The Mineral Industry of Malta
By Harold R. Newman

The Maltese archipelago consists of three inhabited islands—Malta [which has an area of 245 square kilometers (km²)], Gozo (67 km²), and Comino (2.8 km²)—and four other uninhabited islands. It is located about 1,800 kilometers (km) from the Strait of Gibraltar and 1,900 km from Beirut, Lebanon. Malta is situated in a strategic position for traffic sailing through or across the Strait of Sicily and, in 2009, the country continued to be an important transshipment center in the Mediterranean (Odyssey, 2009).

Malta became a European Union (EU) member in 2004 and officially adopted the EU euro as its official currency in 2008. Malta’s economy was negatively affected by the global economic downturn and, in 2009, the Government was challenged to contain the budget deficit, which increased to about 4.1% of the gross domestic product (and placed it above the Eurozone’s 3% maximum) (ReportLinker, 2009).

The mineral-related economy of the country depended mainly on trade and the storage of crude oil in the Malta Freeport. In 2009, Malta’s total exports were valued at an estimated $2.5 billion and total imports were valued at an estimated $3.9 billion. Exports from the United States to Malta in 2009 were valued at $253,438 million, including fuel oil ($60,573 million), engines and turbines for military aircraft ($2,484 million), iron and steel mill products ($247 million), petroleum products ($205 million), and aluminum and alumina ($42 million) (U.S. Census Bureau, 2009a).

Exports from Malta to the United States in 2009 were valued at $278,600 million, including auto parts and accessories ($524 million), materials handling equipment ($101 million), and stone, sand, cement and lime ($13 million). The EU countries as a group were Malta’s principal trading partners (U.S. Census Bureau, 2009b).

Malta Freeport Terminals Ltd. was established 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 2009 continued to be significant to the country’s economy. The Malta Freeport handled more than 2.3 million 20-foot (ft)-equivalent units (TEUs). A TEU is a 20 ft by 8 ft by 8 ft intermodal shipping container. A standard 40-ft (40 ft by 8 ft by 8 ft) container equals two TEUs. The freeport’s infrastructure comprised an operational 2-km-long quay, a dredged water depth along all mainline berths of 15.5 meters, and a total area of 615,000 square meters for container storage (Malta Freeport Terminals Ltd., 2009).

Production

Malta has few natural resources and the only exploited mineral resources in 2009 were limestone and solar salt. Quarrying was done mainly by small family-operated businesses, as were the solar salt operations. Malta depended almost completely on imports of raw materials and fuels. All mineral production was for domestic consumption (table 1).

Structure of the Mineral Industry

Numerous stone quarries operated on Gozo and Malta islands. Available information regarding ownership, production, capacity, and location, however, was inadequate to prepare a Structure of the Mineral Industry table for Malta.

Commodity Review

Mineral Fuels

Petroleum.—Mediterranean Oil & Gas plc of the United Kingdom held a 90% interest in Area 4 (Blocks 4, 5, 6, and 7) of southern offshore Malta; Leni Gas & Oil plc (LGO) of the United Kingdom (an international oil and gas exploration, development, and production company) held the remaining 10% interest. The area was governed by a production-sharing contract with the Government and included a commitment to drill by July 2011. Four prospects with estimated recoverable reserves of 1.5 billion barrels had been identified. In 2009, the joint venture undertook various geoscience studies and data acquisition surveys to identify the drill targets and well plan (Leni Gas & Oil plc, 2010).

Outlook

Malta’s entrepôt activities in the Mediterranean area are expected to continue, along with offshore exploration for petroleum. Industrial minerals will continue to be produced for domestic consumption.

References Cited


TABLE 1
MALTA: ESTIMATED PRODUCTION OF MINERAL COMMODITIES\(^1,2\)

(Cubic meters)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
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<tr>
<td>Limestone</td>
<td>1,200,000</td>
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</tr>
<tr>
<td>Salt</td>
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<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
</tbody>
</table>

\(^1\)Estimated data are rounded to no more than three significant digits.

\(^2\)Table includes data available through April 30, 2010.

\(^3\)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.