

ANNUAL REPORT 2011



Transport Malta

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EXECUTIVE SUMMARY

This report covers the second year of activity of Transport Malta (TM), which commenced operations on January 1st 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 can be summarised as follows:

Merchant Shipping

As at the end of 2011, the Maltese Register of Shipping registered an increase of over 6 million gross tonnage representing a growth rate of 16.1% over the previous year. In fact, at the end of year the number of ships registered under the Malta Flag was over 5,500 with a total gross tonnage exceeding 45.6 million. These results have confirmed the Malta Flag as Europe's top Shipping Register and seventh worldwide in terms of gross tonnage. Positive results were also registered in the registration of superyachts compared to 2010, bringing the total amount of superyachts flying the Malta Flag to circa 300.

Ports and Yachting

During the past year in line with the Government's declared policy, Transport Malta continued with the privatisation process of ports and yachting related services. In fact, during the year under review, Transport Malta signed a concession agreement for the management, operation and control of a temporary marina at the Tigne, Sliema, an organised mooring area at Ta' Xbiex, within Lazaretto creek and a concession agreement for the operation and management of Coal Wharf. During summer, the Authority, as part of its drive to better organise popular bays, reinstalled speed marker buoys, navigational aids and 43 swimmers' zones around the Maltese coast. These initiatives are aimed at enhancing safety at sea. 2011 also saw marginal increases in the cargo handled the Grand Harbour together with an increase of 13% in the number of cruise passengers to Malta and Gozo. A 25% increase was also registered in the amount of Ferry passengers, with evacuating passengers from Libya contributing further to this spike.

Land Transport

Public Transport

The year 2011 saw the challenging introduction of the new public transport service in July 2011. During the first six months of the year, the Authority upgraded the public transport infrastructure including three bus termini, three park and ride sites, and 23 interchanges, ensured the testing and licensing of new drivers and buses and installed 60 bus shelters. The introduction of this service on the 3rd July brought with it a change in the role of Transport Malta into one of a regulatory nature with the primary responsibility of ensuring that the conditions set out in the contract with the bus operator are being adhered to. Due to exceptional disruptions in service that were experienced throughout the summer, Transport Malta did not fully assume its role as a regulator until November, and instead provided all the necessary support to bus users, and to the bus operator, to regularize the services. Since the introduction of the new public transport service that was launched on the 3rd of July, the passenger numbers carried by the new bus operator between August and December 2011 increased from 13.4m to 14.6m passengers, representing an increase of 8.9% from 2010. With regards to Gozo, the new service brought about a radical improvement in service, leading to a phenomenal increase of 471% between August and December

2011. This led to the total amount of passengers increasing from 413,000 in 2010 to 1.4m in 2011, an overall increase of 343% for the year.

Taxi Reform

Following the implementation of the Taxi Services Regulations that came into force during the previous year, during 2011, Transport Malta issued 20 new taxi licenses, generating revenue of €1.1m. The Authority launched a new training course for new taxi drivers and installed new peripheral devices on all the new taxis which included a new taximeter, emergency button, CCTV system, and communication system and tracking device. Three Electric Minicabs Operators have been licensed, with one of them currently operating within Valletta and at Valletta Cruise Port.

Roads and Infrastructure

The Authority has built up considerable momentum in the management of roads and marine projects during its second year since its formation. It embarked on the reconstruction of 6 arterial roads, made significant progress on the Cirkewwa Ferry Terminal, on top of a steady stream of residential roads, maritime infrastructure upgrades and various other special projects. During the year the Directorate also managed the maintenance of the arterial and distributor road network as well as that of a number of quays and breakwaters. In fact, over €1.7 million were spent on maintenance work in arterial and distributory roads, whilst a total of €4.6 million was spent to complete 83 residential roads in 2011. In all of the above, the team sought to build on existing best practices as well as introduce the latest technologies and practices to increase value for money and the level of service to the taxpayer.

Aircraft Registration and Aviation matters

To further promote Malta as a leading jurisdiction for Aircraft registration and as an attractive location to base airlines, Transport Malta took various initiatives, supported by leading local legal and corporate professionals. These included participation in the annual European Business Aviation Conference, attendance in a number of important international industry networking events, such as the European Business Aviation Convention & Exhibition (EBACE) and Middle East Business Aviation (MEBA) and conference organised in conjunction with the Financial Times in Paris last September. The Civil Aviation Directorate handled over 36 requests from operators requesting an Air Operator's Certificate/Operating Licence. The newly introduced aviation legislation has put Malta on the aviation world map and as at the end of 2011, the Malta national aircraft register had 103 aircraft registered, with 18 newly registered aircraft during 2011. This represents an increase of more than 9% over the total number of aircraft on the register at the end of the previous year.

Mark Portelli
Chairman

MEMBERS OF THE BOARD OF TRANSPORT MALTA

During the period 1st January 2011 - 31st December 2011, the Board Members of Transport Malta were:

Mr. Mark Portelli (Chairman)
Mr. Jonathan Vella (*Deputy Chairman*)
Mr. Alfred Aquilina (up to May 2011)
Ms. Luisa Bonello
Ms. Helen Camilleri
Mr. Joe Degabriele (*up to September 2011*)
Mr. Chris Degiorgio
Mr. Andrew Sacco
Dr Giorgina Scicluna (*appointed November 2011*)
Mr. David Stellini
Mr. Lino Vassallo
Mr. Simon Vella
Ms. Veronica Zammit Tabona

Dr. Noel Buttigieg Scicluna was Secretary to the Board and Dr. Stanley Portelli was the Chief Executive Officer of the Authority.

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

1. **Maritime Board**

Chairman	Mr. Mark Portelli
Member	Ms. Francesca Mamo
Member	Mr. Josie Licari
Member	Mr. Alfred Aquilina (up to May 2011)
Member	Mr. Joe Degabriele (<i>up to September 2011</i>)

2. **Land Transport Board**

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

3. **Roads and Infrastructure Board**

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

4. **Aviation Board**

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

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 (TM) is the Authority for Transport in Malta 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 nonpolluting 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 entreport 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 the following directorates:

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

INTEGRATED TRANSPORT STRATEGY DIRECTORATE

Functions and Duties

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

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

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

Transport Research and Infrastructure Planning

Survey data collection

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

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

Transport Modelling and Assessment on Major Roads

A number of major road and traffic management schemes were technically assessed by the Directorate to determine their feasibility in terms of operational capacity and road safety. These included the network modelling of the closure of Pope Pius V Street in Valletta and the resultant design and modelling of proposed junctions in Valletta and the junction capacity testing and modelling of other proposed traffic signal junctions at Great Siege road j/w/ Sarria Street (Floriana), Mosta Road j/w Pantar Road and Mdina Road j/w Mriehel Road

Other traffic assessments which were finalised in 2011 include a new traffic signal junction near Victoria Bus Terminus, technical assessment of pedestrian crossing options along Triq is-Sebh, Qormi and the Local Council proposal for Triq Borg Olivier (Mellieha),

Following the completion of the National Household Travel Survey in May 2010, the Directorate has handled many requests (both internal and external) for travel data extraction for uses ranging from policy making and national statistical returns to education and academic research.

Traffic Management Scheme Appraisal on Local Roads

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

In 2011, the Directorate processed 1,483 traffic management scheme inquiries and applications, and 234 applications for reserved parking.

Transport and Land Use Planning

In 2011, the Directorate received 399 MEPA planning applications for consultation, 246 of which were handled directly by the Directorate.

The Directorate issued 29 sets of Terms of Reference for Traffic Impact Statements in respect of major planning applications which were considered to have a significant impact on the traffic system. During the course of the year 23 completed Traffic Impact Statements were received, assessed and reported on to MEPA.

Transport Malta was also consulted by MEPA on 14 Planning Control applications, most of which were initiated by MEPA to effect changes to the various local plans.

The Transport Planning Unit continued its work related to research and promotion of Green Transport Plans for major planning developments. Following the preparation of such a plan by MCAST in 2010, the first progress report on implementation was received in June 2011. In the meantime, The University of Malta launched a Green Travel Plan initiative in October 2011 which is currently being monitored.

Infrastructure Planning

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

Development and coordination of Transport Policies

The Directorate also progressed in its work in the development of integrated transport policies aimed at achieving modal shifts that favour public transport and non-polluting strategies.

A number of new transport policy documents were drafted including policy proposals for speed management on Maltese roads, alternative transport modes and the introduction of electro-mobility.

Work continued on the consolidation and updating of the existing policies and laws relating to parking and, at an EU level, in the development of guidelines for the future

Trans-European Network for Transport (TEN-T) and the application of these guidelines to future programmed development of local transport infrastructure.

The end of 2011 saw the initial phases of development of a draft National Transport Strategy that will guide Malta's positions in relation to transport as well as coordinating funding arrangements in the longer term (2012-2020).

Educational Aspects of Transport within the Authority

This Directorate is also responsible for transport safety training and education programmes. The road safety promotional material was revised and updated in 2011. This material is directed at different target groups. During 2011 new tools (including interactive games) were developed for children between the ages of 5 and 13, while new teaching aids were deployed for the education of 14-16 year olds. Over the year this programme was deployed in 13 schools and had a catchment of 1468 children. In addition to organising road safety education for children, the Directorate also targeted prospective and existing adult drivers through a specific series of road safety seminars focussing on increasing awareness about traffic regulations, the impact of driving under the influence of drink and drugs and speeding. These seminars were organised at different places of work and at places of higher education. Officials from the Directorate regularly participated in discussion programmes broadcast on local media that featured road safety.

Development and Monitoring of Standards

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

Road Safety Audits and Inspections

In accordance with EU legislation, the deployment of a planned programme of road safety audits, assessments and inspections) at the different stages of road design and construction was established in 2011. Six officers from the Directorate successfully undertook specific training to become qualified, in terms of the EU directive, as "road safety auditors". Road safety inspections were carried out on four roads already in operation. Notwithstanding being considered compliant with EU safety standards, a number of recommendations were made to further enhance road safety.

Road safety audits were carried out at the design stage in relation to the following TEN-T pipeline projects:

- Council of Europe Road and Garibaldi Avenue, Luqa
- Ta' Pennellu, Mellieha ByPass, Mellieha
- Mgarr Road, Mgarr, Gozo
- Reconstruction of Marfa Road, Mellieha
- Proposed Underpass at Dicembru 13 Road to Menqa, Marsa
- Sea Passenger Terminal Road, Marsa
- Junction at St Andrews Road c/w Triq Prekursur, Pembroke

Compliance in Maritime Port Operations

At EU level, the Directorate's senior management continued to provide high level input on relevant Maritime Security Compliance Member State Obligations, Directives and Regulations and also started to structure an integrated relations process with other interested parties, namely relevant to port concession contract compliance aspects.

Aviation Safety Management System

The Directorate also provided assistance to the Civil Aviation Directorate to facilitate the development of a State Civil Aviation Safety Management System and Programme. This is required to meet the stringent standards for safety and security in the aviation sector that are being developed through International Civil Aviation Organisation (ICAO) and European Aviation Safety Agency (EASA).

Coordination of European Union Affairs including EU Funding

Assessment of EU Legislative Proposals

During 2011, 124 Working Party meetings (Council of Ministers - Transport) were prepared in detail and the related coordination of legal and technical clearance of the dossiers was completed. Another 181 draft instruction notes (recommended positions to be taken by officers participating in EU meetings) prepared by other Directorates were reviewed by the Directorate. The coordination of a variety of transport related input was provided for consideration by the [Ministry for Infrastructure, Transport and Communication \(MITC\)](#) towards positions led by other Ministries. A further 71 draft national positions and briefings (for meetings attended by staff from across TM), as well as their coordination and approval by Government were developed in 2011. Four Explanatory Memoranda were drafted for consideration by the Maltese parliament.

During the course of this year the preliminary national report on Intelligent Transport Systems (ITS) was prepared for submission to the EU Commission. This will lead to the development of a 5-year action plan for national ITS deployment. This deployment is planned to be mostly funded through EU projects and a number of applications for such projects have been drafted throughout the year. Foresight of joint programming of research between EU Member States on transport issues in an urban environment was just one of the long-term strategic policy projects.

EU Funded Projects

During the course of last year, the Authority was active in the submission of a number of project proposals under a number of EU Action Programmes, both as a lead partner as well as contributing partner. ERDF funding (under Operational Programme I) saw the submission of the project aiming to encourage modal shift in land transportation (value €10,359,049) that will see the construction of a number of ICT enabled bus priority measures as well as bus interchanges designed to compliment the public bus reform. This project will see the deployment of a Traffic Management Control room complemented by on-road CCTV cameras and Electronic Variable Message signs at key nodes which will allow Transport Malta to monitor traffic conditions and relay information back to the drivers to improve efficiency and seek to reduce congestion.

Transport Malta also submitted a number of project proposals related to the deployment of real time information systems as well as ITS and ICT infrastructure for Land Transport and Port Services. Applications were submitted under the INTERREG

Programme, CIVITAS, MED Programme, Intelligent Energy Europe, Trans European Network - Transport and the Italia-Malta Cross Border Co-operation (2007-2009) Programme (value €6,554,000). Project concepts accepted amounted to €2,609,000 and results of their full project application will become available in 2012. Projects formally accepted for funding in 2011 amounted to €10,493,000 (ERDF & INTERREG). The projects proposed targeted ITS (as noted above), as well as groundwork preparation for green initiatives (e.g. a carbon footprint study for Malta International Airport and the Port of Valletta). Additional green measures such as deployment of photo-voltaic infrastructure to reduce energy use by the port authorities, solar car charging infrastructure within port areas and additional efforts to green mobility were targeted as part of these project proposals.

Transport Malta also contributed actively to the DemoEV (Life+) demonstration project which is designed to test and showcase Full Electric Vehicles as well as nationwide Electric Car Charging Infrastructure, in conjunction with MRRA and other entities. This project will demonstrate green goods transport in historic urban centres as well as the provision of carbon neutral transportation through the use of Photovoltaic Infrastructure.

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 the internal and territorial waters of Malta and 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 port and maritime facilities. It also ensures the achievement of the right balance in the use of our waters for leisure and commercial operations.

The Ports and Yachting Directorate is responsible for:

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

Projects, Initiatives and Performance of Duties

During the year under review, the Directorate was involved in a number of initiatives, including the award of concession agreements with respect to mooring areas, temporary marinas and port areas, safety and environmental related projects and other functions. This was done with an industry oriented approach to foster growth whilst promoting safety and efficiency.

Privatisation

During the past year in line with the Government's declared policy, Transport Malta continued with the privatisation process of ports and yachting related services. In fact, in 2011, Transport Malta signed:

- A concession agreement for the management, operation and control of a temporary marina at the Tigne, Sliema.
- An agreement for the management and control of an organised mooring area at Ta' Xbiex, within Lazaretto creek.
- A concession agreement for the operation and management of Coal Wharf Outer.
- A Port Facilities Agreement for the administration, management and operation of the passenger handling facilities in the ports of Cirkewwa and Mgarr, Gozo.

Ensuring Safety of Maritime Activities

This Directorate is responsible for regulating maritime leisure activities in the territorial and international waters of Malta and is involved in the development and implementation of better organization of popular bays in Malta and Gozo. In this regard, in 2011, the Directorate implemented the following initiatives:

- The installation of a weather station buoy which provides the Directorate with such valuable data as wave heights, current levels and wind speeds outside the Grand Harbour.
- The installation of various speed marker buoys around the coasts of Malta and Gozo;
- The establishment of four new marker buoys on dangerous reefs and navigational aids.
- The enhancement of safety at sea by installing three new swimmers' zones and enlarging the swimmers' zone in the Blue lagoon. The total number of swimmers' zones designated in 2011 was 43.
- The designation of anchorage areas for leisure boating and commercial vessels in the Blue Lagoon in Comino and at Ghadira Bay, Mellieha.

Also related to maritime safety in our ports one is to note the investment by port service providers as follows:

Tug Boat 'St Elmo'

Tug Malta Limited launched its new 75 tonne bollard pull harbour and escort tug 'St Elmo'. The tug is fully equipped with fire-fighting Class 1 equipment, towing winches and a deck crane, all necessary for normal tow operations and for emergencies and to provide assistance in life saving, equipment rescuing and environmental protection situations both within and outside the territorial waters of Malta.

Pilot Launch

The Malta Maritime Pilots Cooperative invested €800,000 on a new pilot boat 'Foxtrot'. It is the largest and most powerful pilot boat gracing Maltese ports, and its capabilities in rough sea conditions may make it suitable to be used as a marine ambulance.

Legislation

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

- Yachting Centres Regulations 2011, which replaced the previous regulations and have set a level playing field with common standards in regulating all present and future yachting centres and marinas in Malta;
- Vessel Traffic Monitoring and Reporting Requirements (Amendment) Regulations; and Dangerous Cargo Ships, Marine Terminals and Facilities and Bunkering (Amendment) Regulations, 2011. The scope and objectives of

these amendments is the transposition of the provisions of Directive 2011/15/EU amending Directive 2002/52/EC.

- Ship-Source Pollution (Amendment) Regulations. The aim of these amendments is to transpose the provisions of Directive 2009/123/EC of the European Parliament and of the Council of the 21st October 2009, which amends Directive 2005/35EC of the European Parliament and of the Council of the 7th September 2005 on ship-source pollution and on the introduction of penalties, including criminal penalties, for infringements in respect of maritime safety and the protection of the marine environment from pollution from ships.
- The Directorate issued more than 100 Notices to Mariners and 4 Port Notices.

Projects

During the year under review this Directorate was involved in 3 main projects, namely:

- *Norwegian Coastal Administration*

This Directorate continued its participation in the project with the Norwegian Coastal Administration which will address the possible gaps in training at National Level with respect to Oil Pollution Prevention and Response as well as gaps in the current version of the National Marine Pollution Contingency Plan 2009 (NMPCP 2009).

- *Calypso*

The *CALYPSO project* will involve the installation of an HF radar system to monitor sea surface currents in the Malta Channel. This project is being led by the University of Malta under the Italia – Malta 2007 – 2013.

- *PPRISM*

The Port Performance Indicators: Selection and Measurement (PPRISM) project aims to identify a key list of sustainable, relevant and feasible indicators to monitor the overall performance of the EU port system and to assist its impact on European society, environment and economy. During the past working year the PPRISM project made up an important part of the agenda of ESPO's Technical Committees meetings, especially of the Economic Analysis and Statistics Committee.

- *Infrastructural Projects*

The Directorate's role in the preparation and execution of Infrastructural works related to ports in Malta is to minimise as much as possible any adverse effect that such development may have on current port operations. In this respect the Directorate coordinates with both internal departments as well as the participating contractor to find ways that allows for both the development as well as the ongoing port activities.

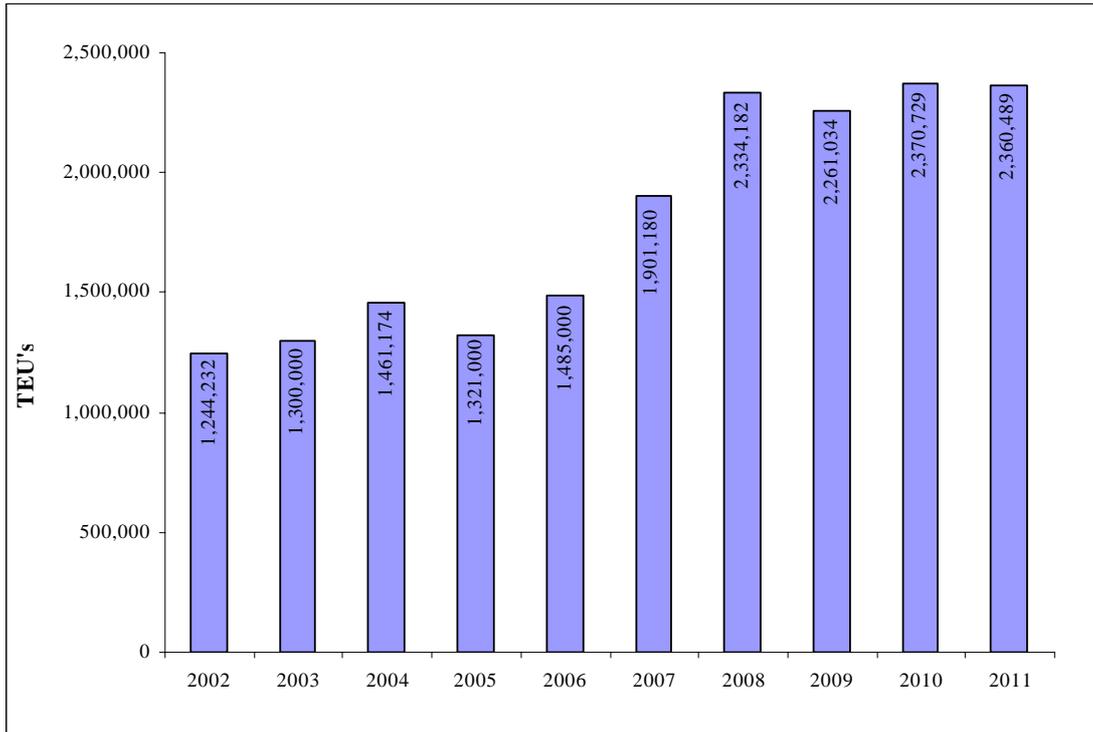
Statistics and New Services

This Directorate is also responsible for the collection of maritime data with regard to Directive 2009/42/EC on statistical returns in respect of carriage of goods and passengers by sea. It continuously liaises with ship agents and operators to provide data in a timely and accurate manner in view of assuming its obligations to provide the information as required by the National Statistics Office and Eurostat. The information collated is used for internal purposes and also upon requests by third parties, assisting stakeholders in market research and forecasting purposes.

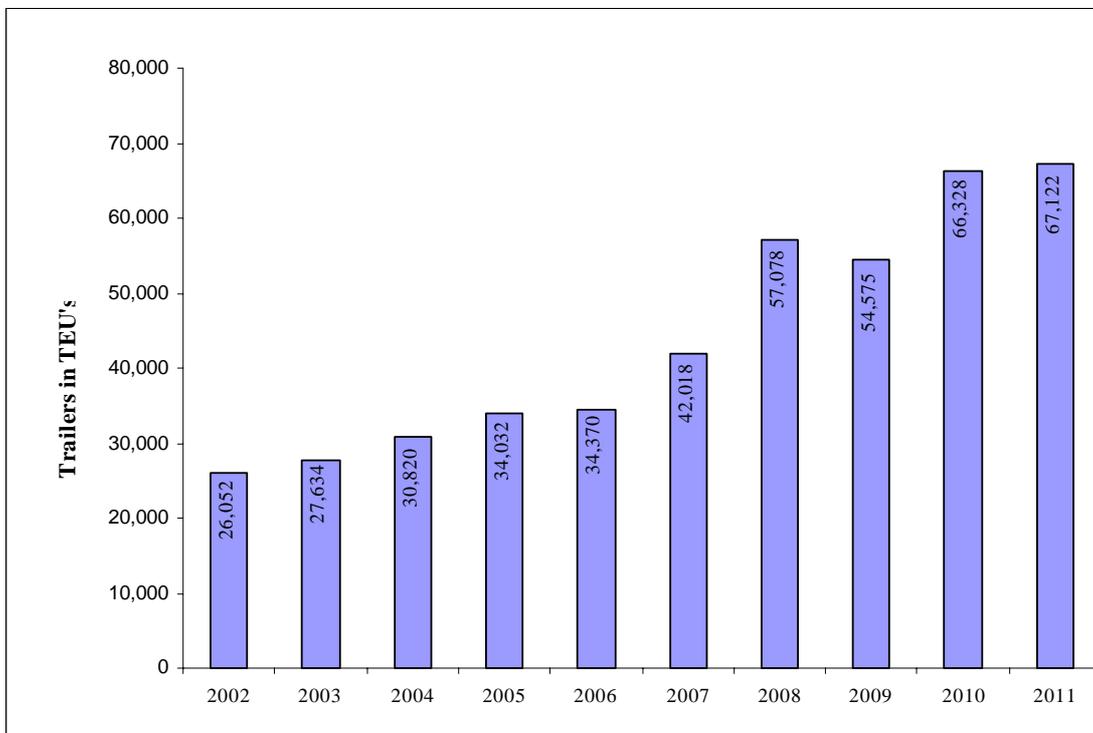
The main statistics are given in a number of tables further on. Some highlights are the following:

- During 2011 the total number of cruise passengers visiting the Maltese Islands stood at 557,585, up by 13% over the previous year. The critical situation in North Africa especially in Tunisia and Egypt contributed to this increase, which saw a number of cruise ships being diverted to Malta instead of docking in turbulent North African ports. There were 318 cruise liner calls to the Maltese Islands in 2011, an increase of 38 vessels when compared to 2010 levels. Out of these, 7 cruise vessels with 1,021 passengers onboard visited Gozo.
- The number of ferry passengers has increased by 25%, from 207,754 to 258,692 over the previous year. Contributing to this increase was the evacuation mission operating between Libya and Malta during the Libya crises.
- Unitised cargo continued to register an increase in volumes in the Port of Valletta. Trailers at the Port of Valletta continued to register increase by another 1%_this year, from 66,328 to 67,122 over the previous year. The Malta Freeport has maintained last year's record levels at more than 2.3 million containers (Twenty-Foot Equivalent Units or TEUs).
- Shipping activity during 2011 registered an increase of 2% in terms of the number of ship calls, with a corresponding increase of 1% in the gross tonnage. The main increase was registered in the number of cruise liners, supply and break bulk vessels.
- During the year under review, as from July, this Directorate started compiling and analysing data with respect to the foreign yachts in Malta.

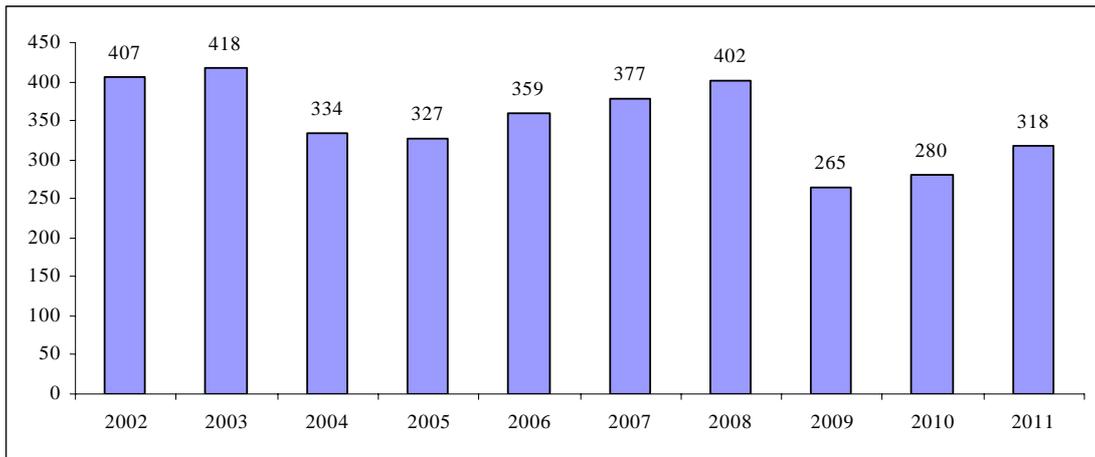
Container Throughput at Malta Freeport (TEU's)



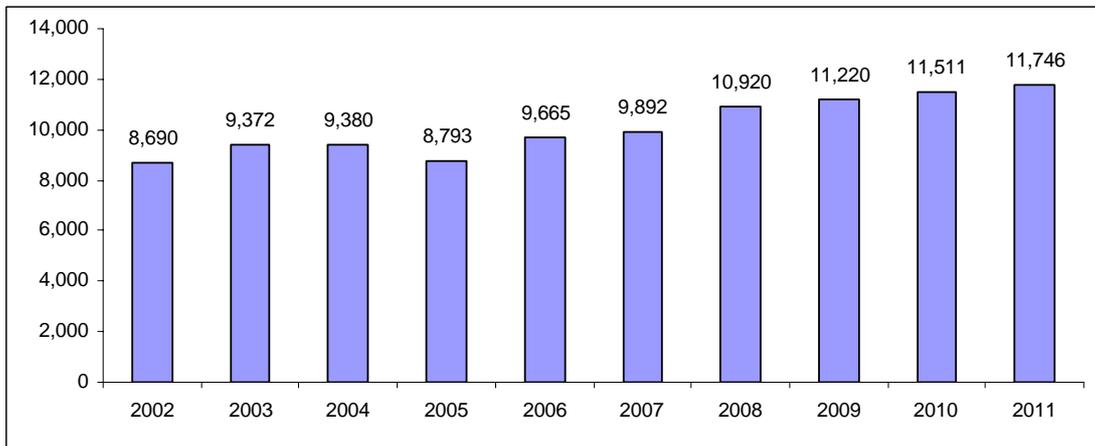
Trailers Handled at the Port of Valletta



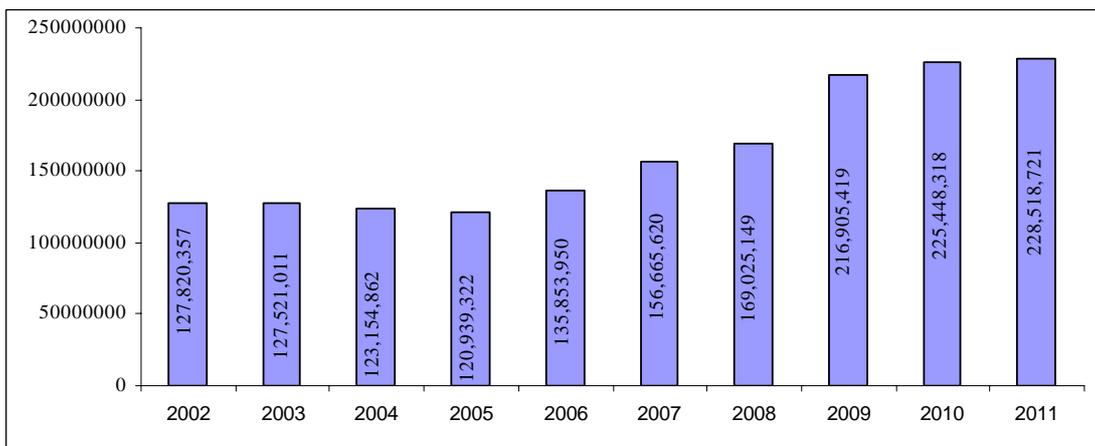
Cruise Liners in Malta (2002-2011)



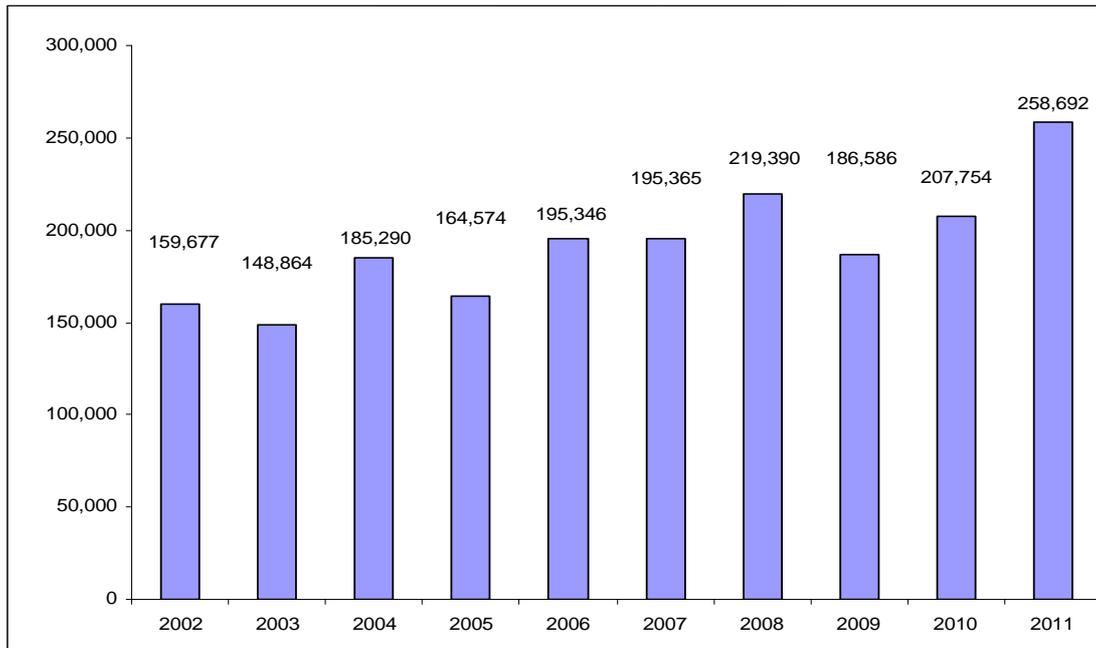
Number of Vessels arriving in Maltese Territorial Waters



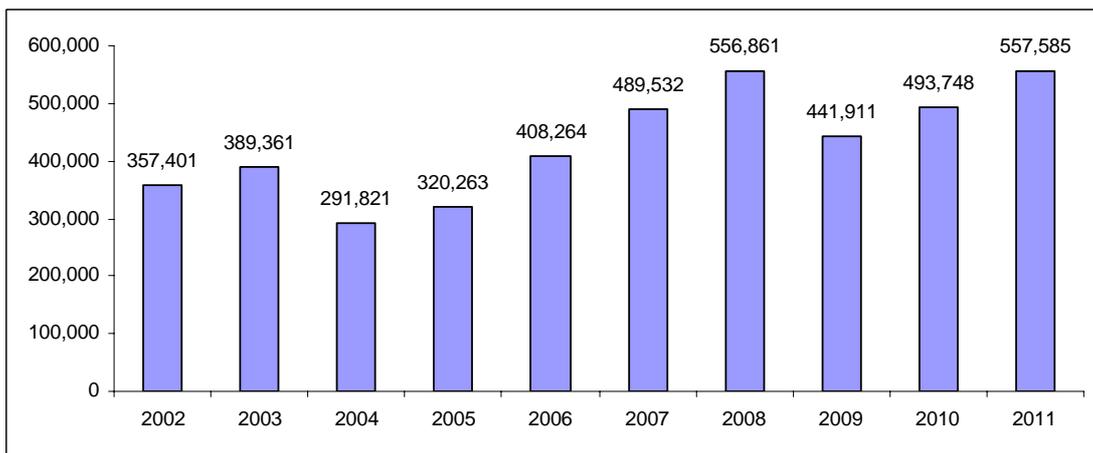
Gross Tonnage of Vessels arriving in Maltese Territorial Waters



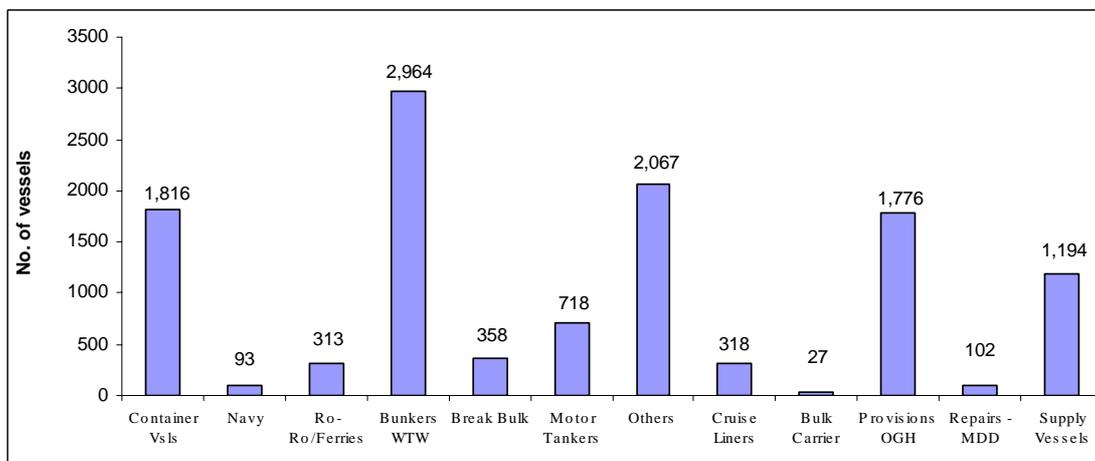
Ferry Passengers in Malta (2001-2011)



Cruise Passengers in Malta (2002-2011)



Shipping Movements from January to December 2011



Foreign Visiting Yachts at the Marinas for Year 2011

Monthly Arrivals	Classification by length of yacht							Total
	1-12m	13-24m	25-36m	37-48m	49-60m	61-72m	Over 72m	
July	195	189	19	14	12	1	3	433
August	175	131	15	13	3	1	3	341
September	94	73	10	8	7	2	4	198
October	38	50	17	8	4	0	4	121
November	14	10	4	5	1	1	0	35
December	8	7	1	0	0	0	1	17

Libya Crisis

In line with the direction of the Government of Malta to support the humanitarian assistance directed to Libya during the crisis, Transport Malta has taken a number of important initiatives aimed at ensuring a priority and facilitated response to all related aviation and maritime requirements. These initiatives involved the direct intervention of the highest level officials of the Authority who committed the required resources to meet the specific requirements including the manning levels required for extraordinary vigilance on the aviation and maritime traffic in the region. Notwithstanding a considerable loss of revenue, due to less civil aviation and maritime traffic between the two countries, the Authority has also made a considerable financial contribution through the provision of discounts or exemption of applicable fees on chargeable services.

In terms of operations at Maltese ports, during the Libyan crisis last year, 44 vessels arrived in Malta on humanitarian purpose, carrying 11,773 passengers. Following the conflict in Libya, a new ferry service between Libya and Malta was launched, connecting Tripoli and Valletta on a 14-hour night passage.

Transport Malta was also a main participant in a visit to Misurata in September 2011, when a number of its maritime and aviation experts, accompanied other local experts to conduct a preliminary assessment of the Port and Airport facilities. The past months have brought the Authority closer to the needs and challenges being faced by the Libyan people. This visit was thus a good opportunity to identify a number of key areas which have potential for further cooperation between the two countries.

A.P. Moller Maersk Line

During last year, A.P. Moller Maersk Line called on a regular and scheduled basis with a number of services at the Malta Freeport. Maersk Line - the world's largest shipping line made use of the facilities at Malta Freeport as its hub for the central Mediterranean region. This positive accomplishment, besides generating a substantial amount of new business, also provided a larger network of port connections from Malta.

Offshore Industry

During the year, we continued to experience encouraging results from the oil industry with operators who have made strategic decisions to service their oil rig platforms in Malta prior or post operations from offshore North Africa. Such visits are beneficial to our port servicing industry which supplies and procures the required services that range from basic maintenance to repairs and alterations. Ancillary services in the shape of third tier services such as banking, insurance, vessel survey and classification are also offered. The operators find that the island's resourceful technical proficiency, aided with the relative back up services make us a good logistical 'stop over' in their strategic plans.

Besides oil rigs, other activities are necessary to transport these vessels to/from the operational areas. There are occasions where oil rigs are loaded onto heavy lift vessels and the Authority renders its services in planning such operations by coordinating with the relevant service providers in pilotage, towage and terminal operators. In this respect we have witnessed an increase in the number of specialised heavy lift and offshore supply/anchor handling vessels calling specifically for services in our ports.

The regained stability in the region is expected to generate further increase in oil vessels and related support vessels to Malta. Such an activity shall continue to consolidate the present service industry environment to expand in a parallel manner, securing present employment and possibly increasing the number in personnel.

Protection of the Marine Environment

As part of the ongoing oil pollution preparedness and response exercise delivered training on mechanical recovery of oil to personnel from Tug Malta Ltd. The training included a practical session on how to operate the Authority's Oil Pollution Response Equipment.

During 2011, the Directorate also conducted a full scale international Pollution Response Exercise in collaboration with the European Maritime Safety Agency (EMSA). Local service providers and Oil Recovery vessels participated in the exercise.

The Directorate is also responsible for ensuring that provision of Port Reception Facilities for ships. During 2011 a number of Waste Management Plans were approved. The relevant regulations transpose the EU Directive 2000/59/EC.

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. Despite the challenging economic situation, a significant growth in the number of commercial vessels was experienced.

Type of Certificate	Total in 2011
Commercial Vessels Certificates:	
New	166
Renewals	580
Commercial Vessel Operator Licence:	
New	33
Renewals	204
Certificates of Competency	
New	51
Revalidation	51
Equivalency	14
Authorisation of Maritime Events	21
Registration of Small Ships	
New Registrations of small ships	481
Renewal of small ships	4,503
Moorings	1,079
Nautical Licence	
New	2,347
Renewals	459

MERCHANT SHIPPING DIRECTORATE

Functions and Duties

The functions and duties entrusted to the Registrar General of Shipping and Seamen 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 provided for under the Merchant Shipping Act and other related legislation, including ship and yacht registration under the Malta flag and their technical performance with regards to safety and pollution prevention and to promote the Maltese register with the international shipping community.

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

Projects, Initiatives and Performance of Duties

During the period under review the ongoing organisational review aimed at ensuring adequate capacity building and optimisation of resources has continued within the context of an ever increasingly challenging employment market where the availability of required technical resources is often scarce.

Electronic Fleet Management System

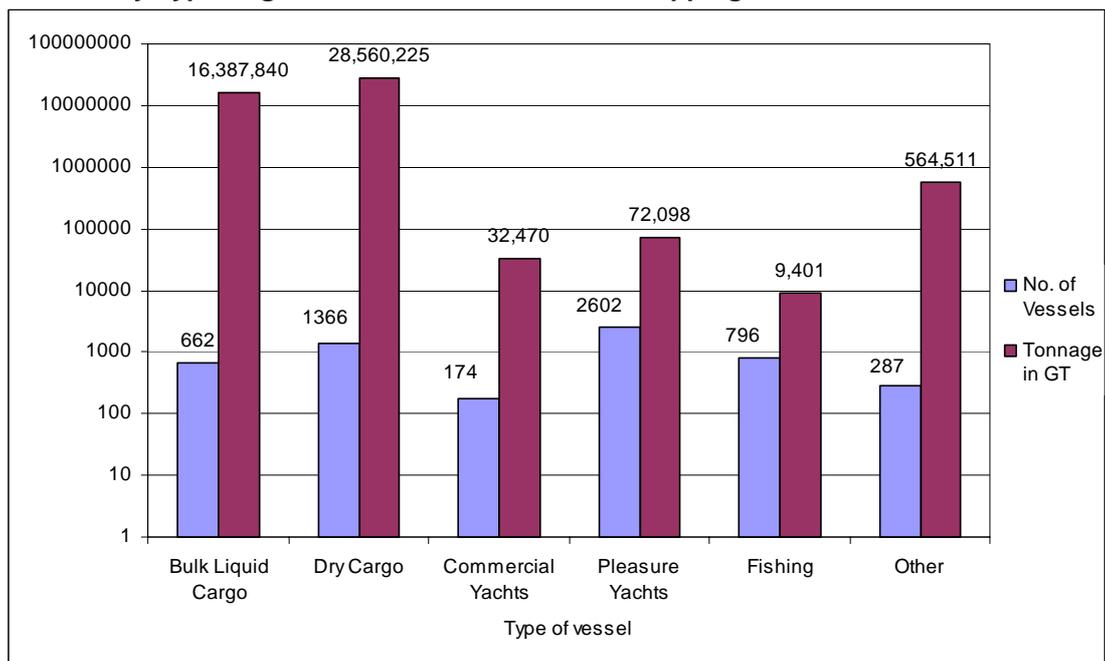
A project aimed at enhancing cohesion and timeliness in the services provided by the Directorate is the establishment of an electronic fleet management information system. The ship registry module - the Fleet Management System - has the objective of replacing the current manual register system and other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

Registry of Ships and Yachts

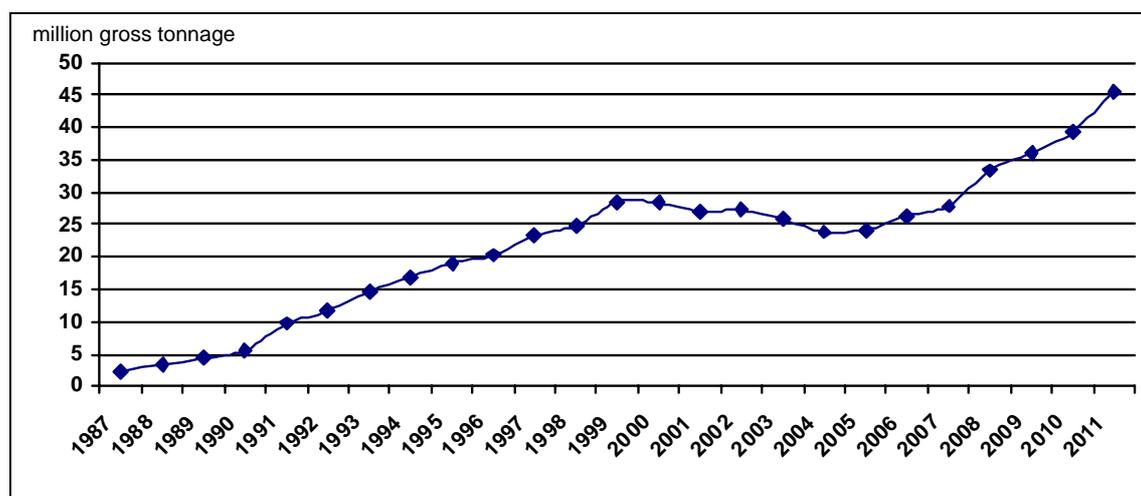
Between January and December 2011, 636 vessels totaling 9,679,975 gross tonnage were registered under the Malta flag. Cancellation of registry was effected in respect of 356 vessels with a total gross tonnage of 3,393,366. As at end December 2011 the number of ships registered under the Merchant Shipping Act was over 5,800 for a total gross tonnage exceeding 45.6 million. **This represents a 16% increase in gross tonnage over 2010 despite the difficulties of the global economical situation.** This increase means that Malta is now the largest register in Europe and the 7th largest registers in the world in terms of gross tonnage. The average age of all vessels registered during this same period was 7.32 years; this decreased significantly to 6.88 years for ships of 100 gross tonnage and over. The average age for deletion of registry was 18 years, with ships of 100 gross tonnage and over averaging 19.09 years. The average age of all merchant vessels registered as 31 December 2011 was 12.08 years.

Positive results were also achieved in the registration of superyachts under the Malta flag. Despite the current financial situation worldwide which had an impact on this luxury sector, the trend registered during the last three years was further consolidated last year. The Malta flag registered an increase of 18.6% over the previous year in the registration of superyachts over 24 metres in length, under the Merchant Shipping Act, with almost 300 superyachts flying the Maltese flag worldwide. These results were achieved also as a result of Transport Malta's business development strategy focusing on niche opportunities.

Vessels by Type Registered under the Merchant Shipping Act as at 31 December 2011



Gross Registered Tonnage under the Merchant Shipping Act since 1987



The Malta's flag Administration continues 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 Authority maintains that growth must not be at the expense of quality while growth can be attained through quality.

Flag State Control

The expansion and further strengthening of the Directorate and the continuous specialized training of its personnel remain one of the top priorities. This, together with 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 of conducting random inspections of Maltese ships worldwide using the services of its own global network of inspectors. These inspections are in addition to the regular statutory surveys carried out by the classification societies and are effected on the specific instructions of the Directorate. The results and the performance of the inspectors are closely monitored by the Technical Department.

Between January and December 2011, 820 inspections (16,379,092 gross tons) were carried out in 205 ports in 33 different countries worldwide. The Directorate detained 41 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 substantially improved 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 2011 can be provisionally quoted as 3.9% which would reaffirm Malta's place in the MoU white list.

Port State Control

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

The Directorate implements a system of Port State Control aimed at reaching the same standards prevailing in existing and well-established regional Port State Control regimes. The period under review saw the entry into force of the New Inspection Regime (NIR) within the Paris MoU. The NIR was developed following a process of review of the existing Port State Control mechanism and is a significant departure 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 2011, 237 foreign flagged ships were inspected. This is more than 33% of the total number of foreign merchant ships entering Maltese ports, excluding those that came in for drydocking. Detention orders were issued in respect of 10 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 the Transport Malta is one of the founder members and of which Malta currently holds the chairmanship.

Ship Casualty Investigation

Following the approval of the joint text of the Third Maritime Safety package by the European Council and Parliament, the Directive establishing the fundamental principles governing the investigation of accidents in the maritime transport sector, entered into force on 17 June 2009 as Directive 2009/18/EC. Malta has transposed this Directive into national law through the Merchant Shipping (Accident and Incident Safety Investigation) Regulations, 2011. By virtue of these regulations, the Marine Safety Investigation Unit (MSIU) was established as a permanent and independent safety investigative unit. The MSIU is separate from the maritime regulator and entrusted with the safety investigation of marine accidents on board Maltese registered ships and foreign flagged ships navigating and trading within Maltese territorial waters. The process to enhance the capacity building of the MSIU has been initiated with the appointment of the Head of Marine Safety Investigation and one safety investigator.

Between January and December 2011 there were 306 reported accidents involving Maltese ships. The majority of these were classified as less serious or minor incidents. 15 accidents were classified as very serious, out of which 11 led to loss of life. One grounding and one collision were classified as very serious accidents due to the resulting severe oil pollution. One other grounding also resulted in oil pollution, however, the accident remains classified as serious since the pollution did not reach severe levels. Other reported occurrences related to, inter alia, minor collisions, propulsion failures, collisions, groundings, strandings and fires.

An important Permanent Consultative Technical Group of the European Maritime Safety Agency (EMSA) meeting for all EU Member States was held in June. The meeting discussed the common methodology for marine safety investigations, the implementation status of the EU Directive 2009/18/EC at national level and the establishment of the Permanent Cooperation Framework at EU level to facilitate the coordination and cooperation of marine safety investigation amongst EU Member States. In October, Malta also participated in a European Marine Casualty Information Platform (EMCIP) meeting for analysts at EMSA. The developments in this aspect are specifically important for Malta since EMCIP is the national database for marine occurrences since June 2011.

At an international level, Malta contributed to the analysis of marine accident investigation reports through its nominated analyst to IMO and participated in the IMO's 19th Flag State Implementation Sub-Committee. Throughout the year, Malta contributed to the proposed amendments to Resolution A.884(21) on the structure and scientific content of accident investigation reports.

Maritime Radiocommunication Services

The Directorate continued to render maritime radiocommunication services to its client base. During the period under review 2910 radio licences were issued. These included Operational and Non-Operational Provisional Global Maritime Distress and Safety System (GMDSS) ship radio licences, permanent GMDSS ship radio licences including their amendment and renewal, Operational and Non-Operational Provisional Non-GMDSS ship radio licences, permanent Non-GMDSS ship radio licences including their amendment and renewal.

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

Certification of Seafarers

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

Since the coming into force of the convention for Standards of Training, Certification and Watchkeeping (STCW) the Directorate, by the end December 2011, processed over 142,400 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, 18,000 were processed in the year under review.

Meanwhile, the Directorate continued to monitor courses run by the Maritime Institute of the Malta College of Arts, Science and Technology and other training conducted by institutions both in Malta and abroad, onshore and afloat where such courses lead to the issue of certificates of competency, certificates of proficiency and, other seafarer certificates in terms of the Merchant Shipping Act and the Standards of Training, Certification and Watchkeeping (STCW) and other Conventions.

Currently ten maritime training centres are approved. During the period January – December 2011 the Directorate approved 12 maritime training courses and a further 20 courses from various institutes are presently under review.

During the year under review the Directorate organised 19 examination sessions; 14 sessions for the local institute and another 5 sessions on behalf of foreign institutes recognized by the Authority, leading to the issue of certificates of competency as Officer in Charge of Navigational Watch and GMDSS. The greater part of the cost for the organisation of these examinations was financed by Transport Malta.

During this same period 8 new Certificates of Competency were issued as Officer in Charge of a Navigational Watch and 1 certificate for Master. Moreover, 18 GMDSS General Operator were duly certified and 255 rating and other ancillary certificates were issued.

International Relations and Participation

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

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

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

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

Malta has continued to further enhance its active involvement in the International Maritime Organisation, the United Nations specialized agency for maritime safety, security and the protection of the environment from pollution from ships. Malta is on the Council of the organization having been reelected in November 2011. The Senior Manager at the Ports and Yachting Directorate is also the elected Chairman of the IMO Facilitation Committee.

Directorate officials participate actively in practically all IMO fora. During the period under review Merchant Shipping Directorate officials with the assistance of the Maritime Counsellor at the Malta High Commission in London participated at the IMO Assembly and meetings of the Council and, in the work of the Facilitation, Legal, Marine Environment Protection, Maritime Safety and Technical Cooperation Committees and that of other Sub-Committees. Furthermore, there was also participation by merchant shipping officials at the Regional Marine Pollution Emergency Response Centre for the Mediterranean Sea Focal Points meeting organized by REMPEC.

Furthermore, Directorate officials together with the Maritime Counsellor in London participated in the meetings of the International Oil Pollution Compensation Fund of which Malta is a contributing member. With the increased involvement of the Directorate in the regulatory aspect of maritime radio services, Directorate officials were active participants in meetings of the International Mobile Satellite Organisation where Malta has a seat on the Advisory Board. At regional level, Directorate officials participated at the annual Committee Meetings of the Mediterranean and the Paris MoUs on Port State Control at the meetings of the Paris MoU Technical Evaluation Group and other technical seminars organised by the Paris MoU secretariat.

The year under review also saw the further consolidation of the Malta Maritime Fora initiative. In March a Training Course on EU Long Range Identification and Tracking (LRIT) Data Centre and SafeSeaNet was hosted by Malta in collaboration with the European Maritime Safety Agency (EMSA), while in December a meeting of the Technical Evaluation Group of the Paris MoU was held in Malta. Moreover, during 2011, Malta also hosted students from the World Maritime University in Malmo and from the Slovenia University.

European Union

2011 has seen Malta continue its active involvement in the ongoing debate regarding legislative and other proposals discussed within the instances of the Transport, Telecommunications and Energy Council and of other Council instances where the debate involved maritime related matters.

Following the adoption of the Third Maritime Safety Package and its entry into force, during the year, the European Union focused more of its resources on the revision to the EMSA founding Regulation and the EU Directive regulating seafarers' training and certification, in order to reflect the amendments to the STCW Convention adopted by IMO. Moreover the Directorate continued with its intensive work on the implementation and enforcement of the Third Maritime Safety Package under the Laws of Malta.

The year under review also saw intensive debates on the issue of climate change. The Directorate was heavily involved in this debate particularly on the issue of bunker fuels and the impact that the shipping industry is having on global warming. The Directorate provided essential support in the formulation of Malta's policy, particularly in respect of initiatives within the European Environment Council to compliment the ongoing debate on the subject, held at the International Maritime Organisation.

International Conventions and Legislative development

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

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

Throughout the year, consultations with all stakeholders were carried out on the revision of a number of regulations under the Merchant Shipping Act. In the light of experience gained over the past four years in the registration and certification of commercial yachts and in view of the prevailing market dynamics, in 2011, the Directorate published a revised Commercial Yacht Code.

The Directorate also continued to pursue an agenda for the ratification of international maritime and labour conventions.

In March 2011, Malta acceded to MARPOL Annex IV on Prevention of Pollution by Sewage from Ships and Annex VI on Air Pollution from Ships. Annex IV regulates the discharge of sewage into the sea, ships' equipment and systems for the control of sewage discharge and the provision of facilities at ports and terminals for the reception of sewage, while Annex VI seeks to minimize airborne emissions from ships and their contribution to local and global air pollution and environmental problems.

Malta continued with its preparatory work to ratify the 2006 Maritime Labour Convention and the 2010 Manila amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended (STCW).

An important highlight of last year was that Malta was successfully audited by a team of IMO Auditors in terms of the Voluntary IMO Member State Audit Scheme (VIMSAS). The Scheme is intended to provide an audited Member State with a comprehensive and objective assessment of how effectively it administers and implements those mandatory IMO instruments to which it is a Party and which are covered by the Scheme. As a result of this, Malta was confirmed by the Paris MoU on the list of "low risk ships" under the New Inspection Regime. This new low risk status will translate into real benefits to Maltese registered ships in the international maritime sector especially when calling at ports within the Paris MOU region. It will mean significantly less targeting for port State control inspections, thus better efficiency in their operations.

Merchant Shipping Notices

The Directorate continued to issue *Merchant Shipping Notices* to give information, expound on procedures and communicate the parameters for the exercise of discretionary powers. During 2011, eight Merchant Shipping Notices were issued:

- *Sanctions with Regards to the Libyan Arab Jamahiriya*
- *Further Restrictive Measures to the Ivory Coast*
- *Navigation in the sea area surrounding Japan*
- *Guidelines for the ascertainment of seaworthiness of vessels being registered as Maltese ships*
- *Prevention of Pollution by Sewage & Prevention from Pollution from Ships Regulations*
- *Recognition of non Maltese Certificates of Competence for Service on Maltese Ships*
- *Restrictive Measures against Syria*
- *Accident and Incident Safety Investigations*

ROADS AND INFRASTRUCTURE DIRECTORATE

Functions and Duties

The Roads & Infrastructure Directorate (RID) is responsible for the construction, re-construction and maintenance of roads, the management of traffic of the Arterial and Distributor Road Network (ADR). The Directorate is also responsible for residential roads construction and the development and maintenance of the maritime infrastructure and ancillaries. It also handles miscellaneous projects such as the Public Transport Reform (PTR) infrastructure, the Valletta paving project and specific interventions on local roads of major importance.

Projects, Initiatives and Performance of Duties

1. Arterial and Distributor Road Network

- **Re-Construction of ADN Roads**

The first two years of Transport Malta marked the end of a decade of planned road works that have resulted in significant improvements to the local road network. During these ten years, a total of 40 km of arterial roads was reconstructed, including 13.5 km out of the 51 km TEN-T route (EU funded). The main scope of these projects is to improve the quality and efficiency of the Trans-European Transport Road Network (TEN-T) in Malta, by improving road safety, reducing vehicle operating costs and travel times, as well as upgrading the road environment, thereby improving internal mobility and bringing about an improvement in the quality of life for the road users.

During the year under review, RID embarked on six major projects on the TEN-T network which between them reconstruct 12.1km of the Route 1, namely:

Phase A

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

Phase B

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

Works on Phase A started in the 2nd Quarter of 2011. Subsequently, works commenced also on Phase B in the 4th Quarter of 2011.

- **Maintenance on Arterial and Distributor Road Network**

The road network is being maintained continuously to increase the service life of the road structures and retain and upgrade the safety aspects of our roads. The Directorate primarily intervened in a number of arterial and distributor roads but was also called in on other roads of major importance. Apart from various forms of routine maintenance, a total of €1.7m was spent on a major patching programme to improve the surface regularity of ageing roads, as well as increase the service life of the selected stretches.

The directorate also introduced a very high containment vehicle restraint system, (commonly known to as *crash barriers or VRS*), designed and implemented at a strategic location as a precursor to the application of more stringent standards in locations identified as having a higher accident risk. This is in line with Transport Malta's goal to provide more forgiving roads for users. Other 'forgiving' initiatives include the supplementing, at select ADN locations, of the imported high friction basalt aggregate wearing courses with high-grip surface overlay.

- **Traffic Management**

During the year, the Directorate also embarked on various upgrades of the vertical and horizontal signage. This year saw the use and trials with thermoplastic paints, bi-component coldplastic paint and high-build paint. RID also embarked on the upgrading of the vertical signage to a higher performing microprismatic retroreflective standard.

Apart from increased use of Vehicle Management Systems (VMS) for the various ADN road works, the Roads & Infrastructure Directorate also introduced various forms of Vehicle Activated Systems (VAS), the usage of which is expected to become widespread over the coming 2 years.

2. Residential Roads

The Roads & Infrastructure Directorate is also responsible for the residential road construction programme (first time build). The Directorate's role includes the installation and replacement of services to avoid intervention by the utility companies in the short and possibly medium term, thereby extending the life of the road structures and giving a better rate of return to the investment. This requires extensive co-ordination with the stake holders, particularly the utilities services' providers.

During 2011, a total of €4.6 million was disbursed on this programme. A total of 83 roads were completed during this time.

As at the end of 2011, there were 114 roads outstanding from the 202 programme of which 60 were awarded to a contractor and/or in hand.

3. Maritime Infrastructure

- **Development of Maritime Infrastructure**

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

Cirkewwa Ferry Terminal

Works commenced in 2010 on the provision of temporary yet improved arrangements for passenger handling and public transport in a new location within the port. The temporary set-up includes a passenger shelter, public conveniences and a police station. It not only minimized the inconvenience to the passengers during the works but was actually an upgrade on the facilities in place at the time.

Meanwhile the civil works; mechanical and electrical works, which also include vertical transportation and renewable energy systems; and finishing works of the terminal were initiated in 2011. The main structure of the terminal building was

completed and the new terminal, costing €12m, is expected to be complete in 2012. The EU grant for this project was secured during 2011.

St Elmo Bridge

This €2.8m project forms part of the Grand Harbour Regeneration Plan and involved the design, fabrication and erection of a footbridge and belvedere between the shoreline and the St Elmo breakwater. The bridge, which complements the City Gate project by serving as a landmark heralding the maritime aspect of the Grand Harbour regeneration, was installed in October 2011 and finishing works are underway.

Grand Harbour Passenger Project (Lascaris, Barriera and Boiler wharves cruise facilities)

In response to the growing demands for increasing cruise liner capacity both in terms of number of visits and ship sizes, this project involves the construction of new quays at Lascaris and Barriera Wharf and the upgrading of Boiler wharf. While MEPA approval was obtained for works at Lascaris, the MEPA application process is still ongoing with respect to the other two quays. Design work for the construction of the new quay at Lascaris, including intermediate works to enable large cruise ships to overhang from Pinto wharf 4/5 was concluded in the beginning of 2011. The first parts of the intermediate works were completed in June to enable the berthing of cruise ships overhanging from Pinto wharf. The second part of the works will be completed in the first half of 2012. Repair works to the existing Barriera wharf were also completed in 2011.

Marinas

Environmental and technical studies were carried out in relation to the EIA and design of the proposed new marina at Sa Maison and the MEPA application for the extension and upgrading of the marina at Gzira Gardens, Ta' Xbiex.

- **Maintenance of Maritime Infrastructure**

Refurbishment of the Valletta and Marsaxlokk main breakwaters

Works at Marsaxlokk picked up momentum as reinstatement of the caisson joints was completed and work on the deck edge (quays) and inside of the wave wall reached a very advanced stage. Works commenced on the outer part and top of the wave wall and are well underway. Works in progress mainly involve the demolition and re-application of the outer concrete layer along the wave wall and quays and refurbishment or replacement of exposed structural steel. This work is being executed while port and oil tanking operations continue to be carried out on the breakwater jetties.

Towards the end of the year, works commenced on the Valletta breakwaters concentrating on works at the abutments of the newly reinstated bridge. The works at Valletta are primarily of a restoration nature due to the fact that the breakwaters are protected buildings. The overall project is expected to be concluded in 2012.

This project is estimated to cost €13.75m.

Deep Water Quay Refurbishment and Upgrading

Deep Water Quay is one of the two main cargo terminals in the Grand Harbour. Built in the 1950's the quay has reached the end of its design life and needs an extensive refurbishment and upgrading in order to service current and future port cargo operations and vessels. Following technical studies and investigations initiated in 2009 and concluded in 2010, the design work and tender preparation for the works was completed in 2011.

An application for EU funding was submitted in November 2011 following the completion of a number of studies including a cost benefit analysis (CBA).

- ***Implementation of Maritime Safety Initiatives***

The Roads and Infrastructure Directorate is also responsible for the implementation of various initiatives and actions taken by the Ports and Yachting directorate to safeguard the safety of navigation within the Maltese territorial waters. Amongst the projects executed in this regard were the following.

Navigational Aids

RID maintains 24 navigational aids around the Islands. During the summer period these are practically doubled through the installation of seasonal marker buoys.

Swimmers' zones

The Directorate also implemented the swimmers zones in various bays. RID's role consisted in the procurement of floats, marker buoys and other material necessary for the implementation of this project, as well as the installation, maintenance and eventual removal of swimmers' zones and their markers.

4. Miscellaneous Projects

- ***Public Transport Reform Infrastructure***

2011 marked the completion of the first phase of the infrastructure upgrading project related to the Public Transport Reform. This reform was led by the Land Transport Directorate (LTD) and the Integrated Transport Strategy Directorate (ITSD), who were also responsible for most of the designs.

The Roads and Infrastructure Directorate was in charge of the contracting, supervision, and project management for the various components of the infrastructure, namely:

- redesigned bus stops and lay bys;
- bus interchanges in various localities;
- new park and ride sites at Pembroke and Marsa and an extension of the existing Park and Ride site at Floriana;
- upgrading of bus termini at Bugibba and Victoria, Gozo; the Valletta Bus Terminus

These projects, which also introduced locally new specifications for surfacing materials, were completed on time notwithstanding the very tight timelines.

- ***Valletta Paving Project***

The paving works in the central part of Valletta continued throughout the year under review and MEPA permits were obtained for the majority of the remaining stretches. Works were tapered off during the last quarter such that there was no ongoing work in the period leading up to and including the Christmas and New Year festivities in order not to disrupt the commercial community during this critical time.

Works are envisaged to be completed by 2012.

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

Smart City

In November, works started on the first phase of resurfacing on the Smart City Diversion Routes and by the end of the year, works on Triq il-Kunsill tal-Ewropa and part of Triq il-Labour, Zabbar were completed. The second phase of the project was awarded towards the end of the year.

Qui Si Sana Road

The reconstruction of Qui-Si-Sana Road was divided into two Phases:

- Phase 1 from Tower Road to Dragut Street, where RID carried out supervision of the works which were paid for by MEPA through the Sliema Local Council; and
- Phase 2 from Dragut Street to Tigne Tunnel, which works were carried out in liaison with MIDI plc.

The total value of this project amounted to circa €900,000.

Tigne Tunnel

In the middle of the year, Transport Malta took over the Tigne Tunnel from MIDI plc Consortium. The tunnel was opened soon after following installation of vertical and horizontal signage which included innovative (for Malta) Vehicle Activated Signage (VAS) and thermoplastic paint.

Ta Qali – US Embassy Junction

During the first half of the year, RID was also involved in the upgrading of the junction in front of the new US Embassy in Ta' Qali. Works included the installation of new services, a new storm water drainage system, realignment of the whole junction and asphaltting of the area.

Princess Margaret Street (Msida to Gzira)

During the second half of the year, the Directorate completed the Ta' Xbiex end of Princess Margaret Street, after the Msida Local Council completed its end of this key road.

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

Projects, Initiatives and Performance of Duties

Public Transport Reform

The year 2011 saw the challenging introduction of the new public transport service in July 2011, with the long term benefits of this service being:

- Improved passenger comfort and safety with a new bus fleet equipped with air conditioning, low floor access to wheelchair and mobility impaired persons;
- More environmentally friendly buses with Euro V engines;
- Better information for bus users, on board buses, on bus stops and on websites. This involved the installation of 1,897 new bus stops in Malta and Gozo, with timetables for each route on each bus stop;
- The introduction of real time remote monitoring facilities for both the operator and Transport Malta, since all buses are equipped with locating devices;
- Improved driver training, attire and behaviour.

During the first six months of the year, the Directorate provided all the necessary support to the new bus operator to prepare for the introduction of the new service. This included:

- Registration and licensing of buses;
- Upgrading of infrastructure including three bus termini, three park and ride sites, and 23 interchanges (in liaison with the RID) ;
- Installation of 60 bus shelters;
- Testing and licensing of new drivers.

In addition to this, the necessary setup was put into place to be able to monitor the services in real time, through the setting up of a new control room, and also the drawing up of compliance and enforcement manuals.

The introduction of this service on the 3rd July brought with it a change in the role of Transport Malta into one of a purely regulatory nature with the primary responsibility of ensuring that the conditions set out in the contract with the bus operator are being adhered to.

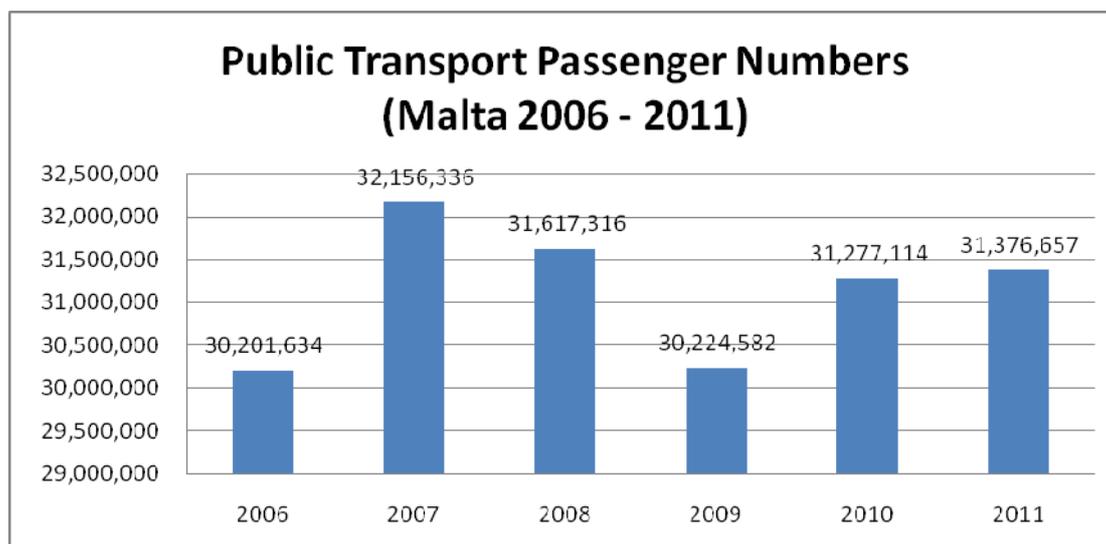
Due to exceptional disruptions in service that were experienced throughout the summer, Transport Malta did not fully assume its role as a regulator until November, and instead provided all the necessary support to bus users, and to the bus operator, to regularize the services. This included:

- Monitoring a number of main routes (both on the ground and from Control Room) to identify gaps and provide information to the bus operator to address by deploying additional buses and coaches. The number of complaints on the service received by Transport Malta reduced to 86 in December from 242 in October;
- Conduct a quick extensive review of the route network to provide more direct connections to and from Valletta and Mater Dei. This took place between July and November 2011 and resulted in a reduction of complaints on the route network to 85 complaints received in December as opposed to 245 received in October.

Transport Malta monitors various routes through the control room, and also by deploying officers in strategic points across the network to measure waiting time and adherence to bus timetables. Besides this, the Land Transport Directorate monitors other aspects of the service, including driver attitude and attire, bus requirements, and information requirements.

Passenger Numbers

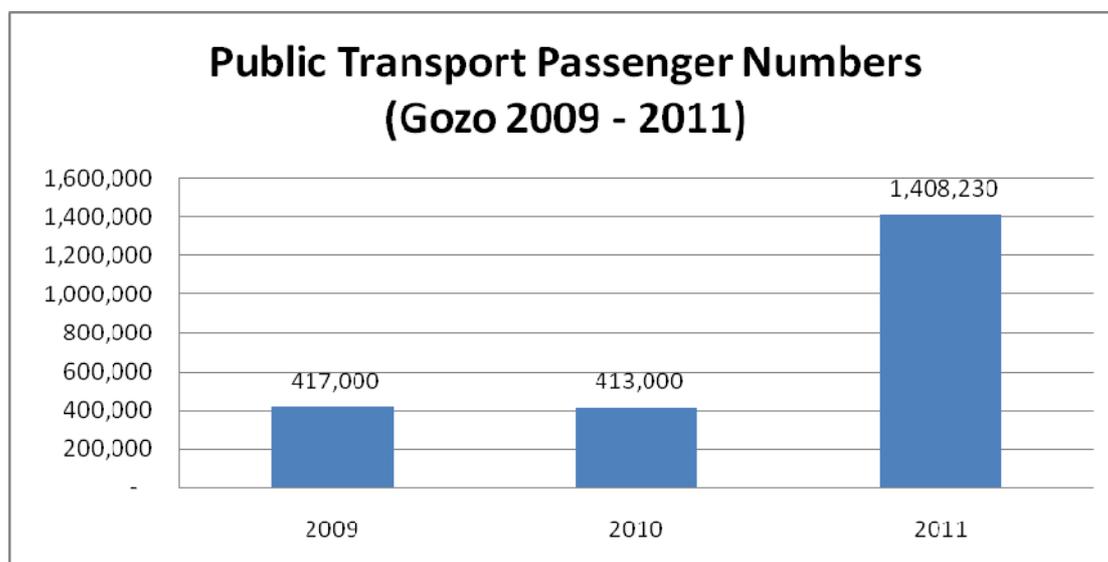
Since the introduction of the new public transport service that was launched on the 3rd of July, the passenger numbers carried by the new bus operator between August and December 2011 increased from 13.4m to 14.6m passengers, representing an increase of 8.9% from 2010. Due to the decline in passenger numbers in the first five months of the year of 5.4%, this brought the total amount of passengers to 31.4m¹ compared to 31.2m in 2010, representing an overall increase of 0.3%.



¹Amount of passengers for Malta and Gozo for July 2011 was estimated due to the ticketing system disruptions, at 2,100,000 and 200,000 respectively.

Note: Figures for 2011 include data provided by the operator (Arriva Ltd) for operations as from 3 July 2011

With regard to Gozo, the new service brought about a radical improvement in service, leading to a drastic increase of 471% between August and December 2011. This led to the total amount of passengers increasing from 413,000 in 2010 to 1.4m in 2011, an overall increase 343% for the year.



The new bus service also brought about new ticketing options, and although the amount of tickets being sold on board buses is still high, it has gone down from 97% in August to 95% in December.

Withdrawal of the Old Bus Service

The reform also involved the retiring of the old bus service which used to be operated with 508 buses in Malta:

- 157 buses of the old Malta buses were scrapped;
- 127 low floor buses were transferred to third parties out of which 28 were put back into service after refurbishment and 1 was donated to Malta Red Cross;
- 127 buses were donated to Heritage Malta;
- 78 buses were retained by their respective owners;
- 19 buses are still in the process of being transferred due to administrative restrictions and legal issues.

Providing 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 that came into force in November 2010 continued, 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 2011:

- 20 new taxi licenses were issued which generated revenue of €1.1m;
- The implementation of a new training course by two approved training providers for new taxi drivers aimed at improving their driving and social skills, coupled with new theory and practical tests – 34 new taxi drivers have qualified during 2011;
- The installation of new peripheral devices on all the new taxis based on specifications set by Transport Malta. This includes a new taximeter, emergency button, CCTV system, communication system and tracking device;
- A Control Room at Transport Malta Offices showing real time activity of new taxis has been set up;
- Three Electric Minicabs Operators have been licensed, with one of them currently operating within Valletta and at Valletta Cruise Port.

Horse-Drawn Cabs Reform

This year has seen a major drive with respect to the long awaited reform in this sector. During 2011, Transport Malta issued a set of regulations for public consultation. These regulations are aimed at empowering Transport Malta with the necessary tools to better regulate this sector, and include provisions for:

- Licensing and insurance of horse driven cabs;
- Regulations on conduct of drivers;
- Obligations relating to correct charging of fares and issuing of fiscal receipts;
- Requirements on the safe carriage equipment;
- Obligations on the operators and drivers to keep roads clean

The public consultation exercise attracted widespread feedback from a number of entities and private individuals, which feedback has now been consolidated and reflected in a revised set of draft regulations which are expected to be published in 2012.

Regularisation of 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 2011, a total of 45 National Operators' Licenses were issued, together with eight Community (international) Licenses, covering a total of 70 passenger transport vehicles.

In addition to this, Transport Malta issued 47 Certificates of Professional Competence for transport operators, following a number of training courses and exams organized by the Directorate in conjunction with MCAST. These exams, which are based on EU Directives, have seen a pass rate of 71%; however unsuccessful candidates have been given the opportunity to attend for preparatory courses and to re-sit their exams until they obtain their qualification.

Transport Malta also introduced a more rigorous check on the police conduct of bus, coach and minibus drivers in accordance with the Passenger Transport Services Regulations. During 2011 a total of 76 applications representing 5% of applications received, were not approved.

Trackless Trains

In July 2011, Transport Malta issued authorizations for the operation of the two trackless train routes it had established for St Paul's Bay and Marsaxlokk, following a concession public tender procedure. In parallel, Transport Malta has also approved the operation of 34 temporary trackless train routes that were operated during special events in various localities throughout the year.

Two new trackless train routes are being worked on to be published in 2012.

Other Land Transport Sector Reforms

Vehicle Hire Service Reform

During 2011, Transport Malta in consultation with the stakeholders in this field, also embarked on a reform of the vehicle hire sector, which covers the registration and licensing of vehicles for hire or lease, and the licensing of operators of such vehicles.

The main aim of this reform was to de-regulate and streamline the rules governing this sector, thereby reducing the administrative burdens on operators, while at the same time introducing added responsibilities on operators, better quality of vehicles and a minimum set of service standards to ensure a high standard of service.

A set of regulations has been drafted and is expected to be published for public consultation in 2012.

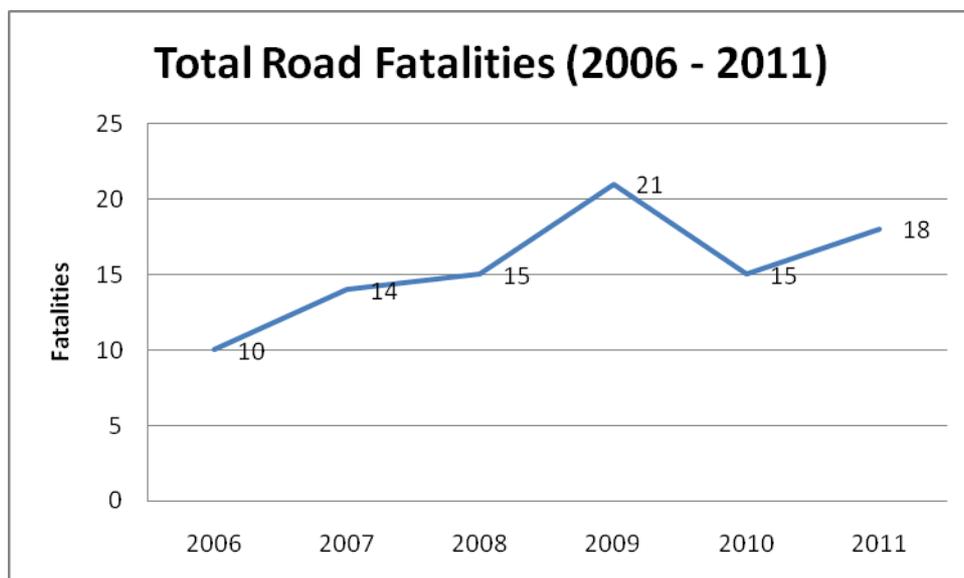
Reform of Car Park Sites

Another reform which Transport Malta has planned and worked on during 2011 was that concerning the operation of public car park sites due to the limited added value that the public is getting from the car park attendants, who currently enjoy no employment rights or obligations. The aim of this reform is, therefore, to formalize the operation of public car parks, thereby bringing an improvement in the level of service to the public, as well as an improvement in the stability for car park attendants.

To this aim, Transport Malta, in consultation and agreement with the representatives of car park attendants, has devised an implementation plan for the organization and operation of public car park sites, which plan is expected to be put into action in 2012.

Improving Driving Standards

The number of road related fatalities in Malta during 2011 stood at 18 fatalities which is slightly higher than 2010, but less than the figure for 2009.



One of the core strategic objectives of the Land Transport 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 of and abiding by regulations.

In May 2011, Transport Malta hosted the International Commission for Driver Testing Authorities (CIECA) 43rd Congress aimed at organizations and individuals active in the fields of road safety and driver testing. The Congress was extremely successful with attendees from 27 countries, and highlighted the importance to achieve our goals of safer drivers through training and testing.

A Driving Instructors' Skills Workshop was also held right after the Congress. This one-day seminar was linked with the Congress to benefit from the international speakers that made themselves available for the seminar. It was attended by all local driving instructors, and participants were given the opportunity to share their experiences with international experts in the field of driver training.

Throughout the year Transport Malta concluded a research project in driver education, which will lead to the implementation of various measures throughout 2012 and 2013. These measures are aimed at improving the regulatory and policy framework for training, testing and licensing of drivers, and also of motoring schools and driving instructors.

These measures will include:

- Setting of a Safe Driver Standard to define safe driving in Malta in line with international best practice;
- Setting of a Driving Instructor Standard to define the competencies required of a modern driving instructor;

- Development of a new Assessment Strategy for Driving Instructors, with various measures aimed at aligning the driver training profession to the Driving Instructor Standard;
- Implementing the various measures as required by Directive 2006/126 to upgrade the level of Driving Examiners including improved entry requirements, improve initial and periodic training requirements, and quality control, the harmonization of driving licence categories, particularly those for mopeds and motorcycles, improved progressive access to bus and truck categories by establishing higher minimum ages; and harmonized periodical medical checks for bus and truck categories;
- Development of a new Driver Assessment Strategy with the aim of further upgrading the various elements of the licensing process in Malta.

The Authority continues to offer all the necessary guidance to motoring schools and driving instructors, to improve their level of training through workshops and seminars.

Eco-Friendly Transport

Transport Malta continued to assist the Ministry of Finance in implementing further changes to the registration tax regulatory framework aimed at promoting cleaner vehicles, which brought about a system that calculates tax based on the emission standard of the vehicle.

Transport Malta also supported the extension of the scrappage scheme, offering another 3,000 vehicle owners the opportunity to benefit from a grant, as long as they scrap their vehicle.

The new public transport bus fleet had a major impact on the average age of passenger carrying vehicles. Apart from reducing the average age of route buses from 35 years to 1 year, it also reduced the overall average age of this category of vehicles (buses and coaches) from 30 years to 11 years. This apart from the introduction of 10 new electric-hybrid buses being used on our roads for the first time.

Customer Service

Transport Malta recognizes the challenge it faces when it comes to customer service, particularly since it interacts directly with a large number of customers every day. The table below lists the main licensing transactions at the Land Transport Directorate throughout 2011, compared to the previous year. Overall the number of driver and vehicle licensing related transactions increased by 6% from the previous year.

	Licensing Service	Number of Transactions		
		2011	2010	% Change
Vehicles	Registered Vehicles	18,882	16,065	18%
	Change of Owner (Transfers)	43,843	40,498	8%
	Other Changes to Vehicles	12,021	10,447	15%
	De-Garaged Vehicles	5,433	5,410	0%
	Exported Vehicles	79	111	-29%
	Garaged Vehicles	9,990	9,420	6%
	Scrapped Vehicles	5,612	4,478	25%
	Road Licences Issued	309,545	302,927	2%
	Number Plates Issued	56,181	49,758	13%
	Pre-Registration Vehicle Inspections	9,112	7,054	29%
Driving Licences	New Driving Licences Issued	5,828	5,610	4%
	Renewed Driving Licences Issued	22,170	19,563	13%
	Driving: Practical Tests	14,309	12,602	14%
	Driving: Theoretical Tests	7,815	6,556	19%
	International Driving Permits	544	576	-6%
	Withdrawn Driving Licences	770	801	-4%
	Changes to Driving Licences	3,516	3,555	-1%
TOTAL OPERATIONAL		525,650	495,431	6%

To meet the increasing demand for services, the Authority launched the following initiatives:

- Reduced waiting time for the practical driving test from nine weeks to four weeks;
- Improved the procedure to import a second hand used vehicle with a streamlined process, from vehicle inspection to collection of number plates and licence;
- The launch of four electronic forms (eForms) enabling users to apply for specific services online;
- The vehicle valuation website was extended once again to cover commercial vehicles, providing users with a one-stop-shop in the calculation of vehicle registration tax;
- Allocating personnel to walk the queues, to assist customers in ensuring that they have all the required documentation;
- Engagement of new personnel to reduce waiting time;

- Logging the reasons for customers visiting our offices without concluding their transaction, with the aim of reducing them.

The above initiatives have resulted in a slight increase in administrative charges that came into effect on July 2011.

Quality Control

Importation of Used Vehicles

In April 2011, Transport Malta extended the requirement to present an odometer certificate for used vehicles imported from Japan, to also cover used vehicles imported from any EU country. This was aimed at providing added value to customers buying second hand vehicles, by ensuring that odometers are not being tampered with, and also to ensure that the registration tax due is collected in full.

Quality Control on VRT stations

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

- Conducting 1,224 post VRT checks on high risk vehicles, by calling them into our offices for a further inspection;
- Close monitoring of VRT Stations by conducting a total of 93 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.

In parallel, discussions were held with the representatives of the VRT Station operators with the aim of implementing a holistic reform of the sector, aimed at improving enforcement and quality assurance controls.

Road Licence Arrears

The Directorate continued to follow up the unlicensed vehicles on the road, which resulted in a reduction of 7% in unlicensed vehicles between 2010 and 2011. This included the sending out of monthly notices to vehicle owners with expired licences. With the budgetary measures recommended by Transport Malta that come into force in 2012, it is anticipated that the amount of unlicensed vehicles will continue to reduce. In this regard, a new scheme was introduced whereby persons who have vehicle licences or administrative payments in arrears, can regularise their position. By paying a one-time penalty of €125, and half or full amounts of the licence payments due where applicable, various persons will now be able to regularise their position.

CIVIL AVIATION DIRECTORATE

Functions and Duties

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

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

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

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

The functions of the Directorate as a regulator are to ensure that all aviation activities are carried out safely and in conformity with international standards which Malta has to apply as a result of its membership in the European Union (EU), International Civil Aviation Organisation (ICAO), European Civil Aviation Conference (ECAC) and EUROCONTROL. It achieves these objectives through the following tasks:

- regulation of air transport services;
- airworthiness certification and oversight;
- certification of aircraft operators;
- approval of Continuing airworthiness management organisations
- approval of maintenance organisations
- approval of maintenance training organisations
- licensing of aeronautical personnel and flight training organisations;
- determination of international air navigation obligations;
- continuous oversight of approved organisations (AOC, CAMO, maintenance, maintenance training, flight training organisations)
- oversight of Malta International Airport plc as aerodrome services provider;
- oversight of Malta International Airport plc as the certified provider of meteorological services within the Malta Flight Information Region; and
- oversight of Malta Air Traffic Services Ltd. as the certified provider of air navigation services in the Malta Flight Information Region.

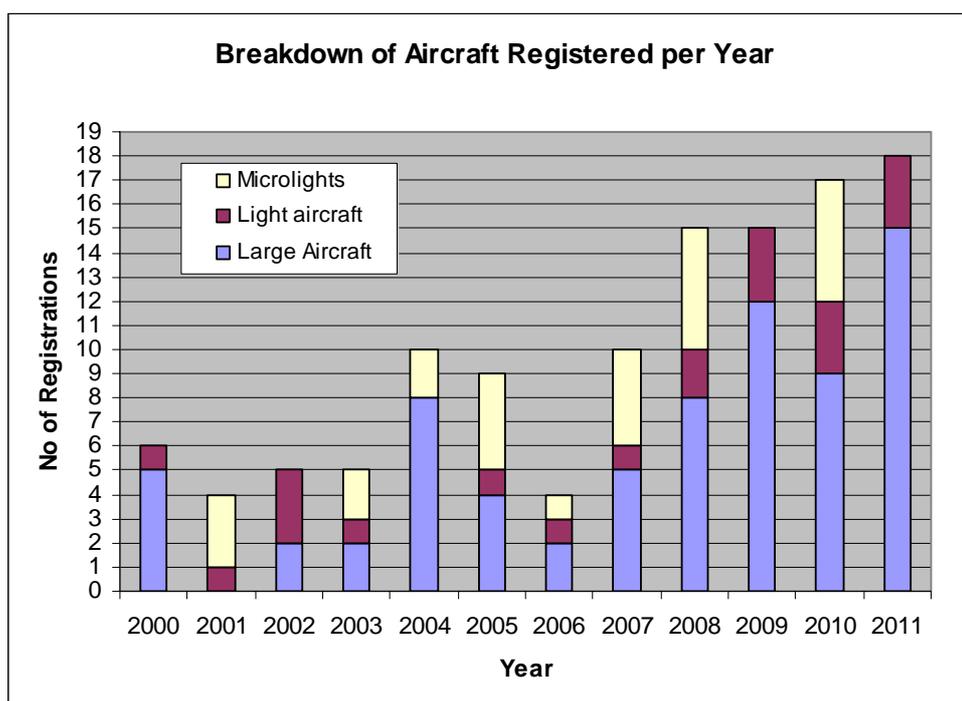
Projects, Initiatives and Performance of Duties

Passenger movements

Passenger movements have seen a 6 % increase in 2011 when compared to 2010, from 3,293,524 passengers in 2010 to 3,506,521 passengers in 2011.

Aircraft Registration

At the end of 2011, there were 103 aircraft on the Malta National Aircraft Register. Out of these 103 aircraft, 18 were newly registered aircraft compared to 17 in 2010 and 15 in 2009. Nine aircraft were also deregistered during 2011.



Inspections

- The Flight Operations Inspectorate carried out regular inspections on the air operators namely:

Operator	No of Inspections in 2011
Air Malta	24
Medavia	26
Eurojet	14
Harbour Air	15
Comlux	16
Carre	19
Orion	17
Privajet	14

- The Aerodrome Standardisation Unit carried out 5 inspections at the Malta International Airport and another one at Harbour Air.

- **The Personnel Licensing Unit** managed 355 pilot licences and 46 air traffic controller licences. It regularly conducted theoretical examinations for the Airline Transport Pilot Licence and the Private Pilot Licence.

The Personnel Licensing Unit audited the European Pilot Academy Flight Training Organisation, the Air Malta and Medavia Type Rating Training Organisations and Malta Air Traffic Services as Training Provider. The PEL Unit is working on 3 new applications for the issue or the extension of a Flight Training Organisations approval.

The Unit also carried out inspections of the Registered Facilities providing training for the Private Pilot Licence namely: Diamond Flight Training (Malta) Ltd, Falcon Aviation Co. Ltd., Malta School of Flying Co. Ltd. and Sky People Aviation Training Ltd. The European Aviation Safety Agency (EASA) also conducted a Standardisation Inspection to assess the Directorate's oversight on the Personnel Licensing of air crew and on Medical Certification.

- **The Airworthiness Inspectorate** carried out :
 - 45 aircraft inspections;
 - 9 audits at the approved maintenance organisations;
 - 5 audits at the maintenance training organisations;
 - 27 Continuing Airworthiness Management Organization (CAMOs) inspections; and
 - 10 Safety Assessment of Foreign Aircraft Programme (SAFA) inspections.

A total number of around 150 certificates (Certificate of Airworthiness, Permit to Fly, Part-21 Permit to Fly, Noise Certificates, Registration Certificates) were also issued by the Airworthiness Inspectorate.

The Airworthiness Inspectorate has also conducted Part-66 aircraft maintenance licence basic module examinations in conjunction with MCAST Part-147 training organisation. The average passing rate for the 465 applicants who set for such module examinations was 48%.

The Duty Management Office vetted and approved hundreds of commercial and private flights landing in Malta and overflying Maltese airspace. The office has also jointly issued permits for the use of Maltese aviation facilities by foreign Military and State operators and processed and investigated over 150 passenger complaints during the year. A 24/7 operation was maintained, offering a vital front office activity for the CAD's customers.

The Air Navigation Services Unit (ANSU) carried out an audit on Malta Air Traffic Services Ltd (MATS). Only a small number of minor findings needed corrective action, which MATS implemented in a short time. The ANSU also conducted on site inspections at MATS facilities, including Dingli Radar site and the Visual Control Room following significant works at the respective sites. It also oversaw two navigational aid calibration sessions, and reviewed their results.

The unit reviewed and participated in 14 safety assessment meetings at MATS, two of which are ongoing. It also participated in preparatory meetings leading to some of the more complex safety assessments in order to facilitate the risk assessment process. The ANSU was also involved with the MET office in relation to an equipment upgrade

project. The safety assessment and implementation of this project is expected early in 2012.

There were 348 occurrence reports when compared to the 241 minor reports recorded in 2010. The number of occurrences is listed in the table below by classification:

Class of incident	Number of incidents
Accident	2*
Serious incident	0
Major incident	0
Significant incident	3
Incidents	48
Occurrence without safety concern	294
Not determined	1
Total reported incidents	348

* One of the accidents reported involved a light aircraft owned by a flying school whilst the second involved a private N registered aircraft owned by a Maltese citizen.

Of the above occurrences, 21 were of a technical nature concerning ATC equipment. The reporting of occurrences is encouraged to study eventual rectification action if and when necessary to avoid re-occurrences. In fact, the ANSU followed up on a number of these occurrences to verify that the process of identification of the root cause was properly addressed and that corrective action was taken.

Local Single Sky Implementation (LSSIP) - As part of the CAD's Single European Sky (SES) obligations, the unit populated the LSSIP database for the cycle 2010 - 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 SES legislation implementation actions (SES Reporting - new since 2008) and the performance planning (currently only capacity and cost-effectiveness – but to be extended/adapted within SES II) - this to ensure no double reporting from stakeholders.

The European Aviation Safety Agency (EASA) also conducted a Standardisation Inspection to assess the Directorate's oversight on Initial and Continuing Airworthiness, Maintenance, Maintenance Training and Aircraft Maintenance Licensing.

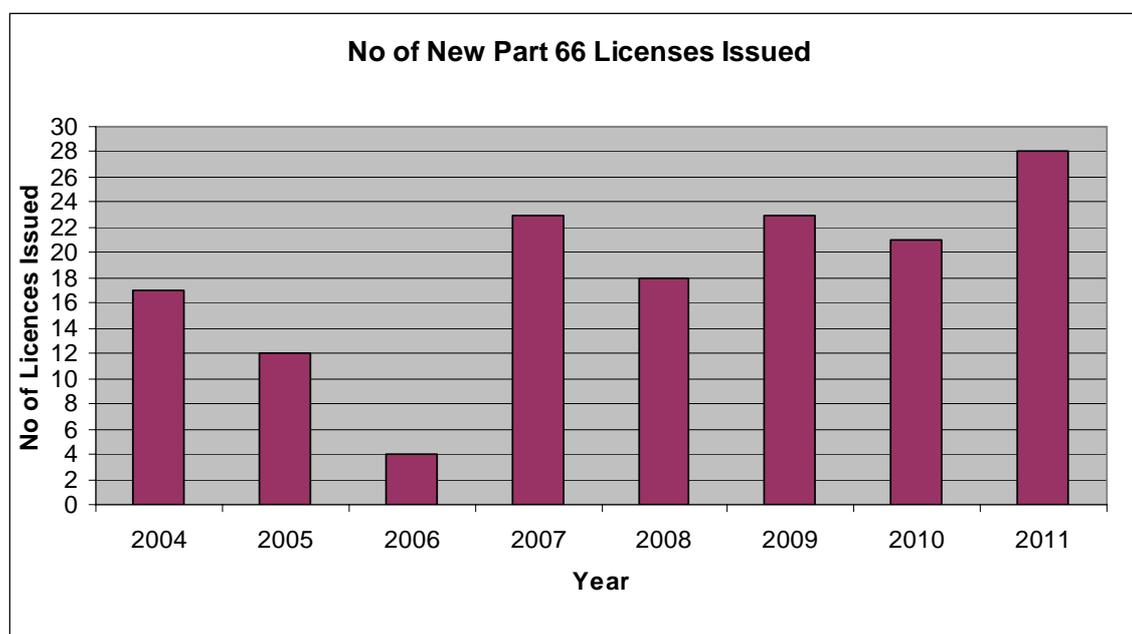
Aircraft Maintenance Licenses

The Airworthiness Inspectorate issued a total of 28 new Part-66 and 37 variations to existing licenses in 2011. A breakdown and comparison of licenses issued in previous years is found in the following table and graph:

Year	No. of New licences Issued					Total Issued (including variations)
	A	B1	B2	C		
2004	17	12	13	3	12	
2005	12	10	12	8	4	
2006	4	3	3	1	2	
2007	23	18	17	6	1	
2008	18	16	5	3	0	
2009	23	19	9	5	1	
2010	21	20	10	1	0	61
2011	28	16	12	0	16	65

Note 1: Persons can hold a number of different licence categories at the same time or else add a category or a type rating after an initial issue of the licence.

Note 2: Category C Licences are variations to Category B1/B2 licences.



A total of 146 Part-66 licenses have been issued by end of 2011 since 2004.

Approved Organisations

- The Airworthiness Inspectorate issued a new Part-147 aircraft maintenance training organisation approval for Aeronautical Professionals Malta Ltd.
- The Inspectorate also issued 2 new Continuing Airworthiness Management Organisation approvals to Malta Wings Ltd and Luxwing Ltd.
- M.A. 711 (b) privileges were issued to AP Malta Ltd. as a CAMO.

Legislation

During 2010, the following Legal Notices were issued:

- LN 186 Approved Jurisdictions 2011 - AIRCRAFT REGISTRATION ACT (CAP. 503)
- Aircraft Registration (Approved Jurisdictions) Regulations, 2011
- Civil Aviation (Route Charges for Navigation Services) (Amendment) Regulations, 2011 – L.N. 35/2011
- Airport Economic (Amendment) Regulations, 2011 – L.N. 132/2011
- Aircraft Registration (International Registrant) Regulations, 2010 – L.N. 537/2010

Business Development

Following the introduction of updated legislation related to aircraft registration, the Authority has proactively pursued a number of initiatives to promote Malta's potential in the aviation sector. Aviation events attended in 2011 included the *European Business Aviation Convention & Exhibition (EBACE)* and the *Middle East Business Aviation (MEBA)*. Following last year's success of the FT event organised in conjunction with the Financial Times in London, during 2011, Transport Malta organised a follow-up event in Paris. The Civil Aviation Directorate also handled over 36 operators requesting for an Air Operator's Certificate/Operating Licence.

At present, the directorate is currently dealing with 4 AOC and AOL applications which work commenced during 2011 and we estimate to conclude and grant an additional 4 AOC and AOL certification during 2012.

CORPORATE SERVICES DIRECTORATE

Functions and Duties

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

Projects, Initiatives and Performance of Duties

Legal

During the year under review, a Senior Manager Legal Affairs was recruited to assume the role of coordinating all legal affairs of the Authority. Amongst the main functions of the legal department one finds the following:

- The coordination of the work carried out by the Authority's legal consultants
- The rationalization of the legal function within the various directorates.
- Performing legal functions such as drawing up and replying to judicial acts;
- Initiating legal action to recover debts due to the authority;
- Assisting operational directorates to identify legislation requiring change;
- Ensuring compliance with the Authority's legal obligations;
- Assisting operational directorates in enforcing concession contract requirements;
- Advising on the Authority's regulatory role and action required.

Human Resources

In order to assist the Authority in the achievement of its objectives, the Human Resource Department maintained its momentum to ensure the authority has the right organisational structure. In this regard, various posts were filled through external calls for applications and internal career progression opportunities. As a policy, the authority strives to fill such vacancies through the latter approach in order to fulfill current employees' potential and maximise on their skills, competences, experience, knowledge and expertise.

Notably, the Authority's labour turnover remained very low; however exit interviews were conducted with all staff that opted to pursue their career elsewhere. On the formal employee development aspect, the Human Resource Department gave specific attention to training and development initiatives both locally and in certain specialized fields abroad. The Authority also provides the necessary support and financial assistance to entice its staff to seek their own self-development. In fact during 2011, the Authority invested over €150,000 in training of its staff. Most of the investment made in training related to specialised courses both locally and abroad such as those related to road safety management; driver examination, Project Management, Aviation Safety Management, Airworthiness, Flight Operations, Air Navigation Services, Personnel Licensing Vessel Traffic Services, Port Management and Flag & State Inspectorate programmes.

A Health and Safety Committee, composed of representatives from the various Directorates, was also set up to review the Health and Safety Risk Assessment Reports and to take appropriate action as required.

Another initiative was the launch of a formal Performance Review System which gave an opportunity to all staff in managerial functions to have their performance reviewed thus identifying their main strengths and other areas requiring development. Progress was also registered in the review of the Authority's respective Collective Agreements as related to the Technical, Administrative, Executive, Enforcement and Industrial grades as well the Managerial and Professional grades. It is envisaged that the respective agreements will be concluded by mid-2012.

Finance

A new Financial Controller was employed, effectively splitting the procurement and finance functions. Every major operational directorate now has a fully dedicated financial and/or internal controller.

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

- Implemented a monthly management information reporting system encompassing the activities of all the Directorates
- Took an active role in managing cash expenditure in capital projects whilst optimising the timing of grants receivable
- Adopted accounting policies in connection with the Public Transport reform in line with International Financial Reporting Standards
- Implemented Treasury procedures to ensure better cashflow management
- Assisted various Directorates in designing and implementing accounting and internal control procedures within the Directorate
- Continued to assist in internal audit initiatives, as directed by internal audit committee
- Closely monitored the performance of the organisation against budget
- Developed further the accounting systems within the Directorates in line with management requirements
- Strengthened reporting procedures from the various Directorates for better control and recording of data
- Continued to assist directorates in developing new revenue streams and aligning tariffs to cost base.
- Launched a cost control task group that introduced a number of measures mainly related to centralization of common services and introduction of new control mechanisms.

Administration and Procurement

The Administration and Procurement Department 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. The implementation of this centralised system and the development of a procurement committee ensured cost-effectiveness and adherence to procedures. A Director of Procurement was appointed to strengthen the effectiveness of this department.

Throughout the year under review, Transport Malta managed procurement processes worth several millions of Euro which also included projects falling under the Trans-European Transport Road Network (TEN-T) infrastructural works.

Customer Care, Media and Marketing.

The Authority acts as a service organization to the general public when it comes to registrations, licenses, applications and other regulatory aspects of transport by land, sea and air. To this effect, a strong customer care function must be developed across all Directorates. The CSD has been involved in a project to research customer requirements, co-ordinate and streamline the processes related to customer service. During 2011, the Authority launched properly resourced customer-care handling infrastructure and procedures, in line with research on customer needs conducted during 2010.

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

To this effect the following measures have been adopted:

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

- **Customer Care**

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

This project included the following action –

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

- Established Criteria for Major / Urgent Complaints
- Invested in Customer Relationship Management Software
- Provided training to personnel

Call Centre

The establishing of a Call Centre was a central part of the plan to transform Transport Malta into a customer-centric entity. The Call Centre Service started operations on the 26th October with the gradual transfer of the six main general lines, answering basic and general queries on all directorates, whilst complaints and complex queries are forwarded to the customer care officers at the respective units / directorates.

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

One of the primary aims for contracting the call centre was that of reversing the general public's perception that reaching TM operational offices by telephone is impossible. In order to maintain a high level of Performance Management, our service level agreement with the call centre services provider has set the target at a minimum of 75% of all inbound calls to be answered within 30 seconds and of having 90% of all inbound calls answered – and these are being achieved.

Customer Relationship Management Software (CRM)

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

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

TM follows a 100% complaint and query close-out policy which will ensure a continuous improvement in the services provided by TM

Brand Guardian Council

Since the Authority is made up of large and diverse legacy entities, it is important that the general public identifies with one common Authority. The re-branding exercise has been a success and the brand guardians will ensure consistent performance of all employees engaged at each client contact point. This will entail reviewing procedures, overseeing training processes, overseeing automation and online services including the website and handling client complaints.

- **Media**

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

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

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

- **Marketing**

The Media and Customer Care Department is also responsible for the handling of all marketing and promotional activities within the Authority. The major marketing functions revolve around promoting the Maltese shipping and aviation registers and also includes the handling of all functions related to the Authority's participation at both local and international exhibitions, the production and distribution of multimedia productions, advertising, and other promotional material. The department, as described in other sections of this report, is also responsible for the implementation of the Safety at Sea campaign, an initiative that forms part of the Authority's strategic objectives, namely to promote a safer culture within all modes of Transport. In this regard, the unit has stepped up its efforts to launch another edition of this annual campaign to educate and increase safety awareness among boat users.

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

Business Process Improvement Unit (BPIU)

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

Work during 2011 revolved around the following key areas:

- **Core Processes** – the Unit in collaboration with the other Directorates identified the core processes relative to: Customer focus; Finance; Procurement; Health and Safety requirements. A list of services and sub-services performed across the Authority, with its corresponding definitions has been created. The list contains all relevant information related to each service including service level, forms and

documents required by the general public. During 2012 the Unit together with the operational Directorate's will be drawing up the policy for each service provided by the Authority.

- **Standard Operating Procedure (SOP)** - the Unit in collaboration with the other Directorates established (Authority-wide) Standard Operating Procedures (SOP), Directorate Operating Procedures (DOP) and respective forms, drawings and records as required by each directorate. In this respect, the Unit has been directly involved in eight (8) new SOPs mainly related to Finance, Communications and Occupation Health and Safety. In 2011 the unit was also involved in fourteen (14) DOP in the following processes in the respective directorates:

Ports & Yachting Directorate:

- Small Ships Register: Registration of boat dealers and Issue of nautical and instructor licences; and
- Implementation of Port reception Facilities for Ship-Generated Waste and Cargo Residues Regulations S.L. 499.30

Land Transport Directorate

- Driving and vehicle licensing;
- Public Transport compliance;
- Hotel courtesy buses External procedure; and
- Registering and licensing of new and used motor vehicles – procedures and forms;

Merchant Shipping Directorate

- Reviewed Quality Standards System for the Seafarers Certification Unit.

Information and Communication Technology Directorate

- Daily backup routine on servers.

Roads and Infrastructure Directorate

- Project management administration manual;
- Works Quality Assurance Unit procedures; and
- Temporary project publicity and information signage at roadworks.

The BPI unit was also involved in the update and registration of over 150 forms.

- **Internal Auditing** - during the year under review, the Unit provided the following focus:

- Initiated internal audit activities and analysed variances from Service Level Agreement and Regulations.
- Assisted in internal audit initiatives, as directed by the internal audit committee

- **Co-ordination of Risk Assessment** - The Corporate Services Directorate co-ordinated an Authority-wide risk assessment with PriceWaterhouseCoopers. The report findings were scrutinised and adopted by the Internal Audit Committee and then forwarded to the Board of Directors. In this way, all directorate chief officers have been made aware of the risks. During 2011, the unit was also engaged in assisting the audit committee to finalise the mitigation plan. In 2012, the BPIU will be engaged in performing audits at directorate level to ensure measures proposed in the mitigation plan have been implemented.

- **Process Improvement** - The Business Process Improvement Unit has also set up and lead groups of multi-skilled employees assigned with the responsibility of improving a process or designing a new one. The main focus during the year under review was on the following processes;
 - Management Accounts - this resulted in the development of an automated report extracted from Sage that reduced the time required to process the report and the errors due to manual inputting;
 - Budgeting – a completely new procedure has been designed that clearly states roles and responsibilities, the process and timeframes. A new application has also been developed to assist in the budget authorisation process, eliminate double inputting and to make sure that all involved can monitor status;
 - Procurement – the existing procedure has been completely reviewed to introduce more control measures and safeguards. To improve tendering and variation processes, the procedure has been split in three procedures: Procurement of goods and services, Invitation to tenders or for quotation and Variation orders and instructions to contactors. Apart from the improvement in the design of the process, the Authority has also redesigned the Finance Department structure to have better segregation of duties. Furthermore to support and streamline this process a new ICT application has been developed that completely automates the purchase request authorisation process;
 - Overseas travel, accommodation and subsistence allowance – This process has also been reviewed, the roles and responsibilities for authorisation have been changed to be closer to operations and more effective. At the same time new control measures have been introduced at corporate level to make sure that requests are processed according to procedure. Furthermore the travel request form has been updated to provide better control on budgets and internal service levels.

ENFORCEMENT DIRECTORATE

Functions and Duties

The Enforcement Directorate is empowered by law to ensure that transport facilities meet efficiency and safety standards.

The Enforcement Directorate performs four main functions:

- Enforces regulations for all licensed transport providers;
- Ensures all vehicles are within legal emission levels;
- Ensures sea-craft navigating in ports and popular bays operate within the law; and
- Provides security services to the Authority and other external entities such as port users.

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

The Enforcement Directorate's policy focuses mainly on public passenger transport services and issues related to commercial vehicles. This was done so as to minimise the duplication of roles with the Malta Police force and local wardens.

In implementing the above mentioned functions and ensuring safety, respect for the environment and the general good order throughout all modes of transport, the Directorate issued 2,745 tickets for the various contraventions that fall under its remit. Most of the issued contraventions relate to badly maintained vehicles, obstructions on bus stops, taxi stands and minibus stands and other issues related to public transport.

In this regard, the Directorate is following the Authority's direction to focus more on issues pertaining to the provision of public transport. Moreover, the Directorate is also following government's overall policy with regards to enforcement which puts emphasis on the educational aspect of enforcement. This does not mean that action will not be taken against those who contravene the law; it means that more emphasis is placed on increasing the awareness and instilling the right culture in those who did not abide with the law. As mentioned above, 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. Notwithstanding this approach, there were instances where the issuance of contravention tickets was inevitable.

Inspections undertaken by the Enforcement Directorate in 2011

Throughout 2011 the Enforcement Directorate performed various tests and inspections on various categories of vehicles. Generally these are undertaken by the Vehicle Inspectorate Unit within the Directorate.

Emission Alert Campaign Instigated Tests

	2011
Vehicles Called for Test	415
Vehicles Tested	162
Vehicles that Passed Test	155
Vehicles that Failed Test	7
Failure Rate	4%

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

Roadside Technical Inspections

	2011
Vehicles Inspected	2160
Vehicles that Passed Inspection	981
Vehicles that Failed Inspection	1179
Failure Rate	54.6%

ADR (Carriage of Dangerous Goods by Road) Checks

No of Vehicles	2011
Vehicles Checked	78
Vehicles that Passed Check	24
Vehicles that Failed Check	54
Failure Rate	69%

Tachograph Checks

No of Vehicles	2011
Vehicles Checked	7
Vehicles that Passed Check	3
Vehicles that Failed Check	5
Failure Rate	55%

During the year the unit saw a shift from inspections related to emissions and other technical aspects to inspections related to the public transport reform implementation. Since the introduction of the new Euro 5 bus fleet on Maltese roads, as from July 2011, there was a significant shift in the number of emission tests made on the bus fleet since the latter now necessitate less tests. Thus, the Authority has focused its inspection efforts on issues such as timetable management rather than emission and technical issues.

Between July and November 2011, Enforcement Officers were required to perform duties related to the public transport reform to ensure compliance with contractual obligations.

Inspections on Foreign Plated Vehicles

To better manage the issue of vehicles with foreign number plates on Maltese roads, the Directorate categorises the vehicles with foreign number plates into four categories:

- **Vehicles imported for personal use**

Generally these vehicles are imported from the UK. Whenever such vehicles are being noticed on the roads by Enforcement Officers, these are being stopped and checked. When it is established that such vehicles are destined for permanent importation, the case is followed up so as to ensure that such vehicles are registered within the stipulated time.

- **Vehicles imported by dealers for resale on the local market**

Enforcement Officers are being directed to check those dealers that have vehicles with foreign number plates to make sure that such dealers leave vehicles with foreign number plates inside the showroom and to ensure that they do not use them on local roads.

- **Vehicles imported by persons of foreign nationality working in Malta**

Enforcement Officers are also checking vehicles with foreign number plates used by foreign persons working or residing in Malta. To this effect, the Enforcement Directorate is issuing temporary passes to vehicles that are already inspected and authorized/checked to avoid double checking vehicles and reducing unnecessary inconvenience to vehicles' owners.

- **Vehicles imported by persons on holiday in Malta**

Vehicles that are being brought over to the Maltese islands by persons on holiday are also being stopped and issued with a temporary pass for the duration of their stay. Again, as in the above case, these temporary passes enable Enforcement Officers to recognize whether the said vehicle has already been stopped or not, thus enabling the Enforcement Officers to conduct their work more efficiently whilst causing less inconvenience to the public.

In all the above cases, if a vehicle is found not to be in compliance with the stated regulations, the necessary action will be taken. To this effect, such vehicles are either impounded at Transport Malta's vehicle compound or their owners are instructed to put their vehicles in a private garage and pass on the log book and number plates to Transport Malta until they abide by the stipulated regulations. In 2010, the Enforcement Directorate checked 306 vehicles whilst in the last eight months of 2011 it inspected 863 vehicles.

Safety at Sea Enforcement

The Enforcement Directorate conducted sea patrols between the 17th June and 23rd September 2010 as part of the Safety at Sea campaign. The main aim of this campaign is to further enhance safety at sea whilst curbing abuse. To this effect Transport Malta introduced new concepts and measures aimed at improving the service that was offered in previous years.

The policy implemented by Transport Malta throughout the Safety at Sea Campaign is also based on the educational aspect of enforcement. The goal is to instil in the general public a sense of awareness that by acting cautiously and responsibly when at sea one will avoid accidents. To this effect, Enforcement Officers mainly focused on the most persistent problem that is being faced, that of over speeding close to shore, as depicted in the table below:

Transactions	Amount in 2011
Vessels Checked	306
Vessels Found In Order	75
Vessels Found Contravening the Regulations	113
Warnings issued	118
Charges Issued (Overspeeding)	113 (76)

Furthermore, in 2011 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 by the stipulated regulations. This leads to a safer environment within Maltese bays benefiting all. Being an introductory concept, such coordinators were present in the two main Maltese bays, Blue Lagoon and Mellieha Bay. These proved to be very successful and through the experience gained the Authority is in position to offer better service in the coming years.

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 Transport Malta and to ensure that such moorings are being used by the permit holders. This enables the Authority to enforce an orderly system in this sector. Moreover, inspections were also conducted at the landing places from where most boat operators operate, namely Sliema, Bugibba, Marfa, Cirkewwa, Ghadira and Zurrieq. This is primarily aimed at creating awareness amongst the various operators who are checked to ensure that all such operators are operating according to the relevant regulations.

INFORMATION AND COMMUNICATION TECHNOLOGY DIRECTORATE

Functions and Duties

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

Projects, Initiatives and Performance of Duties

During 2011, the Directorate initiated a number of projects some of which have been finalised whilst others are to be finalised in 2012.

Eucaris

The Directorate initiated **Eucaris**, a project derived from the Prum directive where participating member states agree to exchange vehicle information between law enforcement entities in order to combat vehicle related crime and enforcement.

TM Portal

A new Transport Malta portal is currently being finalised to enable the current website to be more comprehensive, more user friendly and more customer oriented. It is also aimed to become a central point for more online customer services. It also at becoming a fully fledged GIS system which will offer an array of new online services to the general public and operators alike.

Road Permit System

The Road Permit System (RPS), which replaced the earlier Trench Permit System, enables contractors, local councils and other entities to apply for road excavation work permits online, and allows all the relevant stakeholders to approve or request the necessary clarifications online. The system was enhanced to include new features which include the mapping of the exact location of an excavation onto a GIS interface in order to provide more accurate information and better traffic management.

Driving License System / Transport Operator's License

The existing Driving Licensing System is being replaced with a newer version which will enable to better satisfy TM's requirements, and incorporate a Transport Operator's Licensing system to cater for passenger / goods carrying operators and drivers, which to date are stored on separate legacy systems. During 2011 TM launched a data / report collection exercise in order to establish the exact business requirements that will enable the drafting of the relevant Call for tenders.

RESPER/ERRU

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 licenses, in particular to guarantee recognition of documents and acquired rights originating in other Member States, combat document fraud and avoid the issuance of multiple licenses.

VERA

A new call for tenders was issued for the maintenance of the VERA, a national vehicle register which forms an integral part of the Authority's core IT systems. This system requires constant upgrading and enhancements due to Government's or EU changes in legislation or regulations for the registering, and licensing of road vehicles. Since the Malta IT Agency (MITA) is moving away from development into a project management role, it was decided to issue an ITT for the maintenance and development of the VERA system.

Tachonet

Tachonet is a central hub for the exchange of information between the national administrations responsible for issuing tachographs (in-vehicle recording equipment) to enforce rest periods and monitor the driving times of professional drivers. In order to contribute to the successful implementation of new road regulations, a new electronic device called the digital tachograph is used in conjunction with smart cards. Tachographs are recording instruments that measure speed, miles travelled and the number and duration of stops. This system minimizes duplication of work across the Member States and maximizes efficient tracking of drivers. During 2011 we have enhanced the system to comply with the latest EU requirements.

Small Ships Register System

A call for tenders was issued for the design and implementation of a new Small Ships Register System. This system will feature an on-line transaction-based Small Ships Registration (SSR) and will have a web interface that will enable the Authority to propagate and offer a number of services to the public such as the renewal of the small ships registration both directly for small powered engines and through Insurance agencies and brokers for those with engines over 10 HP, registration and payment of Mooring permits, Seaman registration for commercial vessels and online applications of Nautical Licenses.

Systems Integration

During 2011, the Directorate continued with its efforts to further streamline the integration of all TM sites into one homogenous infrastructure. In fact, today, a number of remote sites are interconnected to the central network resources within Marsa. This has enhanced the infrastructure and related resources, increased security, and facilitated service provision and support. This exercise also enabled the Directorate to implement standard group policies in line with TM Standard Policies and Procedures. During this process, all back end processes were consolidated and shared network services were implemented.

Furthermore, the main PABX system which is located in Marsa has been upgraded to allow the integration of telephony services within all its sites and linking to an external service provider handling customer service operations of approximately 700 calls/day. The Authority currently has a number of operational sites including the head office which is located in Marsa. This system has been upgraded and all customer care calls are currently being routed to our service provider. By the end of first quarter in 2012 all TM sites will be linked to our central PABX.

Ports and Harbour enhancement of CCTV wireless links

The Digital Security System for the Maltese Ports, Harbours and Bays, is a powerful computer controlled video switching system with fifteen cameras located at various locations across the Maltese Islands. These are wirelessly linked to the Transport Malta Head Office for full control. A call for tenders has been issued for the upgrading of the backbone wireless links to licensed microwave links to allow the following functionalities:

- Enhance efficiency and reduce financial and human costs by automating existing manual processes where these have not been addressed over the years.
- Promote a safer and more efficient environment in maritime based transportation through the use of modern ICT technologies.
- Promote the sharing of information between EU member states to fight organised crime, and to enforce regulations.
- Assist TM in being in line with National and EU rules and regulations.

Penalty Point System

During 2011, the Authority procured, through a third party supplier, a new IT system which enabled the Authority's enforcement officers to issue contraventions to the suppliers of passenger transport services using the latest PDA technologies which have real time access to the Authority's national vehicle register and operator information. The system was tested and will soon be launched.

Integration of Courts to DLS

The Authority has also liaised with the Malta Courts of Justice to create a round robin system to ensure that road contravention tickets that are seen to by local tribunals found guilty and subsequently appealed to the appeals court, are followed through by a comprehensive IT system. The system is expected to become operational in 2012.

Vessel Traffic Services

Through this call for tenders, Transport Malta has sought proposals to improve and upgrade the existing Ports Vessel Traffic Services infrastructure together with a 5 years' Service Level Agreement for support and maintenance of the system, related applications, ancillary equipment and the Coastal VTS System. The present system has been in place for 5 years and the improvements and upgrade seek to:

- Enhance the safe movement of marine traffic and the efficient provision of services
- Improve the integration/interface with other information systems including Portnet Malta
- Comply and meet requirements as specified in the VTMIS Directive including Safe Sea Net reporting requirements
- Provide an improved user interface.

E-Call

The E-call implementation project consists of having micro black boxes installed in cars which are connected to airbag sensors. In case of airbag deployment the e-call box will automatically initiate a 112 call as well as send a minimum set of data to enable emergency services to locate the vehicle using GPS data as well as provide information on the stricken vehicle. Public service access points operators will also be in a position to talk to occupants and determine the level of assistance required. TM is overall in charge for the implementation of e-call and is coordinating its implementation which is expected to be finalized in 2013.

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