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**The EU Environmental Implementation Review 2019
Country Report - MALTA**

Accompanying the document

**Communication from the Commission to the European Parliament, the Council, the
European Economic and Social Committee and the Committee of the Regions**

**Environmental Implementation Review 2019:
A Europe that protects its citizens and enhances their quality of life**

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Executive summary

Malta and the Environmental Implementation Review (EIR)

In the 2017 EIR, the main challenges identified for Malta on the implementation of EU environmental policy and law in Malta were to:

- **speed up implementing the EU waste management requirements**, due to extremely high landfill rates and very low recycling rates;
- **improve the air quality** in the most urbanised areas by **introducing systemic solutions for transport congestion**; and
- **improve the protection of habitats and species of EU interest** by fully implementing the Natura 2000 instruments and strengthening the enforcement of the Birds Directive.

Since the 2017 EIR, Malta has yet to organise an EIR national dialogue that could have addressed the challenges listed above.

In 2017, the Commission launched the TAIEX-EIR Peer-to-Peer (**EIR P2P**), tool to facilitate peer-to-peer learning between experts from national environmental authorities. Malta has participated in the EIR P2P workshop on timber and in a EIR P2P workshop on air quality plans.

Progress on meeting challenges since the 2017 EIR

Although there has been some progress on waste with the nationwide introduction of the organic bag collection that was rolled out on 31 October 2018, significant improvements are needed to put **waste management** in line with the waste hierarchy. The recycling rate is too low, far below the EU average and the landfill rate remains too high - over three times the EU average. According to the Commission's 'Early Warning Report' (2018), Malta is considered at risk of non-compliance with the 2020 municipal waste recycling target of 50 %. Urgent reforms and enforcement actions are needed in important areas, notably on the functioning of the Extended Producer Responsibility Systems and on the separation of waste collection. Malta has not capitalised yet on turning waste into resource and low recycling rates into business opportunities.

Reducing emissions is particularly pressing in road transport, considering the increasing number of cars and the ageing car fleet. There has been some progress in addressing **air quality and traffic congestion**. A key measure taken by the Maltese authorities is the adoption of a reform of the public transport service. One of the objectives of this reform is to achieve a modal shift from cars to public transport. Moreover, total national emission continued to decrease between 2014 and 2016

for sulfur oxides (SO_x), nitrogen oxides (NO_x), ammonia (NH₃) and PM_{2.5}. Nevertheless, additional efforts are still needed to define strategic targets and actions beyond 2020, in particular on emission reduction commitments laid down in the new National Emissions Ceilings Directive.

Protection of habitats and species by fully implementing the Natura 2000 instruments and strengthening the enforcement of nature directives has long remained a challenge in Malta. While the efforts put in place by the authorities in this area are noteworthy, setting up conservation objectives and measures require further action. In response to the judgement of the Court of Justice of the EU declaring the capture of seven species of finches as contrary to EU law, Malta made progress by aligning its hunting and trapping practices to the Birds Directive, and notably repealed its framework regulations on autumn live-capturing season for finches.

Malta is leading on the supply of government services to citizens, ranking first on the re-use of information across administrations (pre-filled forms) as well as on the sophistication of services (online service completion) and continued to improve in digital public services.

Examples of good practice

- The Don't Waste Waste campaign by the Ministry for Environment, Sustainable Development and Climate Change has launched an online game to engage the public in understanding more about good waste management practices and the initiatives that are ongoing in Malta and Gozo. At the same time, the public can test their own knowledge in an entertaining manner. Tips and ideas are also provided on how to reduce the waste going to landfill, upcycling, recycling and saving what can be reused from going to waste.
- As part of the pan-European event - Researchers' Night – for research and innovation for cities, Malta's Science & Arts Festival 2018 focused on plastic by increasing awareness about the effects of plastic waste on the planet through an interactive exhibition.
- In an effort to ease congestion on the roads, Malta introduced a free school transport scheme for all students.
- The Ministry for Environment, Sustainable Development and Climate Change created an official Facebook page to raise awareness and to use the platform to announce initiatives such as litter clean ups taking place in association with different stakeholders and volunteers.

Part I: Thematic areas

1. Turning the EU into a circular, resource-efficient, green and competitive low-carbon economy

Measures towards a circular economy

The Circular Economy Action Plan emphasises the need to move towards a life-cycle-driven ‘circular’ economy, reusing resources as much as possible and bringing residual waste close to zero. This can be facilitated by developing and providing access to innovative financial instruments and funding for eco-innovation.

Following the adoption of the Circular Economy Action Plan in 2015 and the setting up of a related stakeholder platform in 2017, the European Commission adopted a new package of deliverables in January 2018¹. This included additional initiatives such as: (i) an EU strategy for plastics; (ii) a Communication on how to address the interplay between chemical, product and waste legislation; (iii) a report on critical raw materials; and (iv) a framework to monitor progress towards a circular economy².

The change to a more circular economy remains a challenge in Malta. According to the EU eco-innovation index, Malta remains in bottom group for eco-innovation performance (26th in the EU in 2016 from 18th in 2013). In addition, Malta’s size and island status pose a number of unique challenges.

The circular economy monitoring framework tracks key trends and patterns to understand how the various elements of the circular economy are developing and whether sufficient action has been taken. Circular (secondary) use of material in Malta was 5.2 % in 2016. This was below EU-28 average of 11.7 % and decreasing when compared with previous years (10.2 % in 2014). However, use rate for circular materials has increased since 2010, when there was a minimum of 4 %.

In the 2017 Special Eurobarometer 468 on attitudes of EU citizens towards the environment, 90 % of Maltese people appear concerned about the effects of plastic products on the environment (EU-28 average 87 %). 93 % said they were worried about the impact of chemicals (EU-28 average 90 %)³. There appears to be a very strong support for circular economy initiatives and environmental protection actions in Malta.

¹ European Commission, [2018 Circular Economy Package](#).

² [COM\(2018\) 029](#).

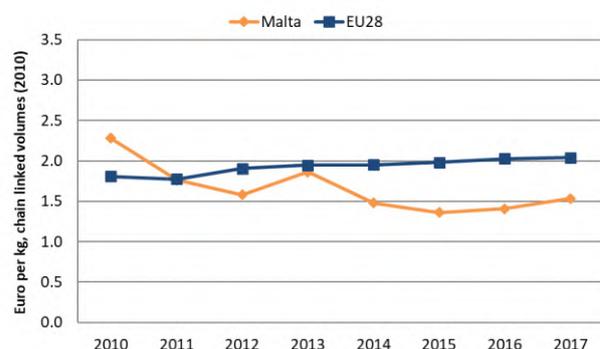
³ European Commission, 2017, [Special 468 Eurobarometer](#), ‘Attitudes of European citizens towards the environment’.

Malta introduced new relevant policy frameworks as a follow-up to its ratification of the Paris Agreement in 2016. The ‘low-carbon development 2050 strategy,’ announced by the government in 2017, identified the circular economy as key area of action for the decade to come. Over the next three decades, it is indicated that the government will promote a transition towards a more circular economy — particularly for waste management.

Malta does not have a national Circular Economy strategy or roadmap; comprehensive action is needed to support circularity.

The new Resource Recovery and Recycling Agency has been established to foster the transition towards a circular economy. For example, the Agency is set to facilitate the implementation of a new Beverage Container Refund System (BCRS), expected in 2019 to improve the relevant collection system.

Figure 1: Resource productivity 2010-2017⁴



In 2017, Malta held the presidency of the Council of the EU and made the circular economy a political priority of the presidency. It recently attracted some publicity, with the European Parliament holding an event on the circular economy in Malta in 2017 with the participation of the University of Malta in the R2Pi Horizon 2020 project.

Public support has yet to turn into strong private sector’s engagement. Industrial symbiosis is weak among Maltese SMEs, as well as design or future plans to design products that are easier to maintain, repair or reuse.

On resource productivity⁵ (how efficiently the economy uses material resources to produce wealth), Malta

⁴ Eurostat, [Resource productivity](#).

⁵ Resource productivity is defined as the ratio between gross domestic

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performs below EU average, with 1.53 EUR/kg (EU average is 2.04 EUR/kg) in 2017. Figure 1 shows a decrease since 2013 levels.

The number of EU Ecolabel products and EMAS-licensed organisations (EMAS is the European Commission’s Eco-Management and Audit Scheme – a programme to encourage organisations to behave in a more environmentally sustainable way) in a country can give a rough measurement of this transition. These two indicators show to what extent the circular economy transition is engaging the private sector and other national stakeholders. These two indicators also show the commitment of public authorities to policies that support the circular economy. As of September 2018, Malta had six licences and six products registered in the EU Ecolabel scheme, out of 2167 licences and 71 707 products in the EU. All licenses and products in Malta are "Tourist accommodation services"⁶. Moreover, only one organisation from Malta is currently registered in EMAS⁷.

Malta hosted the 2017 EMAS award ceremony and the high level conference on sustainable tourism⁸.

SMEs and resource efficiency

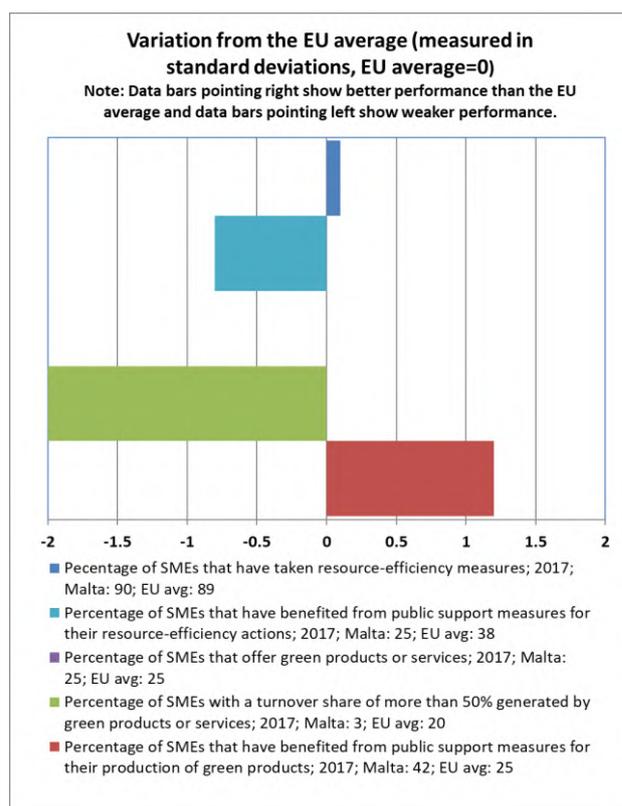
Malta continues to perform on a par with the EU average on environmental matters. Uptake of public support for environmental initiatives increased in 2017, with 25 % of SMEs benefiting from public support for their resource-efficiency actions (16 % in 2015) and 42 % benefiting from public support for their production of ‘green’ products (22 % in 2015).

The proportion of Maltese SMEs that generate more than 50 % of their revenue from green products and services is significantly lower than in the EU average. Yet the share of companies that offer such products matches the EU level.

The latest Eurobarometer on ‘SMEs, resource efficiency and green markets’⁹ asked companies about both recent resource efficiency actions they had taken and additional resource-efficiency actions they planned to take in the next 2 years and compared responses to 2015. Recent investments have been significantly below the EU-average notably in areas like saving water and saving

materials. Recent investments in saving energy and recycling within the private sector have been very high and are above EU-28 averages. Ambitions are among the lowest in the EU and are not forecast to rise significantly for the next two years. 42 % (19 % EU-28) of Maltese companies do not intend to invest at all in resource efficiency. Only renewable energy use has a certain traction (24 % of Maltese companies intend to act in this area; EU-28 22 %).

Figure 2: Environmental performance of SMEs¹⁰



Only 24 % of Maltese companies (compared to 22 % EU-average, range 3 %-38 %) relied on external support in their efforts to be more resource-efficient. The low number of respondents makes it difficult to give a clear indication of preferred cooperation partners. The dominant external cooperation partner are banks and other private finance companies mentioned by 78 % (+33 %); public funding was only indicated by 16 % of respondents. External advice is rarely used. Only 16 % indicate cooperation with private sector consultants and 7 % with public administrations and business associations.

Among Maltese companies, grants and subsidies are mentioned by 60 % as being helpful (compared to 36 % for the EU average). Technical (31 %) and financial consultancy (33 %) received higher support than the EU

product (GDP) and domestic material consumption (DMC).

⁶ European Commission, [Ecolabel Facts and Figures](#).

⁷ As of May 2018. European Commission, [Eco-Management and Audit Scheme](#).

⁸ European Union, [High level conference on sustainable tourism and EMAS awards 2017](#)

⁹ Flash Eurobarometer 456 ‘SME, resource efficiency and green markets’ January 2018. The 8 dimensions were Save energy; Minimise waste; Save materials; Save Water; Recycle by reusing material internally; Design products easier to maintain, repair or reuse; Use renewable energy; Sell scrap materials to another company.

¹⁰ European Commission, [2018 SBA fact sheet - Malta](#), p.14

average. In contrast all other forms of support like technology demonstration, databases of good practice and self-assessment tools receive only marginal interest (3-8 %).

Maltese SMEs have invested in resource efficiency, but it led to higher production costs in the short term, creating a need for external funds. Various initiatives have been put in place to improve access to finance for SMEs, including setting up the Malta Development Bank. However, Maltese SMEs are still having trouble accessing finance.

Maltese businesses seem to look primarily at the financial dimension of resource efficiency investment. Ambitions are higher in areas that offer a faster financial return, banks are the major external cooperation partner, grants / subsidies and financial advice are considered by far as being the most helpful types of support. In such an environment, clearer price signals — also in the form of tax schemes for investments — might set the right incentives.

Eco-innovation

In 2018, Malta ranked 15th on the European innovation scoreboard. Malta has become the third fastest growing innovator (15.2 % increase since 2010)¹¹. The country also ranked 15th on the eco-innovation scoreboard for 2017, which measures environment-related aspects of innovation (see Figure 3).

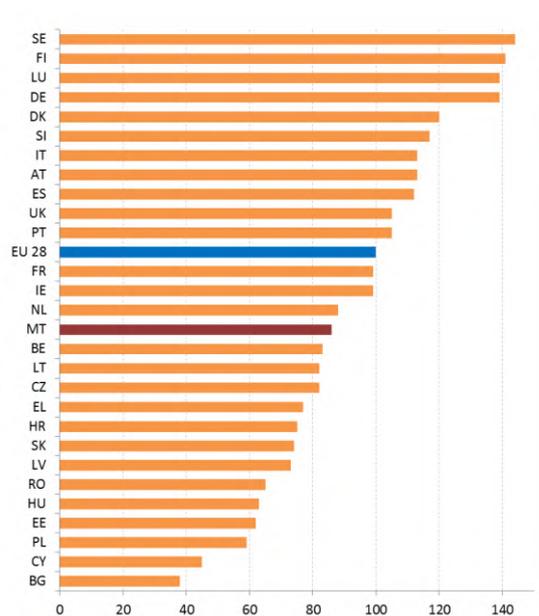
Malta’s performance in the European eco-Innovation scoreboard has known fluctuation over the past years, although it has always been below the EU-28 average (see Figure 4). The gap between the EU 28 average and the Maltese eco-innovation performance is diminishing as time progresses.

Energy dependency, few natural resources, lack of space limiting economies of scales, a relatively limited pool of human resources and complicating land use, create a need for eco-innovation. Despite of the necessity to promote as much as possible eco-innovation nationwide, the lack of adequate resources makes the transition harder.

The energy sector in Malta is the most developed for eco-innovation activities. Malta is one of the leading countries in the EU for reducing primary energy consumption. However, waste reduction and saving on materials by SMEs has steeply decreased since 2015. Full implementation of transportation and energy reforms should decrease Malta’s dependency on imported fossil fuels and growing energy efficiency is expected to leave more money for investment.

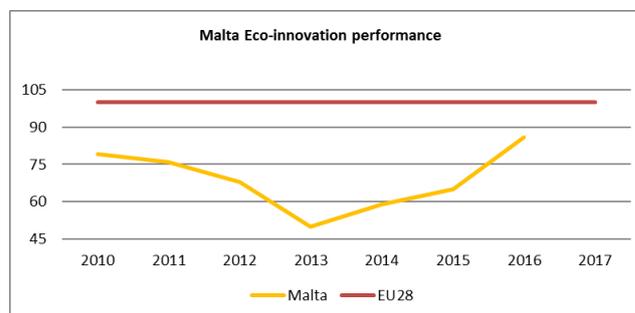
Malta’s green economy remains one of the smallest in the EU. In 2017 green jobs receded in Malta compared to 2015.

Figure 3: 2017 Eco-innovation Index (EU=100)¹²



Access to finance represents a strong barrier to eco-innovation in businesses.

Figure 4: Malta’s eco-innovation index 2017 (EU=100)



Although R&D investments have grown over the past decade, it did not compare with overall economic growth and expenses have started decreasing in 2016¹³.

2019 priority action

- Strengthen the policy framework to speed up the transition towards the circular economy and make incentives for SME resource efficiency more effective.

¹¹ European Commission, [European innovation Scoreboard 2018](#).

¹² [Eco-innovation Observatory](#): Eco-Innovation scoreboard 2017.

¹³ European Commission, Eco-Innovation Observatory, Country profile 2016-2017: Malta.

Waste management

Turning waste into a resource is supported by:

- (i) fully implementing EU waste legislation, which includes the waste hierarchy, the need to ensure separate collection of waste, the landfill diversion targets, etc.;
- (ii) reducing waste generation and waste generation per capita in absolute terms; and
- (iii) limiting energy recovery to non-recyclable materials and phasing out landfilling of recyclable or recoverable waste.

This section focuses on management of municipal waste¹⁴ for which EU law sets mandatory recycling targets¹⁵.

Figure 5 shows Malta’s municipal waste by treatment in kg per capita. Municipal waste generation in 2017 is the highest in the EU (604 kg/y/inhabitant, compared to 487 kg/y/inhabitant on average) revealing an increasing trend¹⁶.

The recycling rate is only 6 %, far below the EU average of 46 % and the 2020 target of 50 %¹⁷. Composting in Malta is practically non-existent (compared to an EU average of 17 %).

Despite a slight decrease in trend since 2014, data from 2017¹⁸ show that with 86 %, the landfilling rate is more than three times the EU average of 24 %.

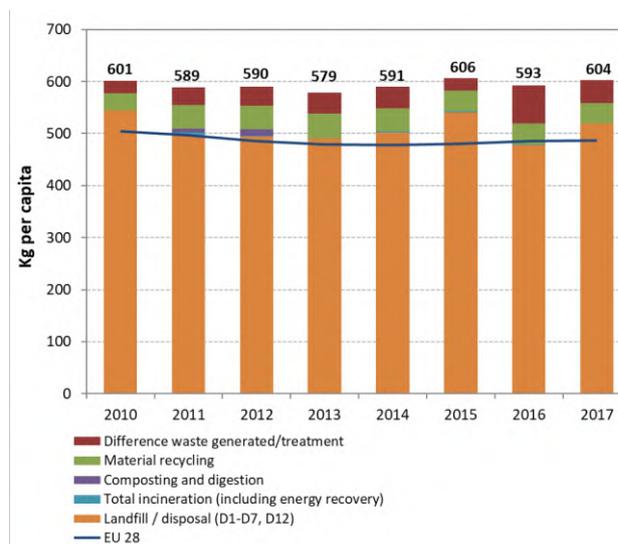
According to the “Early Warning Report”¹⁹ Malta is considered at risk of missing the 2020 municipal waste recycling target of 50 %.

As already highlighted in the previous EIR report, Malta’s heavy reliance on waste disposal is not in line with EU targets and is an unnecessary pressure on its limited land.

Figure 6 shows that Malta will have to take decisive measures to develop recycling in the coming years in

view of the 2020 and subsequent recycling targets²⁰. Moreover, in 2035 the landfilling of municipal waste will be limited to a maximum of 10 %.

Figure 5: Municipal waste by treatment in Malta 2010-2017²¹



A significant challenge to effective and sustainable waste management is the diseconomies of scale that result from the geographic realities of Malta, as an archipelago of small islands without road or rail links to continental Europe.

Malta’s 2014-2020 waste management plan recognises the major problems the country is facing with waste management and includes useful policy actions.

There are two mechanical and biological management facilities (MBT) to treat mixed household waste in Malta. The second facility, built with the support of the EU Cohesion Funds, started to operate in 2016. Untreated residual waste and non-recycled outputs from MBT are disposed of in Malta’s managed landfills, or if possible, exported for incineration. The organic fraction is treated through anaerobic digestion and generates electricity while the digestate is used as a landfill cover.

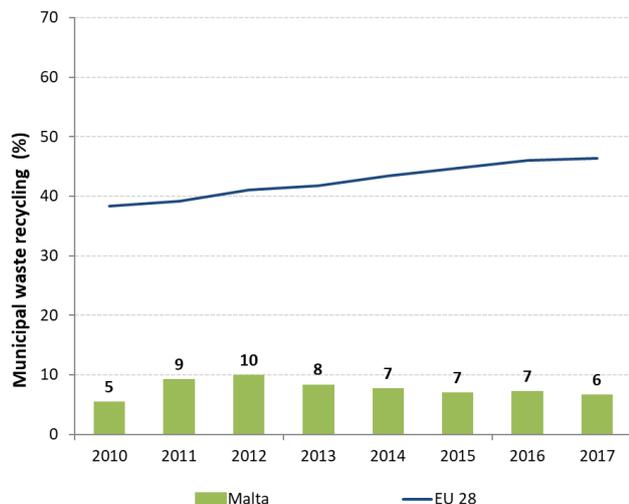
Malta has a door-to-door household collection system for recyclables in place. The system runs via two schemes, which collect grey/green bags on a specific day as per established agreement. However, its implementation has been rather slow coupled with a decrease in the frequency of residual waste collection (from five times

¹⁴ Municipal waste consists of mixed waste and separately collected waste from households and from other sources, where such waste is similar in nature and composition to waste from households. This is without prejudice to the allocation of responsibilities for waste management between public and private sectors.
¹⁵ See Article 11.2 of [Directive 2008/98/EC](#). This Directive was amended in 2018 by [Directive \(EU\) 2018/851](#), and more ambitious recycling targets were introduced for the period up to 2035.
¹⁶ Waste generation per capita in Malta is inflated by the tourism sector: some 1.6 million tourists visit Malta every year.
¹⁷ Member States may choose a different method than the one used by ESTAT (and referred to in this report) to calculate their recycling rates and track compliance with the 2020 target of 50 % recycling of municipal waste.
¹⁸ Eurostat, [Municipal waste and treatment, by type of treatment method](#).
¹⁹ [SWD\(2018\) 421](#).

²⁰ [Directive \(EU\) 2018/851](#), [Directive \(EU\) 2018/852](#), [Directive \(EU\) 2018/850](#) and [Directive \(EU\) 2018/849](#) amend the previous waste legislation and set more ambitious recycling targets for the period up to 2035. These targets will be taken into consideration to assess progress in future Environmental Implementation Reports.
²¹ Eurostat, [Municipal waste by waste operations](#).

per week to three times per week). That said, the roll-out is expanding gradually.

Figure 6: Recycling rate of municipal waste 2010-2017²²



With regards to the collection of organic waste from households, after the completion of a pilot phase in a limited number of localities in the last two years, the national roll-out has been launched and collection started on 31st of October 2018. The organic waste collected through this separate collection system are intended to be diverted to one single plant for further processing. It is expected to provide a positive contribution to recycling rates and divert more waste away from landfill.

The monthly door-to-door glass collection has seen an increase in the collection tonnes between January 2016 and Summer 2018.

No dedicated food waste collection service is yet provided for the waste business sector. However, there are already provisions to ensure collection of waste by commercial operators and discussions with key stakeholders have been launched to ensure a more effective waste management provisions by the sector.

Moreover, works are on progress to design and start operating a beverage container repository system.

The 2017 tax increase applied to bags used for mixed waste - although low - but functioning in the same manner as pay-as-you-throw, could somewhat help to discourage residual waste and promote separate collection for recycling.

Little to no progress has been achieved in other important areas requiring urgent reform: extending the producer responsibility (EPR) schemes, incentivising

municipalities to comply with recycling targets, strengthening enforcement capabilities, increasing the costs of waste disposal, and improving the quality of data.



To meet EU targets, Malta will need to invest further in the necessary infrastructure. New infrastructure is in the pipeline: a new Material Recovery Facility following the fire at Sant' Antnin Plant, a multi material recovery facility and a waste to energy plant to treat that part of the waste collection that is not recyclable. It should be underlined that the construction works for the new waste facility at Maghtab are planned to start in 2019 with a completion date set for 2023. It is important to ensure that this is planned with the future recycling targets and waste prevention efforts in mind.

A gradually increasing landfill tax would help to divert waste from landfills. The revenues from this tax, together with a better allocation of EU Cohesion Funds, could support the investment needs supporting the implementation of the waste hierarchy.

In order to support Malta in bridging the implementation gap, the Commission has issued in its 'Early Warning Report' a set of recommended key priority actions. According to the report, municipalities play a key role in the system. Therefore, more effective incentives for the local authorities are necessary, including recycling targets with sanctions for non-compliance. Separate collection needs to be significantly improved, including a minimum service standard developed at the national level, while extended responsibility schemes for packaging require reform. Finally, a technical support to local councils on the practical aspects of organisation of the separate collection organised at the national level, would be highly beneficial.

2019 priority actions

- Introduce a landfill tax and gradually increase it to divert recyclable waste from landfill. Channel those revenues towards measures to improve waste management in line with the waste hierarchy.
- Establish minimum service standards for separate

²² Eurostat, [Recycling rate of municipal waste](#).

collection (e.g. frequency of collections, types of containers etc.) in municipalities to ensure high capture rates of recyclable waste.

- Improve coordination and implement support programmes for municipalities to organise separate collection (e.g. pay-as-you through schemes).
- Improve the effectiveness of the EPR system for packaging in line with the general minimum requirements on EPR²³.

Climate change

The EU has committed to undertaking ambitious climate action internationally as well as in the EU, having ratified the Paris Climate Agreement on 5 October 2016. The EU targets are to reduce greenhouse gas (GHG) emissions by 20 % by 2020 and by at least 40 % by 2030, compared to 1990. As a long-term target, the EU aims to reduce its emissions by 80-95 % by 2050, as part of the efforts required by developed countries as a group. Adapting to the adverse effects of climate change is vital to alleviate its already visible effects and improve preparedness for and resilience to future impacts.

Due to its geophysical, social and economic constraints, Malta is itself particularly vulnerable to the direct impacts of climate change. Any action that is taken today, on a national and global level, to address climate change, will be reflected as reduced (economic and social) adaptation costs in the future.

The EU emissions trading system (EU ETS) covers all large greenhouse gas emitters in the industry, power and aviation sectors in the EU. The EU ETS applies in all Member States and has a very high compliance rate. Each year, installations cover around 99 % of their emissions with the required number of allowances.

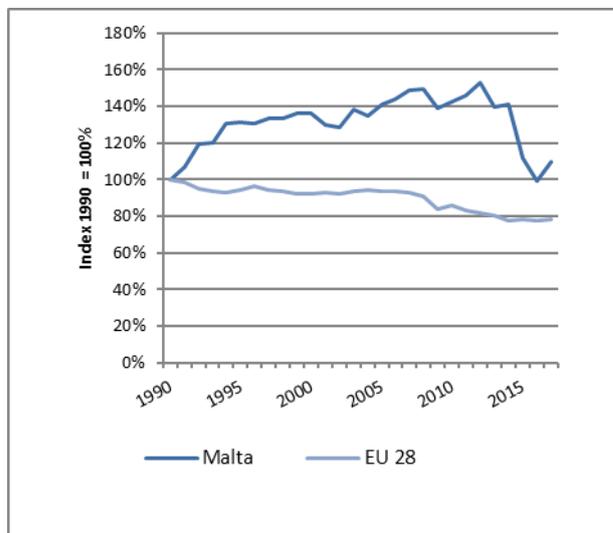
For emissions not covered by the EU ETS, Member States have binding national targets under the Effort Sharing legislation²⁴. Malta had higher emissions than its annual targets in each of the years 2013-2017. To compensate for this, Malta has utilised flexibilities provided by the Effort Sharing Decision, and has thereby complied with its obligations under the same decision (the compliance cycle for 2016 is still to be finalised).

According to preliminary data, in 2017, emissions exceeded the annual emission allocations by 23 percentage points.

For 2020, Malta's national target under the EU Effort Sharing Decision is to avoid increasing emissions by more than 5 % compared to 2005. For 2030, Malta's national

target under the Effort Sharing Regulation will be to reduce emissions by 19 % compared to 2005. As shown in figure 8, Malta's national projections show that, with existing measures, the 2030 target may be missed by a margin of 46 percentage points.

Figure 7: Change in total greenhouse gas 1990-2017 (1990=100%)²⁵.



Malta is implementing a National Strategy for Policy and Abatement Measures Relating to the Reduction of Greenhouse Gas Emissions.

The Low Carbon Development Strategy is currently being formulated and this will have an outlook to 2050 and will replace all other policies and strategies. This is expected to be finalised at the start of 2020.

Malta published its National Energy Policy in 2012. This provides the measures to be implemented by 2020 and also a longer-term vision to 2030. The goal is to have 10% of energy produced from renewable sources by 2020. This will be achieved through developing a legal planning framework to support renewable energy, promoting private investment in large scale renewable projects and micro generation and introducing feed in tariff support for PV. Improving energy efficiency is also a key theme of the policy. This aspect has been further developed in the Country's 2017 National Energy Efficiency Action Plan, which outlines a target of energy savings by 2020, shows how the country intends to generate these savings and demonstrates the results achieved so far.

The 2017 National Renewable Energy Action Plan (NREAP) is also of importance. This was first submitted to

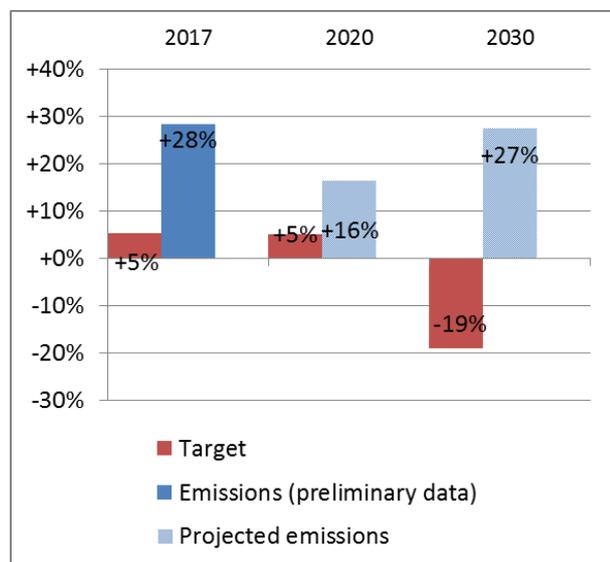
²³ Set out in [Directive \(EU\) 2018/851](#) amending Directive 2008/98/EC

²⁴ See [Regulation \(EU\) 2018/842](#).

²⁵ Annual European Union greenhouse gas inventory 1990–2016 ([EEA greenhouse gas data viewer](#)). Proxy GHG emission estimates for 2017 Approximated EU greenhouse gas inventory 2017 (European Environment Agency). Member States national projections, reviewed by the European Environment Agency.

the European Commission in 2011 and then an update was provided in 2017. It covers the period out to 2020 and outlines how the 10% target will be reached.

Figure 8: Targets and emissions under the Effort Sharing Decision and Effort Sharing Regulation²⁶.



Research and innovation for addressing the climate change challenges in Malta is being addressed through the national research and innovation (R&I) strategy for 2014 – 2020.

Transport represents almost a quarter of Europe's greenhouse gas emissions and is the main cause of air pollution in cities. Transport emissions in Malta increased by 9 % from 2012 to 2016.

Under the F-gas regulation, Member States must implement training and certification programmes and rules for penalties and notify these measures to the Commission by 2017. Malta has ratified the Doha amendment however this has not entered into force and Malta considers that it will provide the final figures for the 2022 period.

Malta is the only EU Member State with no reported and accounted quantities under the Kyoto Protocol second commitment period.

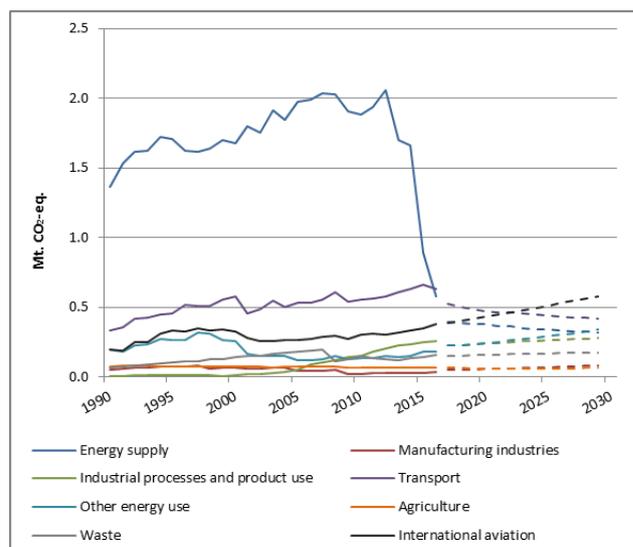
The EU Strategy on adaptation to climate change, adopted in 2013, aims to make Europe more climate-resilient, by promoting action by Member States, better-informed decision making, and promoting adaptation in key vulnerable sectors. By adopting a coherent approach and providing for improved coordination, it seeks to

²⁶ Proxy GHG emission estimates for 2017 Approximated EU greenhouse gas inventory 2017 (European Environment Agency). Member States national projections, reviewed by the European Environment Agency.

enhance the preparedness and capacity of all governance levels to respond to the impacts of climate change.

The current Maltese National Adaptation Strategy was adopted in 2012. The 2015 Climate Action Act formalises the requirement to maintain a strategy that is reviewed and updated at least every four years. Several sectorial action plans are available, covering the most vulnerable sectors, which are water resources, infrastructure and land use, natural ecosystems, agriculture and fisheries, health, civil protection immigration and vulnerable groups, and finally tourism.

Figure 9: Greenhouse gas emissions by sector (Mt. CO₂-eq.). Historical data 1990-2016. Projections 2017-2030²⁷.



Monitoring of adaptation measures is done through the screening of Malta's National Environment Policy under the sections related to climate change, while monitoring on the strategy implementation is done by the sectorial focal persons on the Inter-Ministerial Committee on Climate Change. Malta has initiated the process of developing a national Low Carbon Development Strategy (LCDS) which, given, the particular specificities of the country and in view of being a vulnerable island in the Mediterranean, will also incorporate the National Adaptation Strategy.

As of May 2018, 24 cities and municipalities in Malta have committed to the Covenant of Mayors. However, none has committed to adaptation planning and actions within the framework of the Covenant of Mayors.

The total revenues from the auctioning of emission allowances under the EU ETS over the years 2013-2017

²⁷ Annual European Union greenhouse gas inventory 1990–2016 ([EEA greenhouse gas data viewer](#)). Proxy GHG emission estimates for 2017 Approximated EU greenhouse gas inventory 2017 (European Environment Agency). Member States national projections, reviewed by the European Environment Agency.

were EUR 25 million. On average 96 % of the auctioning revenues have been spent, or its use planned, on climate and energy purposes.

2019 priority action

In this report, no priority actions have been included on climate action, as the Commission will first need to assess the draft national energy and climate plans which the Member States needed to send by end of 2018. These plans should increase the consistency between energy and climate policies and could therefore become a good example of how to link sector-specific policies on other interlinked themes such as agriculture-nature-water and transport-air-health.

2. Protecting, conserving and enhancing natural capital

Nature and biodiversity

The EU biodiversity strategy aims to halt the loss of biodiversity in the EU by 2020. It requires full implementation of the Birds and Habitats Directives to achieve favourable conservation status of protected species and habitats. It also requires that the agricultural and forest sectors help maintain and improve biodiversity.

Biodiversity strategy

Malta's first national biodiversity strategy and action plan (2012-2020)²⁸ entitled 'Working Hand-in-Hand with Nature', was adopted in 2012.

Setting up a coherent network of Natura 2000 sites

The 34 local terrestrial Natura 2000 sites together cover approximately 13 % of the total land area of the Maltese Islands (around 41km²). These sites include the minor islands (Kemmuna, Filfla and Selmunett, and their surrounding islets), coastal cliffs (including Rđumijiet ta' Malta: Ir-Ramla taċ-Ċirkewwa sal-Ponta ta' Bengħisa), saline marshlands (Is-Salini and Il-Ballut ta' Marsaxlokk), sandy beaches and dunes (L-Inħawi tal-Għadira and L-Inħawi tar-Ramla), areas of garrigue and maquis (L-Inħawi ta' Pembroke and Il-Qortin tal-Magun u l-Qortin il-Kbir), woodland areas (L-Inħawi tal-Buskett u Il-Girgenti and Il-Ballut tal-Wardija), as well as caves and other geological features (Għar Dalam and Il-Maqluba). There are also eight marine sites, including three recently established ones.

Compliance with the legal requirement for Member States to set up a coherent national network of Natura 2000 sites is being assessed for each species and habitat type occurring on the national territory of the Member States. On the basis of the latest assessment carried out by the Commission in cooperation with the European Environment Agency (EEA), the terrestrial Natura 2000 network is now considered to be completed.

On the marine part of the network, the Commission welcomes the new designations communicated in June 2018, which enhance the protection of reefs and caves, and is assessing the sufficiency of the Maltese network in light of the agreed criteria.

Designating Natura 2000 sites and setting conservation objectives and measures

The six-year deadline set by the Habitats Directive to designate Special Areas of Conservation and establish appropriate conservation objectives and measures has expired for 32 sites. Malta has now designated 27 SACs and has adopted conservation orders for eight of them as well as 20 management plans for another 19 sites. On the five remaining SCIs to be designated as SACs, all marine, one should be designated as SAC and conservation measures should be adopted by 2019, according to the information reported by the Maltese authorities.



The adopted designation acts, conservation orders and management plans are under assessment. While the efforts put in place by the Maltese authorities in developing these instruments are recognised, a first analysis shows that these might be insufficient to ensure full compliance with Articles 4(4) and 6(1) of the Habitats Directive. In particular, the designation act lacks clarity on the legal protection and conservation regime applicable to the 27 sites. The established conservation objectives appear too generic and therefore not suitable for establishing the required conservation measures. These conservation measures are sometimes not defined with a sufficient level of detail and do not cover all habitats and species for which the sites have been designated.

Progress in maintaining or restoring favourable conservation status of species and habitats

Considering that Member States report every 6 years on the progress made under both directives, no new information is available on the state of natural habitats and species, or on progress made in improving the conservation status of species and habitats in Malta, as compared to the 2017 EIR. The next report under

²⁸ The Government of Malta, [Malta's national biodiversity strategy and action plan \(2012-2020\)](#)

Article 17 of the Habitats Directive and Article 12 of the Birds Directive will be published in 2019.

Illegal trapping and killing of protected species remains one of the main challenges in Malta. A recent ruling from the Court of Justice of the EU ruled that the 2014 and 2015 measures authorising the autumn trapping of finches did not comply with the conditions laid down by the Directive on the conservation of wild birds²⁹. In response to that judgement, Malta made progress by aligning its hunting and trapping practices to the Birds Directive and, in particular, by repealing the framework regulations on autumn live-capturing season for finches.

2019 priority actions

- Complete the Natura 2000 designation process.
- Draw up the remaining management plans for marine sites and put in place clearly defined conservation objectives as well as the necessary conservation measures for all the sites. Provide adequate resources for their implementation in order to maintain/restore species and habitats of community interest to a favourable conservation status across their natural range.
- Ensure that hunting and trapping practices comply with the Birds Directive, strengthen enforcement efforts and invest in education and awareness-raising programmes.

Maintaining and restoring ecosystems and their services

The EU biodiversity strategy aims to maintain and restore ecosystems and their services by including green infrastructure in spatial planning and restoring at least 15 % of degraded ecosystems by 2020. The EU green infrastructure strategy promotes the incorporation of green infrastructure into related plans and programmes.

The EU has provided guidance on the further deployment of green and blue infrastructure in Malta³⁰ and a country page on the Biodiversity Information System for Europe (BISE)³¹. This information will also contribute to the final evaluation of the EU Biodiversity Strategy to 2020.

Several of Malta's policies explicitly address Green Infrastructure and connectivity, including the national biodiversity strategy and action plan 2012-2020 and the national environment policy (2012-2020). The rural policy

and design guidance (2014)³² protects landscape features and ecological corridors such as rubble walls, natural ponds, indigenous trees, etc. in agricultural areas, which enhance connectivity while providing habitats for flora and fauna.

The strategic plan for environment and development (SPED)³³ is founded on an integrated planning system regulating the sustainable use and management of land and sea resources. It should form the primary basis for decisions on all development and environmental permit applications. A national transport strategy, 2050 and transport master plan, 2025³⁴ have been developed to cover all relevant modes of transport (land, public transport, sea and air) for the short, medium and long-term. One of the six strategic goals promotes environmental and urban sustainability.

GI is therefore already integrated into some sectors. The agriculture policy refers to the sustainability of ecosystem services and adapting to local geo-climatic conditions. Afforestation projects are given priority to rehabilitate degraded habitats and enhance green open spaces. They have already upgraded several parks and green belts and are seen as best practice. GI actions are also explored in the water management sector, as it can contribute to improving soil resources and water quality through soil conservation measures and potentially improve water quantity in ecologically sensitive sites.

The LifeMedGreenRoof³⁵ project serves as a pilot to investigate how green roofs perform in a Mediterranean climate. It tested the potential of green roofs to insulate against heat, especially in the summer months. It also tested the potential of green roofs to reduce the use of air conditioning and to mitigate local flooding. At this end of the project, a draft policy document was submitted to the Planning Authority to be considered for integration into planning policies.

GI projects are co-funded by the government, EU funds and in some cases contributions by the private sector. However, technical assistance easing the use of available funds is needed and more financial incentives by local or central governments are needed. Similarly, structures to promote public-private partnerships to find additional GI finance are needed.

In general, lack of awareness and public participation hinder GI activities. More figures on the benefits of GI and more spatial data are needed as well as more

²⁹ C-557/15 - Commission v Malta, ruling of 21 June 2018.

³⁰ European Commission, The [recommendations of the green infrastructure strategy review report](#) and the EU Guidance on a strategic framework for further supporting the deployment of EU-level green and blue infrastructure.

³¹ [Biodiversity Information System for Europe](#).

³² The Malta Environment and Planning Authority, [Rural Policy And Design Guidance, 2014](#)

³³ The Malta Environment and Planning Authority, [Strategic Plan for the Environment and Development](#)

³⁴ The Government of Malta, [The Development of National Transport Strategy, 2050 and Transport Master Plan, 2025](#)

³⁵ EU LIFE project, [LifeMedGreenRoof](#)

resource capacity to implement GI. The outcome of the Mapping and Assessment of Ecosystems and their Services (MAES) process would be useful for spatially explicit prioritisation and problem identification for GI uptake.



Additional efforts are needed in deploying green and blue infrastructure and integrating it in other policies consistent with the MAES framework, to consider the recommendations of the GI strategy review report³⁶ and to make full use of the EU guidance on a strategic framework for further supporting the deployment of EU level green and blue infrastructure³⁷.

Estimating natural Capital

The EU biodiversity strategy calls on Member States to map and assess the state of ecosystems and their services³⁸ in their national territories by 2014, assess the economic value of such services and integrate these values into accounting and reporting systems at EU and national level by 2020.

Malta continues to implement the measures on mapping and assessing ecosystem services in its national biodiversity strategy and action plan 2012-2020. It has invested in capacity building for mapping through intense GIS training. Consultations with stakeholders will be carried out subsequently on available data, including the developed ecosystem map, are going to be carried out on the priority ecosystem services and indicators to be included in the national assessment.

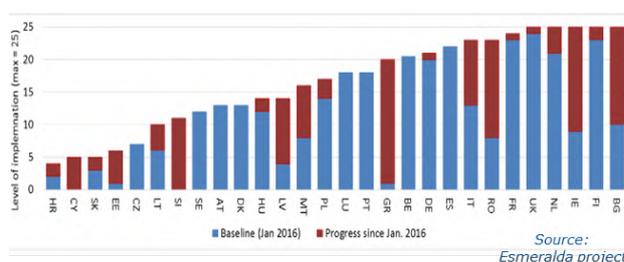
Work on the assessment of ecosystem services has been undertaken by the Institute of Applied Sciences within the Malta College of Arts, Science and Technology (MCAST). As part of the ESERALDA and En-Route projects, MCAST is carrying out a case study to test

ecosystem services assessment and mapping methods in Malta. This study included the development of a land use land cover map and the mapping of a number of ecosystem services.

The MCAST will be applying the MAES framework at a local level by implementing assessment and mapping techniques for the capital city Valletta. The results of these two projects will contribute to developing the national assessment.

At the MAES Working Group meeting held in Brussels in September 2018, it was shown that Malta has made some progress in implementing MAES (see Figure 10). This assessment was made by the ESERALDA project³⁹ and based on 27 implementation questions. The assessment is updated every six months. Malta is encouraged to continue its support of the mapping and assessment of ecosystems and their services.

Figure 10: Implementation of MAES (September 2018)



Business and Biodiversity platforms, networks and communities of practice are key tools for promoting and facilitating natural capital assessments (NCA) among business and financial service providers for instance via the Natural Capital Protocol of the Natural Capital Coalition⁴⁰. NCA helps private business to better understand and value not only their impacts but also their dependencies on nature and thereby contributing to the EU Biodiversity Strategy. At EU level⁴¹ and in a number of the Member States – however not all - such platforms have been established. Malta has not yet established such a platform and publish the results of its national assessment.

³⁶ (add code+hyperlink).

³⁷ (add code+hyperlink).

³⁸ Ecosystem services are benefits provided by nature such as food, clean water and pollination on which human society depends.

³⁹ [EU project Esmeralda](#)

⁴⁰ Natural Capital Coalition, [Natural Capital Protocol](#)

⁴¹ Business and Biodiversity, [The European Business and Biodiversity Campaign](#) aims to promote the business case for biodiversity in the EU Member States through workshops, seminars and a cross media communication strategy.

Invasive alien species

Under the EU biodiversity strategy, the following are to be achieved by 2020:

- (i) invasive alien species identified;
- (ii) priority species controlled or eradicated; and
- (iii) pathways managed to prevent new invasive species from disrupting European biodiversity.

This is supported by the Invasive Alien Species (IAS) Regulation, which entered into force on 1 January 2015.

The report on the baseline distribution⁴², for which Malta did provide feedback, shows that from the 37 species on the first EU list, none have been observed in Malta.

Between the entry into force of the EU list and 18 May 2018, Malta has not notified any new appearances of invasive alien species of EU concern, according to Article 16(2) of the Invasive Alien Species Regulation.

Malta has notified the competent authorities responsible for implementing the Invasive Alien Species Regulation to the Commission as required by Article 24(2) of that Regulation. Malta has also informed the Commission of its national provisions on penalties applicable to infringements as required by Article 30(4) of that Regulation and has therefore fulfilled its notification obligations in this regard.

Soil protection

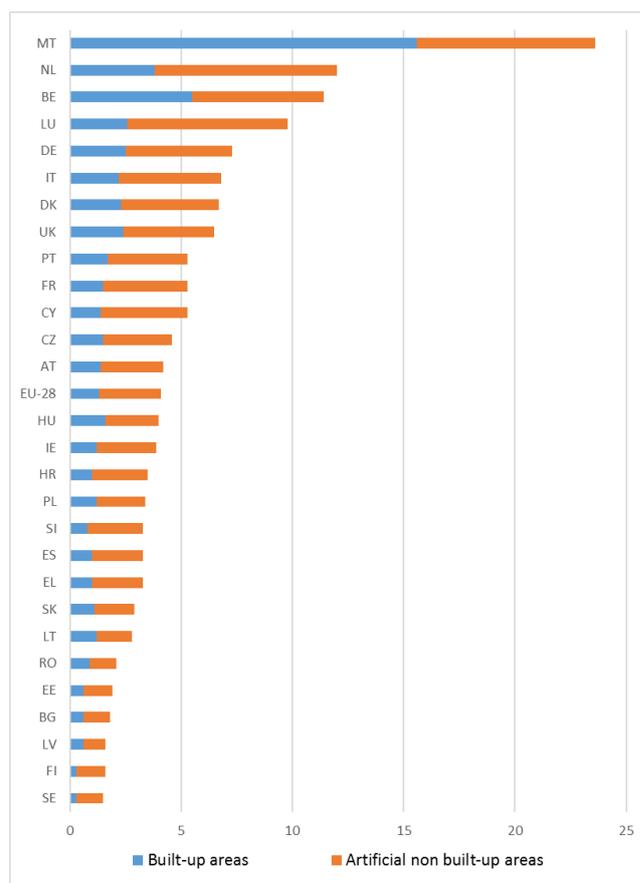
The EU soil thematic strategy underlines the need to ensure a sustainable use of soils. This entails preventing further soil degradation and preserving its functions, as well as restoring degraded soils. The 2011 Roadmap to a Resource Efficient Europe states that by 2020, EU policies must take into account their direct and indirect impact on land use.

Soil is a finite and extremely fragile resource and it is increasingly degrading in the EU. The percentage of artificial land⁴³ in Malta (see Figure 11) shows relative pressure on nature and biodiversity and the environmental pressure on people living in urbanised areas. A similar measure is population density.

⁴² Tsiamis K; Gervasini E; Deriu I; D'amico F; Nunes A; Addamo A; De Jesus Cardoso A. [Baseline Distribution of Invasive Alien Species of Union concern. Ispra \(Italy\): Publications Office of the European Union; 2017, EUR 28596 EN, doi:10.2760/772692.](#)

⁴³ Artificial land cover is defined as the total of roofed built-up areas (including buildings and greenhouses), artificial non built-up areas (including sealed area features, such as yards, farmyards, cemeteries, car parking areas etc. and linear features, such as streets, roads, railways, runways, bridges) and other artificial areas (including bridges and viaducts, mobile homes, solar panels, power plants, electrical substations, pipelines, water sewage plants, and open dump sites).

Figure 11: proportion of artificial land cover, 2015 ⁴⁴



Malta ranks far above the EU average for artificial land coverage with 23.6 % of artificial land (EU-28 average: 4.1 %). The population density is 1 450.2/km², which is significantly above the EU average of 118⁴⁵.

The annual soil loss of 19.3 % indicates that Malta is at risk of moderate (10 to 25 tonnes per hectare per year) to severe (> 75t per hectare per year) soil erosion. Maltese north-western and Gozitan areas are characterised by a large range in erosion rates. The highest estimated erosion rates occur in steeply inclined arable land where poor management and conservation practices are applied. Land fragmentation reduces the economic viability of the land whereby 74 % (9,203 ha) of all agricultural holdings cover less than one hectare, in turn contributing to land abandonment, and reduced rubble wall maintenance. The yearly cost incurred by the average agricultural farmer to replace eroded soils and artificially maintain soil quality in erosion affected areas amounts to 1,164.24 EUR/0.01km²/yr, over 65 % of the

⁴⁴ Eurostat, [Land covered by artificial surfaces by NUTS 2 regions.](#)

⁴⁵ Eurostat, [Population density by NUTS 3 region.](#)

average yearly economic revenue from Maltese utilised agricultural area⁴⁶.

Contamination can severely reduce soil quality and threaten human health or the environment. A recent report of the JRC⁴⁷ estimated that potentially polluting activities have taken or are still taking place on approximately 2.8 million sites in the EU. At EU level, 650 000 of these sites have been registered in national or regional inventories. 65 500 contaminated sites already have been remediated. Malta has registered 135 sites where potentially polluting activities have taken or are taking place, and already has remediated or applied aftercare measures on one site.

Soil erosion by water is a natural process, but this natural process can be aggravated by climate change and human activities such as inappropriate agricultural practices, deforestation, forest fires or construction works.

High levels of soil erosion can reduce productivity in agriculture and can have negative and transboundary impacts on biodiversity and ecosystem service and on rivers and lakes (increased volume of sediments, transport of contaminants). According to the RUSLE2015 model⁴⁸, Malta has an average soil loss rate by water of 6.02 tonnes per hectare per year ($t\ ha^{-a}\ yr^{-y}$) compared to the EU mean of 2.46 $t\ ha^{-a}\ yr^{-y}$. This indicates that soil erosion in Malta is high on average. These figures are the output of an EU level model and can therefore not be considered as locally measured values. The real rate of soil loss can vary strongly within a Member State depending on local conditions.

Soil organic matter plays an important role in the carbon cycle and in climate change. Soils are the second largest carbon sink in the world after the oceans.

Marine protection

EU coastal and marine policy and legislation require that by 2020 the impact of pressures on marine waters be reduced to achieve or maintain good environmental status (GES) and ensure that coastal zones are managed sustainably.

The Marine Strategy Framework Directive (MSFD)⁴⁹ aims to achieve good environmental status of the EU's marine

waters by 2020. To that end, Member States must develop a marine strategy for their marine waters, and cooperate with the EU countries that share the same marine (sub)region.

These marine strategies require that different steps need to be developed and implemented over six-year cycles. The latest step required Member States to set up and report the Commission of their programme of measures by 31 March 2016. The Commission assessed whether Malta's measures were appropriate to reach GES⁵⁰.

The Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (Barcelona Convention) helps Malta to achieve good environmental status (GES).

Malta's programme of measures either fully or partially addresses the most relevant pressures on its marine environment. Malta reports on the existing measures it has in place based on laws, conventions, action plans and commitments. Malta also reported on an analysis it conducted to identify any gaps in the current measures and to develop new ones where existing measures were not sufficient to address the pressures on its marine waters. The new measures primarily aim to improve knowledge through research and monitoring, but also to raise awareness and include governance measures. Few new measures aim to tackle relevant pressures (direct effects on the marine environment). For example, for commercial fish and shellfish, measures primarily rely on the Common Fisheries Policy and fisheries management, while one new measure improves data collection for fisheries and incidental by-catch.

Some aspects of marine environment are only partially covered by Malta and some activities are only partly and indirectly addressed (fisheries, tourism, recreation, anchoring of ships and boats).

Furthermore, Malta does not always clearly state when GES will be achieved. For most descriptors Malta acknowledges that major knowledge gaps exist and that it cannot estimate whether GES will be achieved due to these gaps.

Litter is a pressure on the marine environment that eventually finds its way to the seafloor and on to beaches. Through the amendment of its littering regulations, Malta strengthened the enforcement of its provisions by stricter penalties. Implementation of the Marine Strategy Framework Directive has led to an improved understanding of macro and micro-litter, notably from plastics. In 2017, Malta joined the 'Clean Seas' campaign on marine litter. Collaboration with various non-governmental organisations is being sought

⁴⁶ Environment and Resources Authority, [State of the Environment Report 2018](#), chapter 4

⁴⁷ Ana Paya Perez, Natalia Rodriguez Eugenio (2018), Status of local soil contamination in Europe: Revision of the indicator "Progress in the management Contaminated Sites in Europe".

⁴⁸ Panagos, P., Borrelli, P., Poesen, J., Ballabio, C., Lugato, E., Meusburger, K., Montanarella, L., Alewell, C., The new assessment of soil loss by water erosion in Europe, (2015) *Environmental Science and Policy*, 54, pp. 438-447.

⁴⁹ European Union, [Marine Strategy Framework Directive 2008/56/EC](#)

⁵⁰ COM(2018)562.

on a regular basis to undertake clean-ups on the coastline and in coastal waters. Public awareness is also being achieved through such initiatives. Malta is the only Member State having applied for an exception to achieve good environmental status for litter by 2020 on the grounds that actions from neighbouring countries would allegedly hamper its efforts; however, such proposed justification does not appear to be fully substantiated and no alternative timeline is reported⁵¹.

Malta's coastal and marine environment is important due to the rich biodiversity it contains but also because of the ecosystem services it provides, such as clean water and fisheries, to the various coastal users. Fish farming, while alleviating the pressures of over-fishing, poses its own set of threats. In that respect, it is imperative to put the necessary and sufficiently effective controls in place to ensure, reduce and mitigate any identified pressures and threats.

2019 priority actions

- Define good environmental status (GES) where it has not been done yet.
- Determine the timelines to achieve good environmental status, when these have not been reported.
- Provide more information about measures, establish more measures that have a direct impact on the pressures and quantify the expected level of reduction of the pressure as a result of these measures, and monitor progress.
- Ensure reporting of the different elements under the Marine Strategy Framework Directive by the set deadline.

⁵¹ [COM\(2018\)562](#), p.12.

3. Ensuring citizens' health and quality of life

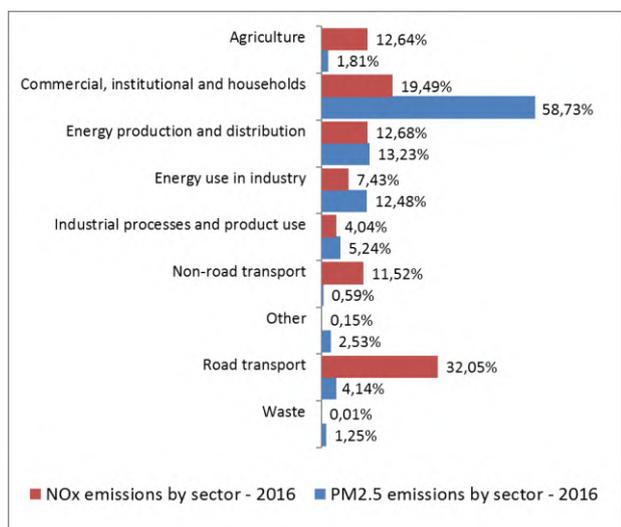
Air quality

EU clean air policy and legislation require the significant improvement of air quality in the EU, moving the EU closer to the quality recommended by the World Health Organisation. Air pollution and its impacts on human health, ecosystems and biodiversity should be further reduced with the long-term aim of not exceeding critical loads and levels. This requires strengthening efforts to reach full compliance with EU air quality legislation and defining strategic targets and actions beyond 2020.

The EU has developed a comprehensive body of air quality legislation⁵², which establishes health-based standards and objectives for a number of air pollutants.

Most of the emissions of several air pollutants have decreased significantly in Malta⁵³. The emission reductions between 1990 and 2014 mentioned in the previous EIR, continued between 2014 and 2016 with emissions of sulphur oxides (SOx) falling by 60.16 %, emissions of nitrogen oxides (NOx) by 26.15 %, emissions of ammonia (NH₃) by 4.76 % and emissions of fine particulate matter (PM_{2.5}) by 40.91 %. However, emissions of volatile organic compounds (NMVOCs) have increased by 4.42 % (see Figure 12 on the total PM_{2.5} and NO_x emissions per sector).

Figure 12: PM_{2.5} and NO_x emissions by sector in Malta⁵⁴



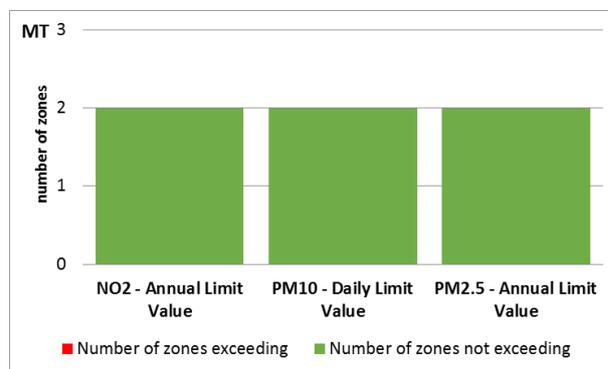
For 2017, Malta reported that they had not exceeded air quality limit values. Despite the air pollutants emission

reductions recorded in the 2017 EIR, additional efforts are needed to meet agreed emission reduction commitments laid down in the new National Emissions Ceilings Directive⁵⁵ for 2020-2029 and from 2030 onwards. Focusing on 2020, the greatest effort will involve emission reductions for ammonia (NH₃) where Malta reported projected emissions above agreed commitments⁵⁶.

Thereby, air quality in Malta is reported to be good, with exceptions. Nevertheless, for 2015, the European Environment Agency estimated that more than 240 premature deaths were attributable to air pollution⁵⁷.

According to a special report from the European Court of Auditors⁵⁸, EU action to protect human health from air pollution has not had its expected impact. There is a risk that air pollution is being underestimated in some instances because it may not always be monitored in the right places. Member States are required to report both real-time and validated air quality data to the Commission⁵⁹. Malta's reporting of air quality data has been at several occasions delayed in the past years.

Figure 13: Air quality zones exceeding EU air quality standards in 2017⁶⁰



In 2016, the Maltese Government adopted a National Transport Strategy with 2050 horizon and an Operational Transport Master Plan to 2025. Implementation of the

⁵⁵ Directive 2016/2284/EU

⁵⁶ EEA, [National Emission Ceilings \(NEC\) Directive reporting status 2018](#).

⁵⁷ EEA, [Air Quality in Europe – 2018 Report](#), p.64. Please see details in this report as regards the underpinning methodology.

⁵⁸ European Court of Auditors, [Special report no 23/2018: Air pollution: Our health still insufficiently protected](#).

⁵⁹ Article 5 of [Commission Implementing Decision 2011/850/EU](#) of 12 December 2011 laying down rules for [Directives 2004/107/EC](#) and [2008/50/EC](#) of the European Parliament and of the Council as regards the reciprocal exchange of information and reporting on ambient air quality (OJ L 335, 17.12.2011, p. 86) requires Member States to provide Up-To-Date data.

⁶⁰ EEA, [EIONET Central Data Repository](#). Data reflects the reporting situation as of 26 November 2018.

⁵² European Commission, 2016. [Air Quality Standards](#)

⁵³ See [EIONET Central Data Repository](#) and [Air pollutant emissions data viewer \(NEC Directive\)](#)

⁵⁴ 2016 NECD data submitted by Member State to the EEA.

above-referred measures began in February 2017. The Government has introduced a number of measures, which address public transport, collective transport and environmentally friendly transport. Indeed, it is offering free public transport for students, abolishing the registration tax and granting a 5-year exemption from the annual circulation licence fee on electric vehicles and those powered by gas, as well as offering a grant for the purchase of such vehicles. It is also implementing a number of schemes aimed at encouraging the use of bicycles and motor cycles. But, so far, focus seems to be in particular on upgrading the road infrastructure for which the Maltese authorities announced a EUR 700 million project over a period of seven years.

2019 priority action

- Take, in the context of the National Air Pollution Control Programme (NAPCP), actions towards reducing the main emission sources.

Industrial emissions

The main objectives of EU policy on industrial emissions are to:

- protect air, water and soil;
- prevent and manage waste;
- improve energy and resource efficiency; and
- clean up contaminated sites.

To achieve this, the EU takes an integrated approach to the prevention and control of routine and accidental industrial emissions. The cornerstone of the policy is the Industrial Emissions Directive⁶¹ (IED).

The below overview of industrial activities regulated by the IED is based on the 'industrial emissions policy country profiles' project⁶².

In Malta, 16 industrial installations are required to have a permit based on the IED. Industrial sectors in Malta with the most IED installations in 2015 are chemical (44 %), waste management (44 %) and energy-power (12.5 %).

The energy power sector is identified as the biggest source of air pollutants emission, except Non Methane Volatile Organic Compounds (NMVOCs) and Ammonia (NH3). The breakdown is shown in the Figure 15.

Figure 14: Number of IED industrial installations by sector, Malta (2015)⁶³

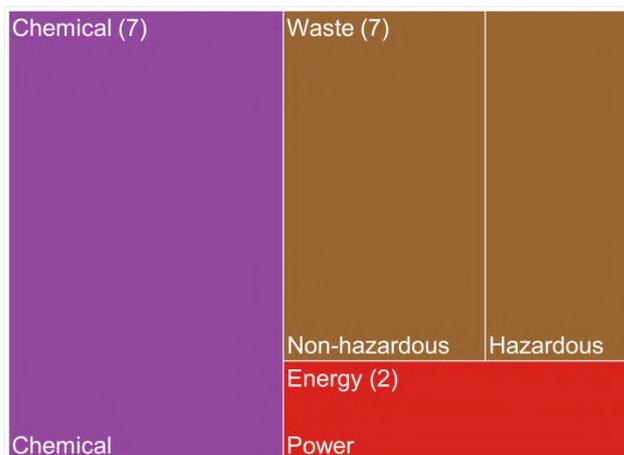
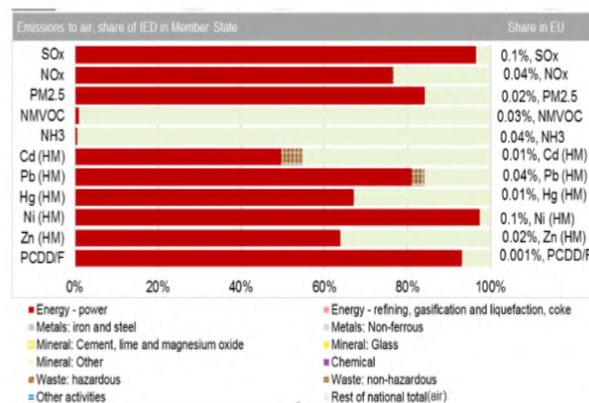


Figure 15: Emissions to air from IED sectors and all other national air emissions, Malta (2015)



The energy power sector contributes mostly for the emissions to water and for hazardous waste generated. The waste management sector contributes mostly to non-hazardous waste generation.

The enforcement approach under the IED creates strong rights for citizens to have access to relevant information and to participate in the permit process. This empowers NGOs and the general public to ensure that permits are appropriately granted and their conditions respected.

Best available techniques (BAT) reference documents and BAT conclusions are developed through the exchange of information between Member States, industry associations, NGOs and the Commission. This ensures a good collaboration with stakeholders and a better application of the IED's rules.

The Commission relies on and welcomes the efforts of national competent authorities to implement the legally

⁶¹ Directive 2010/75/EU covers industrial activities carried out above certain thresholds. It covers energy industry, metal production, mineral and chemical industry and waste management, as well as a wide range of industrial and agricultural sectors (e.g. intensive rearing of pig and poultry, pulp and paper production, painting and cleaning).

⁶² European Commission, [Industrial emissions policy country profile – Malta](#).

⁶³ European Commission, [Industrial emissions policy country profile – Malta](#).

binding BAT conclusions and associated BAT emission levels in environmental permits, resulting in considerable and continuous reduction of pollution.

For example, by applying the recently adopted BAT emission levels for large combustion plants, emissions of sulphur dioxide will be cut on average by between 25 % and 81 %, nitrogen oxide by between 8 % and 56 %, dust by between 31 % and 78 % and mercury by between 19 % and 71 % at EU level. The extent of the reduction depends on the situation in individual plants.

2019 priority actions

- Review of permits to ensure that they comply with the newly adopted BAT conclusions.
- Strengthen control and enforcement to ensure compliance with the BAT conclusions.

Noise

The Environmental Noise Directive⁶⁴ provides for a common approach to avoiding, preventing and reducing the harmful effects of exposure to environmental noise.

Excessive noise from aircraft, railways and roads is one of the main causes of environmental health-related issues in the EU⁶⁵.

Based on a limited set of data⁶⁶, environmental noise causes at least around 10 premature deaths and is responsible for around 20 hospital admissions per year in Malta. Noise also disturbs the sleep of roughly 12 000 people in Malta. The noise mapping for the previous reporting round (reference year 2011) is complete as are the action plans (reference year 2013) which include measures to address noise hotspots. These instruments, adopted after a public consultation had been carried out, should include the measures to keep noise low or reduce it.

Water quality and management

EU legislation and policy requires that the impact of pressures on transitional, coastal and fresh waters (including surface and ground waters) be significantly reduced. Achieving, maintaining or enhancing a good status of water bodies as defined by the Water Framework Directive will ensure that EU citizens benefit from good quality and safe drinking and bathing water. It will further ensure that the nutrient cycle (nitrogen and phosphorus) is managed in a more sustainable and resource-efficient way.

The existing EU water legislation⁶⁷ puts in place a protective framework to ensure high standards for all water bodies in the EU and addresses specific pollution sources (for example, from agriculture, urban areas and industrial activities). It also requires that the projected impacts of climate change are integrated into the corresponding planning instruments e.g. flood risk management plans and river basin management plans, including programme of measures which include the actions that Member States plan to take in order to achieve the environmental objectives.

Water Framework Directive

Malta has adopted and reported the second generation of river basin management plans under the water framework directive.

The most significant pressure on surface water bodies is unknown anthropogenic pressure (100% of water bodies) followed by point sources (47%) and diffuse pollution (47%). For groundwater bodies the most significant pressure is agriculture (100%) followed by alteration of water level or volume (47%).

Unknown anthropogenic pressure was the most significant impact on rivers, lakes, and transitional water bodies (53%), where chemical pollution was the most significant pressure for coastal waters (100%) and groundwater (87%).

All the rivers, lakes and transitional waters have unknown ecological status/potential due to lack of knowledge, data, and assessment methods. The distribution of status classes for classified water bodies illustrated in figure 17 is therefore only representing coastal waters.

Monitoring has been established for quality elements in coastal waters, and for most of the required quality

⁶⁴ [Directive 2002/49/EC](#).

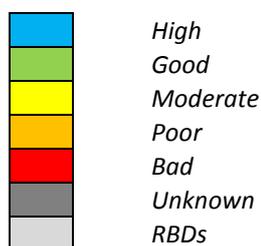
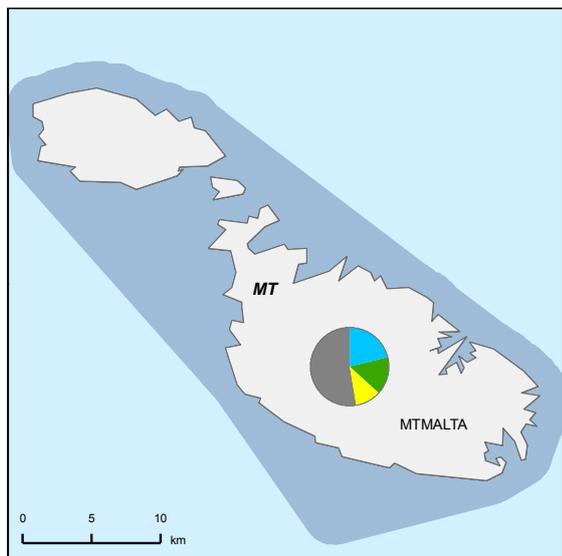
⁶⁵ WHO/JRC, 2011, Burden of disease from environmental noise, Fritschi, L., Brown, A.L., Kim, R., Schwela, D., Kephelopoulos, S. (eds), [World Health Organisation, Regional Office for Europe](#), Copenhagen, Denmark.

⁶⁶ European Environment Agency, [Noise Fact Sheets 2017](#).

⁶⁷ This includes the [Bathing Waters Directive \(2006/7/EC\)](#), the [Urban Waste Water Treatment Directive \(91/271/EEC\)](#) (on discharges of municipal and some industrial wastewaters), the [Drinking Water Directive \(98/83/EC\)](#) (on potable water quality), the [Water Framework Directive \(2000/60/EC\)](#) (on water resources management), the [Nitrates Directive \(91/676/EEC\)](#) and the [Floods Directive \(2007/60/EC\)](#).

elements in rivers, lakes, and transitional waters, in contrast to the first River Basin Management Plans, where there was no monitoring reported. Not all required biological quality elements and hydromorphological quality elements are monitored, but the expanded monitoring programme shows considerable progress.

Figure 16: Ecological status or potential of surface water bodies in Malta ⁶⁸



Between the first and second River Basin Management Plans, there was a very significant improvement in knowledge regarding the chemical status. There has been a net increase in monitoring for chemical status, both in the number of monitoring sites and water bodies. The chemical status for all water bodies (all coastal water bodies) was unknown in the first River Basin Management Plans while all water bodies were classified in the second. Approximately half of the water bodies have good chemical status (rivers, lakes and transitional) and half are failing to achieve good ecological status (all coastal water bodies).

The monitoring situation regarding the quantitative status of groundwater is incomplete (81% of the total groundwater body area). Groundwater bodies failing good quantitative status decreased slightly between the

⁶⁸ Note: Standard colours based on WFD Annex V, Article 1.4.2(i)
Source: WISE, Eurostat (country borders).

first and second River Basin Management Plans (from 84% to 80%) in terms of total groundwater body area.

In Malta, a water-scarce country, many economic activities, including the touristic sector, as well as the industry and manufacturing, are heavily dependent on a stable water supply. Monitoring data presented in the second River Basin Management Plan indicates that groundwater bodies, which are affected by overexploitation, are progressively reaching a stable state, which would suggest that the imbalance between abstraction and recharge is progressively being reduced.

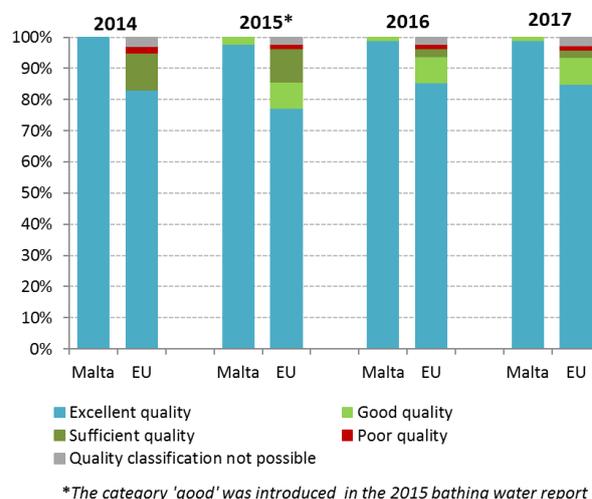
Malta has taken some significant steps to identify the gaps to good status for some parameters. The Programme of Measures has been developed in order to address the significant water management issues identified, but no quantitative assessment of the contribution each measure will make to the closure of the gaps has been carried out.

Malta has reported a significant increase in the funding available for the second Programme of Measures, which includes a substantial increase in the contribution from EU funds.

Drinking Water Directive

On drinking water, no new data are available since the last EIR⁶⁹.

Figure 17: Bathing water quality 2014 – 2017 ⁷⁰



Bathing Water Directive

Figure 17 shows that in 2017, out of the 87 Maltese bathing waters, 86 were of excellent quality and 1 of

⁶⁹ Compliance with the Drinking Water Directive microbiological and chemical parameters as last reported was very high.

⁷⁰ European Environment Agency, 2018. [European bathing water quality in 2017](#), p. 21.

good quality. There was no bathing water classified as sufficient or poor, just like in 2016⁷¹.

Detailed information on the Maltese bathing waters is available from a national portal⁷² and via an interactive map viewer of the European Environment Agency⁷³.

Urban Waste Water Treatment Directive

Concerning compliance with the Urban Waste Water Treatment Directive, 100 % of the waste water load in Malta is connected to a collecting system. However, the load collected is not treated in compliance with EU requirements as regards the secondary treatment requirement and more stringent treatment. Malta has indicated that the non-compliance is due to an excess of farm manure discharges in collecting systems and to an excess of salt in sewage that could disturb the biological process of the treatment plants, leading to poor performance of the plants where these discharges enter.

That is the reason why the Commission has initiated an infringement procedure to investigate the issue further.

In the previous EIR, projects were expected to be completed by 2017-2018, going far beyond the deadline set in Malta's 2007 Treaty of Accession. To date, the estimated investment needed to ensure adequate collection and treatment of the remaining agglomerations is EUR 22 million⁷⁴.

With regard to water investments in the 2014-2020 programming period, it is worth mentioning that water monitoring measures are planned in Malta with the aim of enabling the provision of sufficient data to significantly increase the level of confidence in the status assessments.

Floods Directive

The Floods Directive established a framework for the assessment and management of flood risks, aiming at the reduction of the adverse consequences associated with significant floods.

Malta has adopted and reported its first Flood Risk Management Plans under the Directive. The Commission's assessment found that good efforts were made with positive results in setting objectives and devising measures focusing on prevention, protection and preparedness. The assessment also showed that, as was the case for other Member States, Malta's Flood Risk Management Plans do not yet include close monitoring

of the implementation of measures and an as complete as possible estimation of the cost of measures. In addition, there is scope for clarifying the method for the prioritisation of measures, including the assessment of costs and benefits.

2019 priority actions

- Continue to work on completing the monitoring schemes for quantitative status of groundwater.
- Take steps to better tackle the problem of water scarcity and over-abstraction.
- Strengthen control and enforcement of measures to prevent and reduce nitrate pollution.
- Solve the problems of excess of farm manure discharges in the collecting systems and of seawater intrusion in sewage that can affect compliance with the Urban Waste Water Treatment Directive.
- Take steps to clarify the method for the prioritisation of measures, including the assessment of costs and benefits in the next Flood Risk Management Plans.

Chemicals

The EU seeks to ensure that by 2020 chemicals are produced and used in ways that minimise any significant adverse effects on human health and the environment. An EU strategy for a non-toxic environment that is conducive to innovation and to developing sustainable substitutes, including non-chemical options, is being prepared.

The EU's chemicals legislation⁷⁵ provides baseline protection for human health and the environment. It also ensures stability and predictability for businesses operating within the internal market.

The 2016 European Chemicals Agency (ECHA) report on the operation of REACH and CLP⁷⁶ showed that enforcement activities are still evolving. In the Forum for Exchange of Information on Enforcement, coordinated enforcement projects⁷⁷ have shown that the effectiveness of the enforcement activities can still be improved, in particular regarding registration obligations and Safety Data Sheets where a relatively high level of non-compliance has been found.

⁷¹ European Environment Agency, 2018. [European Bathing Water Quality in 2017](#), p. 21.

⁷² [Ministry of Health, Bathing Water Programme](#).

⁷³ EEA, [State of bathing waters](#).

⁷⁴ European Commission, Ninth Report on the Implementation Status and the Programmes for Implementation of the Urban Waste Water Treatment Directive ([COM\(2017\) 749](#)) and Commission Staff Working Document accompanying the report (SWD(2017)445).

⁷⁵ Principally for chemicals: REACH (OJ L 396, 30.12.2006, p.1.); for Classification, Labelling and Packaging, the CLP Regulation (: OJ L 252, 31.12.2006, p.1.), together with legislation on biocidal products and plant protection products.

⁷⁶ European Chemicals Agency, [Report on the Operation of REACH and CLP 2016](#).

⁷⁷ ECHA, On the basis of the projects [REF-1](#), [REF-2](#) and [REF-3](#).

Whilst improving, there is room for further improvement of national enforcement activities as regards harmonisation throughout the Union, including controls on imported goods. It is also clear that enforcement is still weak in some Member States in particular with respect to control of imports and supply chain obligations. The architecture of enforcement capabilities continues to be complex in most EU countries. The enforcement projects also revealed some differences among Member States (e.g. some tend to systematically report higher compliance than the EU average and others lower).

A 2015 Commission study highlighted already the importance of harmonisation in the implementation of REACH at Member State level, in terms of market surveillance and enforcement, as a critical success factor in the operation of a harmonised single market⁷⁸.

In March 2018, the Commission published an evaluation of REACH⁷⁹. The evaluation concludes that REACH delivers on its objectives, but that progress made is slower than anticipated. In addition, the registration dossiers often are incomplete. The evaluation underlines the need to enhance enforcement by all actors, including registrants, downstream users and in particular for importers, to ensure a level playing field, meet the objectives of REACH and ensure consistency with the actions envisaged to improve environmental compliance and governance. Consistent reporting of Member State enforcement activities was considered important in that respect.

Making cities more sustainable

EU policy on the urban environment encourages cities to put policies in place for sustainable urban planning and design. These should include innovative approaches to urban public transport and mobility, sustainable buildings, energy efficiency and urban biodiversity conservation.

Europe can be seen as a union of cities and towns. Around 75 % of the EU population live in urban areas⁸⁰ and this figure is projected to rise to just over 80% by 2050⁸¹. Urban areas pose particular challenges for the environment and human health, but they also provide opportunities for using resources more efficiently. The EU encourages municipalities to become greener through

initiatives such as the Green Capital Award⁸², the Green Leaf Award⁸³ and the Green City Tool⁸⁴.

Financing greener cities

The 2014-2020 period has put the urban dimension at the very heart of Cohesion Policy. In Malta, sustainable urban development is being allocated 5.2 % of European Research and Development Funding and may be supported through the European Structural Funds⁸⁵. Harbour areas are the urban areas that will benefit the most from this integrated approach due to the high risk of poverty, high unemployment rate including youth unemployment, high level of absenteeism from school, a high number of rundown buildings including social housing and its economic potential due to the high concentration of historical and cultural buildings. Malta is currently implementing its sustainable urban development strategy for the harbour area: regenerating lower Valletta.

Participation in EU urban initiatives and networks

Under Valletta 2018 — European Capital of Culture 2018, the conference *Living Cities, Liveable Spaces: Placemaking & Identity* took place in 2017 focusing on the themes of urban development, community engagement and well-being, as well as cultural diplomacy. The conference consisted of a series of parallel sessions on various themes, including the future developments of cities and urban spaces. The Cittadella Gozo project is among the finalists in the 2018 edition of the RegioStars Awards. These awards recognise the most original, innovative and pioneering regional projects funded by the EU.

In terms of research and innovation for cities, as part of the pan-European event called Researchers' Night, Malta's Science & Arts Festival took place in 2018. The focus of the event was on plastic and the aim was to increase awareness about the effects of plastic waste on the planet through an interactive exhibition. The EU FP7 programme and the Malta Arts Fund support the Science in the City festival.

Maltese cities are also actively involved in initiatives such as the EU Covenant of Mayors. As of June 2018, 24 Maltese cities were signed up to it.

⁷⁸ European Commission. (2015). *Monitoring the Impacts of REACH on Innovation, Competitiveness and SMEs*. Brussels: European Commission.

⁷⁹ [COM \(2018\) 116](#).

⁸⁰ Eurostat (2016), [Urban Europe](#)

⁸¹ European Commission, Eurostat, [Urban Europe](#), 2016, p.9.

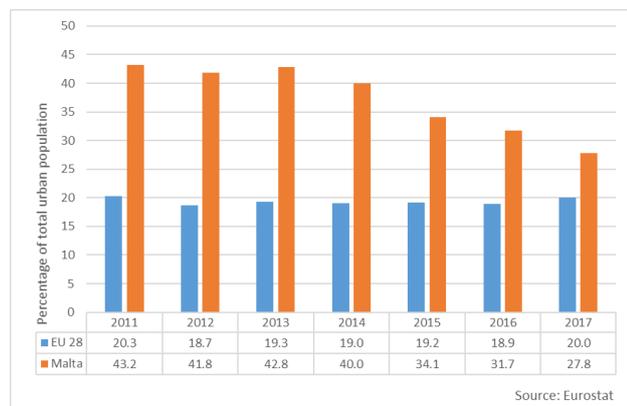
⁸² European Commission, [European Green Capital](#).

⁸³ European Commission, [European Green Leaf Award](#)

⁸⁴ European Commission, [Green City Tool](#).

⁸⁵ In line with Article 98 (2) of the Council [Regulation \(EU\) No 1303/2013](#), Government has decided to avail of the possibility to finance ESF complementary actions subject to the limit of 10 per cent of European funds for Sustainable Urban Development.

Figure 18: People in Maltese cities reporting they live in an area affected by pollution, grime or other environmental problems ⁸⁶

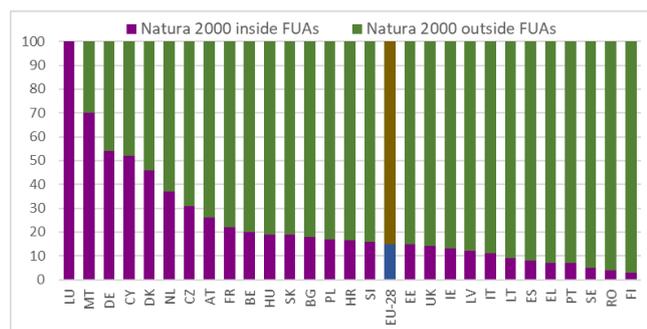


These urban initiatives and networks should be welcomed and encouraged, as they contribute to a better urban environment. In 2017, 27.8% of city residents considered their residential area to be affected by pollution or other environmental problems, down from 31.7% in 2016 and 34.1% in 2015. These figures are higher than the EU 28 levels (20% in 2017, 18.9% in 2016 and 19.2% in 2015)⁸⁷.

Nature and cities

With an area of just 316 km², Malta is one of the smallest countries in the world. Yet it is also one of the most densely populated. All areas constitute a continuum from urban to rural. Around 70% of the Natura 2000 network in Malta is to be found within functional urban areas⁸⁸. This is far above the EU average of 15%⁸⁹.

Figure 19: Proportion of Natura 2000 network in Functional Urban Areas (FUA) ⁹⁰



⁸⁶ Eurostat, [Urban Europe — statistics on cities, towns and suburbs — green cities](#), 2019.

⁸⁷ European Commission, Eurostat, [Pollution, grime or other environmental problems by degree of urbanisation](#).

⁸⁸ Eurostat, [Definition of Functional Urban Areas](#).

⁸⁹ European Commission, 2017, the 7th Report on Economic, Social and Territorial Cohesion.

⁹⁰ European Commission, [the 7th Report on Economic, Social and Territorial Cohesion](#), 2017, p. 121.

By 2020, through its National Biodiversity Strategy and Action Plan, Malta committed to safeguard urban biodiversity in villages and towns through the uptake of community initiatives. These initiatives include, among others, green rooftops, green open spaces, and other incentives, such as competitions for the best gardens and open spaces in urban areas, which promote the use of indigenous species (as opposed to invasive non-native plants) so as to increase green urban areas.

Urban sprawl

The urban sprawl in Malta is one of the highest in Europe with the largest absolute increases observed between 2006 and 2009 (+ 1.44 UPU/m²⁹¹), making overdevelopment a pressing environmental issue that has been a consistent cause of loss of biodiversity, natural landscapes, and agricultural land. Given Malta's limited land area and its high population density, it is important to limit the environmental footprint of infrastructure developments and to avoid duplication whenever possible. Factoring in the ever-increasing number of tourists visiting the islands annually (2.3 million in 2017⁹²), the country's resources are steadily becoming strained.

In recent years, the property market has boomed significantly, so the demand for used and virgin land is also increasing.

Another example of concern is the current Maltese Fuel Stations policy. Fuel stations range in size from 1 500 to 5 000 square metres each and come with ancillary facilities such as auto shops and cafés, deemed necessary to make the projects economically viable. The concentration of these service stations in close proximity to each other may negatively impact the environment.



Traffic congestion and urban mobility

⁹¹ Urban Permeation Units measure the size of the built-up area as well as its degree of dispersion throughout the region.

⁹² Malta Tourism Authority, [Research & Statistics](#).

Malta's size and its relatively high urban density pose major challenges for the country's transport sector.

Socioeconomic developments, including an increase in household disposable income, status associated with car ownership, dispersed land use developments and a public transport service that does not reflect the current travel demands have resulted in the rise in car ownership in Malta. Overall, the net result is one of high fuel consumption where there is potential for energy savings.

A key measure to improve transport efficiency taken by the Maltese authorities is to reform public transport services. An objective of this reform is to achieve a modal shift from private cars to public transport.

The reforms to upgrade the private and commercial vehicle fleet continue. A target of 5 000 battery electric vehicles has been set for 2020. Hybrid vehicles will also be encouraged by reducing the registration tax for such vehicles. Excise duty has also been increased to further discourage the use of conventional fuels.

Part II: Enabling framework: implementation tools

4. Green taxation, green public procurement, environmental funding and investments

Green taxation and environmentally harmful subsidies

Financial incentives, taxation and other economic instruments are effective and efficient ways to meet environmental policy objectives. The circular economy action plan encourages their use. Environmentally harmful subsidies are monitored in the context of the European Semester and the energy union governance process.

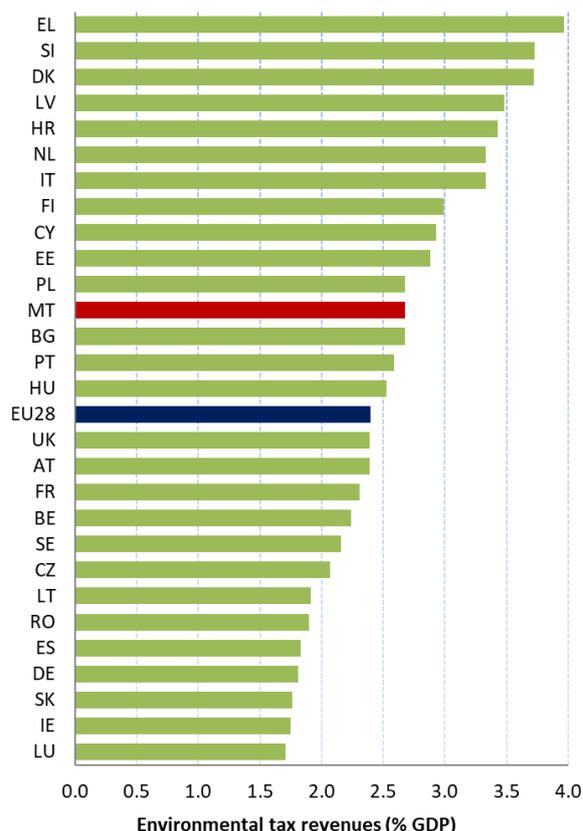
Malta's revenue from environment-related taxes remains higher than the EU average. Environmental taxes accounted for 2.68 % of GDP in 2017 (EU-28 average: 2.4 %) (see Figure 19) and energy taxes for 1.36 % of GDP against an EU average of 1.84 %⁹³. In the same year, environmental tax revenues were 8.16 % of total revenues from taxes and social security contributions (considerably higher than the EU-28 average of 5.97 %).

The structure of taxation shows a share of revenues from labour tax in total tax revenues far below the EU average, with 34.4 % in 2016, while the implicit tax burden on labour was 23.8 %⁹⁴. Consumption taxes remained relatively high (36.9 %, 11th in the EU-28), pointing to a limited potential for shifting taxes from labour to consumption and in particular to environmental ones.

However, there are some cases showing the putting in place of sound fiscal measures for the environment. A good example is water pricing in Malta, used for water supply fees for domestic, residential and non-residential water use. Self-abstraction of groundwater however is not subject to water supply tariffs⁹⁵.

Little information is available on fossil fuel subsidies. Some subsidies for petrol and diesel remain in place. Post-tax subsidies (which include not only price-gap subsidies but also the negative externalities associated with the use of fossil fuels, such as local air pollution, faster climate change and congestion) added up to EUR 10 million in 2015⁹⁶.

Figure 20: Environmental tax revenues as a % of GDP (2017)⁹⁷



Some progress has been made on reducing the 'diesel differential' (difference in the price of diesel versus petrol) since 2005. In 2016 there was still a 16 % gap between petrol and diesel tax rates, while in 2005 it was 26 %⁹⁸. Excise tax rates for petrol and diesel in 2016 increased compared to 2015 rates (EUR 0.55 per litre for petrol and EUR 0.47 for diesel), although the rise was higher for diesel than for petrol⁹⁹.

CO₂-based motor vehicle taxes are in place. The Maltese vehicle registration tax system has built-in features that lowers the tax rate for electric vehicles with low CO₂ emissions, besides the incentives to encourage the use of vehicles using alternative fuels such as LPG. The

⁹³ Eurostat, [Environmental tax revenues, 2018](#).

⁹⁴ European Commission, [Taxation Trends Report](#), 2017.

⁹⁵ Institute for European Environmental Policy, Case Studies on Environmental Fiscal Reform, [Water pricing in Malta](#).

⁹⁶ European Parliament and IMF, Fossil Fuel Subsidies, 2017, pp. 10-11.

⁹⁷ Eurostat, [Environmental tax revenues, 2019](#).

⁹⁸ European Environment Agency 2017, [Environmental taxation and EU environmental policies](#), p. 27.

⁹⁹ European Commission, [Taxes in Europe Database](#), 2018.

registration tax is calculated using emissions, while the annual circulation tax is based on emissions and the vehicle's age¹⁰⁰. Incentives to encourage buying cars with lower CO₂ emissions were common in 2016, linked to annual circulation taxes, road tolls, and congestion or low emission zone charges; but also to the acquisition of cleaner vehicles. There are no incentives connected to the preferential use of public transport¹⁰¹. New vehicles bought in Malta are among the most environmentally-friendly in the EU, with average CO₂ emissions of 111.8 grams per kilometre, below the EU average of 118 grams in 2016¹⁰².

The use of alternative fuels in new cars sold in Malta is emerging over the past few years. The share of new cars using alternative fuels was still low in 2016 (0.13 %) ¹⁰³. Most of these cars are electric vehicles, with little or no implementation of the CNG or compressed natural gas vehicles in the country. Tax for company cars is a cause for concern in Malta¹⁰⁴. No new fiscal measures have been introduced for these types of cars in 2018¹⁰⁵.

Green public procurement

The EU green public procurement policies encourage Member States to take further steps to apply green procurement criteria to at least 50 % of public tenders. The European Commission is helping to increase the use of public procurement as a strategic tool to support environmental protection.

The purchasing power of public procurement amounts to around EUR 1.8 trillion in the EU (approximately 14% of GDP). A substantial proportion of this money goes to sectors with a high environmental impact such as construction or transport. Therefore, green public procurement (GPP) can help to significantly lower the negative impact of public spending on the environment and can help support sustainable innovative businesses. The Commission has proposed EU GPP criteria¹⁰⁶.

¹⁰⁰ ACEA, [CO₂ based motor vehicle taxes in Europe](#).

¹⁰¹ European Environmental Agency, [Appropriate taxes and incentives do affect purchases of new cars](#), 18 May 2018.

¹⁰² European Environment Agency, [Average CO₂ emissions from new passenger cars sold in EU-28 Member States plus Norway, Iceland and Switzerland in 2016](#).

¹⁰³ European Commission, [Transport in the European Union Current Trends and Issues](#), 2018, p. 94.

¹⁰⁴ European Commission, [Taxation of commercial cars in Belgium](#), 2017, p. 3.

¹⁰⁵ FleetEurope, [Major changes to company car taxation in Europe](#).

¹⁰⁶ In the Communication 'Public procurement for a better environment' ([COM \(2008\) 400](#)) the Commission recommended the creation of a process for setting common GPP criteria. The basic concept of GPP relies on having clear, verifiable, justifiable and ambitious environmental criteria for products and services, based on a life-cycle approach and scientific evidence base.

Specific targets for 2012-2014 (10 %, 20 % and 30 % respectively) were only partially met (in 60 % of cases in 2012, 100 % in 2013 and 70 % in 2014) and there is no official data from the national authorities from 2015 onwards.

Malta's first national action plan was adopted in 2011. In 2015, a review of the plan was undertaken to assess how it was being put into practice, which led to the second plan which is not yet finalised. Despite the plan action plan has not yet been revised, guidelines are published online.

Malta has national green public procurement guidelines ¹⁰⁷ on the following products:

- Mandatory green public procurement: gardening products and services; copying and graphic paper; textiles; office IT equipment; and cleaning products and services.
- Non-mandatory green public procurement: transport; furniture; food and catering services; combined heat and power; street lighting and traffic signals; road construction and traffic signs; mobile phones; electricity; and construction works and other related products and services.

The guidelines consist of one document of between 4 and 14 pages per product group, including the national green public procurement target, the date of the most recent revisions, products covered and specifications/criteria and how to apply them. The MSDEC website includes a form to sign up for updates on green public procurement¹⁰⁸.

In Malta an administrative procedure is in place whereby all contracting authorities are required to complete a green public procurement checklist before publishing a call for tender.

Training for both procurers and business entities were provided to supplement the first NAP and is expected to remain a significant feature of the second NAP. The Institute for Public Services offers an 'Introduction to green public procurement' course¹⁰⁹. The course¹¹⁰ lasts for five hours and is targeted at senior and middle managers, to introduce them to: the concept of green public procurement; EU background; national policy;

¹⁰⁷ Ministry for Sustainable Development, the Environment and Climate Change, [GPP Criteria](#).

¹⁰⁸ Ministry for Sustainable Development, the Environment and Climate Change, [GPP updates](#).

¹⁰⁹, Institute for Public Services, [Introduction to Green Public Procurement](#).

¹¹⁰ The Institute for Public Services website, when checked on 8 September 2018, did not have any confirmed future dates for the course, but did include an application form and contact details for queries.

national achievements; the roles of different actors; monitoring and reporting; green public procurement in practice; and practical advice on how to green tenders.

Environmental funding and investments

European Structural and Investment Fund (ESIF) rules oblige Member States to promote environment and climate in their funding strategies and programmes for economic, social and territorial cohesion, rural development and maritime policy.

Achieving sustainability involves mobilising public and private financing sources¹¹¹. Use of the European Structural and Investment Funds (ESIFs)¹¹² is essential if countries are to achieve their environmental goals and integrate these into other policy areas. Other instruments such as Horizon 2020, the LIFE programme¹¹³ and the European Fund for Strategic Investments (EFSI)¹¹⁴ may also support the implementation and spread of good practices.

According to the 2017 Special Eurobarometer 468 on attitudes of EU citizens towards the environment, 94 % of Maltese support greater EU investment in environmental protection (EU-28 average being 85 %).

European Structural and Investment Funds 2014-2020

For the current programming period (2014-2020) Malta has been allocated up to EUR 828 million. This represents around 1 % of GDP annually for 2014-18 and 28 % of public investment¹¹⁵.

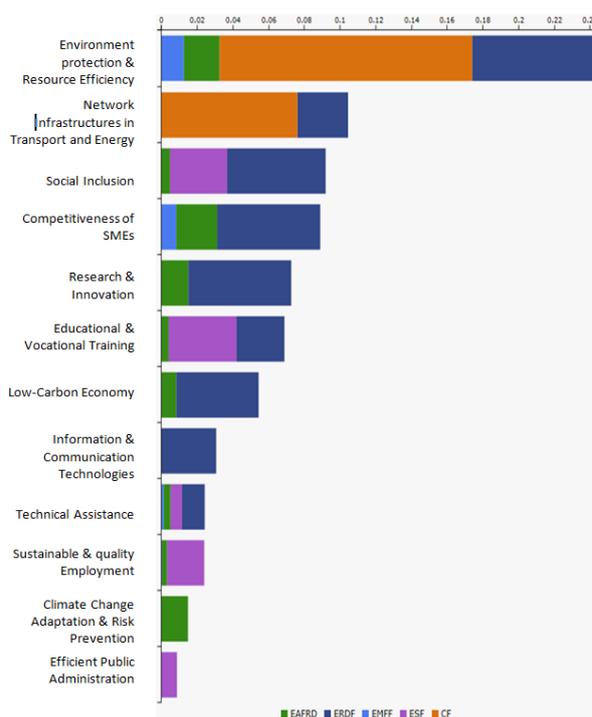
Cohesion Policy

At the end of 2016, Malta had implemented all environmental ex-ante conditionalities (subject to pending clarifications on consistency of water pricing in the rural sector with the EU Water Framework Directive) which form part of the reforms package and policy framework to be set in place for unlocking EU funds in 2014-2020.

The ex-ante conditionalities have been a powerful incentive for Member States and regions to carry out reforms that would have otherwise been delayed or not

implemented. They effectively addressed delays and shortcomings in transposition of the EU *acquis*, thereby improving the quality and legality of relevant investments. According to a 2017 European Commission study¹¹⁶, the water sector ex-ante conditionality "has been a driver for many Member States to implement improvements in areas such as pricing policies [...]". More specifically, it has triggered amendments of the water pricing policies to the agricultural sector in Malta that should provide incentives to farmers to use water resources more efficiently.

Figure 21: ESIF 2014-2020 – EU allocation by theme, Malta (EUR billion)¹¹⁷



In 2014-2020, Malta manages three operational programmes under the EU Cohesion Policy: one receives funding from the European Regional Development Fund (ERDF) and the Cohesion Fund, one receives funding from the ERDF within the framework of the SME initiative and one receives funding from the European Social Fund (ESF).

For the period 2014-2020, Malta has been allocated around 729 million EUR (current prices) in total Cohesion Policy funding: 490.2 million EUR from the ERDF for transition regions (the entire country is classified as a transition region); 217.7 million EUR through the Cohesion Fund; 17 million for European Territorial

¹¹¹ See, for example, [Action plan on financing sustainable growth \(COM\(2018\) 97\)](#).

¹¹² .e. the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). The ERDF, the CF and the ESF are referred to as the 'cohesion policy funds'.

¹¹³ European Commission, [LIFE programme](#).

¹¹⁴ European Investment Bank, [European Fund for Strategic Investments, 2016](#).

¹¹⁵ Public investment is defined as gross fixed capital formation + investment grants + national expenditure on agriculture and fisheries.

¹¹⁶ European Commission (2017), [The Value Added of Ex ante Conditionalities in the European Structural and Investment Funds, SWD\(2017\) 127 final](#).

¹¹⁷ European Commission, [European Structural and Investment Funds Data By Country](#).

Cooperation. Of this, the ESF accounts for 21.6% of the allocation, for a total amount of 105.9 million EUR.

In terms of progress in the implementation of the projects, one project can be highlighted: a national water campaign selected in November 2017 for a total value EUR 21.2 million. The project aims at optimising the water resources management in the Maltese islands, increasing the awareness on the vulnerability of water resources in the Maltese islands, and identify the optimal tools on how these resources.

Rural development

The total 2014-2020 Rural Development Programme (RDP) budget for Malta amounts to almost EUR 130 million, which marks a significant increase of around EUR 30 million compared with the 2007-2013 budget. The RDP support is co-financed by the European Agricultural Fund for Rural Development (EAFRD), which covers 75% of the total budget, and the Maltese Government, which covers the remaining amount.

Rural areas account for 91% of the island's territory and are home to 64% of the total population. There are no lakes, rivers or mountains and all areas constitute a continuum from urban to rural. Maltese agriculture is characterised by small fragmented holdings and by low and irregular rainfall.

Water supply and diffuse water pollution from agriculture are critical issues for Malta, both currently and for the future, particularly in the context of anticipated climate change and demographic pressures and challenges. The state of Malta's water resources is among the most stressed in the world.

Malta's RDP is putting particular emphasis on actions related to restoring, preserving and enhancing ecosystems, resource efficiency and climate and improving the competitiveness of the farm and forestry sectors. It focuses notably on environment-friendly farm investments and management procedures, with a particular emphasis on quality of water.

European Maritime and Fisheries Fund

Malta benefits from EUR 23 million under the European Maritime and Fisheries Fund (EMFF).

The Connecting Europe Facility (CEF)

The CEF is a key EU funding instrument developed specifically to direct investment towards European transport, energy and digital infrastructure to address identified missing links and bottlenecks and promote sustainability. By the end of 2017, Malta has signed

agreements for EUR 45 million for projects under the Connecting Europe Facility¹¹⁸.

Horizon 2020

As part of the Europe 2020 strategy, which places research and innovation (R&I) at the forefront of Europe's efforts to become a smart, sustainable and inclusive economy with high levels of employment, productivity and social cohesion, Malta has allocated funds to both R&I infrastructure and measures to strengthen the links between academia and industry. During the current programming period, this trend has been maintained and prospective investments will continue to focus on R&I facilities and access to finance for enterprises.

Malta has benefited from Horizon 2020 funding since the programme started in 2014. As of January 2019, 43 participants have been granted a maximum amount of EUR 7.4 million for projects from the Societal Challenges work programmes dealing with environmental issues^{119 120}.

In addition to the abovementioned work programmes, climate and biodiversity expenditure is present across the entire Horizon 2020. In Malta, projects accepted for funding in all Horizon 2020 working programmes until December 2018 included EUR 6 million destined to climate action (28.8 % of the total Horizon 2020 contribution to the country) and EUR 2 million for biodiversity-related actions (9.5 % of the Horizon 2020 contribution to the country)¹²¹.

Malta committed to achieve an ambitious level of 2 % of GDP spending on R&I by 2020. While Public R&D intensity rose from 19% in 2009 to 21% in 2017, business R&D spending is now in decline (40% in 2013 to 2015, 39% in 2016 and 34% in 2017). As a result, Malta is not on track to reach its national R&D intensity target.

Malta was recommended to promote collaboration and knowledge-sharing between science and business to strengthen innovation and to improve the conditions for doing business. Energy efficiency, sustaining the natural water supply, transport and mobility are examples of

¹¹⁸ European Commission, [European Semester country report for Malta 2018](#), p. 15.

¹¹⁹ European Commission [own calculations based on CORDA \(COmmon Research DAta Warehouse\)](#). A maximum grant amount is the maximum grant amount decided by the Commission. It normally corresponds to the requested grant, but it may be lower.

¹²⁰ i.e. (ii) Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bioeconomy; (iii) Secure, clean and efficient energy; (iv) Smart, green and integrated transport; and (v) Climate action, environment, resource efficiency and raw materials.

¹²¹ European Commission [own calculations based on CORDA \(COmmon Research DAta Warehouse\)](#).

environment-related challenges Malta could address through smart management technologies. This was achieved through the following EU-funded projects: the twinning project FOWARIM, a research-capacity building project that aims at optimising the use of water for agriculture, by experts from across Europe sharing innovative approaches to water management with scientists and farmers to help conserve this scarce resource; and the MARIBE project that explores innovative ways to boost the offshore economy in the Atlantic, Baltic, North Sea and Caribbean basins by identifying sectors where shared activities could offer economic and environmental benefits, and proposed match-ups for projects further offshore and the Big Hit project through which researchers are looking at how to overcome grid constraints for renewable energy provision and how to transfer the solutions to other regions.

LIFE programme

Since the launch of the LIFE programme in 1992, total of 21 projects have been co-financed in Malta.

To date, 2 projects are funded in Malta under the LIFE programme 2014-2020¹²², both of which relate to “Conservation & biodiversity”. They both fall under the “Environment” topic. The total budget of the two projects is around EUR 6.4 million, of which EUR 747 930 has been allocated by the EU as of 2018¹²³.

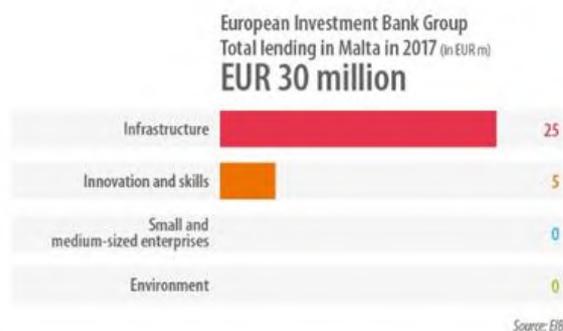
One of these projects taking place in Malta is the LIFE Arcipelagu Garnija, aiming at securing the Maltese islands for the Yelkouan Shearwater *Puffinus yelkouan*¹²⁴.

European Investment Bank

In 2017, the EIB Group (the European Investment Bank and the European Investment Fund) invested EUR 30 million in the Maltese economy.

The SME initiative, a joint financial instrument of the EC and the EIB Group (the European Investment Bank and European Investment Fund) which aims to stimulate SME financing by providing partial risk cover for SME loan portfolios of originating financial institutions, is under way in Malta. Malta’s contribution as part of its European Structural and Investment Funds amounts to EUR 15 million and is expected, together with the resources from the other contributors, to generate more than EUR 60 million of new SME financing over the next few years.

Figure 22: EIB loans to Malta in 2017 ¹²⁵



European Fund for Strategic Investments

One of Europe’s flagship projects to address the low levels of investments following the financial crisis is the European Fund for Strategic Investments (EFSI). The success of EFSI and the need for further investment in Europe has prompted EU legislators to extend EFSI up to 31st December 2020 raising the investment target to EUR 500 billion.

Malta currently ranks 28th in terms of EFSI-related investment triggered, relative to GDP. As of January 2019, total financing under the EFSI in Malta amounts to EUR 11 million and is set to trigger EUR 34 million in additional investments. Malta could benefit from the EFSI to invest more in environmental protection.

National Environmental Funding

Malta spent EUR 101 million on environmental protection in 2016. 60 % of these payments were allocated to waste management activities (the average in the EU is 49.7 %). EUR 22.2 million were allocated to waste water management (22% of total) and EUR 0.8 million to pollution abatement (0.8% of total). 18.2% of environmental expenditure was allocated to protection of biodiversity and landscape (EUR 18.4 million). Between 2012 and 2016, the general government funding for environmental protection added up to EUR 620 million.

¹²² EASME, [LIFE programme 2014-2020 data hub](#).

¹²³ Commission services based on data provided by EASME.

¹²⁴ European Commission, [LIFE Arcipelagu Garnija](#).

¹²⁵ European Investment Bank, [The European Investment Bank in Malta, 2017](#).

5. Strengthening environmental governance

Information, public participation and access to justice

Citizens can more effectively protect the environment if they can rely on the three ‘pillars’ of the Aarhus Convention:

- (i) access to information;
- (ii) public participation in decision making; and
- (iii) access to justice in environmental matters.

It is of crucial importance to public authorities, the public and business that environmental information is shared efficiently and effectively¹²⁶. Public participation allows authorities to make decisions that take public concerns into account. Access to justice is a set of guarantees that allows citizens and NGOs to use national courts to protect the environment¹²⁷. It includes the right to bring legal challenges (‘legal standing’)¹²⁸.

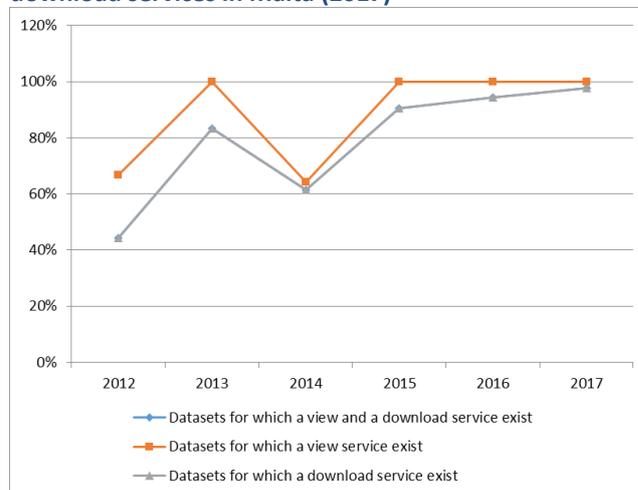
Environmental information

The governance of environmental information for all the datasets for Malta is centralised and published by MITA (Malta Information and Technology Agency)¹²⁹. Malta Spatial Data Infrastructure shares environment-related geospatial datasets for the country. There is also the Planning Authority¹³⁰ that creates and sends base spatial data sets and plays a significant role in handling and publishing mostly non-environmental data. On the content, the user can easily find State of Environment Reports in the main portal and mostly all the information needed for the main policy areas. Usability is adequate and facilities are provided to the user to ease the search function, portals are multilingual and the whole impression for the main investigated sites is satisfactory.

Malta’s performance on implementing the INSPIRE Directive is good. Performance has been reviewed based

on their 2016 implementation report¹³¹ and their most recent monitoring data from 2017¹³².

Figure 23: Access to spatial data through view and download services in Malta (2017)



Public participation

Public participation in environmental matters in Malta is regulated mainly in the Environment Protection Act (Cap 549) as well as in sector-specific legislation and through a number of pieces of subsidiary legislation. The Plans and Programmes (Public Participation) Regulation S.L. 549.41)¹³³ is also of relevance.

Public consultations on environmental permits are made available on the industrial permitting pages of the Environment & Resources Authority (ERA) website¹³⁴, and ongoing public consultations on policies, regulations, plans and programmes on the ‘active public consultations’ page¹³⁵. In addition, the Planning Authority website includes information about planning permissions and plans, including open consultations on policies and plans¹³⁶. All government documents open for public consultation are also published on the Ministry for European Affairs and Equality website¹³⁷.

The Eurobarometer figures from 2017 show that for Malta there is very strong agreement (93 % of respondents) that an individual can play a role in protecting the environment which is slightly lower than 2014.

¹²⁶ The Aarhus Convention, the Access to Environmental Information Directive 2003/4/EC and the INSPIRE Directive 2007/2/EC together create a legal foundation for the sharing of environmental information between public authorities and with the public. This EIR focuses on INSPIRE.

¹²⁷ The guarantees are explained in Commission Notice on access to justice in environmental matters, OJL 275, 18.8.2017 and a related Citizen’s Guide.

¹²⁸ This EIR looks at how well Member States explain access to justice rights to the public, and at legal standing and other major barriers to bringing cases on nature and air pollution.

¹²⁹ MITA, [The Malta Spatial Data Infrastructure portal](#).

¹³⁰ Malta’s Planning Authority, [Geoserver](#).

¹³¹ INSPIRE MT [country sheet](#) 2017.

¹³² INSPIRE [monitoring dashboard](#).

¹³³ Malta’s Justice Services, [Plans And Programmes \(Public Participation\)](#).

¹³⁴ ERA, [Industrial Permitting](#).

¹³⁵ ERA, [Active Public Consultations](#).

¹³⁶ Malta’s Planning Authority, [Consultation](#).

¹³⁷ The Government of Malta, [Public Consultations Online](#).



Access to justice

Significant progress is needed to inform the general public about effective remedies for individuals and environmental associations on access to justice in environmental matters under Maltese and EU law. Succinct information on access to justice is available on the ERA (Environment and Resources Authority) website. It includes also two Guidance Notes on the Aarhus Convention produced in 2008 so much of the information found there is out of date. Therefore, structured and user-friendly online information, available should be ensured by public authorities.

Both individuals and NGOs have access to administrative procedures, although NGOs must be registered as objectors, i.e. they must have registered an objection against a permit. On judicial procedures, there is a general right of access to justice for any *'interested party'* to ask the courts to review the validity of an act by the public sector or the breach of any law. Individuals must prove a direct interest, e.g. by being a registered objector for a planning permit or a consulted/identified stakeholder under the EIA Regulations. NGOs have access to judicial procedures only under EIA and IPPC, and the right of access to information to review a decision. NGOs that promote environmental protection and meet national legal requirements qualify as a person with *'sufficient interest'*. It is not clear whether NGOs will have legal standing to bring legal challenges in nature and air pollution cases.

2019 priority actions

- Improve access to spatial data and services by making stronger linkages between the country INSPIRE portals, identify and document all spatial datasets required to implement environmental law, and make the data and documentation at least accessible *'as is'* to other public authorities and the public through the digital services envisaged in the INSPIRE Directive.
- Better inform the public about their access to justice rights, notably on air pollution and nature and ensure that there is legal standing for environmental

NGOs to bring legal challenges on air pollution and nature.

Compliance assurance

Environmental compliance assurance covers all the work undertaken by public authorities to ensure that industries, farmers and others fulfil their obligations to protect water, air and nature, and manage waste¹³⁸. It includes support measures provided by the authorities, such as:

- (i) compliance promotion¹³⁹;
- (ii) inspections and other checks that they carry out, i.e. compliance monitoring¹⁴⁰; and
- (iii) the steps that they take to stop breaches, impose sanctions and require damage to be remedied, i.e. enforcement¹⁴¹.

Citizen science and complaints enable authorities to focus their efforts better. Environmental liability¹⁴² ensures that the polluter pays to remedy any damage.

Compliance promotion and monitoring

The quality of online information to farmers on how to comply with obligations on nitrates and nature is an indicator of how actively authorities promote compliance in areas with serious implementation gaps. Official websites in Malta provide some useful information for farmers in relation to fertilizer traceability, nutrient management plans, record keeping¹⁴³, etc. Whilst this information is relatively easy to access, it does not seem to provide detailed explicit information on concrete farmer obligation and how to comply with them.

Major industrial installations present serious pollution risks. Public authorities are required to have plans to inspect them and to make individual inspection reports available to the public¹⁴⁴. However, except some data on number of inspections carried out¹⁴⁵, information about such plans and reports is missing from official websites in Malta.

Citizen science and complaint handling

¹³⁸ The concept is explained in detail in the Communication on 'EU actions to improve environmental compliance and governance' [COM\(2018\)10](#) and the related Commission Staff Working Document, [SWD\(2018\)10](#).

¹³⁹ This EIR focuses on the help given to farmers to comply with nature and nitrates legislation.

¹⁴⁰ This EIR focuses on inspections of major industrial installations.

¹⁴¹ This EIR focuses on the availability of enforcement data and coordination between authorities to tackle environmental crime.

¹⁴² [The Environmental Liability Directive 2004/35/EC](#), creates the framework.

¹⁴³ The Government of Malta, [Record keeping pertinent to the Nitrates Directive](#); [Nature Permits](#).

¹⁴⁴ Article 23, [Industrial Emissions Directive, 2010/75/EU](#).

¹⁴⁵ [ERA, Annual Report 2016](#), p28.

Engagement of citizens, including through citizen science, can deepen knowledge about the environment and help the authorities in their work. The added value of citizen engagement, use of citizen science¹⁴⁶ and earth observation¹⁴⁷ tools for environmental (compliance) monitoring is well recognised in Malta. The availability of clear online information about how to make a complaint is an indicator of how responsive authorities are to complaints from the public. The ERA website includes a general ‘Enquiries’ link¹⁴⁸ with an email address and phone numbers for people to ask for further information or submit a query¹⁴⁹. This includes a phone number to report environmental emergencies even after office hours. The MSDEC website includes a link on the homepage to the Servizz website, which is an online guide to government services¹⁵⁰. This includes an option to file a complaint¹⁵¹ via a generic online form. There does not appear to be any specific separate route for filing a complaint about environmental nuisance or damage.

Enforcement

When monitoring identifies problems, a range of responses may be appropriate. Detailed officially published information is missing for Malta on the issue of warnings, sanctions and compliance after follow-up measures and enforcement action has been taken¹⁵². According to some online available literature, the use of criminal and administrative sanctions for environmental crime is very limited in Malta¹⁵³. From information available to the Commission, measures have been taken to strengthen enforcement such as special police forces to enforce hunting and trapping derogations. However, the number of complaints reporting illegalities questions the effectiveness of the resource allocation. Information on responses to cross-compliance breaches on nitrates and nature is also lacking.

Tackling waste, wildlife and other environmental crimes is especially challenging and requires close cooperation and coordination arrangements between inspectors, customs authorities, police and prosecutors. No relevant

publicly available information has been found on official websites in Malta¹⁵⁴.

Environmental liability

The Environmental Liability Directive (ELD) establishes a framework based on the ‘polluter pays’ principle to prevent and remedy environmental damage. The 2017 EIR focused on gathering better information on environmental damage, on financial security and on establishing guidance. The Commission is still collecting evidence on the progress made.

2019 priority actions

- Better inform the public about compliance promotion, monitoring and enforcement. As a minimum this should involve providing more online information to farmers about how to comply with obligations on nitrates and nature.
- Similarly, it should involve publishing more online information on inspection plans and reports on industrial inspections, publishing information on outcomes of enforcement action and of the follow-up to detected cross-compliance breaches on nitrates and nature.
- Ensure more information on how professionals dealing with environmental crime work together.
- Improve financial security for liabilities and ELD-guidance and publish information on environmental damage.

Effectiveness of environmental administrations

Those involved in implementing environmental legislation at EU, national, regional and local levels need to have the knowledge, tools and capacity to ensure that the legislation and the governance of the enforcement process bring about the intended benefits.

Administrative capacity and quality

According to the 2016 ERA Annual Report, the number of staff almost doubled by the end of 2016, to 161 in total up to 190 by June 2018. This included increasing the number of staff in the Permitting Unit to help address a backlog of cases¹⁵⁵, with additional increases envisaged by 2019.

Since there are no specific environmental courts, there is no data on judges that specialise in environmental cases.

¹⁴⁶ For example, the ERA website refers to a [successful marine litter clean up initiative](#) organised by Let’s Do It Malta in association with MEPA and involving over 1 000 volunteers in the Maltese Islands.

¹⁴⁷ Times of Malta (2016), [Malta to form part of European earth monitoring system](#), Thursday 10 November 2016,

¹⁴⁸ ERA, [Enquiries](#).

¹⁴⁹ ERA, the e-mail address info@era.org.mt can be used when the public wishes to report an illegality or infringement or a complaint, [Enquiries](#).

¹⁵⁰ The full name of the website is servizz.gov.mt.

¹⁵¹ The Government of Malta, [file a complaint](#).

¹⁵² The ‘environment enforcement’ page of the MSDEC¹⁵² is only accessible using a login (which Maltese citizens can apply for).

¹⁵³ GhSL Online Law Journal, [environmental crimes reference to Malta](#)

¹⁵⁴ However, Malta indicates that regular cooperation and coordination take place in practice between Customs, ERA, Police, Plant Health, in particular in relation to the CITES Regulation.

¹⁵⁵ Environment & Resources Authority, (2018), Annual Report 2016, p. 25.

In an effort to enshrine environmental protection in the Constitution, in March 2018, the Maltese Environment Minister proposed a constitutional amendment to introduce a ‘strong moral and political obligation’ for the government to favour policy to preserve the environment for future generations. The Bill would flesh out Article 9 of the Constitution to read: ‘The State shall protect the environment for the benefit of present and future generations and shall take measures to address the problem of pollution and any other form of environmental degradation in Malta, and to promote the right of action in favour of the environment.’ If the Bill is adopted, the Maltese government intends to work to create an environmental court to be tasked with deciding legal matters related to the environment¹⁵⁶.

Coordination and integration

As mentioned in the 2017 EIR Report, the transposition of the revised EIA Directive¹⁵⁷ provides an opportunity to streamline the regulatory framework on environmental assessments. Despite a delay in full transposition in relation to the deadline (May 2017), Malta has transposed the revised Directive.

The Commission encourages the streamlining of the environmental assessments in order to reduce duplication and avoid overlaps in environmental assessments applicable to projects. Moreover, streamlining helps reducing unnecessary administrative burden and accelerates decision-making, without compromising the quality of the environmental assessment procedure.¹⁵⁸ Malta has introduced coordination of environmental assessments under EIA and Habitats Directives.

The demerger of the former Malta Environment and Planning Authority (MEPA) in two distinct, namely the Environment and Resources Authority (ERA) and the Planning Authority was meant, notably, to facilitate the integration and mainstreaming of environmental management and policy across Government and society. In the light of the growing pressure on land from building development in Malta, coordination and integration of policies is all the more important to avoid and reduce adverse environmental impacts and to integrate environmental considerations in development planning

decisions and related follow-ups. In that respect, the issuing by ERA of Terms of Reference for the preparation of Method Statements and Operating Procedures to guide applicants, architects, developers, contractors, consultants and other responsible persons or entities during construction works and other site interventions, to avoid and mitigate environmental impacts is useful.

Adaptability, reform dynamics and innovation (eGovernment)

Overall, Malta ranks 12th in Digital Public Services¹⁵⁹, above the EU average, but the indicators in this index show a mixed picture.

Malta is a European leader on the supply of government services for citizens. It ranks first on the re-use of information across administrations to make life easier for citizens (pre-filled forms) as well as on the sophistication of services (online service completion), where it has the maximum score¹⁶⁰. In the DESI Report 2018, Malta had a score of 62 out of 100 on digital public services, higher than the EU average of 58¹⁶¹. However, the use of eGovernment and eHealth by citizens as well as Open data is below the EU average.

In 2017, Malta continued to improve the digital public service user experience. As part of the mobile government strategy, the first wave of applications has been launched focusing on extending and complementing the existing communication channels between the government and citizens, targeting a variety of services, such as taxation, customs, health and environmental services¹⁶².

Malta is developing a national data strategy. As part of the strategy, the National Data Infrastructure will be set up to ensure that the once-only principle will be implemented at national level.

The continuous improvements in digital public services are key to ensure that more and more citizens and companies benefit from eGovernment.

Enabling financing and effective use of funds

Malta utilised fully the EUR 987 million allocation for the 2007-2013 period. As previously mentioned in Section 4, 25% of this amount was devoted to environmental

¹⁵⁶ Malta Today, [Government presents motion to entrench Constitutional protection of environment](#).

¹⁵⁷ [Directive 2014/52/EU](#) of the European Parliament and of the Council of 16 April 2014 amending [Directive 2011/92/EU](#) on the assessment of the effects of certain public and private projects on the environment.

¹⁵⁸ The Commission issued a guidance document in 2016 regarding the setting up of coordinated and/or joint procedures that are simultaneously subject to assessments under the EIA Directive, Habitats Directive, Water Framework Directive, and the Industrial Emissions Directive, OJ C 273, 27.7.2016, p. 1.

¹⁵⁹ European Commission (2017), *Europe's Digital Progress Report (EDPR) 2017 Country Profile Malta*.

¹⁶⁰ European Commission, Digital Economy and Society Index 2018, [Country Profile Malta](#).

¹⁶¹ European Commission, [Digital Economy and Society Index Report 2018, Digital Public Services](#).

¹⁶² Malta Information Technology Agency has also contributed with the launch of ‘Maltapps to enhance the visibility and access of Government mServices and improving public service user experience.

investments, although the initial planned allocation was 35 %.

The analysis of the implementation per Fund presented by Malta in its 2017 annual implementation report for ESIF shows that at the end of 2017, in terms of commitments, 50%, or EUR 358 million, of the Programme was committed¹⁶³. In terms of contracting, the amounts are still low given that by the end of the year in review, many projects were still at their very initial stages of implementation. In fact, by end 2017, EUR 107 million or 30% of the committed programme allocation was contracted. It is stated that the initial slow financial progress is not new and has already been experienced in previous programming periods. In that respect, it is explained the country's size, both in terms of market size but also in terms of the size of the administration, can have a significant impact on the speed of the implementation of an Operational Programme.

In terms of enabling financing and the absorption of funds, it appears the MSDEC hosted a LIFE information session in Malta in May 2018 to provide information on the 2018 LIFE calls, guidance on how to submit an e-Proposal and to offer potential applicants an opportunity to ask questions. The MSDEC website also includes information on an Environmental Funding Support Scheme for Voluntary Organisations¹⁶⁴, although the latest information (e.g. funding guidelines and application form) date from 2016.

The Malta Council for the Voluntary Sector website¹⁶⁵ includes information on both EU and local funding opportunities relevant to the voluntary/NGO sector. This includes the results of the 2017 round of funding under the Environmental Funding Support Scheme for Voluntary Organisations¹⁶⁶.

2019 priority actions

- Further improve overall environmental governance (such as transparency, citizen engagement, compliance and enforcement, as well as administrative capacity and coordination).
- In particular, strengthen environmental enforcement overall, notably by ensuring that the Environment and Resources Authority has operative remit to effectively avoid and reduce adverse environmental impacts and to integrate environmental

considerations notably in development planning decisions and related follow-ups.

- There should be clear and transparent processes for the authorisation of permits, facilities and activities that have impact on the environment.

International agreements

The EU Treaties require the EU environmental policy to promote measures at international level to deal with regional or worldwide environmental problems.

The EU is committed to strengthening environmental law and its implementation globally. It therefore continues to support the Global Pact for the Environment process, which was launched by the United Nations General Assembly in May 2018¹⁶⁷. The EIR is one of the tools to ensure that the Member States set a good example by respecting European Union environmental policies and laws and international agreements.

Malta has signed but not yet ratified the Offshore Protocol of the Barcelona Convention and the Protocol on Integrated Coastal Zone Management.

Neither has it signed or ratified three agreements under the Convention on Long-range Transboundary Air Pollution: the Gothenburg Protocol to Abate Acidification, Eutrophication and Ground-level Ozone; the Persistent Organic Pollutions Protocol and the Heavy Metals Protocol. The same applies to Protocol on SEA to Espoo Convention, the Helsinki Convention on Industrial Accidents, the African-Eurasian Migratory Waterbird Agreement, the Kiev Protocol on Pollutant Release and Transfer Registers, the Helsinki Convention Watercourses and Lakes and the International Convention for the Regulation of Whaling.

Forests: EU Timber Regulation (EUTR)¹⁶⁸/ Forest Law Enforcement, Governance and Trade (FLEGT) Regulation¹⁶⁹

Under the European Timber Trade Regulation (EUTR) which prohibits the placing on the EU market of illegally harvested timber, national competent authorities must conduct regular checks on operators and traders, and apply penalties in case of non-compliance.

Between March 2015 and February 2017, Malta did not plan nor perform checks on operators for domestic timber, reporting they have no operators for domestic timber. However, nine checks were conducted on operators importing timber. It is estimated that there are

¹⁶³ Fostering a competitive and sustainable economy to meet our challenges, annual implementation report, 25.5.2018, p. 5.

¹⁶⁴ Ministry for Sustainable Development, [the Environment and Climate Change, Environmental Funding – Support Scheme for Voluntary Organisations](#).

¹⁶⁵ Malta Council for the Voluntary Sector, [Funding Opportunities](#).

¹⁶⁶ Malta Council for the Voluntary Sector, (2017), [Projects Ranking Call 2017](#).

¹⁶⁷ [UN General Assembly Resolution 72/277](#) and [Organizational session of the ad hoc open-ended working group](#).

¹⁶⁸ [Regulation \(EU\) No 995/2010](#).

¹⁶⁹ [Regulation \(EC\) No 2173/2005](#).

750 operators importing timber to Malta. Malta has not yet issued penalties nor taken enforcement actions against operators who have infringed their legal obligations under the EUTR.

On cooperation (Article 12 of the EUTR), Malta reported cooperating with multiple unspecified competent authorities by exchanging information and technical support. Malta has also been involved in building up a regional network for Mediterranean countries.

In that respect, experts from the EUTR competent authority participated in a TAIEX-EIR PEER-to-PEER workshop in order to strengthen cooperation among the competent authorities from eight Mediterranean EU Member States, including Malta, so as to improve and harmonise implementation of the EUTR in the Mediterranean region. Experts from the Netherlands and Denmark shared their experiences from the Nordic-Baltic Network of EUTR competent authorities.

Genetic resources: Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising (ABS)¹⁷⁰

In accordance with the EU ABS Regulation, which transposes into the EU legal order the required compliance measures under the Nagoya Protocol, Malta has designated competent authorities and enacted sanctions for infringements of the EU ABS Regulation. No due diligence declaration has so far been submitted and no penalties have been applied. Malta has submitted their first report to the Commission on the implementation of the EU ABS Regulation (end of 2017).

International wildlife trade: the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)¹⁷¹

Pursuant to the obligations laid down in the Basic Regulation¹⁷², transposing the major obligations stemming from the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) into EU law, Malta has established relevant national authorities and is processing (requests for) import, (re-) export and intra-EU trade documents on a regular basis.

Reports on seizures of illegal shipments, in particular those reported every six months to TRAFFIC under its contract with the Directorate-General for Environment of the European Commission and those exchanged through the EU-TWIX platform, testify to the activity of customs authorities.

2019 priority action

- Become party to relevant multilateral environmental agreements by signing and ratifying the remaining agreements.

Sustainable development and the implementation of the UN SDGs

Sustainable development links environmental, social and economic policies in a coherent framework and therefore helps to implement environmental legislation and policies.

According to the Maltese government, the concept of sustainable development is at the heart of Malta's economic, social and environmental development. Malta has also embraced the 2030 Agenda. The government is currently drafting Vision 2050, a document that will provide guidelines on long-term sustainable development in Malta, while integrating the 2030 Agenda by mainstreaming sustainable development at all levels of government.

In 2018, Malta submitted its voluntary national review (VRN) on the implementation of the UN SDGs. The VNR states that SDG ownership is being increased through a 'whole-of-government approach'.

The National Platform of Maltese NGOs (SKOP) is working to increase awareness and establish communication between local NGOs and the public sector on development-related issues.

In a 2017 report¹⁷³, Malta ranked 22nd out of 157 countries for its achievements towards the UN SDGs. Significant environment-related challenges identified in the report relate to:

- SDG 6: Freshwater withdrawal and imported groundwater depletion.
- SDG 7: CO₂ emissions from fuel combustion / electricity output.
- SDG 11: Particulate matter.
- SDG 12: Municipal solid waste generation, net imported SO₂ emissions, reactive nitrogen production footprint.
- SDG 15: Red List Index of species survival.

Major challenges relate to:

- SDG 12: E-waste generation, production based SO₂ emissions, net imported emissions of reactive nitrogen.
- SDG 13: Energy-related CO₂ emissions.
- SDG 14: Clean marine waters, fisheries ocean health.

¹⁷⁰ [Regulation \(EU\) No 511/2014](#).

¹⁷¹ [The Convention on International Trade in Endangered Species of Wild Fauna and Flora \(CITES\)](#).

¹⁷² Council [Regulation \(EC\) No 338/97](#).

¹⁷³ Bertelsmann Stiftung and Sustainable Development Solutions Network (2017), [SDG Index and Dashboards Report 2017](#).