STANDARD SUMMARY PROJECT FICHE

1. BASIC INFORMATION

1.1. Project Number: Project 09 of the 2002 National Pre-accession Programme for Malta

1.2. Title: Feasibility and Environmental Impact Studies for Transport Infrastructures Projects

1.3. Sector: Transport policy - horizontal issues

1.4. Location: Ministry for Transport and Communications, in collaboration with the Malta Transport Authority and the Malta Maritime Authority, Malta

2. OBJECTIVES

2.1. Wider Objective

To prepare a project pipeline complete with Environmental Impact Assessments and appropriate Feasibility Studies for co-financing under structural / cohesion funding upon accession for parts of the Malta TINA network.

2.2. Immediate Objectives

To provide additional information, through the carrying out of appropriate studies to assist in the further technical evaluation of transport infrastructure proposals emanating from the Malta TINA study.

To provide information for the development of a transport infrastructure Development Strategy 2001-2015 budgetary planning purposes.

2.3. Accession Partnership and NPAA Priority

Accession Partnership

The Council Decision of 20 March 2000 on the principles, priorities, intermediate objectives and conditions contained in the Accession Partnership with the Republic of Malta identifies the following priorities and immediate objective in the transport field:
– Short Term - adopt a strategy and timetable for the transposition and implementation of the _acquis_ particularly in the field of aviation and maritime transport (including maritime safety);

– Medium Term - align road transport (market access, road safety, rules for dangerous goods and taxation), maritime transport legislation and aviation (particularly air safety and air traffic management).

**NPAA**

**Short-term priorities**


– Maritime transport: implement the Port of Valletta Strategic Development Plan following the completion of an impact assessment of the Plan.

3. **DESCRIPTION**

3.1. **Background and justification**

The Maltese Islands are located 93km south of Sicily and 290km from the north coast of Africa. As a small island State, the Maltese economy is highly dependent on external transportation links by sea and air and, in the absence of rail or inland waterway networks, on internal connections by road.

During the late 1980s and early 1990s, the Maltese economy grew simultaneously in both the manufacturing and services sectors. This growth resulted in substantial increases in the volumes of international passenger and goods traffic, mainly between Malta and the rest of Europe. In turn, this growth exerted considerable pressure on the existing sea and air connections and consequently on the Malta’s internal road-based transportation network and infrastructures. Inevitably, in certain cases, traffic bottlenecks developed in both the internal and external multi-modal network.

Over the last 15 years or so, parts of the network’s infrastructure have been upgraded in order to increase capacity to meet growing transportation demands. However, growth in transport demand has continued, in some cases, at a level higher than that originally forecast, and inevitably weak links and traffic bottlenecks in combined transport are already reappearing. Deficiencies in the transport network often effect the inbound and outbound legs of combined transport journeys and result in increased delay. When such stoppages involve the carriage of goods into or out of Malta, repercussions can be felt throughout the economy; for example, it can lead to loss of productivity in the manufacturing and construction sectors or the unnecessary wastage of perishable food stocks in the agriculture sector. Such negative repercussions are equally applicable to the carriage of persons where, in a competitive tourism market, a poor perception of a country’s transport system can inflict irreparable damage to the service sector through the multiplier effect.
In April 2001, the European Commission Services contracted the Vienna-based TINA Office using funds from the Malta-EU 4th Financial Protocol to carry out a Transport Infrastructure Needs Assessment for road, sea and air transport in Malta. The TINA process provides a reference framework in the enlarged EU and identifies components for a future Trans-European Transport Network (TEN-T) on the territory of applicant countries. As such, it mainly reflects transport needs at trans-national level and would therefore need to be complemented by national and regional development strategies in Malta for transport sector investments.

The TINA study is now in a fairly advanced stage of completion and potential air, sea and road projects that may be of common interest in the field of trans-European transport networks have been identified. This study has taken into full account the provisions of Decision No 1692/96/EC on Community guidelines for the development of the trans-European transport network and its amendment Decision No 1346/2001/EC as regards seaports, inland ports and inter-modal terminals.

Council Regulation (EC) No. 2236/95 on TENs financing sets out the rules for Community aid in this field. Amongst other criteria, it is stated that projects shall only be selected for financial support from the Community if they are economically viable and environmentally sustainable. At this stage in the TINA process, economic feasibility studies and environmental impact assessments have not yet been conducted on any of the project proposals. Under the Article 4 of the said Council Regulation, it is clear that Community aid can be made available, in the case of TEN-T projects, in the form of:

“a) co-financing of studies related to projects, including preparatory, feasibility and evaluation studies, and other technical support measures for these studies....”

In the light of funding possibilities, the Malta Ministry of Transport & Communications is putting forward a number of potential projects, identified in the TINA process for the possible extension of the TEN-T, for further and more detailed economic feasibility and environmental studies.

These studies will be co-financed by the Maltese Government and by the Commission in two steps according to the following table:

<table>
<thead>
<tr>
<th>Proj. No.</th>
<th>Project Proposal Feasibility Study and EIAs</th>
<th>Budget Year 2002</th>
<th>Budget Year 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Road Construction Programme and Junction Improvements on the Malta TINA network</td>
<td>1,650,000 €</td>
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<tr>
<td>2</td>
<td>Upgrade of Quay and Terminal Facilities in the Grand Harbour</td>
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<td>900,000 €</td>
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<tr>
<td>3</td>
<td>Road Construction Programme and Junction Improvements on the Gozo TINA network</td>
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<td>750,000 €</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>1,650,000 €</strong></td>
<td><strong>1,650,000 €</strong></td>
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</tbody>
</table>
The project in question concerns the construction of a number of primary road links in Malta that are considered to be of high strategic importance in the medium to long term.

1.2. Linked activities

The successful implementation of the project as a whole shall need to take into consideration following linked activities:

- TINA study funded under the Malta-EU 4th Financial Protocol;
- National Development Plan (2002);
- Administrative capacity building in the transport field associated with the NPAA.

Road network studies shall be carried out in conjunction with the on-going highway upgrade programme as presented in the Master Plan for the Road Restoration in Malta prepared by GTZ consultants, Germany and shall take into consideration the possible setting up of training schools for road builders.

1.3. Results

Feasibility studies and environmental impact assessments carried out. These studies will consist of:

- detailed costing of project;
- financial and economic evaluation for overall project appraisal;
- identify the environmental impacts and the possible measures to mitigate negative environmental impacts

The results of the studies to shall also provide supporting information, in line with Council Regulation (EC) No. 2236/95 laying down the general rules for the granting of Community financial aid in the field of Trans-European Network for possible financial support through structural / cohesion funds. The results of the studies shall take into account the Council and Parliament decisions on the development of the TEN-T (Decision N° 1692/96/EC and its amendment Decision N°. 1346/2001/EC)

1.4. Activities

The successful implementation of this project anticipates the provision of technical assistance by experienced consultants in the following tasks:

- Carrying out of financial and economic feasibility studies which shall include examining, in detail, project proposal from both a technical and financial perspective and reporting on the justification of investment.
- Carrying out Environmental Impact Assessments on the project in line with European Union directives on the subject, identifying negative impacts and proposing suitable mitigating measures.
– Deliver workshop and carry out consultation with and dissemination of information to the main stakeholders involved.

– Reporting on the effects and costs of the project investments.

4. INSTITUTIONAL FRAMEWORK

The principal beneficiaries of the project will be the Malta Maritime Authority (MMA) and the Malta Transport Authority (MTA) falling under the portfolio of the Ministry for Transport and Communications (MTC). Both of these authorities have distinct legal personalities headed by a Chairperson and Board and have overall responsibility for the respective provision of sea and road transport infrastructure. The technical and administrative co-ordination of the technical assistance shall be carried out by the MMA and MTA in consultation with the MTC. The Ministry for Finance shall be the competent authority for determining national budgeting issues and financial feasibility of TINA project.

Other stakeholders of the project include the Planning Authority which is the regulatory authority for all planning applications for transport infrastructure projects.

A number of non-government organisations may also have an interest in the development of the national transport network and the extension of the Trans-European Network to Malta. These include the Association of Tractor and Trailer Operators and Owners, ‘Burdnara’ freight haulage companies, shipping lines, Federation of road builders, and local Environmental lobby groups such as Friends of the Earth and ECO.

5. DETAILED BUDGET (IN EUROS)

<table>
<thead>
<tr>
<th>Components</th>
<th>EU Support (Indicative Values in Euros)</th>
<th>National Co-financing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total EU (IS+IB)</td>
</tr>
<tr>
<td>Technical Assistance for the carrying out of feasibility studies and EIAs</td>
<td>-</td>
<td>1,000,000</td>
<td>1,000,000</td>
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<tr>
<td>TOTAL</td>
<td>-</td>
<td>1,000,000</td>
<td>1,000,000</td>
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</table>
6. IMPLEMENTATION ARRANGEMENTS

6.1. Implementing Agency

Permanent Secretary of Ministry of Transport and Communications will nominate the Senior Programme Officer (SPO), who will be responsible for the administrative and financial management of the project.

Contact person: Mr. Anthony P. Pavia
Permanent Secretary
Ministry for Transport & Communications
House of Four Winds
Hastings Gardens
Valletta

Tel: +356 220597
Fax: +356 237697
E-mail: anthony.pavia@magnet.mt

6.2. Twinning

None.

6.3. Non-standard Aspects

None.

6.4. Contracts

Carrying out of Feasibility Studies and Environmental Impact Assessments

The contract awards shall be concluded in accordance with the procedures laid down in the “Practical guide to EC external aid”.

7. IMPLEMENTATION SCHEDULE

Start of tendering: I Quarter 2002
Start of project activity: III Quarter 2002
Completion: III Quarter 2003
8. **EQUAL OPPORTUNITY**

Equal opportunity principles and practices in ensuring equitable gender participation in the Project will be guaranteed. Male and female participation in the project will be based on the relevant standards of the EU and will be assured by official announcements published to recruit the staff needed for the project. The main criteria for staff recruitment will be appropriate qualifications and experience in similar projects, not sex or age. Both men and women will have equal opportunities and salaries.

9. **ENVIRONMENT**

The scope of part of the project is to assess the environment impact in accordance with the relevant EU Directives.

10. **RATES OF RETURN**

Not applicable.

11. **INVESTMENT CRITERIA**

   11.1. **Catalytic Effect**

   The EU contribution shall set the necessary studies underway during the pre-accession period. Upon accession Malta should be in a position to provide the European Commission full justification on TINA network project investment when applying for financial support through structural / cohesion funds.

   11.2. **Co-financing**

   National co-finance will cover 40% of the total project costs. National funding contribution shall be used to cover administrative and organisational costs of the studies in Malta and to partially cover professional fees of the experts.

   11.3. **Additionality**

   No other financiers will be displaced by the EU intervention.

   11.4. **Readiness**

   The final report detailing the TINA network should be completed before proposals for project studies are defined. The strategic TINA process is scheduled to be finalised in December 2001.
11.5. **Sustainability**

In the context of the strategic TINA process a network of projects of possible common interest is identified. This strategic network with European Added Value is, among other things, based on global and environmental assessments. These global and environmental assessments could be the subject of further refinement on a project level as preparation for possible future request for co-funding investments to develop trans-European transport network in Malta. The project proposal, Valletta harbour link road upgrade, new Cottonera By-pass road, Manuel Island link road, Bahar ic-Caghaq by-pass road and Mellieha by-pass tunnel if located on the TINA network will be subject to detailed feasibility and environmental impact studies (see conditionality under point 12).

An element of the current TINA Study shall be assessment of administrative infrastructures over the next 15 years and shall be making recommendations for any capacity building that may be required as a result of the development of the TINA network.

11.6. **Competition**

Services will be procured in line with EU regulations.

12. **CONDITIONALITY AND SEQUENCING**

The project is conditional upon agreement between the Commission Services and the relevant Maltese authorities on the results of the TINA report that is to be submitted to the Maltese authorities and DG-TREN of European Commission by mid-December 2001.

Annexes

I Logframe planning Matrix

II Detailed implementation time schedule

III Cumulative contracting and disbursement schedule

IV List of relevant Laws and Regulations
## LOGFRAME PLANNING MATRIX
### FEASIBILITY AND ENVIRONMENTAL IMPACT STUDIES FOR TRANSPORT INFRASTRUCTURE PROJECTS

| Project Number: Project 09 of the 2002 National Pre-accession Programme for Malta | Contracting Period Expires: 30 April 2004 | Disbursement Period Expires: 30 April 2005 | Total Budget: 1,650,000 | EU Contribution: 1,000,000 |

### Overall Objectives

<table>
<thead>
<tr>
<th>Intervention logic</th>
<th>Verifiable indicators</th>
<th>Source of Verification</th>
<th>Assumptions</th>
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</thead>
<tbody>
<tr>
<td>Extension of the Trans-European Transport Network to Malta and co-financing parts of network</td>
<td>Incorporation of Malta TINA projects into amendment to Council Decision 1692/96/EC</td>
<td>Publication of amendment to Council Decision 1692/96/EC including Malta component</td>
<td>TEN-T is to be extended to Malta TENS financing regulations apply to Malta</td>
</tr>
</tbody>
</table>

### Immediate Objectives

- Evaluation of transport infrastructure proposals emanating from Malta’s TINA study
  - Accuracy and relevance of information
  - TINA study final report
  - Ministry for Transport & communications Budget Estimates
  - National office of Statistics
  - National environmental indicator databank
  - EU regulations on EIAs
  - Recommendations of TINA Study Final Report and Maps approved by European Commission

- Facilitate national budgetary planning in transport infrastructure
<table>
<thead>
<tr>
<th>Intervention logic</th>
<th>Verifiable indicators</th>
<th>Source of Verification</th>
<th>Assumptions</th>
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<tr>
<td><strong>Results</strong></td>
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<tr>
<td>- Feasibility studies and environmental impact assessments carried out. These studies will consist of:</td>
<td>- Number of viable projects identified and forwarded for possible EU co-financing</td>
<td>Project proposal for TENS financing upon accession</td>
<td>No change in European or transport investment policy by Government</td>
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<td>- Detailed costings of investment measures</td>
<td>- Revision of Transport Policy</td>
<td>No TINA network developments due to negative impact / feasibility</td>
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<td>- Objective prioritisation of projects by national authorities</td>
<td>- Expression of interest in projects by private enterprises</td>
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<td><strong>Activities</strong></td>
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<td>- Economic feasibility studies</td>
<td>- Satisfactory completion of studies</td>
<td>Study Reports</td>
<td>Full availability of data and co-operation of transport operators.</td>
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<td>- Environmental impact assessments</td>
<td>- Increased awareness of projects by departments</td>
<td>Progress report by SPO</td>
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<td>- Consultation / Dissemination</td>
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<td>- Reporting</td>
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## IMPLEMENTATION TIME SCHEDULE

**FEASIBILITY AND ENVIRONMENTAL IMPACT STUDIES FOR TRANSPORT INFRASTRUCTURE PROJECTS**

Project 09 of the 2002 National Pre-accession Programme for Malta

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### ANNEX III

**CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE OF EU FUNDING**

**FEASIBILITY AND ENVIRONMENTAL IMPACT STUDIES FOR TRANSPORT INFRASTRUCTURE PROJECTS**

Project 09 of the 2002 National Pre-accession Programme for Malta

(Euros)

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ANNEX IV

LIST OF RELEVANT LAWS AND REGULATIONS

EU Laws

- Council Regulation (EC) 2236/95 laying down the general rules for the granting of Community financial aid in the field of Trans-European Networks


- Decision No. 1346/2001/EC amending Decision No 1692/96/EC as regards seaports, inland ports and intermodal terminals as well as project No 8 in Annex III