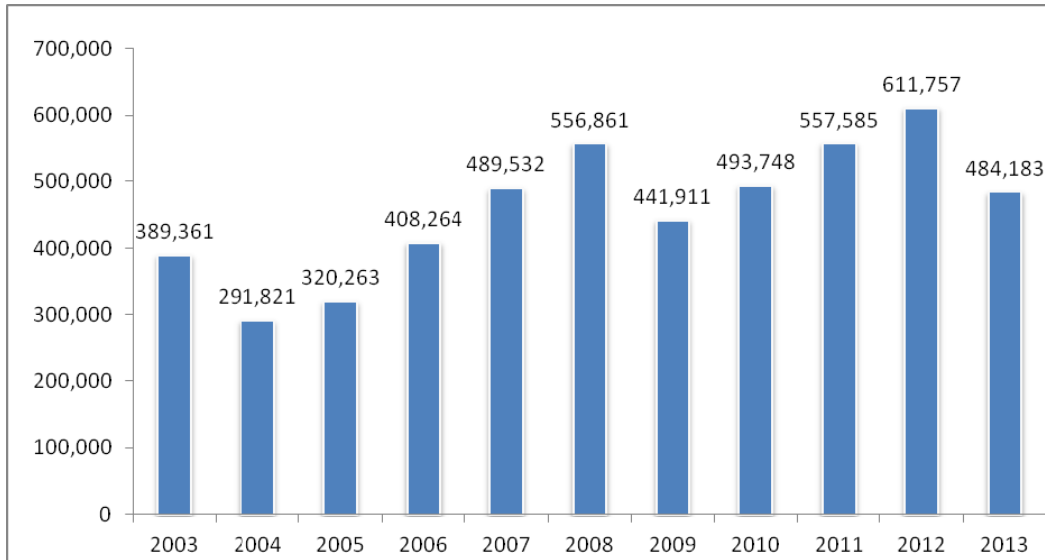
Gross Tonnage of Vessels arriving in Maltese Territorial Waters



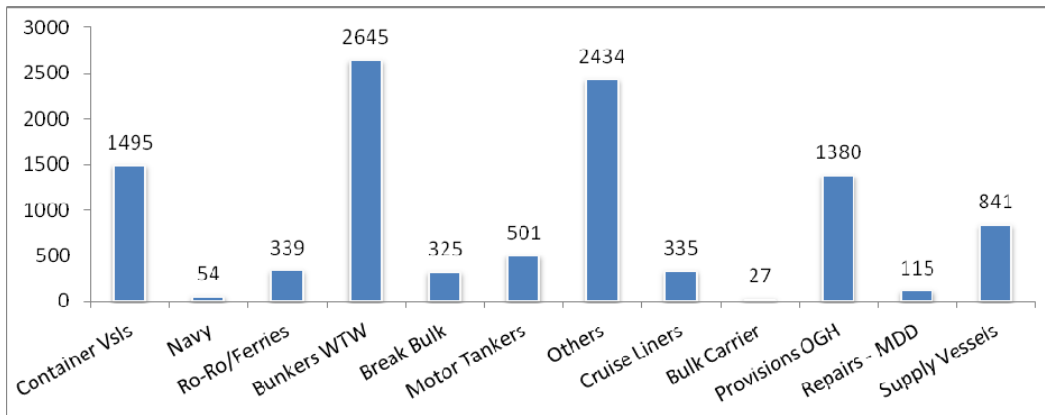
Ferry Passengers in Malta (2001-2013) (excluding inter-islands domestic ferry passengers)



Cruise Passengers in Malta (2002-2013)



Shipping Movements from January to December 2012



Malta Freeport

During 2013, two of the largest container vessels in the world (carrying 16,000 TEUs) called at Malta Freeport. The CMA CGM Jules Verne, with a length of 396 metres, called at the Malta Freeport on the 1st June 2013. The CMA CGM Alexander Van Humbolt called at the Freeport on the 11th June 2013. These vessels are also equipped with the latest environmental technologies.

Malta Freeport focuses on the 'hub' concept, under which cargo is discharged from large mother vessels and relayed to a network of regional ports by regular and frequent feeder vessels. Around 95% of Malta's Freeport's container traffic is transshipment business. The logistic concept offers various benefits for Malta Freeport's clients, including fewer mainline

port calls, reduced voyage times through minimal diversions and shorter transit times, thus enabling them to concentrate on profitable voyage legs.

Last year, Malta Freeport Terminals handled over 2,744,848 TEUs (Twenty-Foot Equivalent Units), which is an 8% increase in throughput over the previous year. As one of the Mediterranean's key transshipment ports, Malta Freeport represents a strategic platform for the shipping lines that have chosen it as their Mediterranean hub port, being located at the crossroads of some of the world's greatest shipping routes and in the heart of the Europe, Maghreb and Middle East triangle.

Marinas and Yachting

Strategically located in the centre of the Mediterranean, Malta is both a sailing destination and a service destination offering a comprehensive range of facilities, resulting in a hub of commercial and leisure maritime activity.

Currently Malta offers the choice of ten marinas, in Msida and Ta' Xbiex, Manoel Island, Portomaso, Grand Harbour, Laguna Marina, Kalkara Marina, Gzira Gardens, Sandy Marina and Mgarr Gozo and these cater for various sizes of yachts from eight metres to one hundred metres. Msida and Ta' Xbiex Marinas run by Creek Developments plc have undergone a major refurbishment bringing the marina to the highest international standards. Royal Malta Yacht Club offers a seasonal marina during summer periods.

Three expansion applications by Sandy Yacht Marina, Gzira Gardens Marina and Kalkara Marina are awaiting approval by MEPA. A development application for a new yacht marina at Sa Maison is also awaiting the necessary development permit. These new developments will increase the berthing capacity by around five hundred berths.

As part of its drive to better organize the popular bays the Authority has installed forty six swimmers' zones around the Maltese coast together with seasonal speed marker buoys and four navigational aids. These initiatives are aimed at enhancing safety at sea.

- During this year, Senglea saw the Seventh Edition of a very successful Boat Show.
- The Royal Malta Yacht Club hosted the 34th edition of the Rolex Middle Sea Race, with a record participation of 99 yachts hailing from 18 different countries. The start from Grand Harbour is now well established and is considered an annual event.

Foreign Visiting Yachts at the Marinas for Year 2013

Monthly Arrivals	Classification by length of yacht							Total
	1-12m	13-23m	24-36m	37-48m	49-60m	61-72m	Over 72m	
January	21	13	4	2	2	2	0	44
February	7	4	1	2	0	2	0	16
March	8	14	5	2	4	3	0	36
April	18	45	9	4	4	2	0	82
May	57	74	10	6	2	2	3	154
June	83	92	19	10	6	2	2	214
July	175	183	29	15	6	2	4	414
August	185	178	28	6	2	3	3	405
September	89	101	18	8	5	3	2	226
October	52	106	20	6	3	0	0	187
November	14	27	2	6	1	1	2	53
December	8	18	3	4	3	0	1	37

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. In this respect, the commercial vessels department issues commercial vessel licences and certificates for craft carrying out commercial operation in Maltese territorial waters. These include various categories such as passenger boats, workboats and bunker barges. Certificates of competency for personnel serving on commercial vessels in Maltese territorial waters are also issued by this department.

The Directorate is responsible for the Small Ships Registration and issuing of Nautical Licences mandatory for 30HP and over. During last year, there were 541 new registrations of small ships. The Directorate also issued 1,162 new nautical licences.

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

Type of Activity	Total in 2012
Commercial Vessels Certificates	
New	99
Renewals	557
Commercial Vessel Operator Licence	
New	28
Renewals	232
Certificates of Competency	
New	81
Revalidation	122
Equivalency	45
Authorisation of Maritime Events	
	29
Registration of Small Ships	
New Registrations of small ships	541
Renewal of small ships	5,555

Moorings	
Malta	1,238
Gozo	149
Nautical Licences	
New	1,162
Renewals	563

Inspectorate Unit

The Inspectorate Unit provides technical support to the Directorate and is also designated to carry out daily land and seaborne inspections. This Unit is responsible for the vetting of technical documentation required to be submitted to the Authority. It also issues a number of permits to ships (both local and international) to be able to carry out certain activities while in

port. During the summer months, the Port Inspectors joined forces with TM Enforcement Directorate to focus primarily on compliance and safety of small craft including commercial vessels plying and operating within bays and local waters. Port Inspectors were also involved in maintaining smooth operation of the water taxi services within Marsamxett Harbour and the ferry services both in Marsamxett/Sliema and Lascaris/three cities routes.

Pollution Prevention and Preparedness

The Pollution and Incident Response Unit is responsible for matters relating to Maritime Pollution and Incident Response. This Unit carries out duties associated with the provision of Port Reception Facilities for Ship-Generated Wastes and Cargo Residues. During last year, this Unit managed the response to 15 incidents. This Unit provides technical advice and recommendations on environmental issues with respect to maritime activity mostly related to port management and operations at national, regional and international levels. This Unit is also responsible for Oil Pollution Preparedness Response and Co-operation (OPRC) related provisions.

The annual oil spill exercise, MALTEX 2013, took place in September 2013 in collaboration with the European Maritime and Safety Agency (EMSA). The exercise is necessary to test and consequently review aspects of policies, procedures and communications between national, regional and international entities. Transport Malta was also involved in a large scale table-top exercise organized by ExxonMobil attended by around 100 people from Malta and ExxonMobil employees based in various countries. The exercise was designed to consider tactical response to a hypothetical oil spill of ExxonMobil owned crude that may impact Malta. TM and other key local entities interacted for a day and a half with ExxonMobil's Regional Response Team that would be available in such an event.

Traffic Management Unit and Vessel Traffic Service (VTS)

The Traffic Management Unit is responsible for the receipt, processing of ship arrival/departures notifications, berth planning and co-ordinating the movement of vessels within ports, and the territorial waters of Malta. The VTS is the section responsible to provide the necessary interface between the ports and the vessels and ensure that vessels navigate safely at the port approaches and within our harbours.

The year has also witnessed the consolidation of the PORTNET development and in this respect a number of representations were made with the Information Technology department to ensure that the information is received and submitted as required. The unit continues to ensure that notification of hazardous cargo as listed in the International Maritime Dangerous Goods code is transmitted by outgoing vessels by means of the Safe Sea Net to the European Maritime Safety Agency.

On an operational level the unit provides the important ship/shore interface and regularly intervenes to discuss and find solutions with the port users ranging from the ship agent, pilots, tugs, mooring men and the terminals. This coordination is important since although the unit does not directly assign port facilities to the vessel, it enhances operational efficiency by pre-empting operational problems that may have negative impact on the vessel's stay in the port.

The unit is focused to maintain its important role as the notification authority for all vessels requesting to come to Malta or call for services within territorial waters and to ensure that safety considerations are equally adhered to and maintained.

The Vessel Traffic Service (VTS) section is responsible for the monitoring and regulating maritime traffic to ensure compliance with all local, national and international regulations. Monitoring vessel movements is done through a network of radars, automatic identification system stations, VHF communications, VHF direction finders and weather stations around the Maltese islands and is intended to improve the safety and efficiency of vessel traffic and to protect the marine environment. The VTS is operated in line with IALA International standards.

Concessions and Service Level Agreements

The Ports & Yachting Directorate is also responsible for the monitoring of concessions, service contracts and other types of agreements in respect of port facilities and technical nautical services. New areas have been identified for further port development and the present and prospective port clients are constantly being assisted in developing new industrial ventures by providing the necessary information required on the uses of such port facilities. This is done in close liaison with Government departments, service providers and the industry in general.

All contracts and agreements are periodically scrutinized with an object to call on the contract holder to meet its obligations. This is done to ensure that contractual obligations are maintained. The Authority has in place service level agreements with port technical and nautical service providers to ensure such port services are provided in an efficient, effective and professional manner. The performance of such service providers is monitored regularly through on site inspections to ensure all obligations are duly met and services are provided in line with the provisions of the relevant service level agreement.

European Maritime Day 2013

Malta hosted and celebrated the 6th edition of the European Maritime Day over a period of 4 days from the 19th to the 22nd of May 2013 and the Ports & Yachting Directorate formed an integral part of the Organizing Committee.

A series of public events were organized between Sunday 19th and Monday 20th of May where the general public was invited to participate in celebrating the European Maritime Day through a broad range of activities including academic, popular, artistic, sportive and of course maritime. Events took place in various localities around Malta and Gozo but were mainly concentrated in Valletta and the Grand Harbour.

The Conference took place on the 21st and 22nd of May 2013 with the main theme of the conference focused on coastal development and sustainable maritime tourism in the wider perspective of Blue Growth. The first day was dedicated to plenary sessions and high-level discussions, while the second day consisted of a series of workshops organized by stakeholders. Stakeholders also participated through exhibition stands in an exposition area at the conference venue – the Mediterranean Conference Centre.

Hydrography

The Unit's primary role is to provide hydrographic data on Maltese waters for navigational purposes. During the year under review, the Hydrographic unit carried out several surveys at Malta Freeport Terminals in connection with dredging operations. The Unit also carried out hydrographic surveys at Lascaris wharf, and surveys for dredging at Cirkewwa North Quay. On the international aspect, personnel from this Unit attended the 18th Mediterranean and Black Sea Hydrographic Conference in Istanbul Turkey. The Unit constantly provides navigational chart updates. It is also responsible for the dissemination of maritime safety information and Notices to Mariners. Malta is in the process of seeking full membership of the International Hydrographic Organisation.

Projects

EEA Grants (2009-2014): Oil/HNS Spill Response Capacity Building

This project addressed the gaps in oil / HNS incident response training at National Level as well as gaps in the current version of the National Marine Pollution Contingency Plan 2009 (NMPCP 2009) in particular offshore risks. Two (2) pre-project meetings were held in Norway and Malta in 2013 between the Norwegian Coastal Administration (NCA) and Transport Malta. The application for the project was accepted and the contract indicating the start of the project was signed in 2013. A Partnership Agreement was also signed between the Norwegian

Coastal Administration (Kystverket) as Donor Project Partners with Transport Malta as Project Promoter.

Calypso Project

The CALYPSO project was led by the University of Malta and financed through the Italia – Malta 2007 – 2013 Operational Programme. The latter has been ongoing since 2011 and was completed in August 2013. The local partners included TM, AFM and CPD; TM was also a financing partner for this project. Sicilian partners participating included the Universities of Palermo and Catania, the Italian Coast Guard, Guardia di Finanza. In 2012, the projected installation of two (2) HF radars to monitor sea surface currents in the Malta Channel was carried out in Malta and the third radar to complete the system was installed in Sicily in 2013. The data is being used during oil response exercises. An Operation Plan between Malta and Italy in case of an oil spill was also drafted as one of the project deliverables.

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 above, during the year under review, a tender for a Masterplan for the set-up of Malta's National Maritime Single Window has been issued which should be awarded early this year.

Advanced National Networks for Administrations (AnNa) Project

Malta signed a letter of support and is thus an observer of the Advanced National Networks for Administrations project. The baseline concept of the AnNa Action is:

- To be instrumental for a successful implementation of the EU Directive 2010/65/EU and to strengthen the European port and maritime competitive performance on a global scale;

- To allow for interaction and involvement of all parties involved;
- To establish a harmonized approach and an efficient co-operation between the private and public domain;
- To work from a bottom up approach that allows:
 - The realization of pilots of the Maritime Single Windows in the participating countries; and
 - The development of a framework that allows smooth interconnectivity between data providers, public domain functions and logistic chain operators.

The AnNa Action serves as a facilitator for the implementation of national and European policy objectives.

Maritime Training

Malta also provides a number of 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 acts as a certifying Authority for local qualifications and facilitates port training and education.

The Mediterranean Maritime Research & Training Centre

The Mediterranean Maritime Research & Training Centre is a Training Institution founded by the Malta Maritime Pilots with the primary objective to train Marine Pilots and conduct risk assessments for local and foreign ports. Ship Masters, Tug Masters, Ships' Officers, Naval Officers and Cadets can also be instructed in safe Ship Handling techniques.

Pilot Simulator

The Simulator is a state of the art Marin Industries (Holland) Compact Simulator. Two main, stand alone bridges are available, with the facility to operate tugs and various ship models. The Simulator has the capability to alter the environmental conditions, such as wind, current, rough seas, swell, poor visibility, rain, night or day, so as to test the individual capabilities of personnel. Anchors and mooring lines can also be deployed; machinery and instrument failure may also be simulated when training on emergency preparedness sessions.

MCAST

The Authority works closely with the Malta College of Arts Science and Technology (MCAST) which is entrusted with the education and training in various maritime aspects. The Institute runs a comprehensive training programme for commercial vessel operators and small craft owners. These courses are run in conjunction with the Ports and Yachting Directorate. It also offers courses intended to prepare persons for the role of Foreman of Port Workers. This includes induction course in Port Work procedures, cargo securing, cargo handling, slinging, terminal and ship's loading and unloading equipment, health and safety at place of work and knowledge of the IMDG Code.

MERCHANT SHIPPING DIRECTORATE

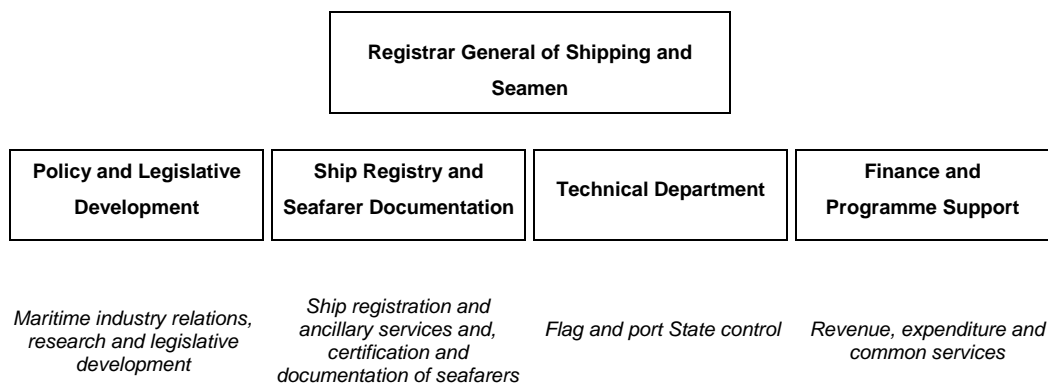
Functions and Duties

The functions and duties entrusted to the Merchant Shipping 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, 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 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.



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. During 2013, the ship registry module, alias the Fleet Management System, has replaced the manual register system and other existing electronic databases. 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.

During the year under review, the Directorate embarked on new marketing initiatives targeting different sectors within the maritime sector. In fact, in addition to Malta's participation at the Monaco Yacht Show, the leading yacht show in the world, in 2013, Transport Malta has also participated in Norshipping, held in Norway and in Europort, held in Turkey. During these events the Authority provides the necessary platform from where the Maltese shipping community can further promote the Maltese maritime sector.

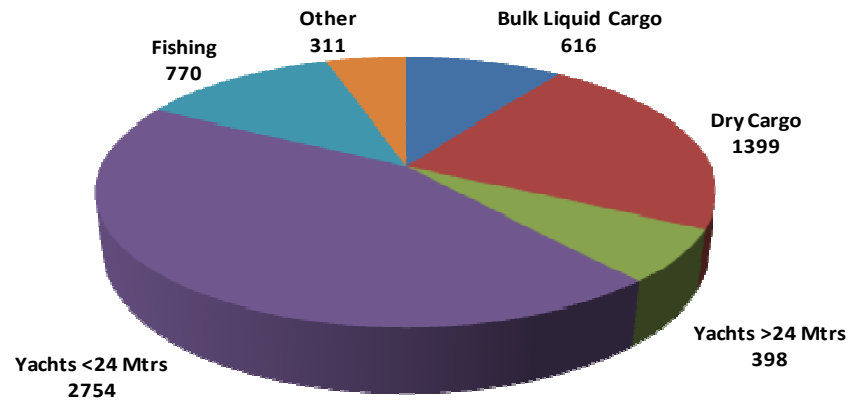
Registry of Ships

Between January and December 2013, 694 vessels totaling 9,235,101 gross tonnage were registered under the Malta flag while cancellation of registry was effected in respect of 399 vessels with a total gross tonnage of 3,452,419.

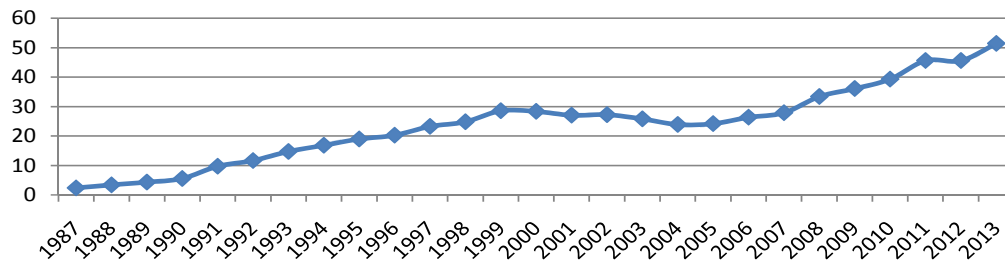
As at end December 2013 the number of ships registered under the Merchant Shipping Act was 6,248 for a total gross tonnage of 51.4 million. Through the ongoing efforts of the Merchant Shipping Directorate, Malta has maintained its position as the largest register in Europe and one of the 10 largest registers in the world in terms of gross tonnage. The average age of all vessels registered during this same period was 8.8 years; this decreased to 7 years for ships of 100 gross tonnage and over. The average age for deletion of registry was 19 years, with ships of 100 gross tonnage and over averaging 17.8 years. The average age of all merchant vessels registered as 31 December 2013 was 11.73 years.

Positive results were also 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 18.1% over the previous year in the registration of superyachts over 24m in length, under the Merchant Shipping Act, with almost 400 superyachts flying the Malta flag.

Vessels by Type Registered under the Merchant Shipping Act as at 31 December 2013



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

Maritime safety, including the technical aspects of local and international legislation, is the responsibility of the Technical Department, which naturally works in close liaison with the Registry of Ships and provides technical advice to the Registrar-General and the Registrars.

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 and the inspections 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 2013, 834 inspections (19,488,401 gross tons) were carried out in 277 ports in 47 different countries worldwide. The Directorate detained 30 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 2013 can be provisionally quoted as 2.86% which would reaffirm Malta's place in the MoU's 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 2013, 199 foreign flagged ships were inspected. This is nearly 23% of the total number of foreign merchant ships entering Maltese ports. Detention orders were issued in respect of 17 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 founding members and currently holds the chairmanship.

Ship Casualty Investigation

During the period under review, a total of 369 occurrences were reported to the Marine Safety Investigation Unit (MSIU). Of these, 280 were reported accidents and incidents which happened on Maltese registered ships. The majority of these were classified as less serious or minor incidents. There were six accidents, which were classified as very serious, involving loss of life of crew members and stevedores. This included a lifeboat accident on board a Maltese registered passenger ship, which resulted in the death of five crew members while three other crew members sustained serious injuries. 43 accidents resulted in serious injuries to persons on board. Other reported accidents involved, *inter alia*, minor allisions, main propulsion failures, collisions, groundings, strandings and fires.

The MSIU has also investigated a number of accidents on board foreign vessels, while in Maltese waters at the time of the accident. This included the loss of life of five persons from a tender boat registered in Belgium. The accident happened off the coast of Gozo.

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 stable rate 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 2581 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 a Flag State Administration the Directorate, also has the responsibility for the training and certification of seafarers engaged on Maltese ships.

By end December 2013, the Directorate had processed over 173,868 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, 15,603 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 16 maritime training centres are approved. During the period January – December 2013 the Directorate has approved 25 maritime training courses with 15 more courses from various institutes presently under review.

During the period under review the Directorate organised 21 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, 10 new Certificates of Competency were issued as Officer in Charge of a Navigational Watch and 24 certificates for Master. Moreover, 37 GMDSS General Operator Certificates of Competence together with 9 revalidations, 10 VHF-SRC certificates, 254 PSCRB Certificates, 28 EDH Certificates, 28 SSO Certificates, 27 Engineering Watch Rating Certificates, 19 Navigational Watch Rating Certificates, 9 AB Certificates, 484 Security Awareness Training Certificates, 335 Designated Security Duties Certificates, 19 Fire Prevention and Fire Fighting Certificates and 90 Basic Safety Training Certificates were issued.

International Relations and Participation

The reality of a register that is among the largest in the world increase 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 nongovernmental organizations, 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 work of the International Maritime Organisation (IMO), the United Nations specialized agency for maritime safety, security and the protection of the environment from pollution from ships. In November 2013, the Assembly of the IMO has re-elected Malta as one of the members of its Council for the period 2014 – 2015, garnering the fourth highest number of votes in the elections. The Minister for Transport and Infrastructure addressed the assembly.

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

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 hosted the IMO Secretary-General, Mr Koji Sekimizu, who visited Malta for the 24th Graduation Ceremony of the IMO International Maritime Law Institute. During the graduation ceremony, Malta bid farewell to 34 lawyers from 23 States awarded the Master Degree in International Maritime Law. Substantial financial assistance was extended by Transport Malta to the International Maritime Law Institute, including the refurbishment of its premises.

At regional level, Directorate officials participated at the annual Committee Meetings of the Mediterranean and the Paris MoUs on Port State Control 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. As a maritime nation, Malta proudly hosted the European Maritime Day 2013 conference and welcomed delegates from across Europe and neighbouring countries. The conference was held on 21st and 22nd May 2013 and the Authority in cooperation with other relevant Government entities, played a pivotal role in the organisation of the events. During the same week maritime Malta hosted the 46th meeting of the Paris MoU Port State Control Committee. Malta also hosted the Interferry Conference during October, whilst in November the Paris MoU 56th Port State Control Seminar was hosted. In May 2013, Malta also hosted students from the World Maritime University in Malmo.

European Union

The Merchant Shipping Directorate has continued with 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, Environment Working Party, COREPER I and the Transport, Telecommunications and Energy Council.

The Directorate has prepared relevant positions to be taken in the relevant meetings discussing the Commission proposal for a Directive on marine equipment. It 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 is an ardent supporter of the work of the European Maritime Safety Agency (EMSA), through its Chief Officer who is Malta's representative on the Administrative Board. 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 10,000 EU-flag ships. Directorate officers have attended various training sessions organised by EMSA, among others, related to the implementation of the Maritime Labour Convention and on ballast water sampling.

Apart from EU fora related to transport, the period under review has increasingly seen discussions related to maritime issues arising also in environment related fora, and, in this respect, the Directorate has followed these issues closely and provided the necessary input. Of significant importance, was the EU legislative proposal related to monitoring, reporting and verification of carbon dioxide emissions from maritime transport. Further work has also continued with respect to the proposal for a Regulation on ship recycling, which Regulation was adopted during the year under review. 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. Officials from the Directorate have also participated in the work of the European Sustainable Shipping Forum, which is a forum

composed of representatives of EU Member States' maritime authorities and stakeholders from the shipping industry to enable a structural dialogue, exchange of best practices and coordination, thus providing the opportunity to discuss practical issues that could be encountered during the implementation process, in particular during the transition phase before the entry into force of the new standard concerning quality of fuel on ships

An important highlight of the period under review was that Malta was audited by a team of EMSA Auditors in order to assess the implementation by Malta of the Directive on port state control.

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, continued to provide the Commission with 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.

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 laws 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. Two important pieces of subsidiary legislation were promulgated, namely the Merchant Shipping (Training and Certification) Regulations and the Merchant Shipping (Maritime Labour Convention) Rules. The latter transpose the Maritime Labour Convention, 2006 into the Laws of Malta, whilst the former transpose the 2010 Manila Amendments to the International Convention on Standards

of Training, Certification and Watchkeeping for Seafarers. The Directorate also continued to pursue an agenda for the ratification of international maritime conventions.

During the period under review, the main focus was the monitoring and enforcement of the Maritime Labour Convention. On 7 August 2013, Malta acceded to the Protocol of 2002 to the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974.

The Protocol to the Athens Convention establishes a regime of liability for damage suffered as a result of the death of or personal injury to a passenger and the loss of or damage to luggage carried by sea on any international carriage. It declares a carrier liable for damage or loss suffered by a passenger if the incident causing the damage occurred in the course of the carriage and was due to fault or neglect of the carrier. In this way, Malta now has in place a robust legal regime that offers the necessary protection to passengers travelling by sea. This is important in view of the increase in the number of passengers that Malta is experiencing and the increase of Maltese nationals travelling by sea.

Merchant Shipping Notices

During 2013, the Directorate continued to issue *Notices* to give information, expound on procedures and communicate the parameters for the exercise of discretionary powers. During the period under review, twelve Merchant Shipping Notices, seven Technical Notices, five Information Notices and the revision of a number of Notices were issued:

- *Liability of Carriers of Passengers by Sea in the Event of Accident*
- *Minimum Safe Manning Certificates for Maltese Ships*
- *Guidelines for the Implementation of the Maritime Labour Convention 2006*
- *Placement of PCASP on board Maltese ships*
- *Medical Fitness Certificate*
- *Minimum Basic Wage*
- *Implementation of the International Convention on Standards of training, Certification and Watchkeeping for Seafarers, As Amended*
- *Restrictive Measures against the Republic of Guinea*
- *Restrictive Measures against Myanmar-Burma*
- *BNWAS on Commercial Yachts (Technical Notice)*
- *Steering Gear Test (Technical Notice)*
- *Recognition of Liferaft Servicing Stations (Technical Notice)*
- *Launch Test of Rescue Boat (Technical Notice)*
- *Devices to measure and indicate speed and distance (Technical Notice)*
- *Revised consolidated format for reporting alleged inadequacies of port reception facilities (Technical Notice)*

- *Solid bulk cargoes classified as HME (Technical Notice)*
- *Hours of Business of the Merchant Shipping Directorate (Information Notice)*
- *MSIU Safety Alert - Lifeboat Accidents (Information Notice)*
- *Potential hazards associated with drilling mud (Information Notice)*
- *Potential hazards associated with Thiourea Dioxide (Information Notice)*
- *GME 406MHZ EPIRBS (Information Notice)*

Economic Performance

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 re-invested 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 the Arterial and Distributor Road Network;
- First asphaltting of residential roads;
- Development and Maintenance of the Ports' Maritime Infrastructure;
- Ad hoc projects as assigned by Government.

Arterial and Distributor Road Network

Reconstruction of Arterial and Distributor Road Network

2013 saw the completion of the 2.1km Mellieha Bypass (Ta' Pennellu) road re-construction project (€5M) and the resumption of work on Triq Dicembru 13 (€7.3M) following a six-month suspension. The main scope of these projects is to improve the quality and efficiency of the Trans-European Transport Road Network (TEN-T) in Malta which will primarily result in increased safety, reduced vehicle operating costs and travel times for a better quality of life. 85% of these project costs were financed by the European Union.

2013, also saw the issue of the final plans and adjudication of the tender for the construction of the 7.3km-long Triq il-Kosta. The project, co-financed by the European Union, is expected to cost €53M. Works on Triq il-Kosta are expected to begin towards the end of the 1st quarter of 2014. The road is frequently listed as the one with the highest annual fatal accidents rate in Malta. The project will involve realignment of the bends and widening of the road to reduce the potential hazard. Once complete, it will include, for most of the road, 2 carriageways incorporating 2 lanes each, a continuous central crash barrier, footpaths and cycle lanes.

During the year under review, MEPA approved RID's planning application for the construction of a grade-separated junction at Kappara. The project will include the construction of a new overpass over a roundabout, the construction of retaining walls, the demolition and extension of the Wied Għolliëqa Bridge deck, the construction of services/utility infrastructure, the construction of a stormwater system, and the inclusion of a controlled pedestrian crossing. Tender preparations are currently at an advanced stage. 85% of the project will be financed by the EU.

During the second half of 2013, the Directorate drew up preliminary plans and submitted same to MEPA for the construction of a multi-level junction, including pedestrian and cycle paths and a large parking area, at the Marsa Addolorata Junction. Still at its design stage, the milestone

€80 million project in terms of road design and construction is envisaged to alleviate the traffic congestion within the Addolorata Cemetery area which affects the entire southern region of the island.

Maintaining and Upgrading the Arterial and Distributor Road Network

The arterial and distributor road network continued to be monitored and maintained to retain and upgrade the safety and performance aspects of our roads and to increase the service life of the road structures. Building on the “Self-Explaining and Forgiving Roads” maxim, during 2013, the arterial and distributor road network, especially crossings and junctions, were also enhanced by simple yet effective measures to render the roads easier to navigate particularly during low-light hours.

The major introduction throughout the year under review was the installation of various Vehicle Activated Signs (VAS). These signs were installed at various locations around the road network to advise drivers about oncoming road design features such as roundabouts and road curves which require a change in speed from the same drivers. At other locations they are used to alert drivers to the speed limits. VASes, through their proactive speed activation, are increasingly found to be very effective in reducing speeds.

Working closely with the Traffic Management and Road Safety Department within Transport Malta, other ‘self-explaining / forgiving’ initiatives included:

- supplementing, at select ADN locations, the performing asphalt with high-grip surface overlay;
- upgrading of vehicle restraint systems (VRS, crash barrier) at accident-prone road segments;
- replacing broken bollards with units which are heavier duty and require less maintenance thereby giving higher value for money on top of reduced periods of downtime;
- wider use of retroreflective sacrificial cylindrical bollards to delineate ‘high speed’ junctions;
- more extensive use of other basic but effective delineation aids such as reflectors, cats’ eyes and studs;
- ongoing trials using thermoplastic and cold plastic paints.

Residential Roads

The Roads & Infrastructure Directorate, as indicated earlier, is responsible for the first asphaltting of the residential roads once they have been formed/constructed by developers. Normally roads are considered ready for RID intervention once they are 70% developed. The Directorate's role generally includes the installation of outstanding infrastructure and replacement of old underlying utilities. Thereby extending the life of the road structures and giving a better rate of return to the investment. Throughout the year under review, approximately 70 residential roads were completed while planning was at an advanced stage on several other residential roads.

Maritime Infrastructure

Major Projects

Cirkewwa Ferry Terminal

The Cirkewwa Ferry Terminal was officially opened in 2013. Among of the key features of the terminal are two link spans which allow for the smooth embarkation and disembarkation of both passengers and vehicles for two ferry ships simultaneously. The project includes the segregation of foot-passenger from vehicle operations, which besides improving safety enables a faster turnaround of the ferries and reduced journey time as foot passengers are no longer part of the bottleneck operation and now embark/disembark in parallel with vehicles. Ongoing plans include the installation of a bus shelter canopy, gates and barriers for improved safety and scour protection around a 3rd berth. The project was mainly financed through the EU's Cohesion Fund.

A satisfaction survey carried out in 2011 (pre-construction works phase) and 2013 (post-construction works phase) reported an increase of 182% in the satisfaction of terminal users/transport operators. Respondents were asked to rate their satisfaction on five aspects of service namely, facilities, reliability, hygiene, safety and maintenance and comfort.

Deep Water Quay

Works also commenced on the refurbishment and upgrading of Deep Water Quay within the Grand Harbour. This quay was built in the 1960's and is undergoing an upgrade of its displacement and deck loading capacity at the ship shore interface in order to extend the usable lifetime of the quay and to enable it to handle more modern and larger vessels. In order to reduce the disturbance on port operations, the project is divided into two phases, with the first phase to be completed in 2014 and the second in 2015. Both projects are funded through the EU Cohesion Fund.

Marinas

Conscious of the need to increase capacity and quality of yacht marina facilities, the Directorate is carrying out repairs as well as studies to upgrade and expand yacht marina facilities. During 2013, RID completed repairs to the Msida Marina Quay (near the ex-Torpedo Depot).

The Directorate is concluding the Environment Impact Assessment (EIA) process for a new marina at Sa Maison. Following submission of the Environment Impact Statement (EIS), MEPA requested additional studies which are currently underway. The EIS will be updated in Q1 2014 after which MEPA is expected to give its final decision on the proposal. Subject to a positive outcome, the marina will be offered to the private sector for development and operation under concession through an Expression Of Interest (EOI).

Miscellaneous Projects

Specific interventions on local roads of major importance

As in previous years the Roads & Infrastructure Directorate was called in to intervene on 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. The interventions were primarily in the form of major patching to preserve the structural integrity of the road through the scarification of the road surface and the relaying of fresh asphalt making the road more rideable, safe and increasing its service life. These works were integrated into an extensive program of major patching on roads in 20 localities. In their majority, the works were carried out at night in order to lessen the disruption to the commuting public and the contractor carrying out the works. It can be stated that the practise of carrying out works at night, when and where possible, became common practise for Maltese road works in 2013.

Dock 1

During the year under review, the Directorate was involved in managing the road infrastructure segment of the Dock 1 Project. The works included the laying of Enemalta cables and service utilities, alterations to the storm water system and the formation and construction of the road. Similar works were carried out in Pjazza Gavino Gulia, as part of the same project which also included the installation of a storm water system.

Modus

The Directorate was responsible for managing, on behalf of the Traffic Management and Road Safety Department, various infrastructure upgrading projects related to MODUS which aims to encourage modal shifts in land transportation. The Directorate was in charge of the contracting, supervision and project management of MODUS initiatives along the Sliema Ferries, Marsa (Aldo Moro) and Ta' Qali.

Operational Review

Internal Processes

Building on the previous year's significant internal restructuring exercise, the Directorate focused its energies on the fine tuning of various operational practices in order to ensure maximization of value adding and work output. The significant improvements to the Directorate's operational systems were acknowledged by the National Audit Office which commended the Directorate for the efforts it invested in streamlining, in particular, the processes by which breakages and failures within the Arterial and Distributor network are identified and logged for processing and prioritization.

Participation in International Fora

Conference of European Directors of Roads (CEDR)

The Roads & Infrastructure Directorate represented Malta at the Conference of European Directors of Roads (CEDR), 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 formed part of the Management Committee and the Governing Board of the Conference. Malta's chairing of CEDR during 2014 will be focusing on adding value to the membership through closer co-operation with other entities.

Permanent International Association of Road Congresses (PIARC)

Malta is a member of the Permanent International Association of Road Congresses (PIARC), a forum that focuses on the exchange of experience and documenting of best practises.

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

The situation regarding the provision of scheduled public transport services in Malta continued to evolve during 2013.

Between the 2nd March 2013 and 21st April 2013, the Government embarked on a consultation exercise inviting the general public to submit their suggestions and/or complaints to the Authority. In total, 3,513 suggestions and complaints were received. This process was complimented by a consultation exercise held between the Ministry for Transport and Infrastructure and all the Local Councils in Malta and Gozo. These consultations formed the basis of the new route network which is planned to be rolled out in between 2014 and 2015.

During the last quarter of the year and following extensive discussions between the Transport Ministry, Transport Malta and the bus operator, a mutual decision was taken for Government to take over the bus service and re-issue a competitive tender to identify a new bus operator in 2014.

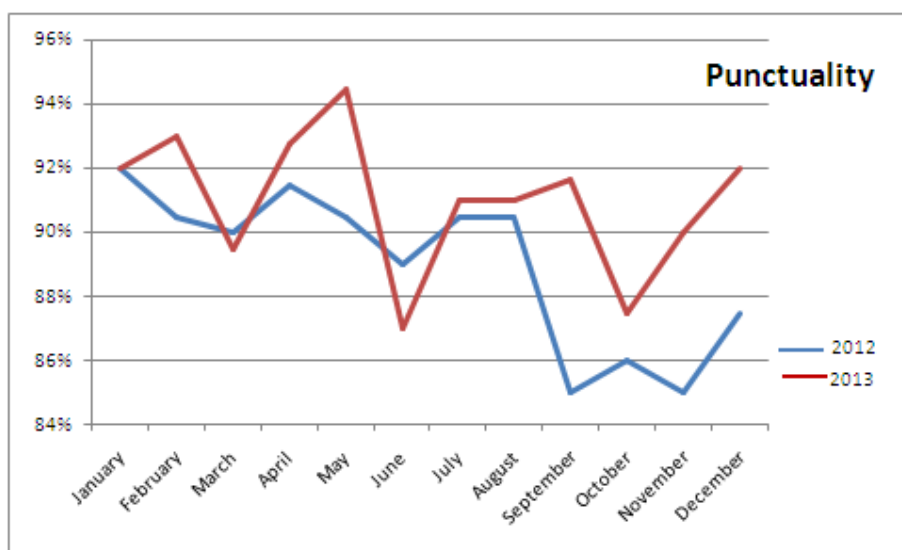
Service Monitoring

During the year, the Directorate continued to monitor the service from both a service reliability and punctuality point of view, and from a general contract compliance point of view.

Reliability and Punctuality of Service

Throughout the year, extensive monitoring of route performance was undertaken. This monitoring was done using both surveyors stationed in key locations across the network and through the use of electronic means. The data captured was used in order to measure reliability and punctuality of routes and to help identify areas where the prescribed routes were not being followed. This information was shared with the Operator and was used in the calculation of penalties.

The first two quarters of 2013 experienced an average reliability on main routes of 92%. This marked a slight decrease in performance when compared to the previous year. The third quarter experienced a dip in reliability when compared to the previous two quarters at an average performance of 88%. However performance was slightly better than that experienced during the previous year. The same trend in performance was experienced during the last quarter of the year.



The average Route Punctuality on main lines during 2013 experienced a slight improvement when compared to the previous year and stood at 91%. The average performance was relatively constant throughout the year and hovered between the 90% and 95%. This except for the months of June and October where punctuality fell below 90%.

Contract Compliance

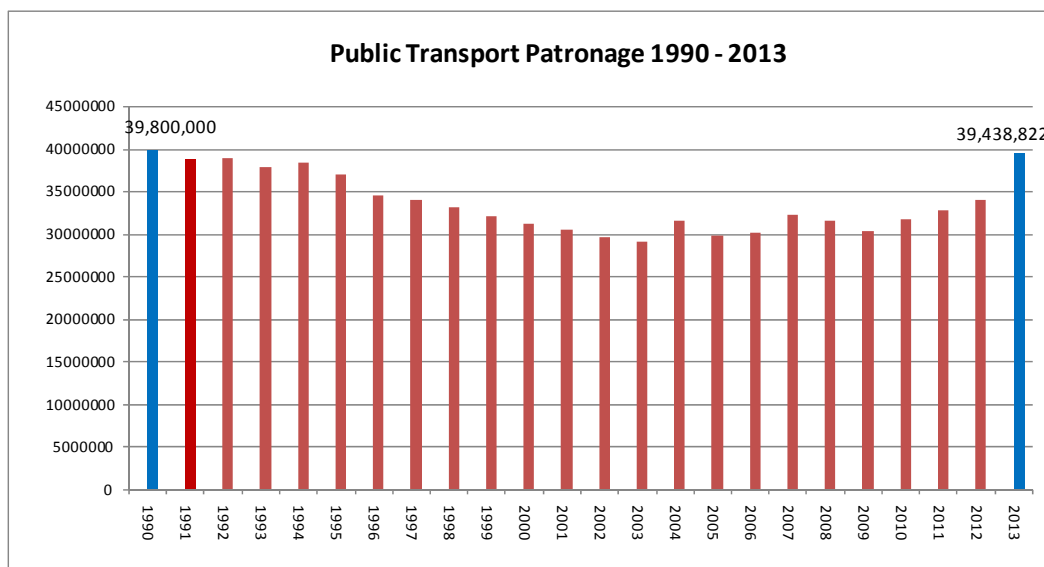
In order to ensure that the contracted level of service was being adhered to, the Directorate continued to monitor the level of service provided by the Operator.

During the year, a total of 4,137 inspections were carried out onboard buses, 3,551 inspections were conducted on bus drivers and other employees and 770 inspections were

carried out on infrastructure used on the provision of the scheduled public transport service. In 42% of the inspections carried out, the Operator was found not to be complaint and the applicable penalties were imposed.

Passenger Numbers

During 2013, the Public Transport Operator reported a 15.9% increase in the number of passengers carried when compared to the previous year and an increase of 19% when compared to 2011.

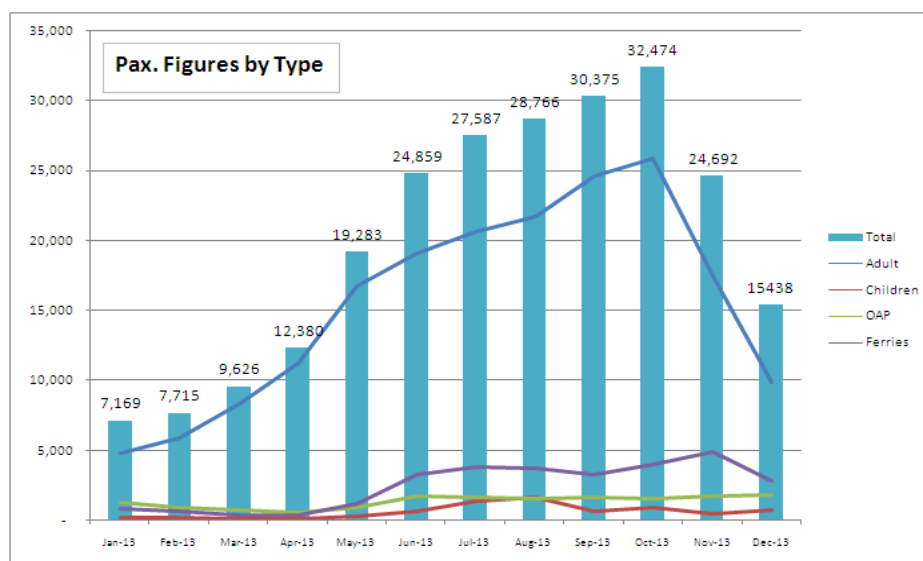


The number of passengers reported in 2013 represents the highest number of passengers carried by public transport since 1990.

Grand Harbour Lift

This year marked the first full year of operation of the Grand Harbour Lift facility. The facility offers a quick and efficient connection between the Grand Harbour and Valletta and is a complementary service to the ferry crossing service operated between Valletta and Cottonera.

Since the start of operations of the lift service, patronage has experienced a month on month increase up to October 2013, experiencing a decline in patronage in November and December primarily due to the decrease in the number of cruise passenger vessels that visited Malta during these months. The highest patronage was reached in October when an average of 1,048 passengers made use of the service daily. In total half a million people use the lift during the year.



78% of passengers that made use of the service during 2013 were fare paying passengers, 12% were passengers who had a valid ferry crossing ticket, 7% were holders of the *Karta Anzjan* whilst 3% were children under the age of 10 years. It is to be noted that the service for the latter three categories of passengers is free of charge.

The lift service was also open to all passengers free of charge during a number of national events, which included Notte Bianca, Christmas Eve and New Year's Eve.

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 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 2013:

- The training and assessment programme for new taxi drivers continued, attracting 29 new drivers to the sector in 2013;
- A special training programme was organised for taxi drivers who had lost their entitlement following changes to the relative regulations introduced in 2006, allowing them to re-acquire such entitlement;

- The Taxi Service Regulations were amended to cater for the introduction of Electric Power Assisted Cycles as a sub-sector of the Electric MiniCabs;
- Work has started to set up periodic training for taxi drivers. This training is intended to start being offered from the second half of 2014 onwards, in line with the requirements of the Taxi Service Regulations;
- A new taxi booth was introduced in St. Julian's, bringing significant improvement to the provision of taxi services from this location, together with increased business to the sector and a better overall organisation.

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 2013, a total of 19 National and 2 Community Operators' Licenses were issued.

In addition to this, Transport Malta issued 25 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 40%; however, unsuccessful candidates have been given the opportunity to attend for preparatory courses and to re-sit their exams until they obtain their qualification.

During 2013, 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. 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 45 temporary trackless train routes during special events in various localities.

In March 2013, Transport Malta also published a new trackless train route in Rabat/Xagħra, Gozo. This route was awarded following a public call for interest, and has been operating since then.

Public Service Garages

During 2013, 19 new public service garage permits have been issued.

Road Haulage

During 2013, four new Community Authorisations and two new National Operator Licences for Road Haulage services were issued.

The provision of training and tests related to the Initial Qualification of the Driver CPC for drivers involved in the carriage of goods was initiated. The first drivers attended this training in December 2013 following a call for applications that the Authority distributed to all eligible drivers. This call was accompanied by a self-assessment questionnaire guiding drivers to establish whether they required this qualification.

Carriage of Dangerous Goods

Guidelines for the approval of training providers to train drivers involved in the carriage of dangerous goods were published and one application was received. It is expected that this training programme will be able to start by the second quarter of 2014.

Work also continued on the preparation of inspection criteria to be applied to vehicles used for the carriage of dangerous goods that were registered in Malta before May 2004. These criteria will be used to set up the process for vehicle inspection. This is expected to start in 2014.

Regulatory and Policy Framework

The Land Transport Directorate continued with its efforts to strengthen its regulatory and policy framework in the context of national and international requirements. A number of measures were introduced in 2013, including the following:

Establishing Technical Specifications and Guidelines

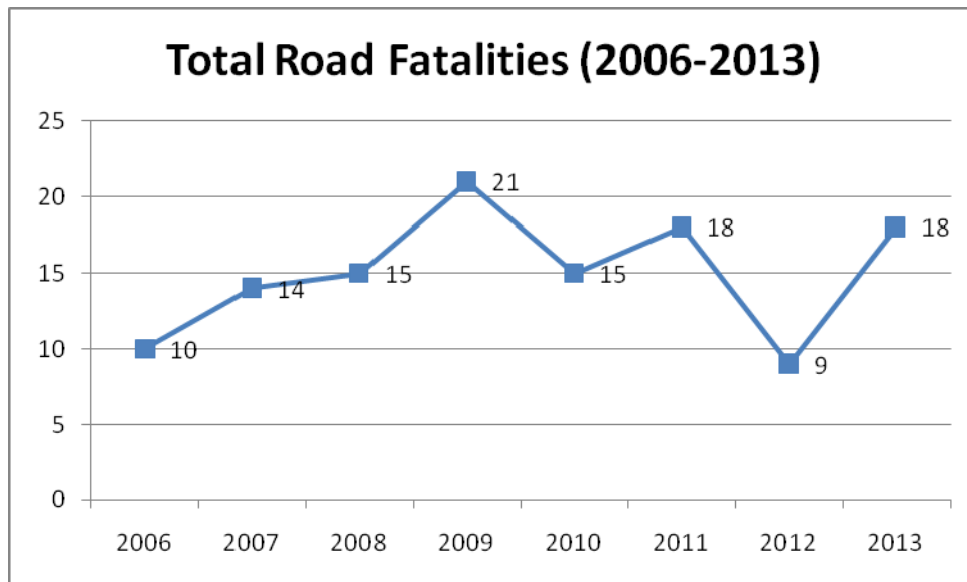
Technical specifications and guidelines were established and published in order to regulate modifications carried out on off road vehicles and sports vehicles. The specifications and guidelines are aimed to have safer vehicles on the road, and cover the installation of internal and external roll cages, seat belts, head rests, winches, frontal protection and other technical specifications relating to the materials used.

Motor Vehicles (Exchange of Information) Regulations

The scope of these regulations which is in line with EU legislation, is to ensure a high level of protection to all road users, to facilitate cross-border enforcement in the field of road safety and to step up cross-border cooperation between Member States in criminal matters.

Improving Driving Standards

The number of road related fatalities in Malta between January and November 2013 was 18 which unfortunately represents a significant increase from the previous year, but still lower than 2009. This is one of the highest 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 to drive a car, but more about the attitude towards safe driving, behaviour in society in general, and acceptance and abiding by regulations.

During 2013, a number of new measures came into force, in line with Directive 2006/126/EC that were transposed into the Motor Vehicles (Driving Licences) Regulations. 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;
- New weights and dimensions for vehicles used for category C, CE, D and DE tests.

The training and assessment leading to the Certificate of Professional Competence (CPC) in line with EU Directive 2003/59/EC continued for the passenger transport sector whilst that for drivers of large goods vehicles was initiated. Training was held by approved training providers in Malta and in Gozo whilst testing was undertaken by Transport Malta Driving Examiners. Over 500 drivers completed their training and were certified in 2013, with the majority benefiting from a scheme financed by Transport Malta.

In May 2013, the Directorate organised a one week training programme for its driving examiners. The programme was conducted by a foreign expert previously occupying the post of Senior Driving examiner with the Department of Standards Agency UK. The training was meant to continue with the upgrading of the knowledge and skills of examiners with regards to assessment techniques.

In October, the Directorate also organised a one day seminar for driving schools and instructors to discuss various measures that are being proposed with the aim of improving driver education by motivating both existing and new driving instructors and schools to improve their skills and knowledge in driver education.

One of the topics discussed was the introduction of a Safe Driver Standard, which describes the knowledge, skills and competences required to be safe drivers. Throughout this seminar a number of local and foreign speakers delivered a number of presentations on the implementation of the Standard in both the local and international context, highlighting the challenges and benefits, and also various measures that will lead to the successful implementation of this Standard.

Customer Service

The table overleaf lists the main licensing transactions throughout 2013, compared to the previous year. Overall the number of driver and vehicle licensing related transactions remained consistent with previous years.

	Licensing Service	Number of Transactions		
		2012	2013	% Change
Vehicles	Registered Vehicles	14,995	15,087	+1%
	Change of Owner (Transfers)	43,949	44,843	+2%
	Other Changes to Vehicles	11,018	10,172	-8%
	De-Garaged Vehicles	5,442	5,918	+9%
	Exported Vehicles	14	111	+693%
	Garaged Vehicles	9,125	8,003	-12%
	Scrapped Vehicles	10,138	5,617	-45%
	Road Licences Issued	329,093	316,280	-4%
	Number Plates Issued	49,276	56,677	+15%
	Pre-Registration Vehicle Inspections	6,790	7,033	+4%
Driving Licences	Learner Permits Issued	10,001	10,820	+8%
	New Driving Licences Issued	5,717	7,167	+25%
	Renewed Driving Licences	24,746	27,419	+11%
	Driving: Practical Tests	13,729	12,585	-8%
	Driving: Theoretical Tests	7,546	7,911	+5%
	Driving Licences Exchanged	645	727	+13%
	International Driving Permits	527	569	+8%
	Withdrawn Driving Licences	499	315	-37%
	Changes to Driving Licences	4,244	4,605	+9%
	Tachograph Cards Issued	84	90	+7%
TOTAL OPERATIONAL		547,578	541,949	-1%

Transport Malta is committed to improve the overall experience for customers, particularly through the introduction of various online services. A lot of effort has been put into the development of various systems which will be launched in 2014. These include:

- Facility to transfer the ownership of vehicles online or through insurances;
- Facility to apply for a driver learner permit online;
- Facility to book for a driving tests online;
- Queue management systems at Licensing offices in Floriana.

Quality Control

Driving Tests

Quality control on practical driving tests continued on target by supervising 3% of all practical tests, to ensure consistency. This resulted in an overall decrease in the number of complaints on driving tests of only 11 complaints which amounts to less than 0.1% 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. The Theory Test Centre was also subjected to an in depth audit that was carried out by Transport Malta's internal audit setup.

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:

- 1,262 post VRT checks were conducted on high risk vehicles, by calling them TM offices for a further inspection;
- Close monitoring of VRT Stations by conducting a total of 159 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 7,072 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 further reduction of 5% in unlicensed vehicles between 2012 and 2013. This followed another 7% decrease between 2011 and 2012. This was partly due to the budgetary measures recommended by Transport Malta that were extended throughout 2013 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 2013, a total of 1,278 vehicle owners regularised their position.

CIVIL AVIATION DIRECTORATE

Civil Aviation is Malta's essential link to the world and a significant enabler of our economic competitiveness. For aviation in Malta to continue to grow and stay ahead in the ever changing landscape, the Authority needs to build on past successes and plan ahead for the future. As Malta's regulatory authority for aviation, the Civil Aviation Directorate (CAD) needs to continue its process of adapting the regulations while maintaining safety of the air transport system. Risk management is a well established discipline in the aviation industry now. These are important steps towards improving safety and enhancing the public's confidence in the safety of Malta's aviation system.

The functions of the Civil Aviation Directorate are to:

- Achieve a sustainable growth in the aviation register and civil aviation operations such aircraft operators, maintenance, training, air navigation and personnel licensing;
- 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;
- Promote safety;
- Minimise the adverse effect of civil aviation on the environment.

Additionally, the CAD co-operates 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 continued to promote Malta's potential in the aviation sector. The establishment of a Business Development Unit within CAD was among these initiatives to specifically focus on expanding this sector, and also to improve service levels and enhance operational efficiencies.

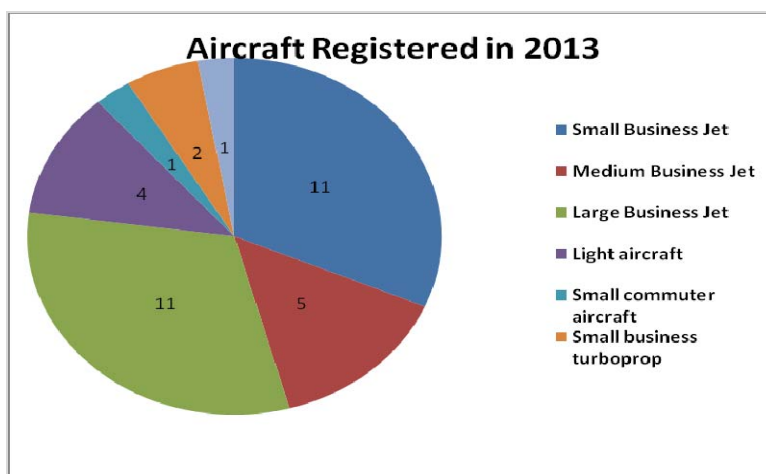
During 2013, a total of seven new aircraft operators were issued an AOC with another six operators being processed. As at end of 2013, the number of operators with an AOC was 20.

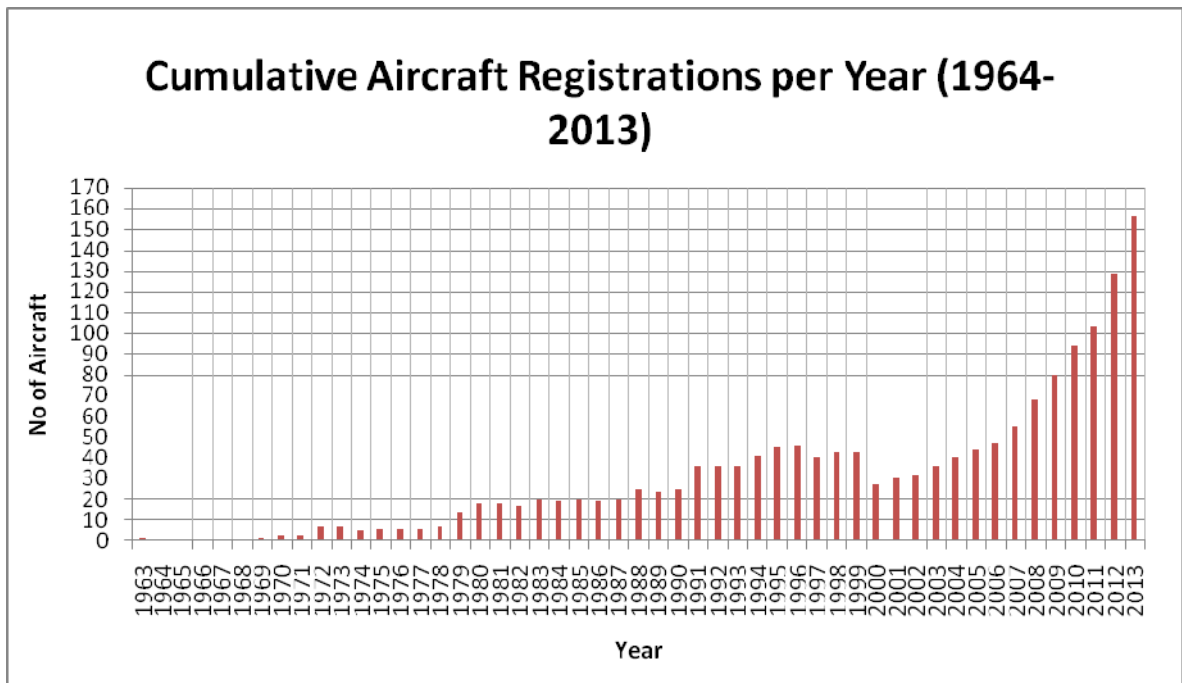
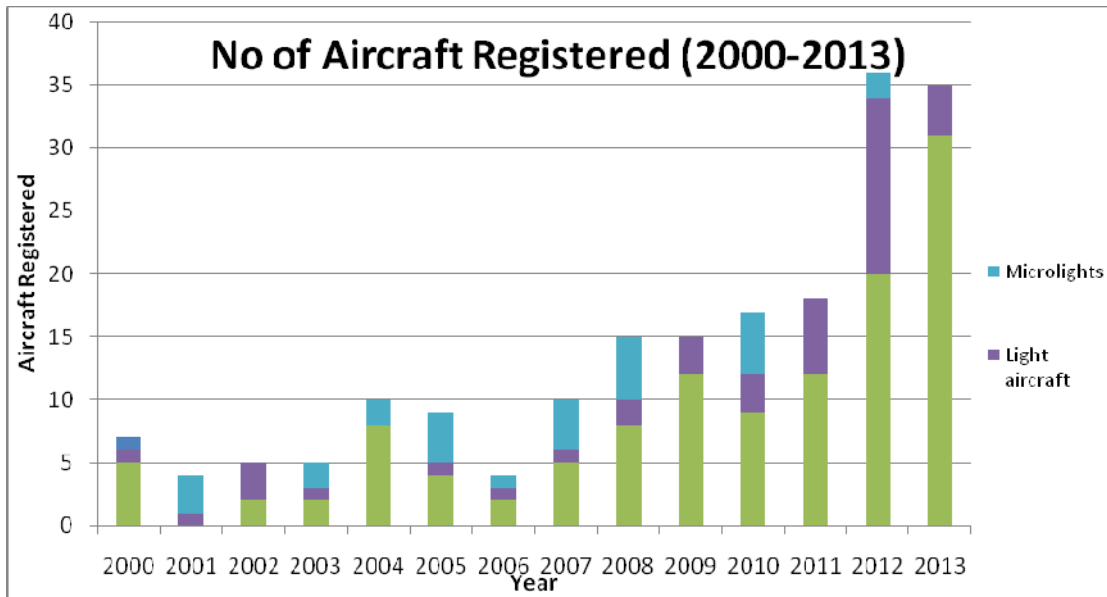
The number of aircraft on the Register continues to show a positive trend whereby numbers, net of registered and deregistered aircraft, have increased by 21% over 2013, 24% over 2012 and 10% over 2010. Operators have already started to expand their business and grow the aircraft numbers on their AOCs.

For the third consecutive year, the CAD attended the annual European Business Aviation Convention & Exhibition (EBACE) together with Malta Enterprise and the Malta Business Aviation Association. Malta's exhibition stand was amongst the largest this year and the response from the industry was encouraging. The Aeropodium conference was again organized here in Malta during the month of September, further promoting Malta as a jurisdiction for aircraft registration. Meanwhile, the CAD keeps on receiving numerous requests for its technical staff to sit on panels at various aviation seminars and conferences.

Aircraft Registration

The number of aircraft on the Register continues to show a positive trend whereby numbers, net of registered and deregistered aircraft, have increased by 21% over 2013, 24% over 2012 and 10% over 2010. In fact, the Malta National Aircraft Register accounted for 155 aircraft as at the end of year 2013. The Airworthiness Inspectorate has exceeded their expectations with 43 aircraft register movements (*registered 35 new aircraft and deregistered 8*) compared to 47 movements (*36 registered and 11 deregistered*) in 2012. There has been a substantial increase in large aircraft registration, mainly business jet aircraft, whilst there has been a decrease in the registration of small aircraft and no registration of microlights. The statistic for light and microlight aircraft falls within the norm of past years. For the first time a wide body aircraft, the A430-600 which is the longest aircraft in operation in the world, has been registered and certified.





Flight Operations Inspectorate

The Flight Operations Inspectorate registered 7 new Operators during 2013. Two operators have ceased operation, leaving a total of 20 AOC holders at the end of 2013. 6 operators are in the process of obtaining an AOC with many others showing an interest.

No.	Air Operators	Inspections in 2013	Inspections in 2012
1	Air Malta	20	22
2	Comlux Aviation Malta	12	17
3	Eurojet	11	11
4	Maleth Aero (AOC) Malta	8	14
5	Hermes Aviation	1	11
6	Hyperion Aviation	12	15
7	Luxwing	22	12
8	Malta Wings	9	10
9	Medavia	15	21
10	Orion (Malta)	10	10
11	Privajet	12	11
12	Skyfree	13	11
13	Vista Jet	9	17
14	Avcon Jet	15	-
15	Europ-Star	15	-
16	JetMagic	15	-
17	Air X Charter Ltd	18	-
18	Hi Fly Ltd	15	-
19	Oasis flight Malta	15	-
20	Nomad Aviation Ltd	13	-
Total FOI Inspections		260	193 *

** 11 Inspections not shown for 2012 have been carried out for Carre Aviation and Harbour Air which ceased operations.*

Air Transport Regulation Unit (ATRU)

The Air Transport Regulation Unit was set up in January 2012, The ATRU assumes the International and European Affairs functions of the CAD, the Aircraft Registry Coordination, the issuance of Air Operating Licenses, and the Legal Affairs. During the year under review, the ATRU issued 8 Air Operating Licenses and was instrumental in the finalisation of a new

Air Services Agreement between the Republic of Malta and the State of Kuwait. It also provided continuous support to the DGCA, the other Units within CAD, and to external parties. The Unit liaises with and also acts as a gatekeeper vis à vis Ministries and governmental entities. Further to the taking over of the functions of what was previously known the 'Duty Management Office' in 2012, 2013 was its first full year during which the ATRU delivered these services and with a smaller number of staff members. In 2013, the ATRU consisted of 5 full time members and one consultant part-time.

The Safety Management Unit (SMU)

The Safety Management Unit is the unit within the Civil Aviation Directorate (CAD) with the function of dealing with safety related events. The CAD is the authority within the State to which the management of aviation safety has been entrusted. Safety has always been, and will always be, at the centre of all aviation service providers and stakeholders, and hence the SMU plays an important, leading role within this industry. The SMU currently consists of a Safety Officer, whose responsibility is the day-to-day running of this unit and an Accountable Executive, the Director General for Civil Aviation. The Accountable Executive is the person with full responsibility of this unit and it is to him that the Safety Officer reports. It is important to note that although safety is a topic which is of prime concern to all other units, the SMU is completely independent of all other units and should maintain this independence. The SMU may receive notice of confidential safety issues and concerns, which should be kept confidential and only discussed with the relevant experts.

Over the last 12 months, the SMU has embarked on a number of projects, some of which were completed throughout the past year and others which are still on-going. Highlights of some of the achievements include:

State Safety Programme

States are required to develop a State Safety Programme (SSP) in accordance with the ICAO International Standards and Recommended Practices (SARPs) contained in Annexes 1, 6, 8, 11, 13 and 14. The State Safety Programme is an ICAO SARP, effective from 2010. Since Malta is an ICAO compliant state, it also requires a SSP. The SSP includes safety activities that must be performed by the State, together with regulations and directives declared by the State in order to support its responsibilities concerning safe and efficient delivery of aviation activities in the State. The SMU is responsible for establishing this programme and for the day-to-day running of the SSP, updating it from time to time with new regulations and directives.

The State Safety Programme (SSP), together with the State Enforcement Policy and State Safety Policy, has been issued and approved by CAD management in May 2013. EASA and ICAO have also been notified. The SSP and associated documents have been sent to all service providers operating within the State.

State Safety Plan

The State is also required to issue a State Safety Plan (SSp), updated on a yearly basis, with actions service providers are required to address. The actions listed in this plan are based on the European Aviation Safety Plan (EASp) issued by EASA and also based on data collected from local service providers. The SMU is responsible for the drafting and day-to-day running of this plan and to ensure that, with the aid of all other units within the CAD, service providers address the actions listed in this plan. The SSp is usually spread over three years but must be updated annually.

Malta's State Safety Plan (SSp) has been drafted and circulated for comments and was approved in May 2013. However, the publishing of this plan has been delayed. EASA will shortly publish the new EASp 2014-2017, highlighting new safety concerns. In this regard, on receipt of latest EASp, Malta's SSp will be updated with the new, relevant actions. It is envisaged that Malta's SSp 2014-2017 will be launched during the first quarter of 2014.

CAD Occurrence Reporting System

For the State Safety Programme and State Safety Plan to function effectively and give the necessary results, the State must have in place an effective occurrence reporting system.

Directive 2003/42/EC, the regulation concerning occurrence reporting in civil aviation, clearly states that operators are required to report and that the sole objective of occurrence reporting is the prevention of accidents and incidents and not to attribute blame or liability. It also talks about who should report, what should be reported under the mandatory and voluntary reporting scheme, collection, storage and protection of information, amongst other things. The State should have in place a system to receive and manage these reports. The SMU is the unit responsible to ensure that this system is indeed in place, functions as intended and ropes in all other units for the effective management of these safety reports. The goal of the SMU and ultimately of the CAD is to evolve from being reactive to being proactive and predictive.

The CAD has already set up a functional occurrence reporting system through which occurrence reports sent to the directorate are managed. However, as with all other systems, there is always room for improvement. In this regard, the SMU is redesigning the occurrence reporting system and the management of occurrence reports.

The task has been divided into three phases:

Phase 1 – Concept

Phase 2 – Definition

Phase 3 – Implementation

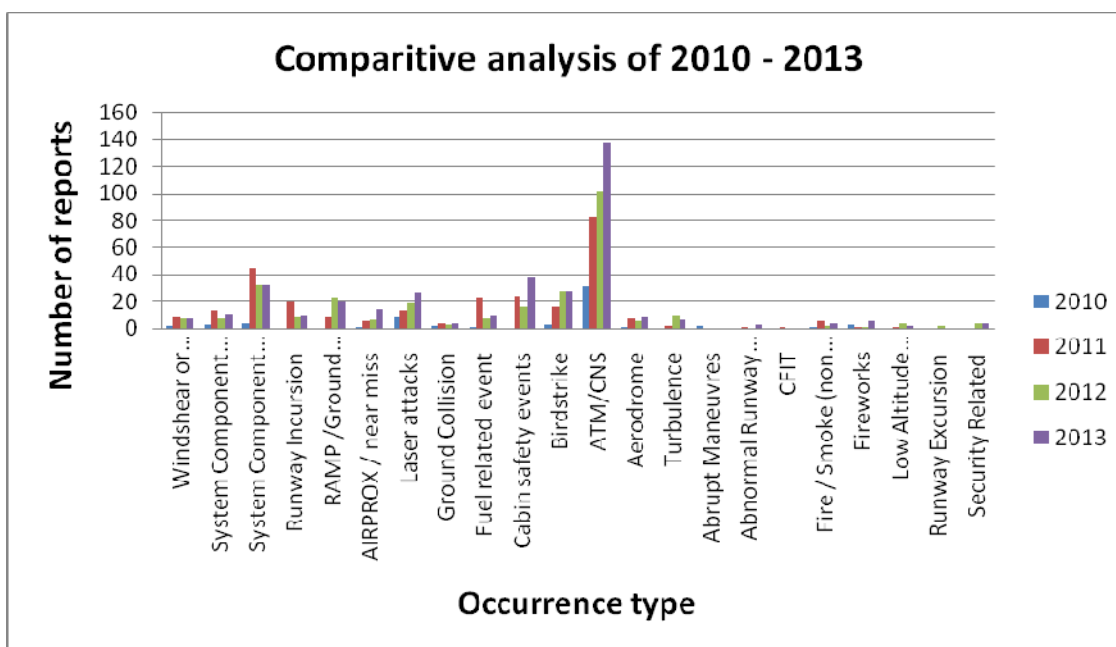
Phases 1 and 2 have been drafted, circulated for comments and approved by CAD management. Work is currently underway on Phase 3, which is the actual implementation of the redesigned system, in line with recommendations. Like all other new systems, the occurrence reporting system will be modified and improved as time goes by, to ensure efficient and proper management of occurrence reports.

Occurrence Reports

The objective of occurrence reporting is to contribute to the improvement of flight safety by ensuring that relevant information on safety is reported, collected, stored, protected and disseminated. The sole objective of occurrence reporting is to identify areas of concern before they actually develop into a safety hazard, accidents or incident and not to attribute blame or liability. This is clearly stressed in Directive 2003/42/EC, TM CAD document on occurrence reporting, in Malta's State Safety Programme and also in the State Enforcement Policy and State Safety Policy.

The CAD, through the SMU, is working hard to build a strong reporting culture. In this regard, the SMU has issued and sent an information notice to all service providers highlighting the importance and associated benefits of occurrence reporting. Together with the assistance of other units, the SMU has also published a number of occurrence report forms, which can be used by anyone wishing to file an aviation related safety occurrence report.

The graph overleaf depicts the number of reports received per specific occurrence type over the last four years (2010-2013). Although there is still a long way to go, one can safely say that the local reporting culture is moving in the right direction.



European Coordination Centre for Accident and Incident Reporting Systems (ECCAIRS)

States are required to contribute to the ECCAIRS database, where reports received are inputted into this database in order for the European Commission to obtain a clear understanding of the level of safety within states and for states to compare their level of safety with each other. The mission of ECCAIRS is to assist National and European transport entities in collecting, sharing and analysing their safety information in order to improve public transport safety. The SMU is the unit responsible for the ECCAIRS programme. The SMU owns the programme, however other staff members with the CAD are responsible for data inputting and retrieval. The SMU is concerned with the analysis of this data, from which safety trends can be established, highlighting possible areas of concern, which may need to be addressed in the State Safety Plan.

Also, to keep abreast and updated with the latest software versions, the SMU is pushing the have the latest ECCAIRS software installed. This improved software will allow the user to make use of additional software tools, making data input and analysis easier, more accurate and effective. This in turn will improve the State's safety management. Meetings are being held with IT support, both locally and overseas, to get this latest software up and running.

Safety Promotion

Another role of the SMU is safety promotion. This is the fourth pillar on which the State Safety Programme is built. Should the SMU identify a trend or be made aware of a practice which may threaten aviation safety, then it is the responsibility of the SMU to inform all stakeholders of this safety concern and give advice or recommendations on how to address this issue. However, it is important to note that safety notices issued by the SMU are only intended to

inform service providers of this concern and to give recommendations. It is ultimately the responsibility of the stakeholder involved to decide how to address this safety issue and for the CAD to approve.

The SMU is also required to organise periodic training courses and refresher courses for CAD staff members, for stakeholders and the general public.

Throughout 2013, the SMU issued four 'Information and Advisory Notices' (IANs), with the fifth in progress. These notices highlighted safety concerns with regard to occurrence reporting, AIP familiarity, night operations and mass and balance.

To emphasise the fact that safety is of concern to everyone at the CAD, last year, a State Safety Programme briefing course was organized for all CAD staff members. Also, to fulfill the requirement of safety promotion, together with the assistance of an expert in the field of safety management, the SMU through the CAD organised a full ICAO certified SMS course, available to all service providers within the State. Finally, towards the end of 2013, a safety meeting was organised for all safety managers during which the SMU gave a presentation about the close relationship between Safety Management Systems (SMS) and the State Safety Programme (SSP), amongst other things. The SMU also gave its input during the last FOCG meeting.

Throughout 2014, the SMU plans to keep up this level of safety promotion as it is our duty, as a regulator, to strengthen and encourage the growth of an effective safety culture.

Compliance

One of the main responsibilities of the compliance unit is to set up an internal compliance system, to ensure that all CAD units are compliant with all the latest regulations. One of the roles of the SMU is to ensure that all units within the CAD are handling safety concerns in the most appropriate way, with these units performing regular safety audits on the relevant service providers and sub-contracted organizations under their jurisdiction. Also, the SMU must ensure that the SSP and SSp are being adhered to.

Together with the compliance unit, the SMU is working on an internal compliance manual and checklist. It is envisaged that this manual will be completed during the first quarter of 2014.

Aerodrome Standards Unit (ASU)

The Aerodrome Standards Unit (ASU) carried out inspections on Malta International Airport plc. on a fortnightly basis and findings were brought to the attention of the Airport Operator. This also included a night air check on airfield lighting. Corrective action plans were drawn and followed up accordingly.

The Unit was involved in the vetting and approval of major projects on the airfield, including the Lufthansa Technik extension, building of a new MRO facility at Safi Aviation Park, building of a new hangar by MCM Ltd, installation of PV panels on the airfield and several other ancillary projects.

During the year the ASU supported the Central Administration in its drive to reactivate aviation facilities in Gozo, both in the short and long term. Four inspections were performed on the Gozo Heliport. ASU officers inspected and approved a number of off-site operations by helicopters and were in liaison with MEPA to assure safeguarding of obstacle limitation surfaces relative to developments by third parties.

The unit also cooperated with the Ministry for Tourism towards the drawing up of the National Aviation Policy, in respect of airport operations. Preparations for the forthcoming Implementing Rules on Aerodromes and Apron Management Services included attending meetings at EASA in Cologne and respective training in Berlin.

Personnel Licensing Unit

The Personnel Licensing Unit (PELU) managed 400 pilot licences and 54 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 Organisations:

- 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 Ltd. as a training organisation.

During 2013, the PELU carried out inspections of the Registered Facilities providing training for the Private Pilot Licence namely:

- Falcon Aviation Co. Ltd.
- Malta School of Flying Co. Ltd.
- Sky People Aviation Training Ltd.

The PELU is currently auditing pilot training organisations for the issue an approval under Part-ORA.

Air Navigation Services Unit

The Air Navigation Services Unit (ANSU) carried out a full audit on Malta Air Traffic Services Ltd. (MATS) and another full audit on the Meteorological Office (MET) at Malta International Airport. These audits were required for the re-certification of these two entities prior to the expiry of the first certificates issued in 2007, No findings were recorded and the certificates of these two air navigation service providers were renewed for a further six years. Further specific audits will be conducted during 2014 as part of the ongoing oversight of air navigation service providers.

The ANSU was involved in the safety oversight of the implementation of the first of two new radars. The ANSU participated in various safety assessments at MATS and reviewed others 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. Two aircraft accidents were recorded during 2013. In addition, 44 serious incidents were recorded, 30 of which were the result of laser attacks on aircraft.

The CAD endorses the Just Culture principle and encourages the reporting of occurrences. This will enable the ANSU to work closely with the Directorate's Safety Unit with a view to ensuring that, where necessary, remedial action is taken and followed up in an effort to prevent, as much as possible, re-occurrences of such incidents. It also assists in the identification of possible trends of occurrences in civil aviation.

With regard to participation in international meetings abroad, the ANSU was involved in the work of the BLUE MED Functional Airspace Block as part of the Single European Sky, notably in the work of the BLUE MED NSA Committee. The ANSU also participated in various meetings at EUROCONTROL, SESAR Joint Undertaking, EASA and at the meetings of the Single Sky Committee and the NSA Coordination Platform of the European Commission.

The ANSU also populated the Year 2013 LSSIP database and, during the last quarter of the year, started work on the database for 2014. 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 continued to monitor the implementation of the National Performance Plan for Malta. A report on the performance of air navigation service providers was forwarded to the European Commission.

Staff at the ANSU continued to undergo further training during 2013 and started training leading to the award of the Certificate of Achievement of the EUROCONTROL National Supervisory Authority Training Initiative. Additional training in various other fields will be required during 2014 in order to provide other areas of expertise, as necessary.

Airworthiness Inspectorate

The Airworthiness Inspectorate (AI) carried out the following audits and inspections during 2013 which inspections are conducted as part of the biannual audit plan for every approved organisation as well as required due to changes in the organisations.

Organisation Audits	Approval Reference	No of Audits	No of Findings
Continuing Airworthiness Management Organisations			
AirMalta plc.	MT.MG.01 (M-01)	6	7
Medavia Co. Ltd.	MT.MG.02 (M-02)	3	1
Eurojet Co. Ltd.	MT.MG.03 (M-03)	11	Nil
Comlux Malta Ltd.	MT.MG.08 (M-08)	2	16
Orion (Malta) Ltd.	MT.MG.10 (M-10)	3	10
Privajet Ltd.	MT.MG.12 (M-12)	2	3
Malta Wings Ltd.	MT.MG.13 (M-13)	1	Nil
Maleth AeroAOC Ltd.	MT.MG.14 (M-14)	4	11
Luxwing Ltd.	MT.MG.15 (M-15)	3	12
Hyperion Aviation Ltd.	MT.MG.16 (M-16)	2	11
VistaJet Ltd.	MT.MG.17 (M-17)	2	2
SkyFree Ltd.	MT.MG.18 (M-18)	2	2
FlyTech Services Ltd.	MT.MG.100		Nil
AP Malta Ltd.	MT.MG.04	1	3
AvconJet Ltd.	MT.MG.20 (M-20)	1	Nil

Europ-Star Ltd.	MT.MG.21 (M-21)	1	Nil
Jet Magic Ltd.	MT.MG.22 (M-22)	1	Nil
Air X Charter Ltd.	MT.MG.23 (M-23)	2	10
Hi Fly Ltd.	MT.MG.24 (M-24)	1	7
Oasis Flight Malta Ltd.	MT.MG.25 (M-25)	2	5
Nomad Aviation Ltd.	MT.MG.26 (M-26)	2	5

Part-147 Aircraft Maintenance Training and Examination Organisation			
AeroMaritime (Med) Ltd.	MT.147.01	4	9
MCAST	MT.147.02	3	3
AP Malta Ltd.	MT.147.03	1	4

Part-145 Maintenance Organisations			
Air Malta plc.	MT.145.01	1	7
Medavia Co. Ltd.	MT.145.02	1	10
AeroMaritime (Med) Ltd.	MT.145.03		14
MCM Ltd.	MT.145.05	2	3
Team Europe Ltd.	MT.145.07	Nil	Nil
Part-M-F Maintenance Organisation			
FAE	MT.MF.01	1	

Foreign Part-145 AMO's			
SR Technics	CH.145.	0	N/A
Lufthansa Technik	DE.145.	1	N/A

Total No of Audit	Total No of Findings
67	62

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

Registration of Lease Agreements

No of Registered Lease Agreements	33
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Type of Agreements

Dry Lease Agreement	20
Aircraft Operating Lease Agreement	9
Sub-Lease Agreement	4

Tripartite Management Agreement	0
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Registration of Irrevocable De-Registration Authorisation and Power of Attorney

No of Registered IDERAs	18
No of Registered POA's	Nil

Certification of Aircraft

Certificates	
Issue of Certificate of Airworthiness	32
Issue of Noise Certificate	33
Issue of Airworthiness Review Certificate	41
Issue of EASA Permit to Fly	8
Issue of National Permit to Fly	15
Total	129

39 Mode S Addresses and 15 406MHz ELT codes were issued in 2013.

The total number of certificates issued is 129 and 114 Certificates were issued pursuant to EC Regulations whereas 15 are pursuant to Air Navigation Order Requirements.

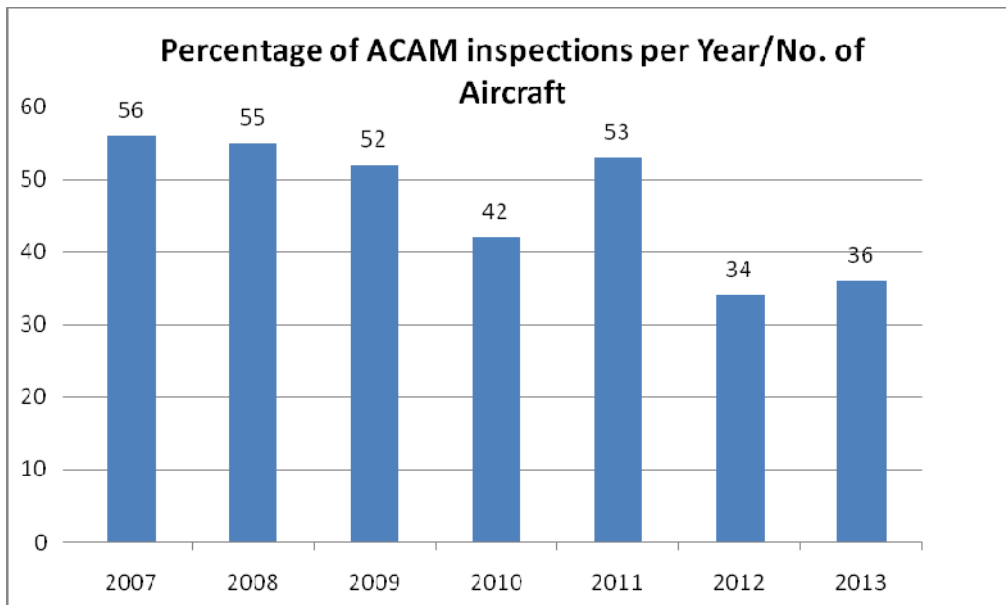
Aircraft Continuing Airworthiness Monitoring

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.

	Planned	Actual
Total Inspections for 2013	30	44
No of Aircraft	90	121
Percentage	33%	36%

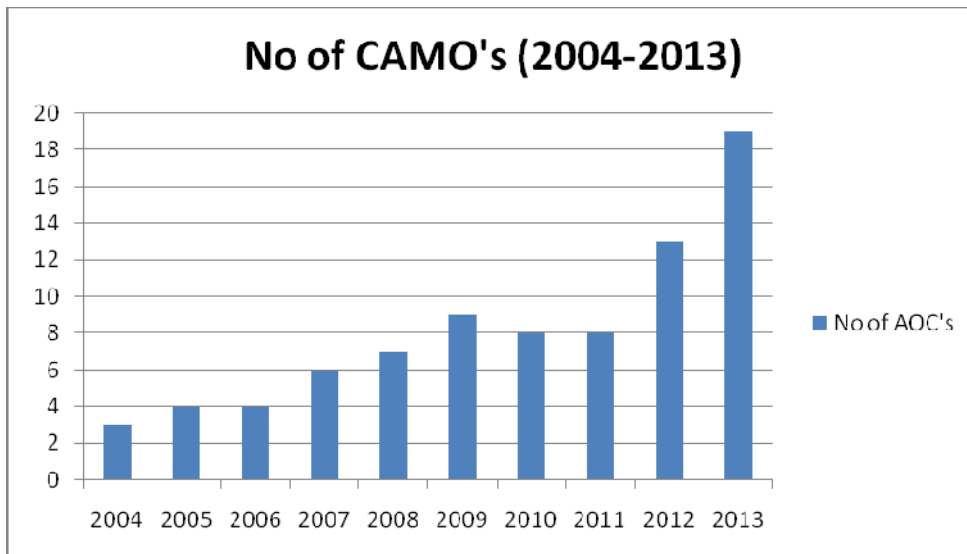
Year 2013	Nos
Relevant ACAM Inspections for SAFA	27

SAFA Inspections	Nos
Total No of Inspections	24



Organisation Approvals

Continuing Airworthiness Management Organisations (CAMO)



Desktop Audits

Approval of Aircraft Maintenance Programme	
First Issue	29
Revision	42
Approval of CAME's	
First Issue	7
Revision	19
Approval of Technical Log (CAMO)	22
ARC Recommendations Reviews (Owners/Operators)	23
MEL Reviews (Operators)	49
Training Material Review (Part-147)	3
Approval of MOE's (Part-145)	
First Issue	0
Revision	4
Approval of MTOE's (Part-147)	
First Issue	0
Revision	2
Postholder Interviews (Organisations)	22

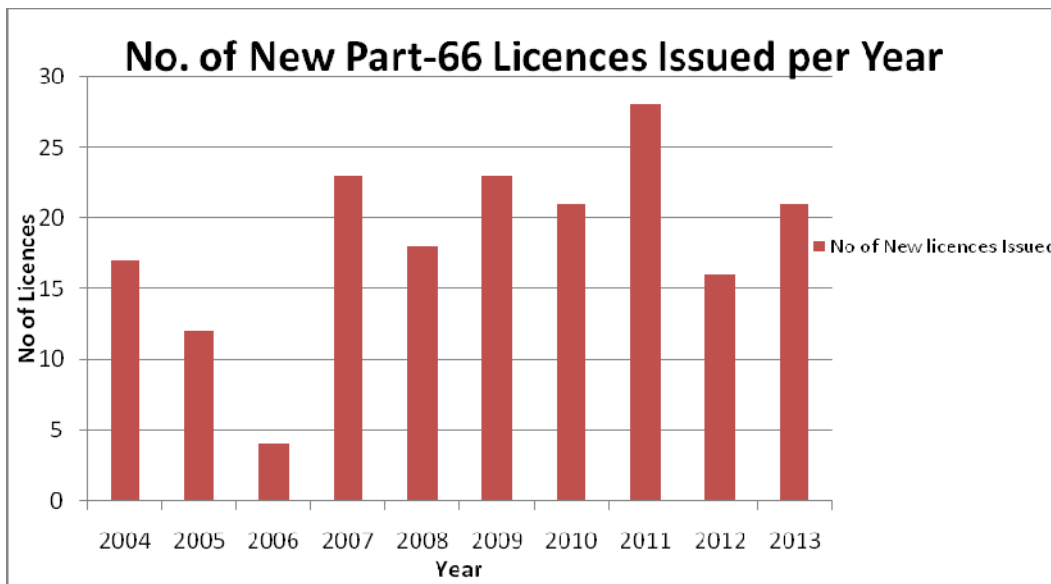
A total of 200 desktop inspections/reviews were carried out. A total amount of 130 audits and inspections were carried out. A total of 10 audits were performed abroad.

Aircraft Maintenance Licenses

The Airworthiness Inspectorate issued the following licenses:

Issue of Part-66 Aircraft Maintenance Licences

Initial Issue	21
A1	7
B1.1	13
B1.1/B2	13
Variations	58
B1.1	55
B1.2	1
B2	3
C	5
Renewals	3



Part-66 Basic Modules Examinations

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

	Part-66 Module Exams	Category	Date of Examination	No of Students sitting for Exam	Passed / Certificates Issued	Pass Rate	Total no of Exams per month
1	Module 1	B1/B2	05-Feb-13	17	10	59%	
2	Module 2	B1/B2	19-Feb-13	23	4	17%	2
3	Module 7 - MCQ	B1	20-Mar-13	17	12	71%	
4	Module 7 - Essay	B1	20-Mar-13	11	8	73%	2
5	Module 6	B1	16-Apr-13	16	6	38%	1
6	Module 3	B1/B2	14-May-13	23	7	30%	
7	Module 4	B1	28-May-13	16	6	38%	
8	Module 4	B2	28-May-13	5	2	40%	3
9	Module 5	B1.1	25-Jun-13	18	4	22%	
10	Module 5	B2	25-Jun-13	3	2	67%	
11	Module 13	B2	11-Jun-13	2	0	0%	3
12	Module 8	B1/B2	09-Jul-13	10	6	60%	
13	Module 9 - MCQ	B1/B2	16-Jul-13	11	11	100%	
14	Module 9 - Essay	B1/B2	16-Jul-13	6	4	67%	
15	Module 1	B1/B2	30-Jul-13	3	0	0%	4
16	Module 10 - MCQ	B1/B2	24-Sep-13	8	6	75%	
17	Module 10 - Essay	B1/B2	24-Sep-13	2	2	100%	2
18	Module 11A	B1.1	08-Oct-13	5	1	20%	1
19	Module 14	B2	05-Nov-13	1	0	0%	
20	Module 15	B1	12-Nov-13	2	1	50%	
21	Module 17A	B1	26-Nov-13	1	1	100%	3
			Total	200	93	49%	21

CORPORATE SERVICES DIRECTORATE

Functions and Duties

The Corporate Services Directorate (CSD) provides support services to all Directorates across the Authority in areas of Procurement, Human Resources, Marketing and Media, Customer Care, Legal Affairs and Property Management and Maintenance Services.

Projects, Initiatives and Performance of Duties

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 two most important tenders awarded during 2013 concerned the Salina Coast Road project. Two tenders were awarded for the Widening and Construction of this road having a total value of over €53 million.

The activities of the Procurement Unit included the issue of 110 tenders, encompassing both Departmental and General Contracts tenders. In addition a total of 129 quotations were issued as well as 6 Expressions of Interest or Request for Proposals. The total value of tenders awarded was € 57 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 2013, the Committee met 46 times and dealt with 785 items.

Human Resources

During the second part of 2013, Transport Malta finalised the Application for the utilisation of approximately € 1.8 million in training funded by ESF. The ESF 4.218 *Capacity Building for Transport Malta Employees* Grant Agreement has been signed and the project has now

kicked off with various training initiatives taking place. The training components include specialised courses in the maritime, aviation and land transport spheres together with courses with the primary aim to provide various levels of knowledge in disciplines common to all directorates, that is data protection, health and safety, public procurement regulations, e-procurement, EU funding regulations, customer care, leadership and communication skills, first aid, dealing with various forms of harassment, project management.

During 2013, various updates have been carried out on the Health and Safety Risk Assessments carried out during 2012. Moreover, in December 2013, the Authority issued a public call for the lease of offices with a view to address once and for all the health and safety issues in the offices utilised by some of the operational directorates. The main objective of this call is to reallocate of the staff members into offices in accordance with building and health and safety regulations and suitable to the day-to-day provision of services to the general public and business community.

Customer Care

Caring about your customers - and showing it through your service - gives you a high return on the time, effort and funds the Authority invests. Satisfied customers will speak high of one's organisation to others, hence disseminating goodwill which will in turn have the potentiality of reducing a negative aura in the media's eyes and the external environment.

Moreover, one is to keep in mind that dissatisfied customers will complain about the Authority to an average of ten other customers and potential customers, multiplying the damage to one's reputation.

Hence, during 2013, Transport Malta was contemplating to uplift the level of service to be provided to the public. The rationale for such a strategic initiative was basically due to the feedback received from the public itself and also the media. To achieve this, the Customer Care Unit would have to undergo reengineering, bringing the necessary changes required to reap a higher standard of customer care.

To this effect, during October 2013, the Customer Care Unit set off to commence in its implementation of a roadmap pertaining to changes in management of the Unit. This brought with it an administrative change in philosophy and mindset of how customer care functions and operations ought to be executed.

Customer Relationship Management (CRM)

A crucial reporting tool – the Customer Care Helpdesk – had been installed at each Customer Relation Representative's computer and went live on the 5th December 2011. Customer

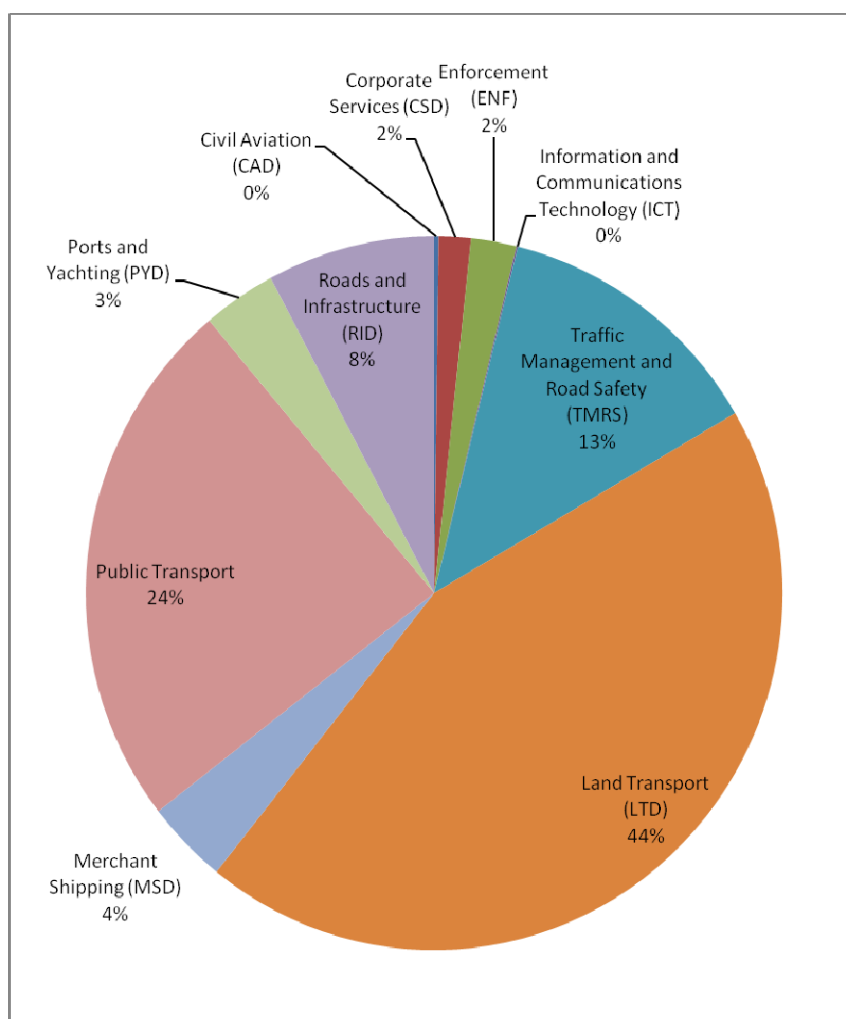
Relation Representatives within each directorate follow a clear process and log the status of each complaint, received from various sources, in the system.

Previously, importance had been given to the quantitative aspect of queries in showing efficiency of how complaints were managed. It transpires that such *modus operandi* does not give insight as to the areas within Transport Malta, which are mostly prone to a potential complaint from the public.

As from October 2013 the department has shifted its focus on the qualitative aspect of queries received from the public for the purpose to distinguish areas of concern within Transport Malta operations.

Customer Queries 2013

During 2013, the Customer Care Unit managed 11,482 complaints in conjunction with queries across Transport Malta. The following pie chart shows a breakdown of the percentage total number of complaints handled via the Customer Care Helpdesk (opened tickets) per Directorate/Unit.



The following table shows the quantity of pending tickets which were still open for a solution as at 30 September 2013.

Pending queries as at 30 September 2013

Directorate/ Unit	Pending Tickets
Civil Aviation	0
CSD	17
Enforcement	28
ICT	1
TMRS	287
LTD	153
MSD	147
Public Transport	185
PYD	84
RID	38
Total	940

The amount of 940 pending tickets may be considered as being quite alarming since most of the tickets have been dating from the beginning of 2013. To this effect, as from October 2013, as part of the changes occurring within the Customer Care Unit, a plan of action has been undertaken in order to deal with these pending queries by storm over the next coming 3 months with the purpose to close off as much pending tickets as possible until year end under review. Hence, the collaboration of all members of staff, per Directorate/Unit, from Chief Officer to Clerk, was required in order to have everybody on board for this course of action to be successful, and therefore to solve the pending queries of the public. The following table shows the resultant pending tickets for 2013 as at 31 December 2013.

Pending queries as at 31 December 2013

Directorate/ Unit	Pending Tickets
Civil Aviation	0
CSD	6
Enforcement	1
ICT	1
TMRS	67
LTD	108
MSD	6
Public Transport	176
PYD	7
RID	19
Total	391

Thanks to the collaboration of the respective members of staff involved across the Authority in the initiative to solve the 2013 pending queries, between October 2013 and December 2013, 549 queries were solved and closed off. The pending 391 queries are in progress to be solved and closed off, target being the end of the first quarter of 2014.

The new philosophy adapted to the Customer Care Unit as from October 2013 delves into more focus on being proactive rather than a reactive attitude. The future of having a high standard of customer care would be that of being in a state of creating a customer care environment in order to bring about the 'wow' feeling and experience out of Transport Malta's customers.

Marketing and Media

The Marketing and Communications Office 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 issues, 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 unit 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.

The 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 register. It 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 main 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.

Legal

During this year the legal office 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.
- Assisting in 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.

Property and Maintenance Unit

During the past year, this Unit has organised itself to meet all the support services to all the directorates and units of the Authority in motor fleet management, general facilities management and the scheduled maintenance plans of mechanical and engineering installations in various offices.

The Property Unit has a maintenance section that, as reported in other sections of this Annual Report, during 2013 has provided cardinal support to the Ports and Yachting Directorate in the preparation and dismantling of Swimmers' Zones, speed marker buoys installation and dismantling, installations, repairs and maintenance of sea-based navigational aids and land based lights.

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.

Enforcement – Land Transport

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

- Acts as regulator for all licensed transport providers;
- Ensures all vehicles are within legal emission levels;
- Enforces the applicable legislation on operators to ensure compliance;
- Ensures that all transport sectors operate safely and efficiently;
- Provides customer care to all stakeholders via enforcement staff;
- Brings all defaulters before respective courts/tribunals to be sanctioned accordingly or otherwise;
- Follows up complaints and takes action when necessary;
- Enforces the applicable regulations on new roads works and roads works;
- Holds roadside checks and tests related to emissions, road-worthiness, carriage of dangerous goods and tachographs;
- Conducts company checks at the operating centre of companies involved in international activities;

The Enforcement 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. Furthermore it enforces the regulations related to road works and new roads works.

Issuing of tickets

In 2013, the Enforcement Directorate issued 2,978 tickets for various contraventions that fall under its remit. The amount issued in 2012 issued 1025.

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 2013

Throughout 2013 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. Enforcement Officers are assigned everyday at different locations during the morning shift which they randomly check vehicles for their roadworthiness. If found unworthy a restriction is imposed on the vehicle licence and this restriction is only lifted once the vehicle is found roadworthy by the TM officials. During the roadside checks the officers also inspect vehicles in relation to transport of dangerous goods and also to tachographs. Also, the vehicle inspectorate unit is assigned with the duty of inspecting vehicle which have been reported by general public due to excessive emissions. Underneath are the statistics related to such tests and inspections:

Emission Alert Campaign Instigated Tests

	2012	2013
Vehicles Called for Test	653	389
Vehicles Tested	208	210
Vehicles that Passed Test	201	183
Vehicles that Failed Test	7	27
Failure Rate	3.5%	12.9%

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

	2012	2013
Vehicles Inspected	2040	2253
Vehicles that Passed Inspection	1085	1206
Vehicles that Failed Inspection	955	1047
Failure Rate	46.8%	46.5%

ADR (Carriage of Dangerous Goods by Road) Checks

No of Vehicles	2012	2013
Vehicles Checked	77	78
Vehicles that Passed Check	29	38
Vehicles that Failed Check	48	40
Failure Rate	62.3%	51.3%

Tachograph checks

Working days checked by the Roadside	Single manned	30 x (28 DAYS)	=	840
	Double manned	3 x (56 DAYS)	=	168
				1008

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 2013, the Enforcement Directorate checked 449 vehicles.

Enforcement on road Contractors/Service providers

In 2013 the Directorate issued 61 enforcement letters to the contractors and/or service providers for not abiding by the law and regulations related to road works and new roads

works. Such letters are issued after a direction/approval is given from the Road Infrastructure Directorate.

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 2013, the Directorate affected 225 inspections on motoring school, a significant increase from inspections made in 2012 which numbered 115.

Safety at Sea Enforcement

The Enforcement Directorate, as in previous years, carried out various enforcement actions related to the Safety at Sea Campaign during Summer months. The main aim of this campaign is to further enhance safety at sea whilst curtailing abuses. Various measures aimed at improving on both safe navigation to ensure bathers' safety were implemented.

The Authority's policy in this regard is mainly based on the educational aspect of enforcement. This is mainly achieved by instilling in the general public a sense of awareness of the various regulations and emphasizing that by acting cautiously and responsibly when at sea one will avoid incidents that can sometimes 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.

Transactions	2012	2013
Vessels Inspected	330	603
Vessels Found In Order	63	195
Vessels Found Contravening the Regulations	272	417
Warnings issued	153	333
Charges Issued	119	84

Furthermore, in 2013 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 mostly present at Blue Lagoon, Comino and the vicinities, being amongst the busiest and most populated areas in the Maltese islands during the Summer period.

Additionally, the Enforcement Directorate offered assistance to the Ports and Yachting Directorate in the latter's endeavour 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, Blue Lagoon, Mgarr Gozo, 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.

The Directorate provides Information, communication and technology services to the Organization whilst managing all resources and systems. User and systems management are the central focus of the Directorate through the provision of support mechanisms and helpdesk facilities, notwithstanding the increased pressure to support such an Organization with diverse needs spanning some 6 sites across Malta and Gozo with limited resources. The Directorate also continued with its efforts to increase efficiency through ICT systems by improving back-end systems and storage whilst improving disaster recovery mechanisms.

Projects, Initiatives and Performance of Duties

Infrastructure Development & Support - New Fiber Optic point to point connections:

- **Malta Transport Centre (MTC) Gigabit connection to all remote sites.** As part of the disaster recovery strategy, to increase redundancy and efficiency, a redundancy link feasibility study was undertaken in order to ascertain the provision of services to the organisation even when the main broadband link is down. Discussions and further groundwork have been undertaken with the service provider so that TM can set up a secondary broadband link service independent of the one presently in use so that full redundancy can be achieved.
- **Fiber Optic cable between Port Work Scheme office and MTC Marsa.** The ICTD was responsible for the laying of cable, termination and connectivity between the two offices. The new connection provided a much higher bandwidth, 1Gbps instead of the previous 20 Mbps, provided by the MW link together with improved reliability and

network security. The former MW link was left in operation as a backup in case of an emergency.

New Installation of CCTV Cameras:

- **Licensing section LTD - Floriana.** The installation of 2 new DVRs together with supporting hardware in a new secure cabinet was completed during the year. During this operation a complete new cable management was also finalised.

New Installations relating to VTS:

- **A 2nd 10 Mbps Fiber Optic link between Luqa and MTC-Marsa.** This installation was necessary in order to connect the AIS equipment that was previously installed at Freeport and which was relocated at MTC – Marsa Level 5. The ICTD was involved not only in the physical shift of the equipment but also in the configuration of the switches/routers.
- **Replacement of 10Kva UPS batteries of all 3 VTS sites.** In order to ascertain the operation of VTS systems, ICTD performs maintenance and support services on all equipment through the contracted suppliers. This year UPS batteries of Qammieh, Delimara and Turreta sites were replaced with new ones thus guaranteeing the provision of backup power facilities.

Other Installations included:

- Installation of 3 Kva single Phase UPS together with a 6 Kva backup generator plus UPS power circuit at LTD-Floriana
- Installation of 20 Kva UPS at RID
- New installation of a Queue Management system (QMS) at LTD – Floriana.

Wi-Fi Installations

- **Cirkewwa new passenger Terminal:** This installation is part of the Government's Wi-Fi project (through MCA) around the islands. Apart from the two outdoor APs, a 3rd indoor AP was installed in order to provide Wi-Fi service inside the Terminal at the main foyer/waiting area.

Back-end Systems

Enhancement and Upgrade of Core Virtualised Environment: The ICTD employs a virtualized environment to support the majority of back-end operations. This infrastructure allows for the centralized management of multiple 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.

During the year under review, ICTD continued with the upgrading of the back-end virtualized environment by providing more disc space in order to meet the ever increasing demand of the organisation.

Business Continuity

ICTD also continued on its project to ensure business continuity of all ICT services. Work is being done to implement a secondary fibre optic link to increase redundancy of broadband services. Moreover, the implementation of a business continuity setup catering for core application systems and data hosted outside the Authority (at MITA data centre) is at an advanced implementation stage. MITA will be responsible for industry standard hosting environment including reliable power supply, effective cooling, automatic fire suppression system and appropriate security measures whereas systems/equipment will be supported and maintained by TM ICTD.

ICT Helpdesk and User Support

The ICT unit provides ICT support to all TM users at TM sites. During 2013 the section handled over 5,600 tickets from various Directorates via the HelpDesk system.

Projects

During the year ICTD finalized a number of projects, including the Small Ships Register, eForms, VERA/DLS enhancement program and Portnet enhancement. Moreover the Directorate is also working on a number of other projects as detailed overleaf:

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.

Transport Malta has been working on EUCARIS for a number of years now and during 2013 after finalization of all development and testing, the system was the subject of a site visit from the European Commission in order to fully test its functionality and integration with EU counterparts as part of the PRUM Treaty.

European Register of Road Transport Undertakings (ERRU)

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.

Development on ERRU has been finalised and testing has also been successfully completed with the EUCARIS HelpDesk in Denmark. The system is now awaiting commissioning by the EU to be fully operational.

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.

Systems development for RESPER has been completed and the system is undergoing functional testing. During the coming months full operational tests will be performed with the EUCARIS HelpDesk and the EU Commission and it is anticipated that it will be fully operational during the year.

CBE - Cross-border exchange of information on road safety related traffic offences.

This Directive is being implemented within Transport Malta in order to be capable of exchanging information with EU counterparts on offences related to road safety. The scope and requirements are currently being analysed in order to set up the required infrastructure and systems in line with obligations and utilising the EUCARIS backbone already in place.

eTransfers

Following the successful launch of various initiatives that promote the on-line take-up of various transport services, Transport Malta is implementing a major e-service, namely eTransfers. This service will provide citizens, through their respective AEs with the facility to transfer a vehicle on-line using a new delivery mechanism similar to the facility already in place for license renewals.

Through this facility Authorised Agents will be able to carry out vehicle transfer of ownership inclusive of payment processes. The development of this on-line service is currently under way and is anticipated to go live in the coming weeks.

E-Registration of Commercial Vehicles

Currently Transport Malta, through the eREG portal, provides all Motor Car Agents, Dealers as well as the general public the facility to:

- Register their vehicles directly online with Transport Malta;
- Obtain the Registration Value (RV) and the amount of Registration Tax to be paid of a used Motor Vehicle (M1), Goods Carrying Vehicle, Motorcycle, Quad Bike or ATV in accordance with the Motor Vehicle Registration and Licensing Act, CAP 368

The system is currently being upgraded in order to start supporting the registration of commercial vehicles through the portal. The requirements analysis has been finalized and it is anticipated that development initializes in the coming weeks to be able to implement this on-line service during the coming year.

VERA & DLS Enhancement Program

The VERA (Vehicle Registration System) and DLS (Driving Licenses System) are the core applications used to support the registration of vehicles and drivers' licenses. These applications require continuous enhancement and upgrading in order to support legislative and operational changes whilst increasing controls and efficiency. During this year an enhancement program for both systems was followed through MITA to implement the required changes/enhancements.

STREETS

In 2012, STREETS was one of the projects approved by the ERDF, Italy-Malta OP. As the main deliverable of this project is to strengthen the link between Malta and Sicily, Transport Malta is strengthening also its backbone infrastructure, by ensuring that processes, resources and isolated datasets are integrated in this platform. Through this project, Transport Malta aims to implement an enterprise-wide GIS implementation across all the Authority to consolidate operations within the directorates, facilitate transportation planning decisions, visualise and manipulate data of the Land, Sea and Air transport. This internet and 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

The key objectives of this project are to:

- Build the foundation transportation data model, infrastructure, and database for the GIS System within Transport Malta;
- Use GIS data, and processes to capture all the transport lifecycles from planning, design, construction, operations, maintenance processes;
- Create a public facing portal;
- Create an intranet portal (internal), where each directorate shall integrate GIS applications with other Transport Malta business;
- Create an enterprise-level intranet portal that would provide accurate and reliable geospatial information and services to various Directorates most importantly in land transport, aviation, roads Infrastructure and maritime sector

Penalty Point Systems Enhancement

During the year, as part of the systems enhancements program aimed at improving controls and efficiency at the Land Transport Directorate, a project for enhancing the penalty point system was initiated. This project will provide a better (driving) penalty point usage system whilst providing more information to the public through direct links with the LES system (Local Councils). Moreover, the Directorate is currently developing a solution for Malta and Gozo Law Courts in order to manage the appeals process on decriminalized offences/contraventions forming part of the LES System. It will also allow the Law Courts to apply/waive penalty points on any such contraventions.

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