

I assent.

(L.S.)

**MARIE LOUISE  
COLEIRO PRECA  
President**

8th August, 2014

**ACT No. XXVIII of 2014**

*AN ACT to make provision as to the exploration and exploitation of the continental shelf and for matters connected with those purposes.*

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same as follows:-

1. The short title of this Act is the Continental Shelf Act, Short title.  
2014.
2. In this Act, unless the context otherwise requires - Interpretation.  
"appropriate action" has the same meaning as is assigned to it Cap. 226.  
by the Territorial Waters and Contiguous Zone Act;  
"baselines" means the lines, joining appropriate points along the coast of Malta, from which the breadth of the territorial waters is measured;

"continental shelf" means the seabed and subsoil of the submarine areas that extend beyond the territorial waters of Malta to a limit established in accordance with international law, measured from the baselines from which the breadth of the territorial waters is measured; so however that where in relation to States of which the coast is opposite that of Malta it is necessary to determine the boundaries of the respective continental shelves, the boundary of the continental shelf shall be that determined by agreement between Malta and such other State or States or, in the absence of agreement, the median line, namely a line every point of which is equidistant from the nearest points of the baselines from which the breadth of the

A 640

territorial waters of Malta and such other State or States is measured:

Provided that until the agreement mentioned in the preceding paragraph comes into force, any licences issued under this Act or any regulations made thereunder for the exploration and exploitation of natural resources of the continental shelf of Malta shall only apply to the area lying on the Maltese side of the median line between the coast of Malta and coast belonging to the opposite State or States:

Provided further that nothing shall preclude the Government of Malta from entering into any cooperative arrangements, such as joint development agreements, revenue sharing agreements and international unitisation agreements, with neighbouring States for the purpose of exploring and exploiting the natural resources on the continental shelf:

Provided further that the Government of Malta may extend the continental shelf boundary beyond the median line in accordance with international law;

"designated area" means any area, designated by the Prime Minister by means of an order published in the Gazette, within which the rights mentioned in article 3(1) are exercisable;

"Prime Minister" shall mean the Prime Minister or any other person designated by the Prime Minister, and this in addition to the provisions of article 5;

Cap. 156. "licence" has the same meaning as assigned to it in the Petroleum (Production) Act;

"Malta" has the same meaning as is assigned to it by article 124 of the Constitution of Malta;

Cap. 226. "maritime enforcement officer" has the same meaning as is assigned to it by article 2 of the Territorial Waters and Contiguous Zone Act;

Cap. 423. "mineral resources" has the same meaning as in the Malta Resources Authority Act;

"natural resources" means -

(a) the mineral, energy and other non-living resources of the sea bed and subsoil; as well as

(b) the living organisms belonging to sedentary species;

"petroleum" has the same meaning as in the Petroleum (Production) Act; Cap. 156.

"safety zone" means an area around any artificial island, installation or structure, designated for the purpose of ensuring their safety as well as safety of navigation around them;

"sedentary species" means organisms which at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or subsoil;

"territorial waters" has the same meaning assigned to it by article 3 of the Territorial Waters and Contiguous Zone Act. Cap. 226.

3. (1) The Government of Malta exercises over the continental shelf sovereign rights for the purpose of exploring it and exploiting its natural resources. Exploration and exploitation of the continental shelf.

(2) The Government of Malta shall have the exclusive right to exploit the subsoil of the continental shelf, as well as to authorise and regulate any activity, including but not limited to drilling and tunnelling, on the continental shelf for all purposes, irrespective of the depth of water above the said subsoil.

(3) The rights referred to in sub-article (1) are exclusive in the sense that if the Government of Malta does not explore the continental shelf or exploit its natural resources, no one may undertake the activities referred to in the preceding sub-article without the express written consent of the Prime Minister.

(4) For the purposes of sub-article (1), all relevant provisions of the Petroleum (Production) Act with respect to exploration for and exploitation of petroleum in Malta shall apply *mutatis mutandis*. Cap. 156.

(5) In relation to mineral resources, with respect to which the rights mentioned in sub-article (1) are exercisable, the provisions of the Malta Resources Authority Act in relation to mineral resources in Malta shall apply *mutatis mutandis*. Cap. 423.

(6) In relation to sedentary species with respect to which the rights mentioned in sub-article (1) are exercisable, the provisions of the Fisheries Conservation and Management Act, as far as they are applicable and with any necessary modifications, shall, to the extent that they relate to sedentary species in Malta, apply *mutatis mutandis*. Cap. 425.

A 642

(7) The Prime Minister may from time to time by order published in the Gazette designate any area as an area within which the rights mentioned in sub-article (1) are exercisable, and any area so designated in this Act shall be a designated area.

Power to make regulations.

4. (1) The Prime Minister may, from time to time, make regulations with respect to all or any one or more of the following purposes:

(a) regulating the exploration and exploitation of the natural resources of the continental shelf;

(b) regulating or prohibiting the construction, erection, placing, or use of artificial islands, installations, structures or devices in, on, or above the continental shelf:

(i) in connection with the exploration of the continental shelf or that part thereof or the exploitation of its natural resources, or

(ii) in places where they could cause interference with the rights of the Government of Malta to explore and exploit the natural resources of the said continental shelf, or

(iii) in places where they could cause interference with the use of recognised sea lanes essential to international as well as coastwise navigation;

(c) establishing safety zones around any such artificial islands, installations, structures or devices in, on, or above the continental shelf;

(d) regulating the laying, maintenance and monitoring of submarine cables and pipelines;

(e) regulating marine scientific research;

(f) regulating carbon capture and storage;

(g) prescribing such measures as he considers necessary in any such safety zone for the protection of the artificial island, installation, structure or device with respect to which the safety zone is established;

(h) regulating or prohibiting the entry of ships into any such safety zone, subject to any exceptions provided by the order from entering, without his consent, such part of that area

as may be specified in the order;

(i) prescribing measures to be taken in any such safety zone for the protection of the living resources of the sea and the natural resources of the continental shelf from harmful agents;

(j) prescribing the notice to be given of the construction, erection, or placing of artificial islands, installations, structures or devices in, on, or above the continental shelf;

(k) prescribing the permanent means to be installed for the purpose of giving warning to shipping and aircraft of the presence of artificial islands, installations, structures or devices in, on, or above the continental shelf;

(l) providing for the removal of artificial islands, installations, structures or devices constructed, erected, or placed in, on, or above the continental shelf which have been abandoned or have fallen into disuse;

(m) prohibiting or restricting any exploration or exploitation of -

(i) the continental shelf or any specified part thereof; or

(ii) its natural resources

which in the opinion of the Government of Malta could result in any unjustifiable interference with navigation, fishing, or the conservation or management of the natural resources of the sea, including the seabed and subsoil, or which could interfere with national defence or with marine scientific or other research or with submarine cables or pipelines;

(n) protecting the marine environment;

(o) providing for such matters as are necessary, including the prescription of fees and levying of taxes, for giving full effect to this Act and for the due administration thereof;

(p) regulating licensing procedures with regard to activities carried out on the continental shelf; and

(q) prescribing the minimum and maximum punishments, whether by way of fine (*multa*) or of

A 644

imprisonment, to be applied in respect of any contravention or non-observance of any regulation made under this article:

Provided that any punishment prescribed in the regulations made under this sub-article shall not exceed a fine (*multa*) of two million euro (€2,000,000), and shall not exceed a term of five years imprisonment, or both, in respect of any contravention or non-observance of any such regulation.

(2) By virtue of this article, the Prime Minister is also empowered to make any regulations or orders as may be required for the proper implementation and administration of this Act and any of the regulations made thereunder.

(3) In this article, the term "continental shelf" includes the seabed and subsoil of the submarine areas within the limits of the internal waters and the territorial waters of Malta:

Provided that nothing in this article shall affect the rights and powers of the Government of Malta under the appropriate laws in respect of areas within the limits of the territorial waters of Malta.

Designation of competent authorities.

5. For the purposes of the implementation of the provisions of this Act and regulations made thereunder, the Prime Minister may designate any person as a competent authority for the purposes of the implementation and for the exercise of any rights and duties therein.

Criminal and civil jurisdiction.

6. (1) Any act or omission which -

(a) involves or takes place on, under or above an artificial island, installation, structure or device on the continental shelf or any waters within five hundred metres of such artificial island, installation, structure or device, and

(b) would, if taking place in any part of Malta, constitute an offence under the law in force in Malta,

shall be treated for the purposes of that law and of any other law in force in Malta as taking place in Malta.

(2) For the purposes of civil jurisdiction exercisable by the courts of Malta, any artificial island, installation, structure or device and any waters within five hundred metres thereof shall be treated as if they were situated in Malta.

(3) Any maritime enforcement officer shall on any artificial island, installation, structure or device in a designated area have all powers, protection and privileges which he has in Malta.

7. For the purpose of ensuring compliance with this Act, any maritime enforcement officer may, where he has reason to believe that an offence has been committed under this Act and any regulations made hereunder, take any appropriate action necessary.

Appropriate action by maritime enforcement officers.

8. The provisions of sub-articles (2) to (6), both inclusive, of article 8 of the Territorial Waters and Contiguous Zone Act shall apply *mutatis mutandis* to any reasonable suspicion of an offence under this Act or any regulations made thereunder.

Right of hot pursuit.  
Cap. 226.

9. (1) Without prejudice to the provisions of sub-articles (2) and (3), the Continental Shelf Act is hereby repealed .

Repealing and transitory provisions.  
Cap. 194.

(2) Any licences or permits issued under the Continental Shelf Act shall continue to be regulated by the provisions of the said Act until their date of expiry.

(3) Any order or regulation made under the Continental Shelf Act shall remain in force as if they were made under this Act until such time as they may be amended or revoked by orders or regulations made under the provisions of this Act.

(4) Any other activity of whatsoever nature made under the Continental Shelf Act shall remain in force.

(5) Any reference to "the Continental Shelf Act" in any licence, contract or agreement relating to the exploration and exploitation of petroleum, to which the Government of Malta is a party, which was concluded prior to the coming into force of this Act, shall continue to be construed as a reference to the Continental Shelf Act, 1966.

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Passed by the House of Representatives at Sitting No. 184 of the 25th July, 2014.

ANGLU FARRUGIA

*Speaker*

RAYMOND SCICLUNA  
*Clerk of the House of Representatives*