

Horizontal overview MALTA

1. Energy-related and socio-economic analysis: past, present and future

1.1. Factual information

1.1.1. Geography & population

Malta is an archipelago, with only the three largest islands (Malta, Ghawdex or Gozo, and Kemmuna or Comino) being inhabited, and has a surface area of 316 km². Malta's climate is mediterranean with mild, rainy winters and hot, dry summers.

Malta counts 398,534 inhabitants.

1.1.2. Economy and Energy Demand

The Republic of Malta joined the EU on 1 May 2004.

Malta has a market economy mostly based on income from freight transshipment activities, financial centre operations, and tourism. The public sector is small. GDP per capita in purchasing power parity is \$ 18,200 (2004 est.).

GDP growth is moderate (1 % per year recently). The structure of GDP is roughly: agriculture 5%, industry 24%, services 71%. Inflation is constantly less than 3% on an annual basis. The currency is strong. Unemployment is relatively high (7 %). All financial indicators are healthy, including the public budget, the national debt and the current account of the country.

The services sector accounts for roughly 75% of total economic activity and manufacturing concerns light industrial activities (mostly clothing and food industry) and shipyards.

The use of primary energy per capita is 70% of the EU-25 average but energy intensity is higher by 25% of the EU-25 average. Electricity consumption per capita is in Malta at 90% of the EU-25 average. Energy intensity has been increasing over the last 15 years, due to high growth of electricity use in houses and in the tertiary sector. The use of electricity is expected to grow over the next ten years at rates above GDP growth, as it was the case over the last fifteen years. There is a significant potential for more rational use of energy in buildings and in the transportation sector.

1.1.3. Energy Supply

Malta is totally dependent on imports for its supply in conventional energy. The only national resources are solar and wind (high potential).

Malta is 100% depending on petroleum products which are entirely imported since the country has no refinery.

The installed capacity is 570 MW in 2004, at 100% thermal (burning petroleum); the electricity capacity increased since 1994 with the commissioning of a new power plant at Delimara supplied with heavy fuel oil and which functions in combined cycle since 1999. The electricity production is 2.1 TWh.

The power plants are heavily polluting and do not comply with the recent directives of the EU. Transitory measures are taken to reduce pollution.

2. Policy

The main issues are the liberalisation of the energy sector, the modernization of the power stations and the extension of the electricity networks. One of the current objectives of Enemalta is to improve the efficiency of electricity production (currently around 31%), and to reduce the distribution losses. In the same way it continues its fight against the illicit uses of kerosene.

Enemalta diversifies its storages capacities of oil products in order to reduce the transport and delivery delays and to conform gradually to the safety storage requirements of the EU (90 days). To supply the electricity sector, exists a project of gas pipeline from Sicily.

The country plans to invest 28 M € additional by 2006 to improve the electricity distribution; thus for the last 10 years, the country has invested nearly 70 M € to reinforce the electricity distribution grid.

A project of a windmill farm is actually studied and currently supported by Malta Environment and Planning Authority; the installation of the 10 turbines should make it possible for Malta to produce 5% of electricity generated from renewable.

3. Peculiarities

4. Bibliography

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- [4] CIA- world fact book
- [5] Enerdata country report on Malta.