



MARINE SPATIAL PLANNING AS A TOOL TO BOOST AND SUPPORT “BLUE” ENTREPRENEURSHIP IN ISLANDS: AN INSULAR CHAMBER PERSPECTIVE

Daniel Borg

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I would like to thank you first of all for the invitation extended by INSULEUR to participate in such a distinguished panel. I am really honoured. The subject that we are tackling today is a very important one. As islands we are surrounded by the sea, so anything that has to do with the sea concerns islands.

The Gozo Business Chamber is based in Gozo, which is the second largest island in the Maltese archipelago. However, ours is not the main island, and the maritime links are presently the only link the island has.

As aptly quoted in the synopsis of this webinar, maritime spatial planning is defined by the Directive on ‘Establishing a Framework for Maritime Spatial Planning’ as:

“ a process by which the relevant Member State’s authorities analyse and organise, human activities in marine areas to achieve ecological, economic and social objectives.”¹

As a Chamber, we had the opportunity to provide input on this subject in relation to the island of Gozo via a written submission, and also in a workshop, as part of an ESPON ERMES project which had as its primary objective to discuss Malta & Gozo’s urban-maritime scenario development. More precisely it had to:

- Analyse the urban-maritime interfaces and cluster development potentials in the stakeholder regions;
- Define regional-specific urban-maritime spatial planning scenarios, involving triple helix actors, policymakers and city-port authorities;
- Provide policy recommendations for the elaboration of strategies for urban maritime regions; and
- Contribute to the production of an Atlas/Roadmap on future polycentric urban-maritime port regions in Europe.²

I would like first to outline the scenario of the island of Gozo. Therefore I am presenting some figures which can help you better visualise our context:

¹ The European Parliament and The Council of the European Union, *Directive 2014/89/EU of the European Parliament and of the Council of 23 July 2014 establishing a framework for maritime spatial planning*, article 3 (online) : <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0089&from=EN> [accessed 14 March 2021].

² ESPON, *Malta & Gozo Urban-Maritime Scenario Development. Virtual Workshop – 4th November 2020. Background Document*, p.2.

- **Gozo has a population of 33,388 people, which is equivalent to 6.7% of the whole population in the Maltese islands.**³
- The amount of **Gozo's contribution to the national Gross Domestic Product at market prices** was estimated in 2019 to amount to 4.4% or € 586.2 million euro.⁴
- **Tourism in Gozo is estimated to contribute to around 50% of Gozo's Gross Domestic Product.**⁵ Not taking into consideration tourism figures in 2020 because of the effect the COVID-19 pandemic had on tourism on islands in general, in 2019 domestic tourism figures totalled 215,272 (i.e. Maltese residents travelling to Gozo and Comino), while inbound foreign tourists to Gozo amounted to 180,978.⁶ According to a survey by the Malta Tourism Authority, it emerged that the main motivations for spending most of the trip in Gozo related to 'sun, sea and leisure'.⁷ However, the most important figure of all is the number of those foreign tourists who visited Gozo for a day which was 1,527,528. **All of these used the present ferry service linking Gozo to Malta.**
- The route between Gozo and Malta, is a very busy one. Because of the effects of the COVID-19 pandemic and its abnormal fluctuations, I will be taking again as a base 2019, and not 2020, as 2019 is more of a typical year. In 2019 there were:
 - 1,782,909 vehicles, and 5,917,780 passengers crossing to and from Malta and Gozo, on the Gozo Channel Ferries connecting Malta and Gozo.⁸

(Putting this into context is very important, and it goes to show how much maritime transport, and maritime related activities are important for Gozo, considering that in terms of accessibility Gozo has no air link for passengers, apart from a helicopter service which links the hospital in Gozo to the main hospital on the main island of Malta.

Going back to the exercise on maritime spatial planning, referred to earlier, in which the Chamber participated, the analysis that was required was based on four **global trends**:

- Optimization of port operations;
- Port regionalization and multimodality;
- Innovation and digitalisation; and
- Enhancement of Sustainability

In the case of Gozo the main issue that was identified related to '**port regionalization and multimodality**'. This was mainly due to the fact that:

- Gozo only has one port facility in Mgarr which is essential for Gozo, due to its **double insularity**.

The issues related to this single access point are varied, but principally relate to the:

³ National Statistics Office – Malta (2020), *Regional Statistics Malta 2020 Edition*, p.15.

⁴ National Statistics Office – Malta (21 December 2020), *Regional Gross Domestic Product: 2014-2019: News Release 206/2020*

⁵ Ministry for Tourism (2015), *The Contribution of the Tourism Industry to the Maltese Economy. Report presented for the Ministry for Tourism by E-Cubed Consultants*, p. 9 (online) : <https://tourism.gov.mt/en/Documents/The%20Contribution%20Of%20The%20Tourism%20Industry%20To%20The%20Maltese%20Economy%20-%202014.pdf> [accessed 14 March 2021].

⁶ National Statistics Office (7 July 2020), *Regional Tourism: 2017-2019. News Release 110/2020*

⁷ Malta Tourism Authority Research Unit (2020), *Tourism in Gozo*, p.22.

⁸ National Statistics Office – Malta (14 April 2021), *Sea Transport between Malta and Gozo: Q1 2021*, p.2 (online) : https://nso.gov.mt/en/News_Releases/Documents/2021/04/News2021_066.pdf [accessed 15 April 2021].

- **Congestion of activities in the Port of Mġarr, which exceed the current port capacity.** Too many activities taking place in the same port: (a) ferry services; (b) yachtmarina; (c) fishing vessels; (d) boats carrying tourist to and from the nearby small island of Comino, which is a mecca of tourist activity.

Consequently, while we as a Chamber are in favour of having more modes of transport, and in this regard there was a very positive development in that the Government liberalised the market for the fast ferry services between the port of Mġarr in Gozo, and the Grand Harbour in Valletta (and 2 operators already announced that they will be operating the service as from the 1st of June), it will be a gargantuan task given the congestion already present in the Port. However, this is a positive development, though the port facilities need to be expanded in the long term, in order to cater for this increased activity.

Another problem, which we identified, related to the **access to this Port facility**. Access to the Port is presently through one road. If something happens on this road like for example an accident, access to the port facility is completely blocked.

We cannot foster entrepreneurship on islands, if we underestimate certain planning issues. I have showed here how Gozo is presently dependent on its port and maritime links. While there have been positive developments, other considerations need to be put into place: mainly **adequate port facilities**, and **accessibility**. Both will ensure a seamless provision of all services.

Nonetheless multimodality of services is important. Having a fast ferry service between the two islands will open new economic niches, for example in the case of incoming cruise liner tourists who may choose to visit Gozo for a day.

Having more services is essential. As a Chamber we pointed out also to the need for a cargo service which would go straight to the Grand Harbour in Valletta from Gozo. This service was available. However, it had been stopped. This means that many had to face a longer journey to reach their destination causing an increase in costs, and an increase in the pollution generated by cargo traffic

As regards accessibility, as Chamber we have proposed a a subsea tunnel between Gozo and Malta. The Government took on the Chamber's proposal and a prequalification questionnaire was issued, and 4 ventures showed their interest to operate this service. The Government will now evaluate whether these satisfy the technical criteria, and then it will proceed to open the relevant discussions. A number of geological and socio-economic studies have already been conducted by the Government.

What I wished to point out in this presentation, is that maritime spatial planning is important. However, this must be seen within the context of what we want to achieve.

When many years ago, ferry services between Gozo and Malta started to be offered during the night, many did not think that there will be enough demand to sustain these services. Not only was it sustained, but services increased, and the Government added also another ferry in 2019 to operate between the two islands.

As an island and as a Chamber we are looking forward to new areas especially in those areas related to sustainable blue economy niches. We believe that in the case of Gozo there are potential areas of growth, and in this case there are a lot of opportunities linked to the blue economy in areas such as renewable energies, and research which can help the economy to diversify further. To this end it is important to see what we want to achieve, and develop our maritime spatial plan accordingly.