Making Malta a Centre of Maritime Excellence

The waves that shape us make us stronger.
Contents

1. Political Vision ............................................................................. 5

2. An overview of the Maltese Maritime and Marine ...................... 7

3. The Maltese Archipelago and the Mediterranean Sea ............... 11

4. Establishing the ideal business environment for Blue Economy and Blue Jobs ......................................................... 15

5. Challenges .................................................................................. 25

6. Listening, Understanding and Implementing ............................. 27
1. Political Vision

From the beginning of this administration, in 2013, the Government has been committed to developing Malta’s maritime potential. Malta depends on the sea that surrounds it for food, freshwater, a stable climate, transport, recreation and its livelihood. That is why the Government set up the National Integrated Maritime Strategy Committee in July 2013 with experts in the various fields of the marine and maritime sectors. The objective was to review principles and performance.

We have now reached the stage of launching a consultation process across a wider field including private stakeholders and the general public. The consultation is to elicit opinions on the specific measures being considered for inclusion in the Policy and create the foundations of the subsequent strategic plan. At the heart of it all is the environment. Protection of the seas that surround us is vital for sustainable growth. A healthy sea provides for food, employment and economic growth. A safe sea provides for efficient and environmentally-friendly maritime transport.

All these considerations have to be evaluated within a global context. The global challenges as a result of the recent financial crisis and climate change have been further accentuated with political instability in the Mediterranean region and add to the myriad of intricacies that can only be resolved through a holistic and integrated approach towards an integrated maritime policy and strategy.

Nonetheless, we are committed to the development of the National Integrated Maritime Policy as the vehicle that can lead to sustainable growth in marine and maritime sectors. Malta has a wealth of knowledge in human capital which we can tap and promote. There are several prominent Maltese individuals who have made and are making their mark internationally.

In this consultation process we need to draw on this knowledge so that policies and legislation are updated to create opportunities for the private sector to invest and grow further. This Government is committed to being a national focal point for maritime affairs, both to facilitate sustainable investment and to promote the sector internationally. This Government is committed to creating the necessary stimulus so as to truly make Malta – A Maritime Centre of Excellence.

I am inspired by the sea that surrounds us and believe that the opportunities of the Mediterranean provide us with the prospect of generating a Maritime based economy, increasing economic growth and employment.

Dr José Herrera
Parliamentary Secretary for Competitiveness
2. An overview of the Maltese Maritime and Marine

Marine and Maritime activities have long provided great economic value to our societal well being. In a recent study it was determined that 15.4% of Malta’s economy was dependent on the marine environment. This compares favourably to the 3-5% of the EU’s GDP. This is not surprising considering that Malta is a small island in the middle of the Mediterranean. As a result of Malta’s small land area, the dependence on marine environment has always been significant.

With the prospects and opportunities of industrial exploitation of the sea around us comes the concern of environmental hazards as a result of accidents that may occur with increased shipping activities and waste discharges into our seas. Malta has invested heavily over the years to maintain clean seas and it is no coincidence that we have some of the cleanest waters along the Mediterranean coasts. Such a condition is of paramount importance; Malta uses the sea as an important source of potable water. It accounts for 60% of our drinking water. Furthermore, coastal tourism is a major contributor to the national economy. In the blue economy clean beaches and seas are basic requirements.

However, the blue economy goes beyond coastal tourism and, during the past few decades, there was a decline in certain maritime sectors especially in ship building and repair, while other areas, such as aquaculture, have not grown to their full potential. It is now ripe to review our position in the marine and maritime economic sectors as we look at opportunities for growth and job creation.

It is vital for Malta to regain or maintain competitiveness in all the various fields of marine and maritime economy. In an attempt to achieve such an ambitious goal we shall strive to build in Malta centres of excellence in different maritime areas. This requires talent, dedication and passion.
Our Vision

Our vision is for Malta to be a centre for Maritime Excellence, with a programme of Maritime Initiatives that value and balance:

- Economic growth;
- Employment, social cohesion and quality of life; and
- Respect, protection and maintenance of:
  - Natural and cultural heritage, and
  - Marine Environment.

Strategy & Goals

The general strategy for achieving this aspiration is captured in two words: *focus and connectivity.*

i. Focus on strong or potentially strong initiatives that are strategically important to the island and maintain areas of excellence within *each* of these initiatives. In other words, create and maintain leadership across all of the broad areas but to do so selectively and strategically within each.

ii. Build greater connectivity among the diverse entities, departments and private industry by developing new integrations, boundary-crossing structures, and productive synergies. Greater connectivity implies that it will be easy for initiatives to be developed across inter-governmental boundaries, making such boundaries as permeable and seamless as possible.

Promote and coordinate efforts in Research and Innovation within the Maritime and Marine economic areas.
3. The Maltese Archipelago and the Mediterranean Sea

a. The Maltese Archipelago

Malta’s identity is steeped in maritime heritage. Being a small island state situated in the middle of the Mediterranean Sea at the crossroads of three continents, Malta has relied on the sea for its survival for millennia. Throughout history, the sea has shaped its culture and economy drastically and has made the Maltese a seafaring people. The sea has been a source of food, communication, transport, trade, defence and recreation since the day man first set foot on the island, and has come to define an entire nation. The vital importance the maritime sector still holds today is undeniable.

Malta is a southern European country in the Mediterranean Sea whose geography is dominated by water. It lies 80 km south of Sicily, 284 km east of Tunisia and 333 km north of Libya. The country covers just over 316 km², making it one of the world’s smallest and most densely populated countries with an estimated population in 2011 of 416,000 persons and an approximate density of 1,562 persons/km².

The inherent nature and landscape of the Maltese Archipelago are heavily influenced and shaped by the sea. This consists of six small islands that offer priceless natural scenes and are home to a variety of biodiversity. The landscape of the islands is characterised by high hills with terraced fields with numerous bays along the indented coastline. The formation of the coast also provides ideal locations for the establishment of harbours. These features have helped shape the history of the Archipelago.

Malta’s location made it perfect for its establishment as a naval base. This has given it great strategic importance throughout history, and a succession of powers, including the Phoenicians, Romans, Arabic, Normans, Aragonese, Habsburg Spanish, Knights of St. John, the French and the British ruled the islands using their harbours as safe-havens. Indeed, Malta has been a prized territory of all the dominant naval powers. Considering the strategic geographic position of the Maltese Islands, at the confluence of the major sea lanes linking Europe, North Africa and the Middle East, it comes as no surprise that Malta has, throughout the ages, been at the centre of maritime activity in the Mediterranean. Its geographical position places it a mere 6 nautical miles off the main Mediterranean sea-route between Gibraltar and the Suez Canal.

Maritime activity centres on the main Maltese ports, Valletta (Grand Harbour), Cirkewwa Port, Mgarr (Gozo) port and Marsaxlokk (FreePort), although a number of other small ports occasionally host ships on international voyages. The Grand Harbour of Valletta is one of the most spectacular natural deep water harbours in the Mediterranean and welcomes several passenger cruise liners on a yearly basis. The other port, of Marsaxlokk, consists of a large container terminal and modern industrial storage facilities. It is the main import-export hub of the islands.

It is estimated that Malta’s maritime cluster contributes to the employment of more than 20,000 people, with a value added benefit to the national GDP of Malta of approximately 11%. The growth
projections for this sector are very positive and it is expected that the maritime sector will soon make up in excess of 14% of Malta’s total GDP. The traditional sectors, namely the tourism, fishing and ship-register activities, will continue to flourish; however it is also expected that new areas, such as R&I and biotechnology, will persist in rapid growth over the coming years.

b. **The Mediterranean Sea**

The Mediterranean Sea borders Southern Europe, North Africa and Western Asia and is home to various diverse cultures, customs and traditions. It is estimated that 450 million people live around the Mediterranean. It represents one of the most important geopolitical regions globally. Throughout the ages it has witnessed the rise and fall of numerous political and economic powers, all having flourished through their abilities to utilise the great resource that is the sea. Yet, only 16% of the Sea is territorial waters, 31% constitutes different maritime zones, leaving 53% of the Sea outside any single State’s jurisdiction.

The Mediterranean Sea is a major route of trade and commerce and generates a significant number of jobs and provides the livelihood of so many households. It is estimated that 220,000 merchant vessels of more than 100 tonnes cross the Mediterranean Sea each year, about one third of the world’s total merchant shipping. It is one of the main tourist destinations in the world, with its borders teeming with historical, cultural and environmental heritage sites. Fishing plays a significant part in the lifestyle of the surrounding countries and is a main source of income to the region, and aquaculture is rapidly expanding along the coasts.
The Mediterranean Sea is also home to numerous oil and gas exploration sites, and although extracts less petroleum and related commodities than certain other regions it is still an important player in the global market.

The Mediterranean Sea is fast becoming a centre for research and innovation in the areas of renewable energy, health, medicine and bio-technology. There is great potential for the creation of new blue jobs. However, there is a need for further cooperation between all nations involved and increased investment because some sectors require fiscal injections to stimulate growth. A return to stability within the region will further increase the growth potential of the area and the economic recovery of various states will be a positive augur for the bloc as a whole.
4. Establishing the ideal business environment for Blue Economy and Blue Jobs

a. An Integrated Maritime Policy

The current outlook and approach towards the marine and maritime sector is still very fragmented and disjointed, which means that the full potential is not being exploited. This calls for a more unified approach and the implementation of a national far-reaching policy that takes into consideration the various areas in the sector and attempts to achieve a harmonised setting, enabling the sector to flourish. The ultimate goal is to transform Malta into a maritime hub of excellence, through the creation of blue jobs leading to a better performing economy. The policy aims at promoting coordination and mutual reliance between stakeholders and generating an environment conducive to sustainable growth. Ultimately, this exercise will pave the way for the development of the National Integrated Maritime Policy and other cross-sectional policies and necessary legislations.

b. EU Perspective

In October 2007, the European Union launched the Integrated European Maritime Policy. This integrated and innovative policy was developed as a result of a year long consultation exercise, following the launch of the discussion document “Towards a future Maritime Policy for the Union: European vision for the Oceans and Sea – The EU Maritime Green Paper” in June 2006. The policy encompasses all elements of marine activity and provides for a holistic and integrated approach to address economic and sustainable development on a European Union wide basis. The policy covered:

- marine transport;
- the competitiveness of marine businesses;
- employment in the marine sectors;
- scientific research; and
- protection of the marine environment.

On 13 September 2012, the European Commission adopted a communication on Blue Growth, identifying five areas in which additional effort at EU level could stimulate long-term growth and jobs in the blue economy. These areas are:

- Blue Energy;
- Aquaculture;
- Maritime, coastal and cruise tourism;
- Marine mineral resources; and
- Blue biotechnology.

The communication also dwells upon the concept of Blue Economy, and highlights EU policies designed to reinforce the efforts of Member States and regions in support of blue economy.
The Commission contends that marine and maritime economic activities, also referred to as blue economy, have the propensity to help Europe’s economic recovery. This can be achieved if current obstacles are removed and initiatives to boost new sectors are undertaken. To-date, the EU’s blue economy represents 5.4 million jobs and a gross added value of approximately €500 billion a year. Blue economy also represents the maritime dimension of the Europe 2020 strategy. It can contribute to the EU’s international competitiveness, resource efficiency, job creation and new sources of growth whilst safeguarding biodiversity and protecting the marine environment. The Commission is projecting that by 2020, EU blue economy’s contribution would increase to €600 billion a year and providing some 7 million jobs. These targets could be achieved through promoting marine research and innovation, supporting innovative SMEs, a trained and skilled labour force, and encouraging innovative products and solutions. The blue economy needs to be sustainable and to respect potential environmental concerns.

c. Maltese Perspective

It is recognised that the private sector is an important element for economic growth. Thus, the State is committed to develop a business-friendly governance, policy and planning environment. In fact, reaching this objective is possible, through the development of the National Integrated Maritime Policy that will bring coherent and integrated cross-government planning and delivery in line with the European perspective and aligned to Malta’s particular geographical and economic position.

d. International Perspective

Malta’s seas are bordered with other EU countries mainly Italy to the North and neighbouring North African States to the South with Libya and Tunisia. Malta cooperates closely with the three neighbours on maritime affairs. To establish the opportunities that may arise from the Integrated Maritime Policy it is essential to define our maritime zones under international law. Such action will bring both rights and obligations; rights to exploit the resources contained therein and obligations towards environmental protection and security. Malta is a party to the United Nations Convention on Law of the Sea (UNCLOS). This convention is the cornerstone of the law of the sea. Malta has the 12nm Territorial Sea and the 24nm Contiguous Zone commonly known as the Fishing Zone. Malta has recently amended its legislation on the Continental Shelf and whilst progress is being made on the Exclusive Economic Zone. Determination of such zones is essential for both the policy and strategy that will emerge. Potentially these zones can contain the highest assets for Malta although they also have high economic impact on safety of navigation and vessel source pollution, fisheries, maritime surveillance and security, environmental protection and marine preservation areas, exploitation of non-living resources, dumping and laying of cables and pipelines.

e. Economic, Monetary and Social Perspective

There is clear scope for the oceans, seas and coasts to unlock new sustainable sources of growth, which will not only translate into economic and monetary gains but will also have a positive impact on the social aspect. Governments must be capable of channelling maritime activities into industrial
applications and ensuring that they ultimately benefit society. The concept of ‘blue jobs’ signifies employment opportunities arising from sustainable growth.

Blue job opportunities spread over a wide range of activities and require diverse skills, knowledge and expertise. The marine and maritime sector is at the forefront of the technological arena and offers a variety of jobs in the research, innovation and development aspects of the field. The potential of the sector to provide high value-added opportunities are undeniable and the prospects of this sector improving the living standards of coastal regions, in particular are very high.

**Malta as a Maritime Centre of Excellence & Opportunities Therein**

“The new Government knows that Malta has the potential to be an excellent leading maritime centre in the Mediterranean. Our geographical position, ports and our traditional culture shall serve as a strong base on which we can build. The Government continues to build on the good choices that were made, while taking the lead to attract more investment in the private sector.”

A review of the outcomes from the meetings held between the various stakeholders that form part of National Integrated Maritime Strategy Committee, and in line with the EU perspective of Blue Growth and Blue Economy, the principle focus areas emerge so as to cater specifically to Malta’s needs and targets of potential strength.

---

4 Government Electoral Manifesto – Chapter 2 Initiative 40 – Making Malta a Centre of Maritime Excellence
Blue Growth Areas:

Aquaculture – The Farming of finfish, shellfish & aquatic plants

This industry has shown great growth potential in the past and further exploitation may be possible by improving access to space and water, development of technical knowledge to promote the competitive advantage in relation to the potential health and environmental standards and reducing administrative burdens. Aquaculture has developed in Malta with mixed results. It has provided jobs and economic gains, but has been often criticised for the environmental impact. This sector is identified as one with potential growth that needs to be driven with environmental considerations.

The government-owned Malta Aquaculture Research Centre has been spearheading R&D during the past two decades. Malta is at the forefront of research in amberjack, which is considered to have excellent potential for aquaculture. The commercial feasibility of the centre, together with further studies on different finfish species as well as the potential of shellfish and aquatic plants will be studied further, with the aim of capitalising on expertise in order for Malta to differentiate itself from the mass production of other commonly found species. This will be within the context of the national strategy on aquaculture and fisheries.5

Coastal Tourism

Coastal tourism covers beach-based recreation and tourism (e.g. swimming, surfing, sun bathing), and non-beach related land-based tourism in the coastal area (all other tourism and recreation activities that take place in the coastal area for which the proximity of the sea is a condition), as well as the supplies and manufacturing industries associated to these activities. This area is being well managed by Malta Tourism Association under the Ministry of Tourism. Beaches remain a very important element for tourism in Malta. It is therefore important that beaches are protected, well managed and developments which may result in the depletion of beaches be carefully considered. The Maltese coast characterises the Island as a tourist destination. The concepts of integrated coastal management should be adopted in the formulation of the national integrated maritime strategy in order to conserve this asset which makes Malta so attractive to foreign visitors. These should also be coupled with the upgrading, protection and proper management of coastal areas across the country.

Coastal Tourism is different in definition from Marine Tourism that covers tourism that is largely water-based rather than land-based (e.g. boating, yachting, cruising, nautical sports), and includes the operation of landside facilities, manufacturing of equipment, and services necessary for this segment of tourism6. The quality of Malta’s bathing waters has reached a level of excellence and it is vital for this to be maintained for Malta to continue offering a positive bathing experience. Diving activities account for at least 5% of Malta’s tourism activity. Diving sites around Malta and Gozo are a priority. Protection of such sites both from an environmental and ecological perspective as

5 Government Electoral Programme – Chapter 2 Initiative 135 – National Strategy for Aquaculture and Fisheries
6 Government Electoral Programme – Chapter 2 Initiatives 43 & 44 – Port Regeneration & Extension of Marinas
well as the underwater heritage\(^7\) will increase the attractiveness of the Tourism product.

**Marine biotechnology**

Marine life has adapted to thrive in the extreme ambient conditions found in the sea. Blue biotechnology is concerned with the exploration and exploitation of the resulting diverse marine organisms in order to develop new products. This sector is in its infancy in Malta with very little research and innovation. From an EU perspective it is also in its infancy with only €9.0m of value. However funds are being made available for this sector to explore the sea biodiversity that would lead to the development of new pharmaceuticals or industrial enzymes that could withstand extreme conditions, and which consequently would have high economic value. In the long term, it is expected that the sector will offer high-skilled employment and significant downstream opportunities.

**Ocean energy**

This is another emerging sector focusing on renewables and carbon emission reductions\(^8\). It includes both offshore wind and ocean energy. This section contributes to the EU2020 Strategy offering both research funds for projects that may result in large investments and the creation of new high quality jobs. Development in Ocean Energy may lead to utilisation of shipbuilding, mechanical,}

---

\(^7\) Government Electoral Programme – Chapter 2 Initiative 109 – sea Heritage Trail

\(^8\) Government Electoral Programme – Chapter 4 Initiative 26 – Policy for Green Energy
electrical and maritime engineering skills and professions. Research Initiatives in this area are already in hand such as the wave farm that is being proposed in the North-West of Gozo. More can be done by working closely with the Malta Council for Science and Technology as well as the higher educational institutions: The University of Malta and MCAST.

Seabed mining

Seabed mining is concerned with marine non-energy materials. Currently there is no activity in this area in Malta and any information rests with the Continental Shelf Department within the Ministry of Transport and Infrastructure.

Besides these five blue growth sectors identified by the EU there are other sectors in the blue economy crucial for value, jobs and potential growth.

Maritime Transport

Maritime transport deals with both cargo and passenger transport. Maritime transport has been a catalyst of economic development and prosperity throughout our history. It ensures the security of supply of energy, food and commodities and is the main vehicle for imports and exports. This is further accentuated by our Freeport operations that offer one of the main container trans-shipment hubs in the Mediterranean. Today the Freeport Terminals is handling close to 3.0million TEUs and is reaching riskily close to full capacity. Development of the Freeport as well as their effective management will increase value and jobs. Enabling the Freeport Corporation to expand operations beyond its current scope9 and footprint is under consideration. Considerations that will also review the alternatives
to the current operations with a view of increase the competitiveness.

Transhipment of petroleum products is undoubtedly another economic activity deserving recognition and promotion. Petroleum product transhipment takes place at different berths in the port of Marsaxlokk. The jetties can handle vessels with a deadweight of 2500 to approximately 100,000 tonnes. The strategic position of Malta has historically played a vital role in attracting international traders to make use of the storage and handling facilities situated in Malta, including Oiltanking. In simpler terms, various international traders benefit from using Malta as their transhipment hub to supply their customers with a variety of petroleum products, particularly customers located in the North Africa and the Middle East. We can confidently state that over the years Malta has established a good reputation in the international market as a reliable & efficient partner.

Undeniably, the bunkering business is another economic activity that has experienced remarkable growth and all indicators lead us to sustain that there is room for further growth. Bunkers operations are mostly affected onboard the vessel via a bunker barge, which is a relatively small ship supplying fuel or other types of oils to relatively bigger barge. Local suppliers have over the years maintained business relationships with various European bunkering brokers operating in the Mediterranean and supply all sorts of vessels including cruise liners, tankers and so on. Bunkering operations take place both in port and outside port. Over the years the Maltese authorities have established a number of designated bunkering zones to accommodate and create the conditions necessary for this business activity to flourish. It is imperative to note that bunkering procedures should ensure that the risks associated with the operations have been assessed and that necessary controls are in place to mitigate the risks associated with oil spills. An integrated maritime policy demands that preventive measures are adequately adopted to prevent polluting the environment.

### Maritime Financial Services

Although essentially part of the Maritime Transport section, it is being dealt separately in view that Malta is the largest shipping flag in Europe. Vessel registration under the Malta flag and the operation of ships is regulated by the Merchant Shipping Act (Chapter 234 of the Laws of Malta). Ship registration in Malta has proved to be successful over the years. While addressing any weaknesses that may have developed over the years, there is room for further development in maritime financial services. The strengthening of our maritime legal structures will also provide higher visibility internationally, leading to stronger jurisdiction and sector growth. Re-establishing the Maritime Court as well as raising to international standard the Malta Arbitration Centre, coupled with further consolidation of a flexible and sustainable maritime administration limiting red tape and administrative burdens on the industry will attract major foreign ship management companies to establish base and conduct business.

### Ship Building and Repair

There are two classifications in the sector: shipbuilding and recreational craft. The latter are those vessels below 24m hulls. Shipbuilding (including ship repair and conversion) is intended for merchant/commercial purposes, but also military vessels. It addresses as well products and
services supplied for the building, conversion, and maintenance of these ships. The sector relating to recreational craft is addressed under Marine Tourism. Shipbuilding has seen a major decline in Malta. Notwithstanding, the industry should not be abandoned since niche opportunities exist in the field of gas conversion, satellite navigation systems and ICT, all of which are supported in the Blue Economy. E-Maritime\(^1\) is an EU initiative that aims to foster the use of advanced information technologies for working and doing business in the maritime transport sector. There is also an enterprising private segment that has managed to survive competition in the ship repair industry as well as a number of assets that may offer opportunities. The government has issued an expression of interest to exploit the Marsa Shipbuilding potential. Opportunities to shift to higher added value work, including LNG conversions of vessels, are starting to emerge with the EU funding a number of projects both in conversion as well as infrastructure required\(^2\).

---

\(^1\) http://ec.europa.eu/transport/modes/maritime/e-maritime_en.htm  
\(^2\) Danish Maritime Authority – North European LNG Infrastructure Project

**Fisheries**

Compared to the overall economy Fisheries accounts for a small figure, €8.0m, and provides 800 jobs. Yet fisheries have to be seen in a social dimension in particular areas, where the livelihood and well-being of a village depends on fishing. Much depends on efforts to increase the attractiveness for employment as well as retain fish stocks at sustainable levels. This is a major challenge since sustainability of Mediterranean fishing is compromised with the result that catches in the Mediterranean are considerably lower than those in the Atlantic. Introduction of fish management plans, with the participation of local fishing communities as well as extension of our fishing zones for improved controls over illegal, unreported and unregulated (IUU) fishing, will contribute towards sustainability. This can be done in line with the EC Reg. 2371/2002 on the Common Fisheries Policy and in the framework of the adoption of EU action plan for the Mediterranean. It also increases the need to improve our management in fisheries and study ways to add value to the fishing process. The new fish market in Marsa needs to be
leveraged as an opportunity for further processing of fish brought to the market.

**Oil and Gas Industry**

There is a need to increase efforts on oil and gas exploration. The promotion of acreage offshore Malta for oil and gas exploration either through bid rounds or through a professional presentation to oil companies is necessary. It is also essential to monitor the contractual obligations of existing licensed operators to facilitate exploration efforts offshore Malta. Related to this sector, Malta also needs to enact regulations under national legislation to take care of the provisions of the Offshore Protocol of the Barcelona Convention, as well as transposing the EU Directive on Safety of oil and gas prospection, exploration and production activities. The collection and conversion of data from oil exploration activities into digital format and the subsequent development of a database of existing geophysical, geological and well data is a key element in monitoring and promotion of oil exploration. It is also important to increase value in vintage seismic data through reprocessing to facilitate evaluation of acreage by oil companies. Related exploration and exploitation there is the servicing industry for Oil and Gas. The increase in activity across Mediterranean has opened an opportunity where Malta is well positioned to take advantage of the support services. Local private initiatives are already successfully established in Malta. This opportunity can revitalize our ship repair and steel construction expertise if extended to service the oil and gas sectors.

---

13 Government Electoral Programme – Chapter 4 Initiative 39 – Oil & Gas Exploration
14 Government Electoral Programme – Chapter 4 Initiative 41 – Oil & Gas Servicing Industry
5. Challenges

Various challenges have been identified that could possibly hinder the development of the National Integrated Maritime Strategy. The identification of ways to mitigate these challenges is imperative, in order for the Strategy to be as successful and effective as possible. Among the challenges the following require consideration and action.

- The current volatile global and European economic climate
- Fragmentation of the local maritime sector
- Lack of cross-cutting policies within the spectrum of areas in the maritime sector
- The establishment of a wide ranging policy framework and the implementation of specific relevant legislation
- The promotion of sustainable development in a maritime context
- Low awareness from the general public on the potential of the maritime sector
- The need of infrastructure to host new investment
- Other neighbouring States that are competing within the same maritime market

In this context we shall establish whether the growth potential shall be tackled using an environmentally precautionary approach or adhere to precautionary principles. The former will imply progress on commercial grounds while taking all environmental precautionary measures to mitigate potential impacts whereas the later will not allow any progress if there is a potential environmental concern.

All these opportunities and challenges have to be seen within an environmental perspective giving due consideration to the implementation of the Marine Strategy Framework Directive, the Maritime Spatial Planning and the Knowledge 2020.
6. Listening, Understanding and Implementing

The importance of the marine and maritime sector has been emphasised in the past within the political sphere and the political direction for this sector is very clear. The integrated approach is therefore necessary so that both policy and resulting strategic plan are produced as a single unit where the focus is that for a “greater sum” rather than the particular sub-units or parts that compose it. To this effect, in July 2013 the National Integrated Maritime Strategy Committee was established.

The Marine and Maritime sectors are crucial for the Maltese economy and for the creation of blue jobs, and are therefore recognised as major pillars in the Government’s economic strategy for the short and medium-term. This has initiated a process that will lead to the ultimate realisation of a National Integrated Maritime Strategy. The first step of this journey will be the launching of a nation-wide consultation process.

A significant number of stakeholders have been identified as being important players in the marine and maritime sector. Their experience and knowledge within the field will be vital in establishing a national strategy that is both holistic and overarching. These have been categorised within clusters of related activities and areas of expertise in order to develop a streamlined approach for the consultation process.

This consultation process will take the form of various consultation sessions held with the various stakeholders within the marine and maritime sector. Initial consultations will be across Government departments and entities, so as to take stock of progress achieved to date. The review will also assess the progress to-date on the Framework for Maritime Spatial Planning, the EU Maritime Security Strategy and Marine Knowledge 2020, as well as the Exclusive Economic Zone. Progress on these components is essential to determine the legal certainty and security whilst providing access to information about the sea. Consultation will also be conducted with main private stakeholders before taking the results for a wider public consultation. All stakeholders involved will be requested to provide feedback and input on any issues, concerns and recommendations that could feed into the development of the National Integrated Maritime Strategy. The possibility of submitting feedback will also be open to the public in general. All feedback will be received in written format.
The consultation period will be open up to the end of March 2015, during which period it is planned to hold two public conferences. After the first conference the consolidated responses will be considered by government departments and entities. The results will be evaluated and presented together with the Draft Integrated Maritime Policy. This process is targeted for completion by the end of November, 2014. Following this conference a rapporteur will report on the outcome for the second stage of consultations. The final results will be analysed for economic and environmental soundness and structured into the final National Strategy.

The establishment of such a strategy will lead the way to the implementation of various cross-cutting policies in areas related to the sector, as well as paving the way to the development of the necessary legislation to ultimately create the ideal atmosphere and setting in which the maritime sector in Malta can thrive.