



# 2008 Minerals Yearbook

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**MALTA**

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# THE MINERAL INDUSTRY OF MALTA

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In 2008, Malta continued to be an important transshipment center in the Mediterranean area. Its political and strategic importance has traditionally been linked to its geographic position in the center of the Mediterranean Sea and its natural deepwater harbor. Malta, which is the largest island in the Maltese archipelago, was poorly endowed with natural resources, and those mineral resources that were exploited in 2008 were used domestically. The mineral-related economy of the country depended mainly on trade and the storage of crude oil in the Malta Freeport Terminals. Malta adopted the European Union euro (€) as its standard of currency on January 1, 2008. The Government's budget deficit was about 4.1% of the gross domestic product, which placed it above the euro zone's 3% maximum allowable budget deficit (U.S. Central Intelligence Agency, 2008).

Malta Freeport Terminals Ltd. was set up to develop the Malta Freeport to offer modern transshipment facilities, storage, and assembling and processing operations, including an oil terminal with bunkering facilities. The transshipment and reexport of goods in 2008 continued to be significant to the country's economy. The Malta Freeport handled more than 1.5 million 20-foot [6.1-meter (m)] units of intermodal shipping containers. The terminals' infrastructure featured a 2-kilometer-long quay, a dredged water depth along all mainline berths of 15.5 m, and a total area of 615,000 square meters for container storage (Malta Freeport Corp. Ltd., 2008).

## Production

The mineral industry, which involved mainly the quarrying of coralline and golden limestone (globigerina) and the production solar salt, consisted of small family-operated businesses. Globigerina limestone occurs across more than 60% of the southern part of the island of Malta and a majority of buildings were made out of this material (Limestone Heritage Center, 2008).

All mineral production was for domestic consumption (table 1). Malta depended almost entirely on imports of raw materials and fuels.

## Structure of the Mineral Industry

Numerous stone quarries were operated on the islands of Gozo and Malta. Available information regarding capacity, location, ownership, and production, however, was inadequate to enable preparation of a mineral industry structure table for Malta.

## Commodity Review

Government officials of Libya and Malta met to discuss petroleum exploration in the disputed waters of the two countries. Malta had been seeking an agreement for joint exploration in the Mediterranean Sea on the lines of a similar agreement that Malta has with Tunisia. The Maltese Government stated that there was a commitment for a decision to be made on this issue and that a joint commission was scheduled to meet in late 2008 (Alexander's Gas & Oil Connections, 2008).

Malta Oil Pty Ltd. (a subsidiary of Mediterranean Oil & Gas plc of the United Kingdom) signed a production-sharing contract (PSC) as contractor and operator with the Government to drill a well in Area 4 on Blocks 4, 5, 6, and 7 offshore Malta following an encouraging geologic and geophysical assessment of the PSC area, which extended south to the border with Libyan waters. The exploration study concluded that the PSC area covered a number of structures with an estimated prospective recoverable oil resource of 1.5 billion barrels. Malta is surrounded by large proven petroleum systems in the offshore parts of Libya, Sicily, and Tunisia. The PSC area was considered to have potential for petroleum systems related to the Libya and Tunisian fields. The PSC called for one well to be drilled in 3 years (Petroleum Economist, 2008).

## Outlook

Malta's entrepôt activities in the Mediterranean area are expected to continue. The country is also expected to continue to conduct offshore exploration for petroleum.

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TABLE 1  
MALTA: ESTIMATED PRODUCTION OF MINERAL COMMODITIES<sup>1,2</sup>

(Cubic meters)

Commodity <sup>3</sup>	2004	2005	2006	2007	2008
Limestone	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Salt	6,000	6,000	6,000	6,000	6,000

<sup>1</sup>Estimated data are rounded to no more than three significant digits.

<sup>2</sup>Table includes data available through April 30, 2009.

<sup>3</sup>In addition to commodities listed, small amounts of cement, fertilizer, lime, and plaster are produced, but available information is inadequate to make reliable estimates of output.