

Minister promises heavy investment in Grand Harbour

Opposition seeks parliamentary inquiry into MMA



The House of Representatives yesterday approved the financial estimates of the Malta Maritime Authority after a debate in which the communications minister highlighted increased activity at Grand Harbour while Joe Mizzi for the opposition demanded a parliamentary inquiry into goings on in the authority.

The minister, Censu Galea, at the opening of the debate gave an overview of the authority, saying tonnage registered under the Maltese merchant flag was recovering fast after having declined in 2004 from the 2003 peak of 28 million tons. He said the decline in 2004 had taken place as Malta struck off unsuitable vessels and also in consequence of EU membership. The strike-off of unsuitable ships meant that the average age of Maltese flagged ships had dropped. More importantly, Malta was no longer viewed as a flag of convenience and in 2005 Malta was transferred to the white list of the Paris Memorandum of Understanding.

Tonnage under the Maltese flag had now recovered to almost 27 million tons and he was confident that the 2003 record would soon be reached again.

Mr Galea said he was pleased to report that last week Malta was re-elected to the board of the International Maritime Organisation, for the fifth time in succession, fending off strong competition.

The minister said Malta, over the past year, saw important changes in the management of its harbours aimed at greater safety and efficiency. The number of ships which had come to Malta had reached 10,500, an increase of 1,300 over the previous year. Both the number of cargo ships and cruise liners had increased, he said, pointing to the need for new investment on berthing facilities.

Mediterranean maritime traffic was expected to double by 2015 and Malta wanted to be in a position to absorb a large chunk of this increase, he said. Lm3 million would be invested in Grand Harbour over the next two years and a new modern crane was commissioned a few months ago, the first such addition in many years.

The number of visitors on cruise liners grew to 465,000 and their number was expected to increase further over the next 12 months. Indeed, the government was considering ways to increase berthing space for cruise ships in order to meet demand.

Mr Galea said the system how port workers operated had been successfully reformed. The number of workers employed on port work had already increased since the port reform agreement was signed and would increase even more, particularly at the Freeport.

Turning to port tariffs, the minister said that despite reports to the contrary, there had been an average drop of 20 per cent in regulated costs since the reform agreement in July, coupled with greater efficiency that everybody could experience.

Mr Galea said works on Mgarr Harbour had been completed by the MMA and he hoped the new terminal would start being used in the coming days as soon as minor changes to the Gozo ferries were completed.

On yachting activities, Mr Galea referred to 'problems' on the granting of maritime licences, insisting that it was the MMA itself which had spotted irregularities and asked the police to investigate further, leading to court arraignments.

He said the MMA was continuing to work with Mepa on the possibility of developing new yacht marinas, particularly at Xemxija and Marsascala and he hoped that minor issues would not continue to hinder the development of this important sector for Malta. In the summer a number of temporary berths would be set up around Malta to meet demand, he said.

Jose' Herrera (MLP) welcomed the fact that Malta was doing well in ship registration even though the growth rate this year was not as steep as last year's. That the register had 284 cancellations this year reflected Malta's seriousness, as did the improvements in port state control.

Over the past year the MMA had a surplus of Lm350,000, which was good, although one would have wished for more.

Dr Herrera said his main criticism was that the great potential of the yachting industry was not being exploited. Indeed, this niche activity was being neglected. The number of new superyachts was soaring but Malta, unfortunately, was not gearing itself to meet this growth.

Malta already had a waiting list of over 300 Maltese wishing to be allocated a yacht berth, let alone foreigners.

It should be a matter of concern, Dr Herrera said, that 90 per cent of berths were currently allocated to Maltese. As the members of the new yachting section at the Chamber of Commerce had argued, for Malta to fully benefit from the yachting industry, some 40 per cent of berths should be allocated to foreigners. Malta could

provide new berths at Sliema Creek, Kalkara, Xemxija, Marsascala and Qala, among other localities. It also needed to urgently provide more quays suitable for sailing yachts. Coal Wharf and the menqa in Marsa could become new hardstanding facilities, Dr Herrera said. Malta also needed to provide other facilities, such as a proper yacht club, he said.

Joe Mizzi (MLP) said the MMA had squandered taxpayers' money on projects which went massively over budget and way behind schedule. There had also been abuse of public funds. Funds had been used for luxurious offices and jobs, overtime and allowances for those who did not deserve them. Selected people were sent abroad on courses paid for by the MMA, and then these people left the public service. And there were cases where people used electricity paid for by the authority when they were not authorised to do so. The authority was serving as a screen for the government to do as it wished without proper accountability.

How could the people continue to tolerate a situation where irregularities and squandering went unchecked?

The MMA had not only failed in the administration of public funds, but also in the actual administration of the harbours.

It was shameful that Malta had still not aligned itself to many EU directives in the maritime sector including those on the carriage of cargo, pricing practices for maritime transport, the transfer of ships between registers in the EU and formalities for the arrival and departure of ships, as well as the IMO's FAR Convention. The EU recently even issued a final warning to Malta on security standards. Such matters, Mr Mizzi said, eroded Malta's credibility among ship owners and international organisations. It was no wonder that harbour activity was in decline, despite statements to the contrary.

The Labour MP asked how many complaints had been made over ship safety standards as a percentage of the size of the registry.

The government, he said, had still not explained in a credible manner how some ships were initially refused registration, only to be registered after the application was made by a particular shipping agent. All these abuses and goings on should be investigated by a parliamentary commission, he said.

The Labour MP said the government needed to take effective action to be ready for any major sea pollution incident near Malta. There was a case where a ship containing chemicals sank, without anybody saying anything.

Turning to harbour facilities, Mr Mizzi said quay maintenance had been ignored for many years. So how could the government now be believed when it boasted of its vision for the harbours? Under this government even ship-borne waste was not being treated before disposal.

The Labour MP said the government was not protecting the interests of all port workers. The European Commission was insisting that harbour monopolies needed to end, in line with competition policy. This meant that the burdnara system had to stop and foreign port workers could be engaged. Indeed, foreign companies would be able

to move in instead of Maltese companies, in the interests of free competition, Mr Mizzi warned. But the government was not saying this for fear of losing votes.

He promised that a new Labour government had a vision for the harbours which would generate an economic revival for the benefit of the country as a whole. And Labour would not tolerate abuse or corruption.

Winding up, Mr Galea insisted that rather than speaking under the protection of parliamentary privilege, MPs should give their information to the right quarters for investigation. The MMA had shown it investigated all reports of wrongdoing.

What Mr Mizzi had said about various EU directives was the opposite of the truth. He still had much to learn about EU membership and the implementation of its directives.

Since 1998 every sector had been examined to see how it would be affected by EU directives and how Maltese workers could be protected.

Mr Galea stood by his earlier statement about growth in maritime activity, pointing out that only recently there were eight cruise ships in Grand Harbour in one go and 372 cruise liners had called at Malta since January.

The investments and reforms made had brought new life to previously dead areas, especially on the Cottonera side of Grand Harbour which was now crawling with Maltese and foreign visitors alike.

The only real way forward was not to hide from change, but to actually seek change and work on whatever was needed to bring it about. In this sense, port workers were facing their responsibilities and making progress for the benefit of their families. All indications were that cargo handling in Maltese harbours would increase, and they would be the ones to handle it.

Gozo would come in for its due share of investment in the maritime sector, so that cruise liners would be able to berth outside Mgarr. Requests had also been received for smaller cruise liners to be able to berth at the new Cirkewwa quays, with their passengers then being taken to Gozo.

Mr Galea said there were some 14 places identified for potential yacht marinas. That no more progress had been made was due to the development permit process. But nobody could say that the government was doing nothing about these projects.

Mr Galea said he was sure that more yachts would be registered in Malta over the coming years, and each registration would be far-reaching in its effects on maritime-connected businesses. Through it all, every attention would be paid to ensure that things were done seriously and without any hint of discrimination.

Mr Galea said the ports would benefit from significant investment over the coming few years.

Going through a number of projects on the board, Mr Galea said an analysis had been made of the state of the breakwater and quays at Valetta and Marsaxlokk and the Deepwater Quay, and studies were in hand on the construction of new ro-ro facilities

in view of an expected increase of ship calls. The possibility of new berths for two cruise liners at Quarries Wharf was under consideration.

The government wanted Malta's maritime sector to be relevant not only to Malta and its 400,000 inhabitants, but to surrounding countries. The government was serious about keeping up the relevance of Malta's geographical position, Mr Galea said.

The estimates were later approved after a division.
