

# Malta's Contribution to LNG Shipping in the Mediterranean

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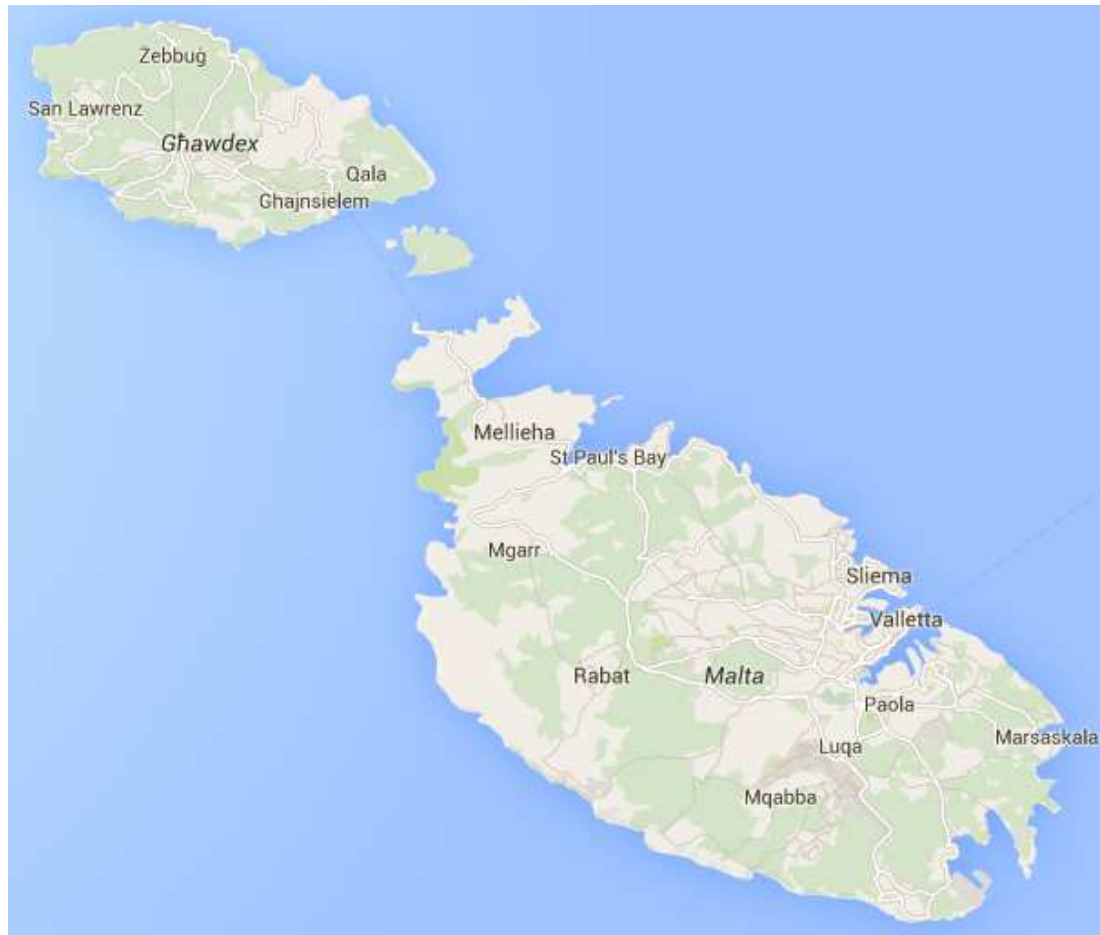
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# Where is Malta?



# Some Facts on Malta



**Area:** 316 sq km

**Population:** 421,000

**Official languages:** Maltese (and English)

**European Union Member:** Since May 2004

**Currency:** Euro (since 2008)

**Labour force:** 165,000

**Unemployment:** c. 5%

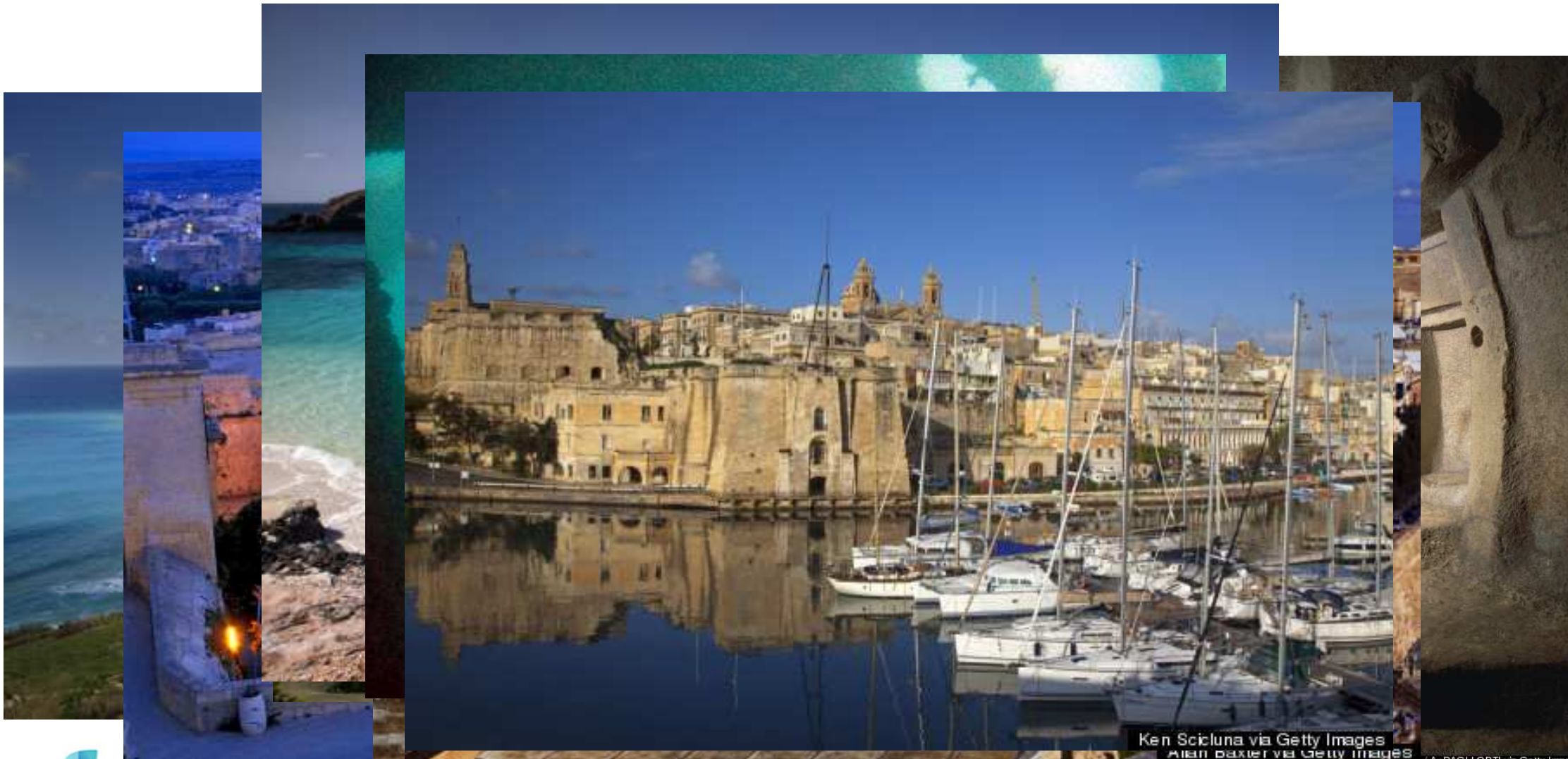
**Departing tourists:** c 1.8 million

## Quality of Life

**1st** - Malta is rated as having the best climate worldwide by International Living Magazine

**3rd** - The island nation's overall ranking in the Quality of Life Index





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Sustainable Energy and  
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# Bases of Malta's Potential Contribution

- Malta is a key player in naval fuel bunkering activities in the Mediterranean
- Malta is heavily dependent on competitive shipping within the Mediterranean
- Malta is rapidly integrating with the natural gas market

# Malta as a key player in naval bunkering

- Mediterranean accounts to around 19% of the world's maritime traffic transits
- 56% increase in containers handled between 2005 and 2012
- Malta services 11% of the Mediterranean total demand for naval bunkering
- It anticipates a 3% average annual growth in the medium term

# Malta's dependence on shipping

- Malta is often a first port of call in transportation of commodities between the EU and the east-west
- Logistics present opportunities for future growth and development
- Malta is the largest maritime flag in the EU
- Shift to LNG must sustain the economic competitiveness of Med shipping



# Bases of Malta's Potential Contribution





# Malta's integration in NG markets

- Malta will by 2016 be generating over half of its electricity through NG following a 3-year investment programme
- The Government of Malta intends to implement a connection to the trans-European NG Network via a 155 kilometre pipeline to Sicily
- Pipeline has been identified as a Project of Common Interest in 2013 and is candidate for the 2<sup>nd</sup> PCI list
- In the longer term, this may be followed by an off-shore FSRU for bi-directional and bunkering demand

# Key Enablers for LNG shipping in Med

- Encouraging investment
- EU and North African dialogue and convergence of interests
- Enhancing LNG supplies in Med through:
  - monitoring developments in unconventional gas
  - the use of renewables and energy efficiency
  - direct LNG importation into the Mediterranean
  - EU NG market integration

# Opportunities offered by Mediterranean Gas Platform

- Concept was conceived in Malta in July 2014 and re-affirmed in November 2014 in Rome
- Launched yesterday (11th June) in Brussels by the Union for the Mediterranean
- Develop shared viewpoints and proposals on natural gas issues across Med region
- Provide advice and consultation to stakeholders and develop partnership actions
- Review markets to ensure sufficient investment
- Prepare for the establishment of a Med Gas Hub

# Specific Focus Points for Platform

- promote regional energy security
- help producing countries develop export strategies study outlooks for demand, supply and market structures
- support non-EU countries to trade within European gas market
- promote technological cooperation
- identify infrastructure projects
- highlight needs of specific domestic and sub-regional energy markets
- Removal of cross-border barriers and harmonisation
- diversification of natural gas resources and routes



# Ufm gas Platform

- *“aim to deepen energy cooperation between the EU and South and East Mediterranean countries. The Gas Platform is expected to strengthen security of gas supply in the region by promoting regional cooperation around gas exploration and production, by supporting the development of necessary infrastructure and by reinforcing regional gas trade exchanges, making the Mediterranean basin a major gas marketplace in the future.”*
- <http://ec.europa.eu/energy/en/news/commissioner-launches-euro-mediterranean-gas-platform>

# Conclusion

- Importance of cost effectiveness in LNG shipping in Med
- Contribution of initiative to the development of the natural gas market in the region
- The UfM Gas Platform, as initially conceived at the Malta Energy Conference in July 2014, can serve as a discussion and governance structure
- Malta looks forward to act as a key player in this exciting process



THANK YOU

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