

A photograph of a person's hand opening the driver-side door of a dark-colored car. The car is parked on a street, and the background is slightly blurred, showing what appears to be a building entrance. The overall lighting is soft, suggesting an evening or dusk setting.

LIGHT PASSENGER TRANSPORT SERVICES
AND VEHICLE HIRE SERVICES
REGULATIONS 2020



Transport Malta



MINISTRY FOR TRANSPORT,
INFRASTRUCTURE AND CAPITAL PROJECTS





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DEFINITIONS

Light Passenger Transport Vehicle means a vehicle driven by a person holding a driver's permit who is employed by an operator for the purpose of the conveyancing of passengers;

Low-powered vehicles means vehicles which do not exceed the speed of 45km per hour;

Leasing means a contract under which the owner of a motor vehicle grants to another person the exclusive possession of the motor vehicle for an agreed period;

Leased vehicle means any new motor vehicle (except for M2 and M3 category motor vehicles) which bear 'QZ' plated registration plates, or in-service 'LY' plated vehicles changed to 'QZ' plated vehicles which are not older than 3 years from date of registration and are registered and licensed to be hired from an approved Operator's licence holder;

M1 motor vehicles mean vehicles used for the carriage of passengers and comprising no more than eight seats in addition to the driver's seat;

N1 motor vehicles mean vehicles used for the carriage of goods and having a maximum mass not exceeding 3.5 tonnes;

N2 motor vehicles mean vehicles used for the carriage of goods and having a maximum mass exceeding 3.5 tonnes but not exceeding 12 tonnes;

N3 motor vehicles mean vehicles used for the carriage of goods and having a maximum mass exceeding 12 tonnes;

Self drive motor vehicle means a motor vehicle which is licensed and/or registered to be hired from an approved Operator's licence holder for the propose of being driven by a hirer;

Motor cycle means a two-wheel vehicle with or without a sidecar, fitted with an engine having a cylinder capacity of more than 50 cm³ of the internal combustion type and, or having a maximum design speed of more than 45 km per hour, and including a motor tricycle.

1. INTRODUCTION

- 1.1. In September 2019, Transport Malta embarked on an exercise to reform the registration, licensing and use of garage hire (chauffeur driven) vehicles and vehicles for hire or lease, and to organise the services provided by operators of such vehicles under one licencing regime. The main aims of this reform were to update the regulatory framework to respond to fast-changing globalized trends in the provision of these transport services, while raising service standards, and to introduce consistent and enforceable rules in the best interests of passengers and hirers making use of such services. In this regard, the Authority held consultations with a wide range of stakeholders and interested parties.

Following the consultation period, a new set of regulations was drafted and subsequently published by means of Legal Notice 366 of 2020.

2. DEREGULATING, CONSOLIDATING AND STREAMLINING THE RULES THAT MAKE UP THE LIGHT PASSENGER TRANSPORT SERVICES SECTOR IN MALTA.

- 2.1. The new regulations set forth the aim to streamline and raise the standards and regulation of the light passenger transport sector to the level of other passenger transport sectors that have already been reformed by the Authority and which are regularly updated. This was in fact the only transport sector that needed to be holistically reviewed by the Authority. Other reforms in the passenger transport sector that were carried out and are regularly updated by the Authority include the passenger transport services sector in 2009/2010 (passenger transport vehicles carrying more than 8 passengers), the taxi sector in 2010/2011 and the use of animals and animal-drawn vehicles on the road in 2016/17.
- 2.2. In order to properly achieve these aims, it was strongly felt that the regulation of chauffeur-driven services should be separated from that of vehicle rental and leasing (self-drive) services, thereby deregulating the latter type of service, considering that there was no element of passenger transport involved. The new consolidated regulations therefore include two separate sections, one governing light passenger transport services and the other governing vehicle hire services. Consequently, the PSG permit system is being abolished.

3. LIGHT PASSENGER TRANSPORT SERVICES

3.1. The following are the main new requirements for light passenger transport services (light passenger transport vehicles having a maximum of eight (8) passenger seats, hired out with a driver), which are based on the other passenger transport reforms already undertaken by the Authority.

3.2. Operator's role

Light passenger transport services are being organised under operators' licences based on the same conditions applicable in the other passenger transport sectors. Under the new regime, operators are therefore required to fulfil the following requirements in order to obtain an operator's licence:

- i. They must be of good repute and conduct;
- ii. They must nominate a designated person, who may be the operator himself, and who must continuously and effectively manage the operations and who, together with the operator, is liable to any penalties resulting from breaches of these regulations, which penalties may also lead to the revocation of the operator's licence;
- iii. The operator must also declare that he/she has sufficient space to garage his/her vehicles while these are not in use;
- iv. One (1) Operator's licence will be issued per Operator, irrespective of the number of garages;
- v. The Operator must have an Operating Centre where to keep records of all the bookings and employment contracts and from where to provide basic services to clients;
- vi. An application fee of €200 per Operator's license must be paid irrespective of the location;
- vii. An annual renewal fee of €200 per Operator's license must be paid.

3.3. Driver Requirements

Under the new regulatory framework, a driver will only be given a driver's permit (TAG), if he/she:

- i. Is of good repute and conduct;
- ii. Is duly licensed in accordance with the Motor Vehicles (Driving Licences) Regulations;
- iii. Is certified as medically fit to drive;
- iv. Possesses the requisite skills to act as a Driver after attending a specialised training course - refer to Annex 1, and passes a theory and a practical examination.

The driver's permit and driver's tag shall be valid for a maximum period of five (5) years or other shorter period specified by the Authority.

The requirement for a driver to be employed or engaged by the operator is being retained, but allowing drivers the option to work for more than one operator, as is the case for all the other passenger transport sectors.

3.4. Vehicle Requirements

Only vehicles registered under the Operator's Licence of a light passenger transport services operator may be used to carry out light passenger transport services. Vehicles may be registered if they satisfy the following conditions:

- i. they are registered and licensed in terms of the Registration and Licensing of Motor Vehicles Regulations;
- ii. they are not of a white colour;
- iii. they are new vehicles, except for the following:
 - a. Vehicles of thirty-six (36) months or less of age from the date of first registration, that are used for hire having 'QZ' plates, provided that such vehicles are not of white colour;
 - b. Certified vintage vehicles which may only be hired out specifically for special occasions, including weddings; and
 - c. limousines which are not of white colour.

All motor vehicles for the carriage of passengers shall not be more than twenty-two (22) years of age to be reckoned from the date of first registration. Understandably, the age requirement will not apply for vintage vehicles that are classified as such by the Vintage Vehicle Classification Committee.

Furthermore, the vehicles must be equipped with a tracking device, whereby the Authority may ask to be provided with real time data.

However, motor vehicles that are already registered as chauffeur-driven vehicles under the old PSG regime, shall only need to comply with the above requirement within two (2) years from the coming into force of these regulations. Moreover, owners of such vehicles that are twenty-two (22) years old or more shall be allowed to replace such vehicles with used models that are not older than two (2) years and this, by not later than twelve (12) months from the date of coming into force of these regulations.

3.5. Services Requirements

The new regulations include a list of responsibilities on operators and drivers to ensure a high standard of service, including the following:

- Service must be booked in advance and no plying or standing for hire is allowed;
- Abiding by established conditions of hire, including pick up/drop off times, advertised fees etc;
- The Authority may, from time to time, carry spot check inspections to ensure that vehicles are kept clean and in good working order;
- Drivers must wear appropriate clothing;
- Proper and safe driving;
- No use of equipment and no disturbances while driving;
- Emergency equipment, no smoking etc;
- Vehicles must be parked off-street or garaged while not in use.

3.6. Digital Booking Platforms

Any intermediary transport service provider which offers globalized internet based services for the provision of light passenger transport services must either obtain an operator's licence in accordance with the regulations, or else serve only as an intermediary booking service platform under a contract of service with licensed operators.

The intermediary service providers must:

- Have an office established in Malta where all booking data is kept and made accessible on request to the Authority;
- Make all booking data available to the Authority; and
- Make available to clients the details of the operator with whom the service has been booked and ultimately provided.

3.7. Penalties

Penalties for operator's licence holders and light passenger transport drivers vary between a minimum of €50 and a maximum of €1,500. With the new regulations, administrative penalties and corresponding penalty points for both Operator's licence holders and drivers are being introduced. These may lead to the revocation of a driver's permit or an operator's licence as the case may be. The loss of good repute and conduct will also lead to a revocation of licence. Serious offences are clearly defined, leading to criminal proceedings, hefty fines and the suspension or withdrawal of the licences. In such cases, the Operator or Driver, as the case may be, may lodge an appeal before the Administrative Review Tribunal.

4. VEHICLE HIRE SERVICES

4.1. Vehicles for hire, which may be passenger carrying vehicles or goods carrying vehicles, may only be registered and licensed by holders of an operator's licence for vehicle hire services issued by the Authority. The distinction between 'K' plated (short-term hire) and 'QZ' plated (long lease) vehicles has been abolished and all vehicles will be issued with 'QZ' registration plates

4.2. Operator's Role

Vehicle hire services will be organised under an operator's licence based on the same conditions applicable in the other passenger transport sectors. An Operator's licence will be issued, irrespective of the number of garages owned/rented by the Operator. The Operator must have an Operating Centre where to keep records of all bookings and as a contact point for clients. The Operator must have a minimum of 5 vehicles registered under the Operator's Licence.

The eligibility criteria to become an operator, particularly the requirement for operators to be of good repute and conduct has been retained. The new regulations include more responsibilities on operators to ensure a high standard of service, including the requirement for operators to appoint a 'designated person' (who may be the operator himself), who continuously and effectively manages the operation of the vehicle hire service, and who, together with the operator, is liable to any penalties resulting from breaches of these regulations, which penalties may also lead to the revocation of the operator's licence.

4.3. Vehicle Requirements

In order to ensure a good quality of hired passenger vehicles, the requirement that such vehicles should be new upon registration has been retained, whilst a maximum age limit of fifteen (15) years from registration by when they should be removed from service is being introduced. However, in-service swapping between 'LY' to 'QZ' plated vehicles will still be allowed, provided that such vehicles are not more than thirty-six (36) months of age to be reckoned from the date of first registration.

On the other hand, for N category vehicles (good carrying vehicles) a minimum age limit from date of first registration and a maximum age limit by when they shall be removed from service are being introduced.

The below tables illustrate the minimum and maximum age for each vehicle category.

Minimum Age from date of first registration by Category

Passenger vehicles must be New;
N1 goods vehicles not older than 4 years;
N2 goods vehicles not older than 6 years;
N3 goods vehicles no age limit.

Maximum Age in service by Category

Age limit of 15 years for passenger vehicles;
Age limit of 15 years for N1 goods vehicles;
Age limit of 20 years for N2 goods vehicles;
No age limit for N3 goods vehicles.

The Operator must ensure that the vehicles are covered by an insurance policy in accordance with the provisions of the Motor Vehicles Insurance (Third-Party Risks) Ordinance, Chapter 104 of the Laws of Malta.

4.4. Service Standards

The new regulations include a set of service standards that must be complied with, including amongst others:

- Setting up of premises to serve as a point of contact for the clients;
- Maintaining proper records through an operating centre;
- providing clear information to clients on the conditions of the hire and applicable fees;
- Replacement of vehicles in case of breakdown, accident or theft;
- The Authority may, from time to time, carry out spot check inspections to ensure that the vehicles are kept clean and in good working order.

5. CONCLUSION

The Authority is confident that the new regulations have achieved the desired scope of consolidating, streamlining and updating the rules governing light passenger transport services, and of deregulating vehicle hire services. Furthermore, the regulations will ensure better standards and effective enforcement. The ultimate aim of these regulations is to improve the standards and safety of passengers using these services, whilst guaranteeing a level playing field among operators in the passenger transport sector.

LIGHT PASSENGER TRANSPORT SERVICES

OPERATOR AND OPERATOR'S LICENCE

Previous Regulations

PSG licence holders must be of good conduct and must nominate a designated person who manages the public service garage. Recent changes to the regulations harmonized rules on good conduct requirement.

PA permit needed per garage.

Minimum of 2 vehicles under PSG licence.

Application minimum fees range between €120 and €580, depending on location.

New Regulations

Operator role

An operator's licence will be issued per operator irrespective of number of garages.

The Operator must nominate a designated person, who may be the operator himself, who must be of good conduct, to continuously and effectively manage the operations. Both will be liable to any penalties resulting from breaches of the regulations, which penalties may also lead to the revocation of the operator's licence.

The Operator must declare that he/she has sufficient space to garage his/her vehicles while these are not in use.

No minimum of vehicles

An application fee of €200 Operator's licence irrespective of location. Annual renewal fee of €200 per Operator's licence.

LIGHT PASSENGER TRANSPORT SERVICES

DRIVERS

Previous Regulations

Drivers must:

- be of good conduct (requirements recently harmonized for all passenger transport drivers);
- attend 1 week customer care training;
- be in possession of a category 'B' driving licence for 1 year;
- be employed by the PSG operator.

New Regulations

Conforms to harmonised good conduct requirements applicable to all drivers.

Possesses the requisite skills to act as a Driver after attending a specialised training course, and passes a theory and a practical examination.

Can be employed by more than one Operator.

LIGHT PASSENGER TRANSPORT SERVICES VEHICLES

Previous Regulations

Only M1 category vehicles can be hired out with a driver.

Must be new, right-hand drive & not white (except for classic/vintage).
No age limit in service.

In-service swapping between QZ and GY/LY allowed if vehicles are not older than 2 years.

New Regulations

Any vehicle category (\leq 8 passenger seats plus driver) can be rented out.

Still required to be new and not white (except for vintage vehicles).

Must be equipped with a tracking device.

Data should be provided in real time if it is required by the Authority.

Age limit of twenty-two (22) years in service.

In-service swapping between QZ and LY still allowed if vehicles are not older than thirty-six (36) months and as long as it is not white.

LIGHT PASSENGER TRANSPORT SERVICES

DIGITAL BOOKING PLATFORMS

Previous Regulations

Not catered for.

New Regulations

Requirements cater for globalised internet-based services for the provision of light passenger transport services – not to be confused with real car sharing economy, which are not within the scope of these regulations.

Digital Platform service providers are required to

- Either acquire an operator's licence under the new regime and abide by all the licensing conditions,

or

- Serve only as an intermediary service platform under a contract of service with licensed operators and not drivers.

LIGHT PASSENGER TRANSPORT SERVICES

PENALTIES

Pervious Regulations

Penalties vary between a minimum of €23 and a maximum of €58 and charged only after conviction by a court of law.

Not all breaches covered.

Suspension or revocation of driver's tag or PSG permit if holder no longer satisfies the good conduct requirement, or for undefined serious breaches of regulations.

New Regulations

Administrative penalties and corresponding penalty points have been introduced, which may lead to the withdrawal of a driver's or operator's licence.

Loss of good repute condition will still lead to revocation of licence;

Serious offences are clearly defined, and may lead to criminal proceedings, hefty fines and the suspension or withdrawal of licences.

Appeals may be lodged before the Administrative Review Tribunal.

VEHICLE HIRE SERVICES

HIRE VEHICLES FLEET

Previous Regulations

Fleet is organised in 2 groups:

- Short term hire (K Plates);
- Long term lease (QZ Plates)

New Regulations

Distinction between 'K' plates and 'QZ' plates has been abolished and all vehicles for hire will be issued with 'QZ' registration plates.

VEHICLE HIRE SERVICES

OPERATORS AND OPERATOR'S LICENCE

Previous Regulations

PSG licence holders must be of good conduct and must nominate a designated person who manages the public service garage.

Recent changes to the regulations harmonized rules on good conduct requirement.

PA permit needed per garage.

Minimum of 4 vehicles under PSG licence. Application minimum fees range between €120 and €580, depending on location.

New Regulations

Creation of Operator role.

An operator's licence will be issued per operator irrespective of number of garages.

Operator must nominate a designated person, who may be the operator himself, who must be of good conduct, to continuously and effectively manage the operations. Both will be liable to any penalties resulting from breaches of the regulations, which penalties may also lead to the revocation of the operator's licence.

The Operator must declare that he/she has sufficient space to garage or park off-street his/her vehicles while these are not in use.

Minimum of 5 vehicles under Operator's licence.

An application fee of €200 per Operator's licence, irrespective of location. Annual renewal fee of €200 per Operator's licence.

VEHICLE HIRE SERVICES

VEHICLES

Previous Regulations

Any vehicle category (\leq 8 pass. Seats) can be rented out.

Passenger vehicles must be new, right-hand drive.

No age limit on importation of used Goods vehicles

No age limit in service.

Min. 3rd Party liability Insurance cover.

In-service swapping between QZ and GY/LY allowed if vehicles are not older than 2 years and are not white.

New Regulations

Any vehicle category (\leq 8 passenger seats plus driver) can be rented out.

Passenger vehicles must be new.

N1 goods vehicles not older than 4 years; N2 goods vehicles not older than 6 years; N3 goods vehicles no age limit.

Age limit of 15 years for passenger vehicles;
Age limit of 15 years for N1 goods vehicles;
Age limit of 20 years for N2 goods vehicles;
(maximum of two (2) years grace for the replacement of vehicles, following which the above will come into force)
No age limit for N3 goods vehicles.

Insurance requirements must comply with the provisions of the Motor Vehicles Insurance (Third-Party Risks) Ordinance, CAP 104 of the Laws of Malta.

In-service swapping between QZ and LY still to be allowed if vehicles are not older than thirty-six (36) from date of registration and are not white.

ANNEX 1

Part 1

- 1.** Knowledge of vehicle characteristics and safety features including, interalia:
 - a. Knowledge of the characteristics of the transmission (gear) systems enabling a driver to make the best possible use of them;
 - b. Knowledge of the technical characteristics and operation of the safety controls in order to control the vehicle (compliance with safety and security procedures), minimize wear and tear and prevent vehicle malfunction;
 - c. Ability to optimise fuel consumption.

- 2.** Safety of driver, passengers and other road users including:
 - a. Ability to ensure passenger comfort and safety including particular behaviour with elderly and passengers with special needs;
 - b. Knowledge of legislation regulating the carriage of passengers;
 - c. Ability to assess and deal with emergency situations, including:
 - i. First aid/CPR (cardiopulmonary resuscitation)
 - ii. Aggressive or drunken behaviour by passengers
 - iii. Dealing with accidents
 - d. Ability to prevent and deal with criminality, including:
 - i. Refusal by the passenger to pay the fare or tariff
 - ii. Passengers requesting information on illegal activities
 - iii. Passengers requesting over-speeding
 - iv. Passengers requesting overloading of passengers
 - e. Correct use of speed
 - f. Physical fitness to drive a chauffeur driven vehicle
 - g. Awareness of the risks on the road and accidents at work

3. Routes and destinations

- a. Thorough knowledge of routes, including the ability to provide shortest route and alternate routes
- b. Basic knowledge of prime tourist and commercial locations across Malta and Gozo

4. Interpersonal skills including:

- a. Customer Care
- b. Politeness
- c. Personal cleanliness

5. Languages

- a. The ability to communicate in either Maltese or English
- b. Basic computer literacy skills and adeptness within the use of e-mails, internet, navigation system, digital applications and software.

6. Optional training with respect to the use of a wheelchair accessible vehicles:

- a. Maintaining wheel belts or wheel clamps in good working order
- b. Ability to safely install the wheelchair in the vehicle, backing the chair to the “fold down” seats, then securing both wheelchair brakes, secure seat belts/safety harness and also secure wheel belts/clamps if fitted to vehicle, ensure that the wheelchair and disabled person are secure.

Part 2:

ORGANISATION OF THE EXAMINATION

The Authority or a body approved by the Authority shall organise a compulsory examination which may be written or oral to establish whether the applicant has achieved the required level of knowledge in the subjects listed in Part 1.



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