Briefing no. 5

MALTA
AND RELATIONS
WITH THE EUROPEAN UNION

(Fourth update)

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ANNEX
INTRODUCTION

Malta is the smallest of the States applying for membership of the European Union; it has 371,000 inhabitants and an area of 316 km$^2$. Its capital is Valletta.

Since it gained independence in 1964, the politics of the Maltese archipelago have been constantly polarised between the two major parties: the Nationalist Party, which is Christian democratic, and the Labour Party. These two parties account for almost all the votes and have alternated in government.

At the beginning of 1987 a constitutional amendment was adopted which altered the electoral law. At the same time, the Republic of Malta adopted a policy of neutrality and joined the ranks of the non-aligned states.

In June 1990 the Nationalist government applied for EU membership. The Commission gave its opinion in June 1993. The European Council in April 1995 decided that membership negotiations with Malta could begin six months after completion of the Intergovernmental Conference and in the light of its results.

The general elections of 26 October 1996, which were brought forward a year, gave victory to the Labour Party (MLP) after nearly 10 years of Nationalist Party government. Because of major differences of opinion between the two main parties on foreign policy, this result changed the nature of the relationship between Malta and the European Union: the Labour government froze the application for EU membership, and a new framework for relations with the EU was put in place in February 1998.

However, scarcely two years after the Labour government took power, due primarily to internal tensions within the party, an early general election took place on 5 September 1998.

The Nationalist Party's victory brought Malta back onto the track towards EU membership; its application for membership has been "reactivated" (to date a unique occurrence in the history of EU enlargements) (cf. pp 14-15). The Commission has had to update the opinion it gave in June 1993 on Malta's application. It submitted this update in February 1999. Parliament, in the report of 15 April 1999 by Bernie Malone, hoped that membership negotiations could begin before the end of 1999.
I. POLITICAL SITUATION

1. A look back to the general election of 26 October 1996 and the Sant government

The results of this election were as follows. The Labour Party won 50.7% of the votes and the National Party 47.8%. About 2% of the remaining votes went to other parties. The result in terms of seats, due to a constitutional change, was that the MLP obtained 4 additional seats, gaining a total of 34 seats, whereas the NP won 31 seats (the House of Representatives has 65 seats in all).

This was a serious defeat for the Nationalist Party, which had expected to be re-elected with an even bigger majority than in 1992.

The MLP's victory can be explained by its ability to exploit popular resentment at the introduction of VAT at the beginning of 1995 as part of the country's efforts to bring its economic policies into line with the EU. The government paid dearly in political terms for introducing VAT at 15%. The electoral pay-off of this controversy was such that the MLP promised to scrap VAT and to withdraw Malta's EU application if it won the election.

Mr Alfred Sant, Malta's fifth Prime Minister since independence, promised that a Labour government would give Malta a "modern, transparent administration" whose priorities would be controlling inflation, improving education and seriously investigating corruption. During its two years in power, the Labour government introduced a number of austerity measures aiming to reduce the public deficit, but some of these measures (mainly taxes) were considered particularly unpopular, inflationary and ineffective, even penalising the industrial sector. The cost of living also went up because the government replaced VAT by another system of indirect taxation.

Despite the government's efforts to develop tourism and encourage privatisation, the national economy stagnated through a lack of confidence. Internal tensions within the Labour Party rendered the country ungovernable.

By holding early elections the Prime Minister, Mr Sant, hoped to win a new majority. Opinion polls predicted that he would win.

The first electoral promise to be implemented by Mr Sant's government was in fact Malta's withdrawal from NATO's Partnership for Peace programme. Malta had joined NATO's Partnership for Peace (PfP) in April 1996, and the programme had been tailored to Malta's own requirements to benefit its armed forces. As a result of this participation in the PfP, a detachment of 30 Maltese soldiers left for Bulgaria in June - in their first operation overseas - to join soldiers from six other countries in the exercise "Cooperation Determination '96".

Malta's membership of the PfP also offered important pay-offs for the security of the Mediterranean area. Malta's geographic location was advantageous, not so much because of its strategic importance as a Mediterranean base, but rather to prevent its misuse by elements potentially hostile to NATO. Moreover, Mr Adami's government had frequently stressed that Malta's links with some Arab countries (e.g. Libya) might be an asset and that Malta would provide NATO with a bridge to the Arab world.
However, the MLP had already announced that if it came to power it would pull the country out of the PfP. It believed that PfP membership was not compatible with the country's constitutionally enshrined neutrality and non-aligned status.

Malta has always enjoyed very close links with Libya. The Malta-Libya Joint Committee regularly discusses bilateral issues, for example ways of strengthening cooperation between the two States. In this connection, recent talks ended with the signing of a number of agreements on customs procedures and mail and maritime transport, which are useful to Libya while it is subject to the UN embargo.

On 31 May 1996, the authorities in Valetta and Tripoli renewed an agreement to exchange Libyan oil for Maltese products. The ferry service between the two countries resumed in January 1997. This is one of Libya's most important links with the rest of the world after the imposition of UN sanctions (which Malta also applies), which include a ban on flights in and out of Libya.

2. The Euro-Mediterranean Partnership

The Barcelona Conference held on 27 and 28 November 1995 marked a turning point in relations between the EU and its Mediterranean partners, including Malta. The Conference agreed to establish a partnership in three areas: political and security relations, economic and financial relations and social, cultural and human relations.

The Labour government's policy did not lead to any change in the EU-Mediterranean partnership.

The second Euro-Mediterranean ministerial conference was held in Valetta on 16 April 1997. Because of Middle East tension and the stalled peace process, the 27 countries taking part were unable to agree on a final declaration (see note on the Barcelona follow-up, PE 224.490).

By its continuing commitment to the Euro-Mediterranean partnership, Malta sought to maintain its role as a bridge between the northern and southern Mediterranean. It supported Libya's participation in the conference despite Libya still being subject to the international political and economic embargo.


Apart from internal policy problems such as the choice between VAT and other forms of indirect taxation, public expenditure and galloping inflation, the Maltese electorate once more faced a fundamental foreign policy question, the future of relations with the EU.

By focussing its campaign on the benefits Malta could derive from Community aid and particularly on the danger to Malta if it remained outside this economic and political bloc, the Nationalist Party was probably able to mobilise a number of undecided voters. There was a massive turnout (95% of the electorate). In his speech advocating reactivating the application for EU membership, the Nationalist leader nonetheless indicated that, if his party won, Malta would not rejoin the Partnership for Peace; this had caused too many problems in the past and there was no consensus in the country on this matter.
The task of the Nationalist government will be to restructure industry to enable it to stand up to the pressure of competition in the EU.

Three parties took part in the election: the Labour Party (87 candidates), the Nationalist Party (94 candidates) and the Democratic Alternative, or Social Justice Alliance (18 candidates), as well as two independents.

Results

The new parliament (65 members) comprises 35 Nationalist Party members and 30 Labour Party members. The two parties obtained 51% and 47% of the votes respectively. The Democratic Alternative obtained 2%. Mr Fenech Adami has been appointed Prime Minister. He has said that this clear victory for his party now gives him a mandate to embark on negotiations with the EU.

II. ECONOMIC SITUATION

1. General

With no indigenous raw materials and a very small internal market, Maltese economic development has been based on the promotion of labour-intensive, export-oriented industries and tourism. This approach has relied on the existence of a cheap and flexible labour force. During the 1960s and 1970s foreign firms, especially from western Europe, established labour-intensive industries, such as clothing, in Malta. This process accelerated in the late 1970s at the same time as the country was experiencing a tourism boom, leading to recurrent balance-of-payments surpluses.

Manufacturing exports grew from Lm 48.3m in 1975 to Lm 147.8m in 1981, an annual average increase of 21.7%. Gross income from tourism increased from Lm 28.1m in 1975 to Lm 119.9m in 1980, an increase of 33.3% per year. The international recession of the early 1980s led to a decline in both tourist revenue and exports. Manufacturing had recovered by 1984, and between 1985 and 1994 grew at an annual average of 14.3%. Tourism picked up in 1985, and gross income from tourism grew by an average 16.2% per year between 1985 and 1994. However, difficult economic conditions in western Europe translated into a 5.1% fall in arrivals in 1995 and numbers are expected to have fallen again in 1996.

In 1988 the government introduced a new package of incentives to attract foreign direct investment and passed legislation allowing the establishment of offshore businesses and trusts in Malta. The total number of general trading and non-trading offshore companies currently on the register of the Malta Financial Services Centre (MFSC) stands at 1,442. The MFSC is the sole regulator of financial services.

The economy has shown strong growth since the mid-1980s. This trend continued in 1995, with real GDP growing by 9%. The relative decline of manufacturing has continued. Its share of GDP stood at 33% in 1980, 29.4% in 1985 and 23.4% in 1994. In contrast, the services sector has gained in importance over recent years.
When presenting budget plans for 1993, the then finance minister forecast an inflation rate of 2-3% per year over the next five years. While stressing that prices could not be left exclusively to market forces, he announced that the government would scrap price controls and strengthen laws on free trading. Annual inflation in 1993-95 averaged 4.1%. After a sharp deterioration between 1980 and 1983, exports of goods and services recovered to exceed their 1980 level by 1986 and have since continued to grow. Machinery and transport equipment account for over half of total exports. Imports stagnated in the early 1980s but grew strongly in the second half of the decade.

The recession of the early 1980s involved a substantial contraction in private consumption, which declined by 11.3% in real terms between 1980 and 1983. However, since the mid-1980s private consumption has increased considerably, partly reflecting the Nationalist government’s liberalisation policies. The annual growth rate of consumer expenditure, expressed in constant 1973 prices, averaged 5% in 1991-95.

2. Recent Developments

Economic growth during 1996 was estimated to have been 4.2% in real terms, a sharp slowdown from 1995 of 9%, although this 1995 growth was partly due to the introduction of VAT, which brought significant previously unrecorded activity into view. The deceleration of growth in 1996 was also partly due to a fall in domestic consumption. According to the Central Bank of Malta (CBM), this trend continued in the first quarter of 1997.

The CBM suggested that the slump in domestic demand could be due to a rise in unemployment and inflation, the latter being mainly due to new indirect taxes introduced in January 1997 (33 new taxes in all were introduced by the Labour government), cf. p.6.

Inflation in 1997 was 3.1%, but in the closing quarter of 1998 it fell to 1.4%, reducing the average inflation for the year to 2.4%. After VAT was introduced in January 1999, inflation rose to 1.9% in February but then dropped to 1.4% in May.

With regard to the financing of the current account deficit, it can be pointed out that long-term capital inflows rose in the last two years, at the expense of short-term inflows.

The level of unemployment rose to more than 5% in the first months of 1999, despite job creation in the private service sector. At the same time, employment in direct production stagnated.

However, the main challenge for economic policy in Malta is to reduce the government deficit, which is now close to 12% of GDP (it was 4% in 1995).

Consequent government borrowing to finance the deficit in the budget and an increase in expenditure strongly contributed to the worsening of public finances. At the same time, government revenue declined in spite of the fact that the economy continued to expand, mainly due to a shortfall in tax revenues.

1998 was also a good year for tourism: 6.4% more tourists arrived than in 1997. One of the world leading cruise operators decided to use Malta as a hub port from 1999 onwards.
As indicated in the Commission's updated opinion on Malta's membership application (COM(99)69final), "Malta is a functioning market economy. However, notwithstanding the considerable trade integration with the European Union, the ability of the Maltese economy to cope with the competitive pressures within the Union remains a challenge." Certain economic reforms forming part of the 1994 programme agreed between Malta and the Commission must be addressed without further delay.

The core of the economic programme of the current government is based on tighter fiscal policies aimed at reducing the government deficit to 4% of GDP by 2004, through tax increases and improved tax administration.

The programme also envisages structural reforms of government expenditure, combined with a commitment to social assistance. The government stresses that such actions are necessary for Malta itself as well as to facilitate its entry into the EU.

The Maltese government has only recently initiated the process of privatisation and restructuring of the public sector. A task force has been set up for this purpose with representatives of the public and private sector. For the time being, utilities remain in state hands, while corporations, such as dry-docks and shipbuilding companies, continue to be supported by large subsidies. Any attempt at privatisation is likely to meet strong opposition and there is mounting pressure on individual members of the task force.

III. RELATIONS BETWEEN MALTA AND THE EU

1. Relations before October 1996

Malta signed an Association Agreement with the Community on 5 December 1970, which entered into force on 1 April 1971.

The agreement provided for a customs union to be established in two five-year stages. This meant that all obstacles to trade between the two parties would be removed and Malta would adopt the Community customs tariff.

As the change of government in June 1971 brought the Labour Party back to power, the second stage was never implemented; only the provisions of the first years of the association were applied, and regularly renewed after 1977.

After the Nationalist Party won the election in 1987 it did not wish simply to reinstitute the process provided for in the 1970 agreement, i.e. the establishment of a customs union, as it took the view that it was preferable, after such a long period, to go for full membership of the Community.
2. The Commission's first opinion on Malta's application for membership (30 June 1993) and the development of relations with the European Union

Main elements of the opinion

Its democratic status and respect for human rights show that Malta has a genuine vocation to be a member of the EU, though this vocation has to be confirmed by the Community.

The Community therefore has to establish that Malta's application meets all the criteria for a successful outcome to the accession negotiations, and ensure its effective integration into the Community and the European Union.

The Commission's opinion contains a series of assessments, queries and proposals relating to the most delicate questions raised by Malta's application: the necessary reform of its economic legislation, the incompatibility of Malta's neutrality and non-alignment policies with the provisions of the Maastricht Treaty, and the question of adequate participation by Malta in the European Institutions.

The Commission takes the view that an announcement that the Community is ready, as soon as circumstances permit, to open accession negotiations with Malta, would send out a positive signal and sufficiently mobilise Maltese public opinion in favour of the reforms.

3. Developments up to October 1996

At the Corfu Summit in June 1994, the European Council welcomed the significant progress made with regard to Malta's application for EU membership and announced that an essential stage in the preparation process could be deemed to have been completed.

The Council of Ministers discussed Malta's accession again on 6 March 1995 and decided, on 10 April 1995, that the accession negotiations would be opened, on the basis of the Commission's proposals, six months after the 1996 Intergovernmental Conference had ended, taking into account the Conference's outcome.

The EU-Malta Association Council held its eighth meeting on 12 June 1995 and decided to establish a framework for dialogue between the European Union and Malta; the participation of the Prime Minister, Mr Adami, and the Foreign Minister, Mr De Marco, in the Cannes European Summit was one element of this dialogue.

The detailed arrangements for the dialogue, agreed in July 1995, would include a number of meetings at ministerial or other levels to discuss the CFSP (as well as human rights, security, the OSCE, terrorism, the UN, Maltese alignment with EU declarations, regular contacts between the European Union and Maltese diplomatic missions in third countries, Mediterranean matters, etc.), justice and home affairs and areas of mutual interest such as the environment, tourism and maritime affairs.
In addition, the specific strategy for preparing Malta for accession would include continued efforts to familiarise the Maltese administration with the "acquis communautaire", consideration of the possibilities for extending shipping and telecommunications links to Malta under the trans-European network projects, participation in Community programmes such as Media II, Leonardo, Socrates, Ariane, Raphael, Media II etc...

On 12 July 1995, the European Parliament adopted, by a large majority, a resolution on Malta's accession to the Union.

**Fourth financial protocol between the EU and Malta**

On 13 June 1994 the EU foreign ministers adopted the negotiating brief for the fourth financial protocol. This allowed Malta to receive grants to finance technical assistance and economic cooperation, in addition to contributing to its economic transition and to helping Malta prepare for the adoption of the "acquis communautaire".

The fourth protocol came into force on 1 July 1996 (amount ECU 45 m).

The validity of the protocol was extended to December 1999.

4. Relations with the European Union since 26 October 1996: freezing of the membership application

The Malta Labour Party's stance had been based on the best possible relations with the European Union and a free trade zone with the Union which would be phased in, providing a level playing field for both local and foreign companies.

After his election Mr Sant told the press that his government would withdraw Malta's application to join the European Union. Although he hoped to have a special relationship with the EU, he did not wish Malta to become a member.

**Results:**
During Mr Sant's time in government, Malta no longer enjoyed a "pre-accession" relationship with the EU. However, in the light of the proposals which Malta put to the Commission in February 1997, the Commission outlined a new framework for relations, comprising a free trade area agreement with Malta, and also outlined proposals for cooperation in a wide range of areas.

5. The election of 5 September 1998 and reactivation of the membership application

Since his appointment, Prime Minister Fenech Adami has committed himself to reactivating Malta's application for membership of the EU. The Maltese Government takes the view that the decisions taken by the European Councils in Cannes, Madrid and Florence, that accession negotiations should start six months after the 1996 Intergovernmental Conference, are still binding.

On 8 October 1998, Parliament adopted a resolution asking the Council and Commission to support Malta's "accession as soon as possible in full respect of the provisions and procedures of the Treaty" and asking the Council "to include Malta as soon as possible as a member of the European Conference".
The Vienna European Council (11-12 December 1998) welcomed Malta's decision to reactivate its membership application and noted the Commission's intention to submit an update of its 1993 favourable opinion at the beginning of the following year.

The Maltese Government has undertaken to hold a referendum on the outcome of the accession negotiations.

6. The Commission's updated opinion on Malta's application for membership
   (COM(99)69 final)

The Commission updated its 1993 opinion in response to a Council request of 5 October 1998 and submitted it on 17 February 1999. The new Commission opinion is based on developments in Malta since 1993, and some areas have been added, such as justice and home affairs which were not covered by the 1993 opinion.

The report concludes by confirming the conclusions of the 1993 report with regard to Malta’s eligibility. It also analyses the state of play regarding adoption of Community legislation and the rate of Malta's alignment with the acquis since the first opinion. This analysis reveals that limited and uneven efforts have been made since 1993 to bring Maltese legislation into line with the acquis, particularly in the field of the internal market.

The two-year break in membership preparations slowed down the Maltese authorities' exposure to the acquis communautaire and knowledge about its evolution and blunted its commitment to narrowing the gap between Maltese legislation and the acquis.

Position of the European Parliament

The European Parliament - Malta Joint Parliamentary Committee held its 11th meeting in Malta, also on 17 February 1999. Members of both delegations hoped that Malta would be able very soon to join the first wave of applicant countries.

In the report by Bernie Malone on the Commission opinion, adopted on 15 April 1999, Parliament urged the Council and the Member States to follow the Commission’s recommendation to enable Malta to be included among the countries with which membership negotiations are currently in progress.

7. Pre-accession strategy

On 22 March, the Council asked the Commission to draw up a pre-accession strategy for Malta and authorised it to start "screening" on some chapters of the acquis communautaire (the audiovisual sector, culture, the CFSP and SMEs). Malta is also involved in some multilateral screenings and has been invited to submit its national programme for adoption of the acquis communautaire.
8. Screening

The General Affairs Council in March 1999 decided that screening should start as soon as possible. The Commission started screening Malta in May 1999 with nine chapters. Malta was also invited to define a National Programme for the Adoption of the acquis (NPAA), which it is currently preparing. The Commission was also invited to define a specific pre-accession strategy for Malta, which takes the form of a Partnership for Accession.

In June 1999, the European Council of Cologne welcomed "the fact that, on the basis of the Commission's updated opinion on Malta's accession application, it has now been possible to make a start on an analytical examination of the Union acquis with Malta."

The General Affairs Council in June 1999 agreed to extend the current multilateral political dialogue with the CEEC's and Cyprus to Malta. It stated in its conclusions that "an enhanced dialogue on foreign and security policy issues with Malta will be beneficial to both parties and will allow Malta to familiarise and align itself with Common Foreign and Security Policy instruments".

In December 1999 at the Helsinki European meeting, the European Council, also in the light of the Commission's reports, decided to invite Romania, Slovakia, Latvia, Lithuania, Bulgaria and Malta to join the negotiation process already underway with Poland, Hungary, the Czech Republic, Estonia, Slovenia and Cyprus since March 1998. To this end the Council decided to convene bilateral intergovernmental conferences in February 2000 to start negotiations.

The European Council also established that all the candidate countries will participate in the accession process on an equal footing and that, according to a new principle of "differentiation", during the negotiations each state will be judged on its own merits. Consequently, negotiations on the different chapters will only be opened and concluded when each candidate has made sufficient progress in the implementation of the acquis in the area under examination.

This new approach creates a fully flexible, multispeed accession process, which gives these countries the possibility to catch up with "first group" candidates, provided they have made enough progress.

On 15 February 2000 in the framework of intergovernmental conferences, the EU opened individual and successive accession negotiations with Malta, Romania, Slovakia, Latvia, Lithuania and Bulgaria, the so-called "Helsinki group" countries.

On 8 March the Commission will submit to the Council a list of the chapters that are in its opinion ready to be negotiated with the six new candidates. The Commission feels that at least ten chapters should be tabled from the start with each of the countries concerned.

Proper negotiations will begin on 28 March. On that occasion, the EU will inform candidates of the chapters of the Community acquis for which negotiations may begin in this half of the year.
On the occasion of the opening of negotiations, Malta's Foreign Minister Joseph Borg stated that negotiations mark a "truly historic day" for his country and that the government will spare no effort to ensure that Malta catches up with the "Luxembourg group" countries, so as to be part of the first wave of accessions. According to the Foreign Minister, the internal political reversals delayed the accession process (Malta submitted its application request in 1990, but when the Social Democrats came into office in late 1995, the request was suspended until the return of the Christian Democrats in 1997), but at the same time gave Malta 10 years to prepare for the opening of negotiations. This is why Malta considers itself ready for accession in a large number of areas and believes that only a few "minor problems" in sectors such as agriculture, transport and the environment will necessitate transitional periods or limited derogation.

Mr. Borg added that Malta was prepared to negotiate eight or nine chapters from the very first deputy-level meeting on 28 March, and that talks on all 31 chapters should be concluded with Malta by the end of 2001 (cf. Agence Europe, 16.02.2000).

Financial aid

In February the European Parliament adopted the Brok report on the proposal of regulation for a pre-accession strategy for Cyprus and Malta. This includes a 95 mio euros financial aid until 2004 which, from the EP's point of view, is not enough.

9. Regular Report from the Commission on Progress towards Accession, 13 October, 1999

Since the reactivation of Malta's membership in February 1999, the Commission updated its previous report on Malta's progress toward accession. In October, a further updating stated that as far as democracy, rule of law, and human rights are concerned Malta fulfils Copenhagen's political criteria. From an economic point of view, Malta is a functioning market economy and should be able to deal with competition pressure and market forces within the Union provided it takes the appropriate measures. However, since the Commission's last Report in February 1999, there has been little additional progress in the internal market area. Consequently, Malta should adopt a programme for alignment in this area as a matter of urgency.

The continuing imposition of levies on imports from the EU is an anomaly that should be removed immediately. The state continues to play an important role in agriculture and there has been little progress in preparing the sector for the common agricultural policy. In the transport sector there is a need for greater alignment, especially in the areas of maritime safety and pollution control. Malta needs to adopt an environment policy and improve its implementation capacity. In the area of justice and home affairs Malta should adopt a law on asylum. There is a need to strengthen capacity in areas such as immigration control, fight against drugs and organised crime. There is a need to accelerate alignment in intellectual property and data protection.

On the basis of this report the Commission drafted the Accession Partnership. The accession partnership sets two kind of priority objectives to reach: "short-term" objectives (that is to say in the course of the year) and "medium-term" objectives. The priorities are identified in the economic area, the internal market, agriculture environment, transport, employment and social affairs, justice and home affairs.
IV. MALTA AND THE ICG

The twelve applicant countries that are already negotiating their membership of the European Union have informed the Portuguese Presidency of their positions regarding the Intergovernmental Conference (IGC) on the EU's institutional reform. They:

- are all in favour of a rapid conclusion of the IGC, i.e., by the end of the year, so as to prevent the enlargement process as such being delayed. For that reason, almost all of them consider that the IGC's agenda should be limited to the three "Amsterdam left-overs" (size and composition of the Commission, allocation of votes within the Council, extension of qualified majority voting);
- want each Member State in future to have the right to appoint a Commissioner;
- recognize the need to remodel the distribution of voting of Member States within the Council, but place importance on maintaining a balance between the "large" and "small" countries, and the fact that "small" countries need protecting (of which all the applicant countries, except Poland and Hungary are part);
- are in favour of the extension of the use of qualified majority voting, except for constitutional issues and some exceptions yet to be determined;
- want to be informed and closely consulted during negotiations.

* * *

For further information please contact:
European Parliament, DG IV, Luxembourg
Political and Institutional Affairs Division
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**Results of the election of 5 September 1998**

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GOVERNMENT

Prime Minister
Dr Eddie Fenech Adami

Deputy Prime Minister and
Minister of Foreign Affairs
Relations with the European Union
Prof. Guido de Marco

Minister of Social Policy
Leader of the House of Representatives
Dr Lawrence Gonzi

Minister of Education
Dr Louis Galea

Minister of Finance
Mr John Dalli

Minister of the Environment
Mr Francis Zammit Dimech

Minister of Tourism
Mr Michael Refalo

Minister of Transport and Communications
Mr Censu Galea

Minister of Economic Services
Prof. Josef Bonnici

Minister of Home Affairs
Mr Tonio Bor

Minister of Agriculture and Fisheries
Mr Ninu Zammit

Minister of Health
Dr Louis Deguara

Minister of Gozo
Mrs Giovanna Debono