

Annual Report



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ERA annual report 2025

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TO **SAFEGUARD**
THE **ENVIRONMENT**
FOR A **SUSTAINABLE**
QUALITY OF LIFE







Chairperson's Introduction

VINCENT CASSAR

During the past three years as Chairman, the Environment and Resources Authority has continued to strengthen its role as Malta's environmental regulator, evolving into a more mature and capable institution that is better equipped to address increasingly complex environmental challenges while supporting the nation's sustainable development.

Throughout 2025, ERA continued to reinforce the institutional foundations that support effective environmental governance. Our focus remained centred on strengthening regulatory consistency, improving organisational resilience, and ensuring that environmental decision-making remains transparent, science-based, and responsive to the realities facing Malta's communities and industry.

An important priority during the year was the continued modernisation of the Authority's systems and regulatory processes. Through ongoing digital transformation initiatives, ERA advanced towards a more integrated and accessible framework for environmental permitting and public services. Investments in upgraded digital infrastructure, stronger system security, and improved internal operational tools are contributing to greater efficiency, accountability, and transparency across the Authority's functions.

At the same time, ERA continued to strengthen its engagement with European funding mechanisms as part of a broader strategic approach to environmental investment and long-term ecological resilience. Initiatives such as the EMFAF marine conservation project and the E-CORE project reflect the importance of combining scientific knowledge, effective governance, and collaborative partnerships to support both marine and terrestrial ecosystem management.

These projects reinforce the Authority's commitment to translating environmental policy objectives into structured, long-term action.

As environmental pressures continue to evolve, ERA's role will increasingly depend on its ability to combine strong regulatory oversight with practical and forward-looking implementation. The progress achieved during 2025 provides a stronger institutional platform which will allow the Authority to continue to operate with greater focus, efficiency, and strategic direction.

Ultimately, our responsibility remains clear: to ensure that the decisions taken today contribute to a more resilient, sustainable, and better protected environment for present and future generations.





CEO's statement

KEVIN MERCIECA

Throughout 2025, the Environment and Resources Authority continued to advance its mission of safeguarding Malta's environment through a balanced approach that combines effective regulation, practical action, and meaningful collaboration. Our work during the year reinforced a clear principle: lasting environmental protection depends not only on strong policy, but on the tools and partnerships required to deliver measurable results.

A key element of this approach has been the continued development of the Environment Fund, which is increasingly serving as an effective mechanism for supporting initiatives that deliver tangible environmental and community benefits across Malta and Gozo.

2025 also saw important progress across key environmental priorities. Malta's network of protected areas was expanded through the designation of additional Special Protection Areas, while further advances were made in marine conservation through the launch and expansion of a national programme focused on the sustainable management and restoration of marine resources.

We also introduced new measures to reduce pollution at source, including restrictions on the release of balloons and plastic confetti, as well as the designation of smoking-free beach areas. Together with engagement initiatives such as the ERA Awards and ongoing biodiversity conservation efforts, these actions reflect a continued shift towards proactive

environmental management that combines regulation, restoration, education, and community participation.

We continued to strengthen our technical and scientific capacity, including through the refurbishment of the Air Monitoring Laboratory, which will enhance our ability to monitor air quality and support biodiversity-related research and analysis.

These achievements would not have been possible without the dedication of our employees and the continued collaboration of our partners, stakeholders, and communities. Their commitment and expertise remain essential in advancing our shared environmental objectives.

Looking ahead, our focus remains on building on these foundations by strengthening collaboration, investing in our people and systems, and supporting innovative solutions that deliver lasting environmental outcomes. Through collective effort and shared responsibility, we will continue working towards a healthier, more resilient environment for present and future generations across Malta and Gozo.



Perit Vincent Cassar
Chairperson



Prof. Emmanuel Sinagra
Deputy-Chairperson



Dr Eng. Christopher Ciantar



Prof. Stephanie Fabri



Mr Kurt Farrugia



Prof. Saviour Formosa



Perit Kevin Fsadni



Mr Martin Galea De Giovanni



Mr Isaak Koroma



Ms Charmaine Mangion



Mr Clarence Pace



Ms Lorna Farrugia
Board Secretary

The Environment and Resources Authority Board

The ERA Board was set up through the Environment Protection Act (Act I of 2016; consolidated as Chapter 549 of the Laws of Malta), which came into force on the 31st January 2016 by virtue of Legal Notice 50 of 2016. ERA Board members are appointed by the Minister in accordance with Article 6 of Chapter 549 of the Laws of Malta and serve a term of three years, unless otherwise specified in the relevant letter of appointment.

Article 6 of the Environment Protection Act stipulates that the ERA Board must be composed of not less than nine and not more than eleven members. Of the total membership, three public sector officers are appointed on the basis of their experience or qualifications in fields related to the environment, environmental health, social policy, or natural resources, seven are independent members one of which is nominated by the Environmental Voluntary Organisations, and one member nominated by the Leader of the Opposition. The ERA Board is supported by the Board Secretariat.

The following individuals acted as Board members in 2025:

CHAIRPERSON

Perit Vincent Cassar

DEPUTY-CHAIRPERSON

Prof. Emmanuel Sinagra

INDEPENDENT MEMBERS

Dr Eng. Christopher Ciantar

Prof. Stephanie Fabri

Mr Kurt Farrugia

Prof. Saviour Formosa

Perit Kevin Fsadni

Mr Martin Galea De Giovanni

Mr Isaak Koroma (appointed 11th April 2025)

Ms Charmaine Mangion

Mr Clarence Pace

BOARD SECRETARY

Ms Lorna Farrugia

MAIN 2025 OBJECTIVES

The ERA Board oversees and ensures that the following functions of the Authority, amongst others, are carried out in an efficient and professional manner:

- Policy formulation and implementation related to the protection and management of the environment and the sustainable management of natural resources;
- The carrying out and commissioning of surveys, studies, assessments, investigations, audits, as well as monitoring and promoting of research on environmental matters and natural resources;
- The provision of information and issuing of guidelines to the public and to commercial and other entities on matters related to the environment and the said natural resources;
- The establishment of environmental protection measures and promotion of the efficient use of natural resources in, and through, the practices, operations, activities and functions regulated by the Environment Protection Act (Chapter 549 of the Laws of Malta);

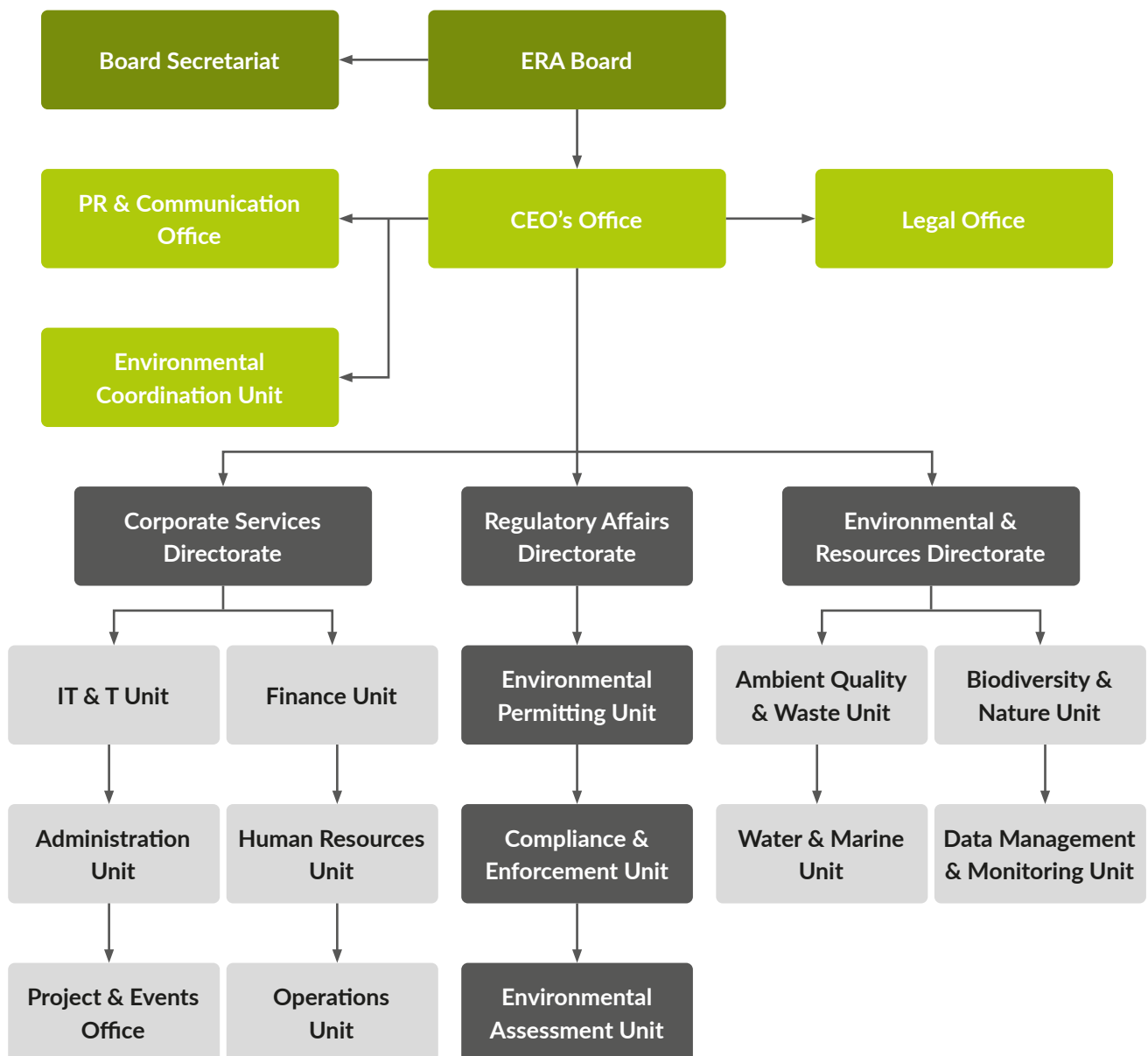
- Ensuring compliance with national and international obligations relevant to the matters regulated by or under the Environment Protection Act, and that such obligations come into force and are complied with;
- Permits, assesses, investigates, audits, monitors, and takes necessary action on activities, interventions, projects, operations or land uses that may affect the environment;
- Advising the Minister responsible for the environment on international legislation and on the formulation of national policy in relation to matters regulated by the Environment Protection Act and on matters having a bearing on this;
- Advising the Minister on any matter connected with its functions under the Environment Protection Act; and,
- Carrying out, reviewing or requesting others to carry out environmental assessments, environmental audits and environmental monitoring of activities and works that impact on the environment.

In line with the functions of the Board as indicated above, the Board determines fines, and environmental authorisations and assessments. The Board also determines reconsideration requests related to the same authorisations, assessments and fines. It also discusses and endorses policies and other strategic documents related to environmental protection.

Between January and December 2025, the ERA Board held a total of 28 meetings. Of these, 10 were public meetings during which the Board determined 1 application for an Integrated Pollution Prevention and Control (IPPC) permit, 15 applications related to environmental permits and 3 decisions concerning environmental assessments. Throughout 2025, the Board also determined a further 10 IPPC permit applications and 61 environmental permit applications. The Board also reviewed and decided on 594 submissions received following the issuance of notices of intent to impose administrative penalties and determined 16 larger penalties.



ERA Organisational Structure





Senior Management

THE SENIOR MANAGEMENT TEAM

Kevin Mercieca – Chief Executive Officer
Av. Aimee Brincat – Director Regulatory Affairs
Daniel Cilia – Director Corporate Services
Darrin Stevens – Director Environment and Resources
Suzanne Gauci – Deputy Director CEO's Office
Claire Cordina Borg – Deputy Director Environment and Resources
Alex Camilleri – Deputy Director Regulatory Affairs
Daniel Grima Duca – Deputy Director Regulatory Affairs
Charlot Cassar – Assistant Director Corporate Services
Manuel Spiteri – Assistant Director Corporate Services





Unit Managers

THE TEAM OF UNIT MANAGERS ARE

Alan Borg – Administration
Av. Paula Axiak – Legal Affairs
Anthony Aquilina – CEO's Office
Christine Tanti – Environmental Assessment
Claire Sevasta – Human Resources
Dr Christopher Cousin – Ambient Quality and Waste
Earl Vella – IT & T
Marie Therese Gambin – Biodiversity and Resources
Mark Lauri – Finance
Mark Spiteri – Operations
Miraine Rizzo – Water and Marine
Nathalie Ellul – Environmental Permitting
Nadia Suda Lanzon – Environmental Coordination
Perit Alexander Borg – Compliance and Enforcement





Our People

The Environment and Resources Authority is supported by a dedicated team united by strong values and a shared mission to safeguard the environment while promoting a sustainable quality of life. During the year under review, ERA adopted a proactive approach to recruitment, reaffirming its commitment to building a competent and resilient workforce. In parallel, the Authority continued to invest significantly in training and development, supporting professional advancement and strengthening expertise across all its functions. During the same period, the Professionals' Collective Agreement was successfully concluded. The agreement covers over two hundred (200) employees and remaining in force until 2030.

RECRUITMENT OVERVIEW

By the end of 2025, the Authority's workforce consisted of three hundred (300) officers including one hundred and fifty-six (156) female officers and one hundred and forty-four (144) male officers. The Authority also has thirty-five (35) contracted officers.

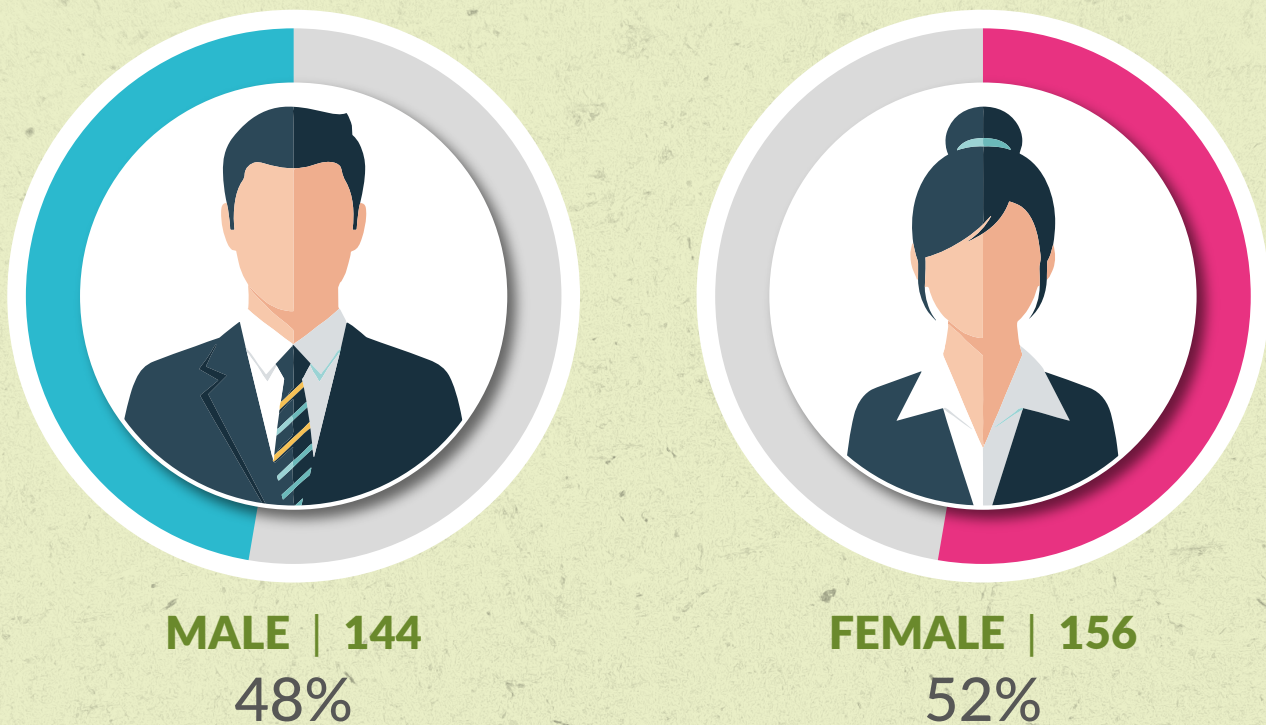
Throughout the year, one hundred and three (103) recruitment calls were processed to address internal promotions, resignations, and external replacements.



Graph 1 - Number of officers

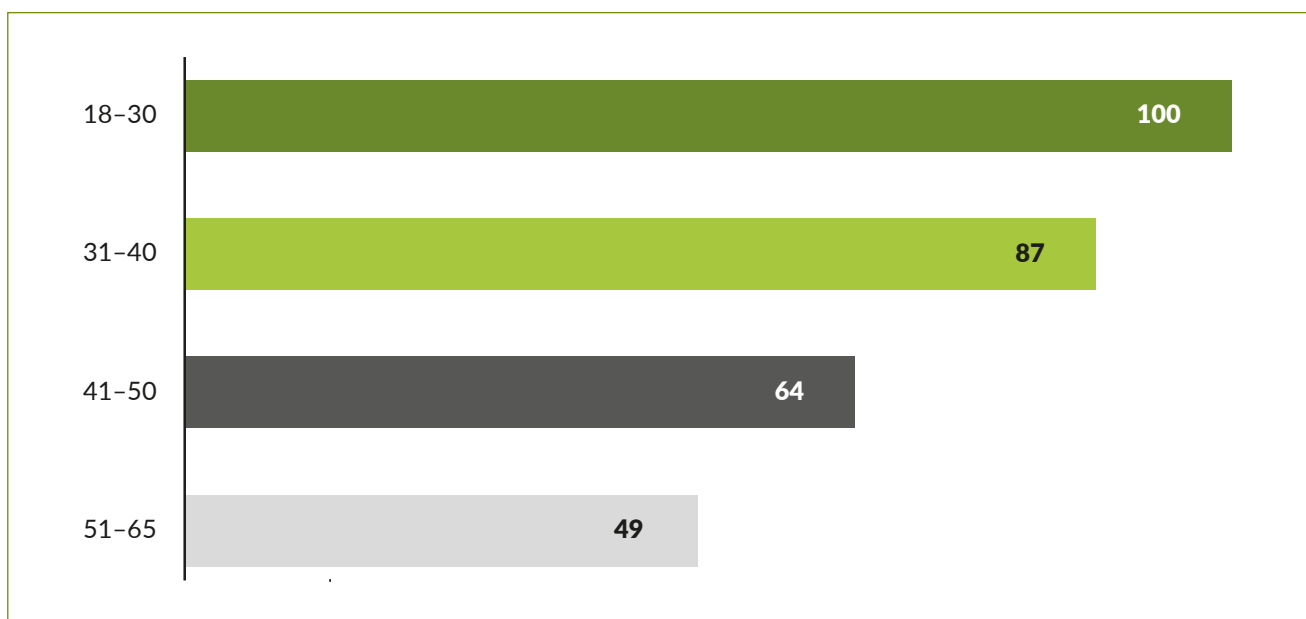


Graph 2 - Gender Segregation



THE AGE DISTRIBUTION OF OFFICERS IS AS FOLLOWS:

Graph 3 - Age Distribution



The average age of the Authority's officers is 37 years.

QUALIFICATIONS

The Authority boasts a highly qualified workforce, including ten (10) officers with a PhD, one hundred and nineteen (119) officers holding a Master's degree, and eighty-nine (89) officers whose highest qualification is a Bachelor's degree.

TRAINING AND DEVELOPMENT

During 2025, the Environment and Resources Authority, together with MG2i, finalised an agreement for the delivery of soft-skills training. This consists of ten Study-Units delivered by MCAST throughout 2025-2026. Approximately two hundred and seventy (270) ERA officers will attend one or more of the following:

- Award in Emotional Intelligence and Control
- Award in Critical Thinking and Innovation
- Award in People Management Skills
- Award in Time Management
- Award in Conflict Management
- Award in Effective Communication at the Workplace
- Award in Professional Presentation Techniques
- Award in Public Speaking
- Award in the Art of Negotiation
- Award in Decision Making Strategies

CORPORATE SERVICES DIRECTORATE

Throughout 2025, the Authority continued to invest in courses related to EU directives that will shortly be transposed into national law, budget updates, training in Excel, payroll-related webinars, courses on integrity and its impact on public administration for ERA management, CPD courses for warranted accountants, as well as training activities organised by an external service provider, where both officers and management could share their experiences.

REGULATORY AFFAIRS DIRECTORATE:

The Authority invested in nautical-related courses. These included lifesaving courses for Compliance and Enforcement officers who conduct marine inspections on RHIB vessels, as well as registration for fifteen (15) new officers who will obtain their Nautical Licence for inspection purposes. New applications were also submitted for drone examinations.

In collaboration with UoM, the Authority registered several officers from both the Regulatory Affairs and the Environment and Resources Directorates for specific study units from the Master's course *Environmental Monitoring and Assessment* which are relevant to their areas of work.

Officers also attended international conferences abroad to strengthen their knowledge in specific areas including the International Automatic Recycling Congress and ISWA Germany Study Tour Circular Economy. Moreover, in collaboration with MG2i, ERA registered officers from all units within the Regulatory Affairs Directorate to attend a course entitled *Tree Care Specialists* to equip its officers with more in-depth knowledge on the Trees and Woodlands Protection Regulations (S.L. 549.123).

ENVIRONMENT AND RESOURCES DIRECTORATE

ERA continued to invest in training for its officers working within the thematic units. Following internal restructuring, the Environment and Resources Directorate is now composed of four (4) units:

- Biodiversity and Natural Resources
- Ambient Quality and Waste
- Marine and Water
- Data Management and Monitoring

Accordingly, training during 2025 focused on supporting this new structure. An accredited bespoke course was designed together with the Faculty of Media and Knowledge Sciences (UoM). This training focused on modern technologies related to Data Collection, Processing and Analysis. Other courses held were in Power BI (including the use of Copilot) for data analysis and presentation as well as programming training on Python.

Ambient Quality and Waste officers attended training in the following areas:

- Introduction to the Management of Wastes & Resources
- Advanced Certificate in Report Evaluation (ACRE)
- Cohesion Policy Project Appraisal 2021-2027, CBA, Economic Appraisal (Basic + Advanced)

Officers within the Biodiversity and Natural Resources and Water and Marine units followed the below Study Units at Master's Level delivered by UoM:

- Environmental Impact Assessment
- Methods in Data Analysis and Quality Assurance
- Remote Sensing for Earth Observation

Officers also attended international conferences abroad on Global Biodiversity Strategy- Habitats Restoration and Vegetation Management: Every action matters to reduce vulnerability to climate change held at the University of Algarve and EUROPARC Conference 2025 which focused on Protected Areas and Natura 2000 sites.

CEO's Office: Officers working within the CEO's office followed courses on Policy Making, European Environmental Law, Employment Law, and EU Funding procedures.

TSI PROJECT

The Environment and Resources Authority is stepping into a new phase with IM PART 2, a project that focuses on reform, growth, and innovation. With the support of the EU's Technical Support Instrument (TSI), this initiative is helping ERA to become more resilient, flexible, and future-ready.

Through IM PART 2, ERA is investing in its people, strengthening its systems, and creating new opportunities for learning and development. From building a dedicated ERA Academy to launching a Junior Training Programme, the project is designed to boost skills, attract new talent, and make ERA better

equipped to tackle present and future environmental challenges.

At its heart, the project is about making ERA a learning organisation that can deliver stronger results for the environment, society, and future generations. As part of the ongoing IM PART 2 through the EU TSI Project, the Authority organized fourteen (14) focus groups between November and December 2025, where all ERA officers were invited to attend. The groups were designed to gather officers' views on the Authority's organisational performance since its inception and their aspirations for its future development.

LEARNING OPPORTUNITIES FOR STUDENTS

As per previous years the Environment and Resources Authority remained committed to give opportunities to students who are interested in conducting a work placement. In 2025, the Authority had sixteen (16) new student engagements and twelve (12) renewals through the IPS Student Scheme – Under/ Post-Graduate. Ten (10) students were engaged through the IPS Student Scheme- SummerPlus Programme. Five (5) students were engaged through the Students' Summer Work Exposure Scheme and one (1) student through the MCAST Apprenticeship Scheme.

The Authority also hosted several students who undertook their Systems of Knowledge projects with the Authority, as well as students from the University of Malta and MCAST who are pursuing qualifications in environment-related fields and are required to complete short-term work placements as part of their studies.



Public Relations

Throughout 2025, ERA continued to translate its vision of sustainable environmental management into tangible actions across Malta and Gozo. The Authority's communication, outreach, and engagement efforts were strategically designed not only to raise awareness of these actions but also to foster behavioural change, stakeholder collaboration, and long-term environmental responsibility. This included a mix of public campaigns, media engagement, and direct community outreach.

During the year, ERA delivered two major communication campaigns designed to combine education, participation, and behavioural change. The first focused on the newly introduced award categories within the ERA Awards. The ERA Awards celebrate achievements and positive contributions to environmental protection and sustainability across various sectors and were supported by a campaign combining mass media outreach with direct engagement through collaboration with governing bodies. The ERA Awards campaign, particularly with the introduction of new categories, aligned closely with the Authority's vision by recognising and incentivising best practices across multiple sectors. In doing so, ERA strengthened a culture of environmental excellence and collective responsibility. The second campaign focused on food waste reduction, including an event titled *Bites and Fun at Spencers*. By combining public education, hands-on engagement and collaborations with well-known local chefs the initiative encouraged practical lifestyle changes that support responsible consumption habits. In addition to these main campaigns, ERA also collaborated with

Transport Malta on a smart mobility campaign which in addition to promoting alternative means of transport highlighted the related environmental benefits.

In line with its vision of transparent and participatory environmental governance, ERA maintained continuous engagement with national media and the public. Throughout the year, ERA officials participated in nearly 50 informative television slots, providing expert insights into environmental issues while promoting responsible behaviour. Officials were also invited to speak at various events and fora, addressing a wide range of environmental topics. In addition, several articles were published across online and print media, supported by targeted digital advertising. ERA also coordinated with the press 50 times throughout the year and issued over 30 press releases over 2025, ensuring timely dissemination of information on regulatory developments, environmental initiatives, and matters of public interest. This sustained engagement ensured timely dissemination of regulatory updates, environmental initiatives, and matters of public interest, while positioning ERA as a trusted source of environmental expertise, and keeping environmental issues at the forefront of public discourse. The Authority also supported several public consultations, reinforcing its commitment to transparency, engagement and inclusive environmental governance.

ERA's social media platforms remained a key channel for public engagement, allowing the Authority to share a wide range of information with the public. This digital outreach supported ERA's broader

vision by, encouraging informed decision-making, promoting responsible environmental behaviour and enhancing transparency. Content published during the year covered a diverse range of themes, including biodiversity protection, turtle conservation updates, air quality, international environmental initiatives, waste reduction, and sustainable lifestyle practices. Social media was also used to promote ERA-led events, public consultations, and educational initiatives, further strengthening community awareness and interaction. Collaborative initiatives with external stakeholders continued to support sustainability-driven projects, including those aimed at students and educational institutions.

Public engagement was further reinforced through ERA's active participation in over 55 events throughout the year, reflecting its role as both regulator and environmental leader. These focused on environmental education, awareness of regulatory frameworks, and the promotion of sustainable practices and ranged from events organised by ERA to those in which ERA participated. Initiatives such as visits to air monitoring stations, nature walks, and educational talks reinforced the Authority's mission to bridge science, policy, and community engagement. Other notable events include the joint launch of a Buoy for Long-Term Underwater Exploration (BLUE), which will help gather environment data out at sea, BLUE, a presidential visit to the Authority's offices which also

marked the launch of new categories within the ERA awards, and a number of stakeholder meetings and conferences such as those on the Nature restoration Law, European Union Network for the Implementation and Enforcement of Environmental Law (IMPEL) expert group meetings, Technical Support Instrument (TSI) amongst others.

The year concluded with the launch of newly protected areas reinforcing the Authority's role as a leading voice in environmental protection and sustainability and setting the scene for things to come in 2026.

Collectively, ERA's PR and Communications efforts in 2025 directly supported the Authority's mission by:

- Raising environmental awareness across Malta and Gozo
- Encouraging behavioural change towards sustainable practices
- Strengthening stakeholder collaboration
- Enhancing transparency
- Promoting national environmental achievements

Through proactive communication and meaningful public engagement, ERA reinforced its role not only as regulator, but also as a leading voice for environmental protection and sustainability in Malta.



Environmental Coordination

Strategy, implementation oversight and the coordination of international relations are pivotal to the strategic functioning of the Authority across five key areas:

- setting the long-term strategy for Malta's environment and assessing its condition
- integrating environmental considerations into other sectoral policies
- coordinating Malta's positions on EU and international legislative and policy instruments
- supporting the development of national policy and facilitating the implementation of existing obligations
- leading on horizontal dossiers

STRATEGY AND POLICY INTEGRATION

Setting the long-term direction for Malta's environment through the National Strategy for the Environment has progressed through the identification of actions that could be undertaken during the initial phase up to 2030. Further planning has also commenced for a funding strategy, which will identify funding needs and subsequently provide the basis for matching these needs with EU funding opportunities, as well as national funds.

Strategically, integrating environmental considerations in policies adopted at the national level is essential to curb any unintentional negative effects on the environment, while also identifying any potential for synergies and further scope for proactive environmental policy measures. This will also benefit quality of life by ensuring that national policies give

due consideration to the quality of the environment and hence to wellbeing. In 2025, ERA contributed to the coordination of feedback on, and integration of, approximately 50 policies, including the National Transport Master Plan 2030 and the New Aquaculture Strategy for Malta. By providing feedback on such policies, ERA endeavours to ensure that environmental considerations are taken into account across the relevant societal systems.

ENVIRONMENTAL PERFORMANCE AND IMPLEMENTATION OVERSIGHT

Strategically ensuring that EU obligations, national policy commitments, and environmental performance are addressed in a coordinated and risk-aware manner is essential to consolidate the review of environmental outcomes.

In an effort to assess Malta's environmental performance, ERA continued to work on the State of the Environment Report (SOER). This report enables ERA to monitor environmental trends, drive change, and shape sectoral and environmental policies. It also tracks progress toward the National Strategy for the Environment (NSE) 2050 Strategic Goals, which underpin the environmental aspects of sustainable development. The SOER includes eight thematic assessments—Ambient Quality, Biodiversity, Fresh Waters, Marine Waters, Waste & Resources, Land & Coast, Climate Change, and A Changing Environment—to provide an integrated overview of Malta's environmental status. The SOER development process also supported the ongoing creation of environment information dashboards that narrate the story of

MALTA



Conventions
de Genève

key environmental outlook indicators and illustrate Malta's progress in its sustainability transition. In this regard, ERA also actively participated in shaping the country-specific assessment which accompanied the European Environment Agency's report on the state of Europe's environment. ERA – in collaboration with national experts within Malta's Eionet network – contributed to the preparation of the Malta Country Profile. This indicators-based analysis provides an overview of key environmental, climate, socio-economic and system-change considerations. This contribution is part of EEA's EU-wide country space exercise that is a compilation of national insights on environmental progress and challenges across Europe. This participation showcases Malta's commitment to evidence-based policymaking and environmental reporting.

Furthermore, ERA continued with its development of policies to plan and guide efforts towards reaching our national environmental objectives, such as in terms of air quality, waste management and biodiversity. In this regard, ERA continued the development of approximately 22 environmental policies during 2025, all of which are in different stages of the policy process. These include, among others, the Food Waste Prevention Plan, the 3rd MSFD Marine Strategy, the National Restoration Plan, the R4 Noise Action Plan, and the National Air Pollution Control Programme. 15 public consultations on policy were held in 2025, of which 3 public consultation meetings were held and around 62 distinct public submissions were received. All submissions received were duly considered as part of the formulation or revision of the respective policies as deemed appropriate. The Natura 2000 Conservation Objectives and Measures for Terrestrial Sites - Set 1, Guidelines for Good Forestation Practices for the Maltese Islands, Air Quality Plan, and Turtle Nest Relocation Code of Practice were fully concluded and adopted.

Two important European processes required strategic coordination during 2025. The first relates to the European Environmental Implementation Review, a diagnostic tool to identify gaps in the implementation of the EU environmental acquis and share best practices. The second was the provision of a status on the implementation of certain environmental measures tracked as part of the EU Commission's European Semester fact-finding mission. The

European Semester aims to ensure that national economic, financial, employment and social policies are coordinated in an efficient and systematic manner at the European and national levels. The Semester is an annual cycle of policy interactions, involving the European institutions, national governments, social partners and other stakeholders at the EU and national levels. All the EU Member States participate in the policy coordination cycle of the European Semester. This participation involves an in-depth review of Malta's national economic, social, and fiscal situation. The Authority provided the Commission with the status updates required.

Progress on legislative transposition and developments related to ongoing EU infringement procedures continued to be closely monitored, so that early-warning briefings and risk-mitigation recommendations are provided accordingly to support timely decision-making and ensure compliance. Seven transpositions were followed by ERA in 2025 and currently Malta is working to address seven infringements, including one pilot case. These were in the fields of nature, waste, water, air and access to justice.

Strategic oversight was also provided to address competence-related matters within the Authority and across external entities. This included coordinating the resolution of overlaps or gaps in responsibilities and supporting cross-unit and inter-entity governance structures related to the introduction of particular cross-sectoral competencies brought about by revised legislative requirements at EU level or changes in remits due to the governance restructuring of national entities. These included the Packaging and Packaging Waste Regulation; Batteries and Waste Batteries Regulation; Regulation on Deforestation-free Products (EUDR); and the Access to Genetic Resources and the Fair and Equitable Sharing of Benefits arising from their Utilisation Regulations.

EUROPEAN AND INTERNATIONAL AFFAIRS

ERA supports and advises the line Ministry on various environmentally related issues at international, regional, and EU levels. At the EU level, this involves monitoring discussions in the ENVI Council and various working parties until formal decisions are adopted. The legislative process may also include EU Parliament debates and trilogue negotiations before laws are adopted and implemented nationally. Most

adopted legislation, such as EU Directives, needs to be transposed into national laws, while some are implemented directly as EU Regulations. Over the past year, discussions carried over from 2024 in relation to soil monitoring and resilience, waste management, particularly end-of-life vehicles, microplastics and wastewater treatment including the treatment of priority substances. 2025 marked the commencement of new discussions on legislation related to the BBNJ Agreement, critical raw materials, recovered nitrogen from manure (RENURE) and forest monitoring, amongst others.

Towards the end of the year, strategic coordination was required on the EU Environmental Omnibus Package, an initiative by the European Commission designed to simplify, streamline, and accelerate EU environmental regulations, aiming to reduce administrative burdens on businesses and speed up permitting processes. Six new legislative proposals are aimed towards amending the current legislation on industrial emissions, the circular economy, waste management and environmental assessments, reflecting a shift toward boosting economic competitiveness while maintaining environmental goals.

In order to mainstream environmental issues within EU dossiers led by other agencies, ERA also contributed to these discussions, such as those related to acceleration of permit-granting procedures for renewable energy projects and similar strategic energy and infrastructural projects.

In 2025, ERA followed meetings regarding international agreements including, amongst others, the Aarhus Convention, the Convention on Long-Range Transboundary Air Pollution (CLRTAP), the Basel Convention, CITES, Ramsar Convention, Barcelona Convention, UNCCD (United Nations Convention to Combat Desertification), the CBD (Convention on Biological Diversity) and CPB (Cartagena Protocol on Biosafety), the UNECE Espoo Convention (Convention on Environmental Impact Assessment in a Transboundary Context), the Intergovernmental Negotiating Committee on Plastic Pollution (INC_{5.2}) and the Biodiversity Beyond National Jurisdiction (BBNJ) Agreement.

ERA ensures that international obligations undertaken by Malta on the environment and pertaining to its

remit are appropriately fulfilled, while guaranteeing its high profile with counterparts and stakeholders.

HORIZONTAL DOSSIERS

Given their strategic importance, certain dossiers—specifically the discussions and negotiations relating to the Aarhus Convention and the BBNJ Agreement—were closely monitored.

With respect to the Aarhus Convention, a number of EU Working Parties on International Environmental Issues in Brussels and a meeting of the Working Group of the Parties in Geneva, in preparation for the Meeting of the Parties (MOP) held in November 2025 in Geneva were followed. The Convention itself is a UNECE treaty signed in 1998, guaranteeing the public's rights to access *environmental information*, participate in *decision-making*, and *access justice* for environmental issues. It aims to protect the right to a healthy environment by promoting environmental democracy and transparency, allowing individuals to challenge decisions that harm the environment. Given that Malta is a Party to this Convention, it has attended and participated, particularly when formulating the positions taken during negotiations at the Meeting of the Parties (MOP)

Throughout 2025, negotiations related to the BBNJ Agreement (both in terms of discussions at the EU level, but also at international level) were followed. The BBNJ Agreement (Biodiversity Beyond National Jurisdiction), also known as the High Seas Treaty, is a legally binding international instrument under UNCLOS designed to protect, conserve, and sustainably use marine biodiversity in international waters. It establishes frameworks for marine protected areas, environmental impact assessments, and equitable sharing of marine genetic resources, addressing the 66% of the ocean outside national jurisdiction. In 2025, ERA attended the 2nd Preparatory Commission, in preparation for the treaty's entry into force (which happened in January 2026), and the first Conference of the Parties.

Environment and Resources Policy

During 2025, the Environment and Resources Directorate continued to strengthen ERA's thematic capacity across biodiversity and natural resources, water and marine management, ambient quality and waste, and data management & monitoring. Work across these areas combined policy development, strategic coordination, scientific assessment, public information, and project implementation, with a growing emphasis on evidence-based decision-making and digital transformation.

This included continued work on key national and EU policy processes such as the National Biodiversity Strategy and Action Plan, the National Restoration Plan, the 3rd Marine Framework Strategy, the Updated Water Catchment Plan, the National Air Pollution Control Programme, the Air Quality Plan, the Noise Action Plan, and various waste-related reforms, supported by broad stakeholder engagement and public consultation

At the same time, ERA continued contributing to the environmental status information and the European Environment Agency data exchange process, and the ongoing development of environmental dashboards, helping to provide a more integrated picture of Malta's environmental condition and progress towards national strategic goals.

A key development during the year was the establishment and consolidation of the data management and monitoring function, which is helping to improve environmental data flows, GIS infrastructure, reporting processes and public access

to verified environmental information. This work complements thematic action on the ground: in biodiversity and natural resources, ERA progressed on nature restoration planning; Natura 2000 conservation measures, site and species management; biodiversity monitoring; and work linked to soils, desertification and landscape governance. In relation to water and marine issues, ERA advanced implementation and monitoring under the Water Framework Directive and Marine Strategy Framework Directive, Marine Protected Area management, and coordination on cross-sector water issues, securing relevant projects and funding for the related implementation. As to ambient quality and waste, ERA continued to strengthen air quality monitoring and modelling; strategic environmental noise assessment and action planning; and implementation of the evolving waste and circular economy legal frameworks.

These efforts were reinforced by enabling projects and investments, including digital initiatives linked to MEPS upgrades, ERIS improvements and digitisation of services, EU-funded work under LIFE IP RBMP and related marine and water actions, continued support through the Environment Fund, and the refurbishment of the air monitoring laboratory to enhance future ambient air and biodiversity monitoring capacity. Collectively, these efforts reflect a more integrated and forward-looking approach to environmental governance, aimed at improving implementation, transparency, resilience, and the quality of environmental information available for public, policy and regulatory purposes.

Biodiversity and Natural Resources

GENERAL POLICY DEVELOPMENT AND FOLLOW-UP

The Biodiversity and Natural Resources Unit is tasked with addressing policy aspects linked with biodiversity and nature issues, including aspects linked with desertification and soils, working in tandem with other competent entities and implementing agencies and offices. 2025 marked a further step in strengthening Malta's approach to biodiversity and natural resource management: it led to advancement on conservations status assessments, nature restoration policy and additional sustained policy development, which coupled with robust monitoring, active international engagement and strong partnerships, enabling the Authority to continue its work on safeguarding Malta's terrestrial natural heritage and contribute to a sustainable quality of life. These outcomes collectively demonstrate the growing maturity of Malta's biodiversity governance framework.

THE NBSAP AND SUBSIDIARY ACTION PLANS

During 2025, the Biodiversity and Natural Resources Unit (BNRU) within the Environment and Resources Authority continued to play a central role in the development, coordination, and implementation of biodiversity and terrestrial natural resource policy at national, EU, and international levels.

Work during the year built upon the adoption and early implementation phase of Malta's National Biodiversity Strategy and Action Plan (NBSAP) to 2030, which provides the overarching framework for

biodiversity conservation, restoration, and sustainable use across marine and terrestrial ecosystems. Among other initiatives, an assessment commenced on Malta's progress in implementing the national strategy to contribute towards the Kunming-Montreal Global Biodiversity Framework (GBF), while ensuring alignment with EU environmental acquis and other multilateral environmental agreements, including the UN Convention on Biological Diversity.

One policy under development as required through the NBSAP is the National Strategy & Action Plan for Pollinators (NSAPP) up to 2035. On the same subject matter, the citizen science initiative Malta Pollinator Monitoring Scheme (MPOMS) continued throughout the year. Meanwhile, Malta actively participated in discussions at EU level on the development of a delegated act establishing a science-based method for monitoring pollinator diversity and populations, which is directly linked to the EU Nature Restoration Regulation (NRR).

NATURE RESTORATION

At EU and national levels, a significant portion of 2025 work focused on follow-up actions stemming from the EU NRR, including preparatory activities for the development of Malta's National Restoration Plan (NRP). This work requires close coordination with other competent authorities and stakeholders to ensure that restoration targets are addressed coherently and in line with national priorities.

This involved early coordination at national level, including issuing the intent to develop the NRP for



public consultation, convening an inter-ministerial committee meeting, and holding relevant stakeholder outreach, including meetings and workshops, as well as the identification and assessment of relevant datasets and evidence needs across terrestrial habitats, conservation status, agricultural ecosystems, urban ecosystems, freshwater and marine ecosystems. Relevant thematic areas include, among others, pollinators, farmland birds, habitats conservation concern, species distribution and extent, urban ecosystems, forests and trees, rivers and water catchment areas, and marine ecosystems. This preparatory work is intended to support and guide a robust, science-based and proportionate national restoration planning process.

LAND SITE DESIGNATION AND MANAGEMENT

In 2025, two new Special Protection Areas for the safeguarding of seabird habitats were designated: Irdumijiet ta' Malta: I-Inħawi taċ-Ċumnija sax-Xaqqa and Il-Gzejjer ta' San Pawl.

Meanwhile, BNRU's work in 2025 continued to prioritise the effective protection and management of terrestrial protected areas, particularly the Natura 2000 network and nationally designated sites.

Building on earlier designation and management processes, the Unit focused on the implementation of conservation objectives and measures for terrestrial Natura 2000 sites, in liaison with the relevant implementing entities. This was advanced through management arrangements established via agreements with governmental bodies and non-

governmental organisations. A key 2025 deliverable in site management was the continued revision and updating of the Conservation Objectives and Measures for Malta's terrestrial Natura 2000 sites through a staggered and consultative process. A public consultation process was held in 2025 for the revised conservation objectives and measures for Gozo sites, including the publication for consultation of the revised Gozo site package and preparatory work for further site packages in 2026.

BNRU continued to oversee and coordinate a suite of management agreements and memoranda of understanding related to site management and species conservation. These included agreements with the University of Malta, NGOs, and site managers for the management of protected terrestrial sites, ex situ conservation of native flora and rehabilitation of fauna. These partnerships remain essential for effective, on-the-ground biodiversity conservation.

To further support the management of sites and species, BNRU provided internal technical input and formal feedback on a substantial number of planning applications and environmental permit processes, ensuring that biodiversity considerations were fully integrated into regulatory decision-making.

SPECIES MANAGEMENT, REHABILITATION AND EX SITU CONSERVATION

Supporting on-the-ground management actions included habitat restoration, control of invasive alien species, planting of indigenous species, restoration of degraded areas, visitor management measures,



and installation of interpretative and protective infrastructure. These actions contribute to the improved conservation status of habitats and species, enhanced site resilience, and better integration of biodiversity considerations into land-use planning and site management. They are carried out either directly by the Authority or in liaison with other entities and non-governmental organisations. Examples included the rehabilitation of the sand dunes at Tal-Mixquqa and Little Armier, as well as the marshland at Mistra. Interventions included the planting of characteristic species to improve the diversity and structure of the floral communities, including Bush Restharrow (*Ononis ramosissima*), Capitate Galingale (*Cyperus capitatus*), Sand Couch Grass (*Thinopyrum junceum*), Sea Daffodil (*Pancratium maritimum*), and Sea Holly (*Eryngium maritimum*), and Sea Knotgrass (*Polygonum maritimum*). Additional sand dune restoration works were also carried out at the remnant dunes of Little Armier. Other works involved the removal of invasive alien species, and the installation of protective cordoning and signage to raise public awareness and safeguard these important and sensitive habitats.

Species conservation work in 2025 also included the rehabilitation of injured protected fauna through arrangements with specialised partners. This work remains an important operational component of ERA's biodiversity function, contributing both to the conservation of protected species. In total 959 individuals were rescued in 2025, of which the vast majority (638) were hedgehogs, while others included snakes (71), chameleons (65), sea turtles (61), and bats (59). 469 of these were eventually released, adopted or retained for further rehabilitation.

In 2025, ERA also continued to support *ex situ* conservation as a complementary measure to *in situ* biodiversity protection, including through collaboration agreements with the University of Malta and the Botanic Gardens, as well as other implementing partners, including NGOs. These arrangements support the safeguarding, propagation and longer-term conservation of selected native and threatened flora, while contributing to restoration preparedness, scientific knowledge and public awareness. Species which were propagated *ex situ* and subsequently planted in protected sand dune habitats as part of restoration efforts included the aforementioned Sea Holly, Capitate Galingale, and Sand Couch Grass.

MONITORING AND ASSESSMENT OF BIODIVERSITY

Monitoring and assessment remained a cornerstone of BNRU's work in 2025, underpinning evidence-based policy, management, and reporting obligations.

The Unit continued to enhance its programme of in-house ecological monitoring, covering a wide range of taxa and habitats, including mammals, reptiles, amphibians, orchids, garrigue, grasslands, and temporary freshwater rock pools. Complementary commissioned studies supported modelling and population assessments including for bats, as well as Red Data evaluations, thereby enhancing the robustness and spatial resolution of biodiversity information.



These surveys and studies strengthened national datasets and informed the conservation management of protected sites, species-specific action planning and EU reporting obligations, including those under the EU Habitats Directive. A major task during 2025 was the assessment of the conservation status of all habitats and species listed in the Annexes of this Directive and present in Malta, followed by reporting to the European Commission.

As noted earlier, the Malta Pollinator Monitoring Scheme (MPOMS) continued into its subsequent year, further consolidating citizen science as a cost-effective and scientifically robust monitoring tool. The scheme expanded national knowledge on pollinator diversity and distribution and directly supported policy development under the forthcoming NSAPP.

Additional work included a tree health assessment in relation to a number of Tree Protection Areas (TPAs), with the aim of identifying necessary management measures for specific tree specimens within these areas..

Such work enhanced technical capacity, addressed critical data gaps, and directly informed regulatory and management decisions concerning habitats and species.

DESERTIFICATION, LANDSCAPE, SOIL AND RESOURCES

In 2025, ERA continued to follow and contribute to developments related to soil health, land degradation and sustainable resource management at EU and international levels. This included follow-up linked to negotiations leading to the EU Soil Monitoring and Resilience Directive, preparatory consideration of the implications of the emerging framework for Malta, and work relevant to Malta's commitments under the UN Convention to Combat Desertification (UNCCD).

In 2025, Malta's ratification of the Council of Europe Landscape Convention marked an important step towards a more coherent national approach to landscape governance. Following ratification on the 26th May 2025 and its entry into force on the 1st September 2025, ERA continued to work with other relevant entities, including the Planning Authority, the Superintendence of Cultural Heritage, and other relevant stakeholders, to support the integration of landscape considerations into site management, restoration planning and broader land-use policy. This work contributes to a more joined-up approach to the protection, management and planning of Malta's landscapes, while also supporting greater awareness of landscape quality as an element of environmental wellbeing and quality of life

ERA also continued preparatory work relevant to improving the national evidence base on soils and land condition, which is expected to support future assessment, monitoring, and policy follow-up during 2026 and beyond. These themes are increasingly important in the Maltese context in view of aspects linked to desertification, erosion, sealing, resource use and climate resilience.

INTERNATIONAL PORTFOLIO

Throughout 2025, BNRU progressed a substantial portfolio of legislative and policy instruments and remained highly engaged in UN, EU, COE and other regional processes relevant to biodiversity and natural resources. Participation included:

- Meetings under the Convention on Biological Diversity (CBD), including Protocol-related processes on biosafety, with attendance at the continuation of the Conference of the Parties and Meetings of the Parties.
- Engagement under the UN Convention to Combat Desertification (UNCCD) and the Ramsar Convention, including attendance at the 15th Meeting of the Conference of the Parties.
- EU Working Parties, Expert Groups, and Committees on biodiversity, nature restoration, invasive alien species, and soil policy.
- Active participation in the Bern Convention, including its Standing Committee.
- Involvement in EIONET and European Environment Agency (EEA) thematic workshops and reporting-related activities.
- Contribution to selected international networks and initiatives such as EUROPARC, EUFORGEN and EUROBATS.

These instruments collectively strengthen Malta's legal and policy framework for biodiversity protection, ecosystem resilience, and sustainable land management.

BNRU continued to provide wide-ranging technical and policy input to negotiations and implementation processes linked directly or indirectly to biodiversity, invasive alien species, biosafety, soil resilience, and desertification, ensuring Malta's obligations and interests are effectively represented across sectors at the international and EU levels.

In 2025, Malta also became the 152nd Member of the Intergovernmental Platform for Biodiversity and Ecosystem Services (IPBES), an intergovernmental body that provides authoritative scientific assessments supporting the Convention on Biological Diversity (CBD), other multilateral environmental agreements, and EU nature-related legislation. ERA, through BNRU, was designated as the National Focal Point for IPBES, further strengthening Malta's engagement in global biodiversity science-policy processes. This membership will allow BNRU to contribute to and benefit from upcoming assessments, including the new thematic assessment on Biodiversity and Business, to be negotiated at the 12th IPBES Plenary in early 2026.



Water and Marine

GENERAL POLICY DEVELOPMENT & FOLLOW-UP

The Environment and Resources Authority remained actively engaged in EU policy processes in relation to the water and marine thematic areas. These included critical appraisals of EU policy proposals targeting management of water and marine pollution by chemical substances and nutrients, through revisions to the Environmental Quality Standards Directive (2008/105/EC and 2013/39/EC) and the Nitrates Directive (Directive 91/676/EEC). ERA contributed to these processes by assessing the applicability of the proposed changes to Malta.

Such work involved liaison and consultation with the relevant entities, given the cross-cutting nature of water issues. These included discussions and coordination with a range of competent entities, stakeholders and non-governmental organisations, on matters falling within their respective remits. These exchanges covered, among others, nutrient enrichment, agricultural pressures, farmyard waste, urban wastewater, fisheries and aquaculture, water quality, marine management and related policy follow-up.

In parallel, ERA initiated work for the transposition of the revised Urban Waste Water Treatment Directive and the definition of Significant Water Management Issues pursuant to the Water Framework Directive through meetings with government stakeholders. The Significant Water Management Issues encompass the main pressures and challenges affecting the status of all water bodies and constitute the basis for the development of the Programme of Measures (PoMs) in fourth River Basin Management Plan (RBMP), due in

2027. ERA continued to follow closely developments under the Barcelona Convention and its Protocols, culminating in its participation at the 24th Meeting of the Contracting Parties (COP 24), held in Cairo, Egypt, in December 2025. ERA contributed to negotiations leading to the adoption of the Cairo Ministerial Declaration and key strategic decisions, including the Mediterranean Strategy for Sustainable Development 2026–2035, the Regional Climate Change Adaptation Framework 2026–2035, the updated Ecosystem Approach (EcAp) policy and IMAP, and the Programme of Work and Budget for 2026–2027. ERA's engagement supported alignment with EU obligations and the effective national implementation of these regional commitments.

ERA also contributed to cross-cutting EU and international discussions on key ocean and water policy initiatives, including the European Ocean Pact and related measures, the European Water Resilience Strategy, and negotiations on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ), ensuring coherence across regional, EU and global ocean governance processes.

REPORTING OBLIGATIONS

ERA has completed reporting obligations through the submission of the Nitrates Directive report, outlining the situation in Malta with respect to nitrate contamination of our waters. ERA also contributed, together with the Energy and Water Agency, to the submission of the progress report with respect to the implementation of the Programme of Measures of the third River Basin Management Plan pursuant to the EU Water Framework Directive.

Electronic reporting was finalised with respect to Malta's third River Basin Management Plan and the monitoring undertaken as part of the WatchList mechanism under the Environmental Quality Standards Directive, seeking regular monitoring of selected contaminants that are not currently regulated.

MANAGEMENT PROCESSES

In 2025, ERA continued to secure funding for the implementation of management processes in the marine environment, with specific focus on the management of Marine Protected Areas. Following the award of the first phase of the project in 2024, ERA applied for additional funding under the EMFAF Operational Programme for the period 2021-2027 to continue the implementation of these management processes. The application was approved for co-financing on 19 November 2025.

Following the approval in November 2025 of additional EMFAF co-financing under the 2021-2027 Operational Programme, ERA is planning to continue and expand marine management processes during 2026 and beyond, with particular focus on Marine Protected Areas, evidence-based monitoring, management planning, and targeted implementation measures. This support is expected to strengthen Malta's capacity to deliver marine conservation and policy obligations in a more structured and sustained manner.

In parallel, ERA continued to implement monitoring and management actions under the EU-funded LIFE Integrated Project LIFE₁₆IPE/MT₀₀₀₀₀₈. These actions included the analysis of water resources to determine the extent of contamination and the relevance of various chemical contaminants to Malta's waters, as well as pilot testing of ecological moorings to mitigate the impacts of anchoring on sensitive seabed habitats. Work undertaken in 2025 will enable the deployment of ecological moorings under this pilot project in summer 2026.

Management processes also targeted vulnerable marine species. In 2025, ERA extended the two-year moratorium on the collection of sea urchins to enable the full recovery of the species' population.

MONITORING & ASSESSMENT

In 2025, ERA also continued the implementation of the National Monitoring Programme in collaboration

with relevant competent entities and academia. Such marine monitoring needs to be sustained over time to enable the continuous assessment of the status of marine waters. In 2025, ERA published various tenders and entered into contracts or agreements to support the monitoring of coastal seabed habitats, water quality, the presence of non-indigenous species and marine litter. Some of this monitoring was undertaken in collaboration with the Department of Biology at the University of Malta, while foreign experts were engaged to assess the status of fish species based on data collected by Aquatic Resources Malta.

This monitoring underpins the assessment of status and trends in Malta's water and marine environment, supports reporting and planning under the Water Framework Directive and the Marine Strategy Framework Directive, and provides the evidence base required for management measures and future policy development.

As a partner in the EU-funded project LIFEIPE₁₆/MT₀₀₀₀₀₈, ERA assisted the Department of Geosciences at the University of Malta in the deployment of the multiparametric buoy "BLUE" off Malta's Grand Harbour in April 2025. BLUE continuously collects data on currents, waves and water quality parameters. The primary objective of deploying BLUE was to support the development and use of such models, thus enabling Malta to implement specific requirements under the EU Water Framework Directive and the Marine Strategy Framework Directive. BLUE will provide insights into how the marine environment is being affected by large-scale changes and human-induced pressures generating information that is highly relevant to decision-making and management processes.

Ambient Quality and Waste

The Ambient Quality and Waste Unit supports the in delivering its mandate to protect environmental quality and promote the sustainable use of resources. The Unit's remit encompasses ambient air quality, environmental noise and waste management, and is implemented through the development and coordination of policies and legislation, in collaboration with relevant national and international stakeholders.

ENVIRONMENTAL NOISE

ERA is responsible for ambient environmental noise as regulated under the Environmental Noise Directive (END) and its transposing national legislation (S.L. 549.37). This remit relates specifically to strategic environmental noise from major roads, aviation, major industrial sources and the agglomeration, and not to all forms of noise nuisance more generally, such as neighbourhood disturbance, isolated construction noise, or entertainment-related nuisance, which may fall under other legal and administrative frameworks. In this respect, ERA published the latest Noise Action Plan (NAP) at the end of 2023, which addresses the management of environmental noise from transport including road and air traffic, as well as industrial noise within the Malta Agglomeration and along major roads across the Maltese Islands. ERA has completed the final draft update of this plan following extensive stakeholder and interministerial consultation, with a view to publishing it for public consultation in the near future.

The NAP adopts a strategic approach to managing environmental noise regarding the impact of noise from major roads, aviation and major industries, while maintaining a balanced approach within the context of sustainable development. The plan identifies noise hotspots and candidate quiet areas and sets mitigation measures based on cost-benefit analysis.

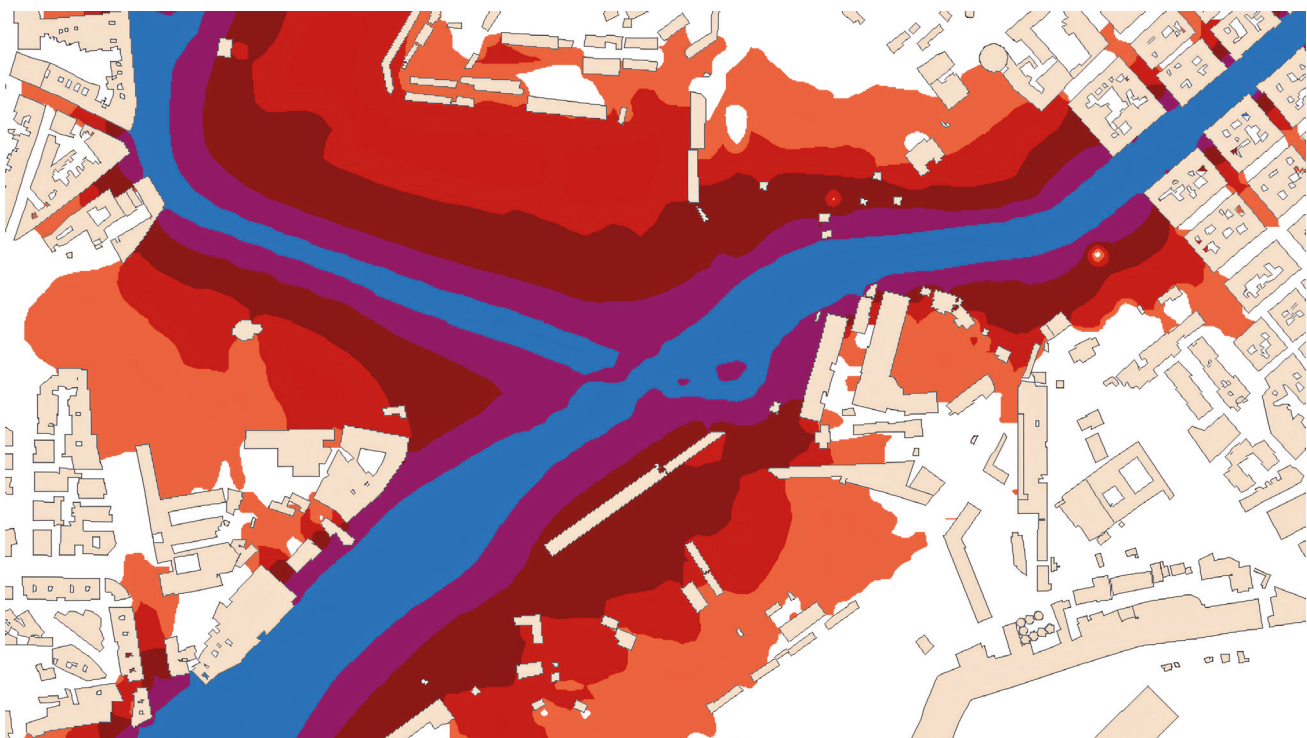
As part of the NAP's implementation, ERA progressed with a technical feasibility study on noise abatement measures for road traffic, including surveys and noise monitoring at priority locations identified for intervention. The study will provide recommendations for traffic noise-related interventions and mitigation measures.

Furthermore, ERA continued developing a cost-benefit analysis to integrate the socio-economic aspect of the proposed measures in the NAP, aiming to quantify and inform the NAP regarding the number of people benefiting from reduced noise exposure.

Data, Analysis and Reporting

Identification of GIS-based noise Hotspot and Quiet Areas - ERA conducted GIS-based spatial analysis to identify noise hotspots and quiet areas. This included the assessment of road traffic and air traffic noise using GIS tools to support mapping and criteria-based evaluation, in line with the requirements of the Noise Action Plan.

Reporting Obligations - ERA finalised the DF_{1.5} dataflow relating to noise sources under the Environmental Noise Directive (END) 2002/49/EC. In this reporting cycle, apart from the agglomeration boundary definition and the list of major roads exceeding 3 million vehicle passages per year, Malta





will report Malta International Airport as a Major Airport exceeding 50,000 movements per year.

In preparation for the fifth round of strategic noise mapping, ERA initiated the procurement process for this service.

ENVIRONMENTAL AIR QUALITY

ERA is responsible for overseeing the implementation of the National Emission Ceilings (NEC) Directive and the relevant national legislation (S.L. 549.124), with the aim of limiting emissions of certain atmospheric pollutants through the established national emission reduction commitments. Obligations under the NEC Directive include the preparation of the National Air Pollution Control Programme, the national historical and projected emission inventory, the informative inventory report, emissions data in a gridded format, reporting on large point sources, and ecosystems monitoring.

In addition, ERA is responsible for implementing the Ambient Air Quality Directives (AAQD 2008/50/EC and 2004/107/EC) and relevant S.L. 549.59, which set thresholds for certain pollutants in ambient air. The revision of the Ambient Air Quality Directive was finalised in 2024. Throughout the negotiation process, the Ambient Air Quality Team actively participated and provided technical feedback. The recast of the Ambient Air Quality Directive was published in November 2024 and ERA is at an advanced stage in

preparing for its transposition, which is expected to take place in 2026.

Air quality is also addressed at an international level, primarily through the Convention on Long-Range Transboundary Air Pollution. The Ambient Air Quality Team is actively following the negotiation process of the revision of the Gothenburg Protocol, which is currently ongoing at UNECE level.

Ongoing work on the development of emission inventories and policies to improve air quality yielded the following important outputs:

1. Improved estimates of historical and projected emissions from road transport, public electricity, manure management and synthetic fertilisers, construction and demolition, road paving with asphalt, national navigation, industry, composting, cremation and open burning of waste, ensuring more representative emission estimates and improved consistency between historical and projected emissions
2. Work is ongoing to improve the historical emissions of all reported sectors for the 2026 submissions.
3. The Ambient Air Quality Team modelled the impact on air quality of policies and measures included in the National Energy and Climate Plan, supporting the reporting by CAA.

4. The Air Quality Team finalised the draft National Air Pollution Control Programme, which requires synergy with other relevant sectors, such as the transport, energy and climate sectors. The draft NAPCP is expected to be issued for public consultation in the near future.

Further work will focus on improving methodologies for several sectors within the emission inventory for the coming years, through an extensive project which will involve capacity building to refine all emission inventory sectors and the establishment of a national community supporting the reporting of air pollutant and greenhouse gas emissions, in collaboration with CAA.

Air Quality Plan

Work on the draft Air Quality Plan was finalised in 2025, incorporating feedback from the public consultation as well as additional stakeholder consultations. The Air Quality Plan was prepared by ERA in consultation with the Air Quality Plan sub-Committee, established in line with the requirements of S.L. 549.59.. ERA is currently undertaking further assessment of the measures included in the plan to quantify their positive impacts on air quality.

The Air Quality Team played a leading role in chairing the NO_x Emission Control Area (ECA) Working Group, which is tasked with overseeing the completion of a study on the Socio-Economic and Health Impacts of the Implementation of a NO_x ECA in the Mediterranean Sea on the Maltese Islands. This ongoing study, supported by the expertise from the Air Quality Team and the Water Unit contributed to the provision of extensive technical input throughout the international review process.. This resulted in multiple amendments to the Mediterranean study, ensuring that Malta's specific circumstances are appropriately reflected.

Air Quality Monitoring

In 2025, ERA continued monitoring a wide range of ambient air quality parameters, including:

- continuous ambient air quality monitoring through five fixed monitoring stations at Msida, Żejtun, Attard, St. Paul's Bay and Għarb (Gozo). Data from these stations is used for reporting under the Ambient Air Quality Directive (AAQD).

This system allows for the collection of regulated pollutants' data and other air parameters such as meteorological data that are used for internal quality assurance procedures. The data of the main pollutants is also published on ERA's website in the form of air quality indices, graphs and tables

- ongoing negotiations to secure long-term lease agreements for Żejtun and Attard stations
- periodic monitoring of nitrogen dioxide (NO₂) using the passive diffusion tube network at approximately 100 sites across Malta and Gozo
- periodic monitoring of Sulphur Dioxide (SO₂) and benzene (and other hydrocarbons) was also carried out at a reduced number of sites
- additional monitoring at public schools, old people's homes and hospitals, which are being periodically monitored for nitrogen dioxide (NO₂)
- periodic monitoring of heavy metals and polycyclic aromatic hydrocarbons (PAHs) at St Paul's Bay and Msida stations, as well as ions and elemental and organic carbon at Għarb station



- ionising radiation monitoring in air, water and soil. Work is ongoing to relocate the Bengħajsa ionising radiation station from the current premises to the adjacent park managed by Project Green
- In order to improve quality control and further increase the efficiency of the monitoring team, ERA built a calibration laboratory, maintenance room, wet room and offices. Works were nearing completion by the end of 2025
- Preparation of a tender for the procurement of an Automatic Filter Weighing System, low volume samplers for gravimetric PM_{2.5} and PM₁₀ monitoring and a mobile station enclosure

The Authority also installed a new high volume sampler for the monitoring of radionuclides in air, replacing aging equipment.

Malta was also audited by Austria's environment agency which is Malta's national reference laboratory, and the air quality data reported to the EU and the general public meets the data quality objectives laid out in the respective legislation.

Air Quality Assurance

- an inter-laboratory comparison for inorganic gases (nitrogen oxides, sulphur dioxide, carbon monoxide and ozone) was carried out in Vienna with excellent results, where ERA achieved a clear pass mark. This marks the fourth inter-laboratory comparison in which ERA has participated (previous exercises covered different pollutants) and the success reflecting continuous investment in the authority's quality assurance system (hardware and personnel) and the collaboration with Malta's designated National Reference Laboratory, the Federal Environment Agency Austria, since 2020
- Further enhancements to QA/QC systems and uncertainty analysis were undertaken for compliance with AAQD data quality objectives. These included monitoring the drift of calibration gas cylinders and conducting intercomparison exercises of automatic dust analysers against the reference method
- ERA also explored a cost-effective approach for the calibration of gas analysers, using permeation tubes, through the use of a demonstration instrument

Studies and Reporting

- In preparation for the roadmap as required by the new AQ Directive, ERA initiated full speciation analysis of airborne dust using 800 PTFE filters to identify natural source contributions to PM₁₀. The first batch is scheduled for January 2026, with preparatory work completed in Q4 2025.
- The Air Quality study related to the impact of ship emissions on the Grand Harbour is in its final stages. The PM_{2.5} filters have been analysed, and the results are being analysed by the University of Malta.

ERA also successfully delivered ambient air quality data reports in a timely manner as per reporting requirements of the AAQD.

WASTE MANAGEMENT

ERA is responsible for waste management in accordance with various EU Directives and Regulations as well as related national legislation transposing or implementing the Union acquis. A significant proportion of the EU waste acquis has undergone substantial revisions to reflect the Union common ambition to move towards a true Circular Economy. Notably:

- The Batteries and Waste Batteries Directive was replaced in 2023 by the new Batteries and Waste Batteries Regulation (Regulation (EU) 2023/1542)
- The 2006 EU Waste Shipment Regulation is being replaced by Regulation (EU) 2024/1157 (WSR)
- The Packaging and Packaging Waste Directive is being replaced by Regulation (EU) 2025/40 on packaging and packaging waste (PPWR)
- The Waste Framework Directive (WFD) has been significantly amended with respect to food waste and textiles through Directive (EU) 2025/1892

In addition, in 2025 a preliminary agreement was reached between the European Council and the European Parliament on a new EU Regulation replacing the current End-of-Life Vehicles Directive and the Directive on type-approval of certain motor vehicles with respect to reusability, recoverability and recyclability.

The Waste Team actively participated and provided technical feedback throughout the negotiation process of all such key pieces of Union law from a waste management perspective. Furthermore, the Waste Team also carried out significant work on the implementation of this legislation in Malta. In October 2025, the new Waste Management (Waste Batteries) Regulations were enacted as S.L. 549.178. Substantial work was also carried out on the implementation of the new EU WSR and PPWR, while work on the transposition of the revised WFD commenced.

In addition, amendments to the national Waste Electrical and Electronic Equipment (WEEE) Regulations, S.L. 549.89, were enacted through L.N. 200 of 2025, in order to transpose Directive (EU) 2024/884 which was adopted to amend the WEEE Directive in accordance with the Court of Justice ruling removing unjust retroactive Extended Producer Responsibility (EPR) obligations.

Work was also carried out on targeted amendments to the national WEEE Regulations following discussions with key stakeholders to introduce three sub-categories under WEEE category 1 for the allocation of collected WEEE to the authorised Producer Responsibility Organisations (PROs).

The Waste Team is also leading the implementation of the national Waste Management Plan 2021-2030, the Single-Use Plastic (SUP) Strategy, the implementation of the EU SUP Directive and of the national Construction and Demolition Strategy as outlined below.

Reduction of Single-Use Plastic

ERA's Waste Team continued implementing the 24 measures identified in the Single Use Plastic Strategy. During 2025, significant progress was achieved through the introduction and advancement of several legislative measures, including:

- The extension of Extended Producer Responsibility (EPR) to tobacco product filters containing plastic;
- The extension of Extended Producer Responsibility (EPR) to fishing gear containing plastic; and
- The prohibition of the open-air release of balloons and plastic confetti.

These legislative developments form part of Malta's broader efforts to strengthen the regulatory framework addressing single-use plastics, reduce plastic leakage into the marine and terrestrial environment, and improve producer accountability in line with EU environmental objectives.

In parallel, and to support catering establishments in their transition towards sustainability, in June 2025 ERA launched public consultation on the draft guidelines outlining alternative options for SUP food containers and beverage cups with the lowest environmental impact. The public consultation ran until 25 July 2025, and the feedback received is being reflected in these guidelines.



Construction and Demolition Strategy

The Construction and Demolition Waste Framework Regulations (S.L. 549.161) were enacted in 2024, establishing a legal framework that focuses on the construction industry in a holistic manner, taking into consideration the industry's environmental impact at each stage, and outlining the waste management responsibilities of the identified actors involved in the sector, namely the developers/clients, contractors, waste carriers and site managers.

The Regulations also require developers of high-density residential developments serving sixteen (16) units or more and major developments to submit a pre-demolition audit (PDA) as part of the planning process prior to the issuance of a commencement notice of works by the BCA. This obligation entered into force on the 1st January 2026 and is a measure from the Construction and Demolition Waste Strategy. Such PDAs may be compiled by warranted periti, surveyors or duly qualified environmental consultants that meet the eligibility criteria set out by ERA. The criteria as well as the application forms for the expression of interest to conduct PDAs were developed and published on the ERA website.

Furthermore, these developments will be required to achieve targets related to re-use or recycling of waste generated during excavation and demolition and those related to the use of recycled aggregates and construction material. This obligation shall enter into force as of January 2028. Guidelines are being drafted to guide actors involved in the Construction and Demolition industry on how to meet their obligations with respect to waste management.

Food Waste

On 31 October 2025, ERA published the intent to develop Malta's Food Waste Prevention Programme in line with the requirements of the revised WFD. The public consultation, which ran until 12 December 2025, sought feedback from the public in terms of experience, practical initiatives, innovative ideas and potential reduction measures on food waste. In parallel, ERA is working with a consultancy firm on a nation-wide study on food waste prevention in Malta across all five stages of the food supply chain, taking into account Malta's unique socio-economic context, particularly its reliance on tourism and services-based industries. This study will feed, together with the outcome of the above-mentioned public consultation,

into the development of the national food waste prevention programme.

Waste Monitoring and Assessment

Implementation of Measures within the Waste Management Plan and other policy initiatives

In July 2024, ERA-Waste Team assumed full responsibility from the Ministry for the implementation and coordination of the entire plan. The Plan comprises of a total of 134 measures designed to strengthen and enhance waste management practices across multiple sectors.

ERA has undertaken extensive efforts to improve the overall implementation status of the plan. As a result of these coordinated actions and increased oversight, significant progress has been achieved. By the end of 2025, 65 measures had been completed, 48 were ongoing, and 4 measures had been placed on hold. The remaining measures remain pending implementation, as they continue to depend on the outcomes of other measures or ongoing EU discussions.

As part of the implementation of the plan, 2025 saw the issuance of a successful call for expressions of interest for the development of a Continuous Professional Development (CPD) Programme on Waste Prevention. The next phase will involve selecting the most appropriate plan of work/s.

In addition, substantial work was undertaken to draft new national regulations establishing a national Extended Producer Responsibility (EPR) scheme for certain non-packaging paper products in line with measure WMRO_EPR²⁹.

Waste Characterisation Studies

This study is being carried out as part of ERA's ongoing efforts to periodically determine the composition of municipal waste and to obtain the necessary data for reporting as part of the Authority's obligations. The study will provide detailed information on the composition of various waste streams including black mixed municipal waste, grey/green bag for mixed dry recyclables, organic waste bags, recycling points, glass door-to-door collection, bulky waste, and street cleaning. The summer phase has already been concluded, and the raw data are being assessed from a statistical perspective. This comprehensive data will allow for an assessment of the effectiveness of waste separation policies.

National Survey on Food Waste Generation Patterns at Household Stage

This national survey aims to gather information on how households in Malta dispose of organic waste and to identify patterns in food consumption and food waste generation.

The data collected will enable ERA to support the development of effective measures aimed at helping Malta achieve the food waste reduction targets. The survey will be conducted in two phases, winter and summer to capture seasonal variations. The study is expected to be completed by Q4 of 2026.

Survey on Household Behaviour on Waste Reduction through Reuse

This study aimed to measure reuse activities among households for certain products such as clothes, electronic equipment, furniture, and construction products. The study was conducted through a survey on households' behaviour quantifying reuse activities. The survey was carried out in Q4 2024 with the report, including survey results, completed in Q1 2025.

Data analysis and reporting

One of the key responsibilities of the Waste Team is waste data analysis and the fulfilment of Malta's reporting obligations arising from international commitments and the Union waste acquis. The Waste Team is responsible for the development of the waste inventory, which serves multiple purposes: from assisting the policy-making process and elaborating waste statistics, to aiding in the preparation of Malta's reports. In terms of Malta's reporting obligations, the Waste Team prepared 21 reports that were successfully submitted. It is also noted that that, since reference year the Authority has been designated as an Other National Authority specifically for waste statistics to Eurostat.

In addition, 2025 saw the publication of the first waste data dashboards on ERA's website, covering packaging waste, WEEE and waste batteries.

DATA MANAGEMENT AND MONITORING

Although in its infancy, the new Data Management and Monitoring Unit is designed to enhance thematic environmental data collection, management, and analysis and serve as a public service to provide digitally transformed datasets for better understanding of environmental information. This is done through field data collection, GIS mapping, drone surveillance, and

database administration, and data analytics, which encompasses statistical analysis, machine learning, environmental modelling, and EU/international reporting obligations. The team also ensures efficient data flow, quality assurance, and informed decision-making to support environmental policies and compliance.

In 2025, a new team was established with particular focus given to improving environmental data flow and reporting, enhancing ERA GIS infrastructure and developing a series of troubleshooting SOPs for more efficient workflows.

As part of work planning, ERA is also progressing the integration of new technologies into its monitoring and data management functions. This includes the structured use of UAVs, earth observation and satellite data, remote sensing applications, and automated or semi-automated mechanisms for data capture, validation, processing and reporting. These tools are expected to improve coverage, timeliness, consistency and cost-efficiency across multiple thematic areas, while strengthening ERA's ability to detect change, target field verification, support compliance-related monitoring, and provide more responsive evidence for policy and regulatory action.

MEPS Geoportal

During 2025, ERA continued the in-house development of the new environmental centralised hub and viewer as part of the evolution of the Malta Environment Platform and Services (MEPS) in view of the ever-expanding range of spatial environmental information being gathered and assessed. In its renewed form, MEPS is intended to serve not only as a repository of spatial environmental data, but as an authoritative national platform through which reliable, verified and up-to-date scientific environmental information is made freely accessible to the general public, stakeholders, assessors, permit holders, researchers and public authorities. This will facilitate implementation of environmental legislation and policy, strengthen transparency, support better decision-making, and enhance public awareness of Malta's environmental resources and constraints. This new service will serve as Malta's central repository for environmental data, ensuring transparency and accessibility. Furthermore, it is anticipated that other published data platforms will link to MEPS, facilitating wider dissemination of environmental information.



EIONET

In 2025, ERA continued to honour Malta's commitment to and participation in the European Environment Information and Observation Network (Eionet) as the National Focal Point (NFP) and the National Data Flow Coordinator by primarily managing the national

network of environment experts and data reporters. ERA provided continuous support to various entities by delivering and uploading official reports on the EIONET's Reportnet pursuant to various EU and international environmental obligations. As the National Focal Point, ERA also coordinated feedback from various entities in relation to various reports and studies published by the European Environment Agency.

Malta GeoHub

ERA, as one of the entities sharing its technical expertise and contributing to the development of a national spatial data infrastructure, provides information and datasets for inclusion in the Malta GeoHub, which is designed to foster value-added socio-economic growth using geospatial information. It provides a central portal to search for and view authoritative geospatial information to improve sharing and collaboration across Government and with business, academia and the citizens of Malta.

National Biodiversity Database

Work continued on the development of the National Biodiversity Database. The database is intended as a public centralised digital repository that includes information on key species in the Maltese Islands, with the intent of serving as a tool for policy-makers, students and the public with information on species distribution, habitats, and ecological status. Information provided by experts was meticulously assessed, validated and uploaded onto the digital

National Biodiversity Database

Name

English Name
Loggerhead Turtle

Other English Name
n.a.

Maltese Name
il-fekruna tal-baħar

Other Maltese Name
il-fekruna komuni

Scientific Name
Caretta caretta (Linnaeus, 1758)

Other Scientific Name
Testudo caretta Linnaeus, 1758
Cauwana cephalo Schneider, 1783
Cauwana elongata Gray, 1844

Brief Description

Caretta caretta is a large marine reptile characterised by a reddish-brown carapace and a pale yellow plastron. Its carapace is slightly heart-shaped, composed of hard bony plates and typically does not exceed 90cm in length in records obtained from the Maltese Islands. The carapace features five pairs of pleural (costal) scutes running down each side, 11 or 12 pairs of marginal scutes along the outer edge, and five vertebral scutes stretching down the centre. The loggerhead's large head is armed with powerful, beak-like jaws, enabling it to crush hard-shelled prey such as crabs, sea urchins, and molluscs while foraging near the sea floor. In open water, it also feeds on jellyfish and other pelagic organisms.

Taxonomy

Kingdom
Animalia

Phylum
Chordata

Class
Reptilia

Order
Testudines

Family
Cheloniidae

Genus
Caretta

Species
caretta

Habitats

1 of 3

2 of 3

Habitat Description

Based on IUCN Habitats Classification Scheme v. 3.1
The species nests on sandy beaches however when not nesting it is highly migratory and moves to several localities and habitats in their lifetime. In 2021, a turtle fitted with a tracking device was released in Malta on 23rd August. It swam East and by 8th September was 410 km east of Malta.

Habitat Categories

1 of 3

Habitat Category	Habitat Sub Category
9. Marine Neritic	
9.1 Marine Neritic - Pelagic	
9.2 Marine Neritic - Subtidal rock and rocky reefs	
9.3 Marine Neritic - Subtidal loose rock/pebble/gravel	
9.4 Marine Neritic - Subtidal sandy	
9.5 Marine Neritic - Subtidal sandy mud	
9.6 Marine Neritic - Subtidal muddy	
9.8 Marine Neritic - Coral Reef	
9.9 Seagrass (Submerged)	

Publication Date

Dataset was last updated on 28/01/2026

platform, detailing species present on the Maltese Islands and surrounding seas, the threats affecting these species, their habitat types, and conservation status, all aimed at enhancing public awareness and engagement in biodiversity conservation. Spatial data is also being included to increase awareness of areas where these species have been observed.

The National Biodiversity Database platform will be upgraded and transformed further to make it more user-friendly and accessible, ensuring that children, researchers, teachers and the general public can easily find information suited to their level of understanding so as to enrich the National Biodiversity Database and provide a valuable resource for all who are interested in Malta's biodiversity.

Dashboards

Work continued on developing dashboards to provide more accessible and understandable information to the public. In November, the Waste Data Dashboards were launched, covering WEEE, waste batteries, and packaging waste. The primary aim of these dashboards is to present the data collected and reported by ERA in a simplified and visually engaging manner, providing users with a clear overview of the thematic area. Looking ahead, DMM aims to develop dashboards for the various thematic areas under ERA's remit, complemented by the creation of interactive story maps to enhance storytelling and improve public engagement with environmental data.

Air Quality Modelling

In the area of air quality modelling, DMM achieved significant progress during 2025. The team actively led and participated in the Technical Support Instrument (TSI) project, contributing to a dynamic exchange of knowledge and expertise in air quality and environmental noise modelling by conducting a thorough assessment of data availability and existing data gaps, as well as evaluating resource requirements. In October, ERA successfully hosted the Plenary

Meeting of the FAIRMODE group, bringing together European experts to discuss harmonisation and best practices in air quality modelling. Furthermore, DMM is working on establishing a comprehensive AQ modelling framework for Malta, aimed at improving data-driven decision-making and supporting compliance with EU air quality directives.

Reporting Processes

As a Member State of the EU and a signatory to various international environmental agreements under the United Nations and the Council of Europe, Malta is obligated to fulfil reporting requirements by submitting relevant data and information.

In 2025, ERA submitted 52 reports to the European Commission and Convention bodies. These reports included data on air quality, biodiversity, nature conservation, wildlife trade, waste management, and water resources. The preparation of such reports is a labour-intensive process which demands substantial resources for data collection, compilation, analysis, quality assurance and quality control checks, as well as consultation with other relevant entities.

In 2024, the ERA was officially designated as Other National Authority under the European Statistical System. In this capacity, the ERA oversees the collection, analysis, and reporting of waste-related statistical data in Malta. During 2025, ERA submitted 11 reports under the waste acquis as part of its ONA obligations. To enhance transparency and accessibility, ERA recently launched three Waste Data Dashboards, providing an overview of the latest reported data (reference year 2023) alongside historical data dating back to 2015. These dashboards offer stakeholders and the public a clear and user-friendly view of waste trends for packaging waste, WEEE, and portable batteries. Looking ahead, ERA plans to publish additional dashboards covering further waste-related statistics.

Regulatory Affairs

The Regulatory Affairs Directorate represents the core regulatory functions of the Environment & Resources Authority (ERA), bringing together the Compliance and Enforcement Unit (CEU), the Environmental Assessment Unit (EAU) and the Environmental Permitting Unit (EPU). Through the combined work of these three Units, the Directorate ensures that environmental protection is integrated across the entire regulatory lifecycle, from the early implementation stages of planning and policy development, through the permitting of activities to the monitoring of compliance with environmental obligations.

At the initial stage of this process, the Environmental Assessment Unit provides technical scrutiny of proposed policies, plans and development projects to identify and mitigate potential environmental impacts. Through its work on Strategic Environmental Assessment (SEA), Environmental Impact Assessment (EIA), Appropriate Assessment (AA) and development consultations, the Unit plays a critical role in ensuring that environmental considerations are integrated in planning decisions and project design. During 2025, ERA reviewed a large array of development-related consultations and environmental assessments associated with both strategic initiatives and individual development proposals.

Simultaneously, the Environmental Permitting Unit establishes the regulatory conditions under which such permitted activities may operate. Through environmental permits, registrations and other authorisation mechanisms, the Unit translates

environmental policy and assessment outcomes into enforceable operational obligations whilst coordinating their enforceability with the Compliance and Enforcement Unit and other Thematic Units. These permits set out technical requirements, monitoring obligations and operational safeguards designed to prevent or minimise environmental impacts across a wide range of sectors, including industry, waste management, marine related activities and biodiversity protection.

The Compliance and Enforcement Unit completes this regulatory framework by ensuring that environmental legislation and permit conditions are implemented and adhered to in practice. Through inspections, complaints investigations, incident response and administrative enforcement measures, the Unit addresses non-compliances and promotes adherence to environmental obligations across terrestrial, marine and market-based regulatory sectors. During 2025, enforcement activity continued to be guided by a risk-based approach, prioritising activities with the highest potential environmental impact.

Together, these three Units form a coordinated regulatory system that enables ERA to intervene at multiple stages of environmental governance. By linking environmental assessment, regulatory permitting and compliance monitoring within a single Directorate, the Authority is better positioned to monitor and prevent environmental harm, ensure responsible operations and maintain effective oversight of activities that may impact Malta's natural environment.



Looking ahead, the continued development of regulatory frameworks, improved inter-unit coordination and sustained investment in technical capacity will remain critical to ensuring that ERA can effectively address emerging environmental challenges. The experience gained throughout 2025 further reinforces the importance of maintaining a balanced regulatory system that combines preventative assessment, robust permitting mechanisms and effective enforcement in order to safeguard Malta's environment for present and future generations.

The following sections present the key achievements of 2025 and highlight the sector-based operational results of each Unit within the Regulatory Affairs Directorate.

Environmental Assessment

ERA is responsible for reviewing and assessing proposed development applications at both plan and project levels and providing recommendations to avoid and/or mitigate adverse environmental impacts. ERA assesses various environmental considerations, including issues pertaining to rural environments, biodiversity, pollution and waste. The contribution of ERA from January to December 2025 is summarised below:

ASSESSMENT AT STRATEGIC LEVEL

- In 2025, the ERA reviewed over 43 draft plans, policies and strategies of potential environmental relevance, including planning policies and EU proposals. Public entities responsible for policy-making were advised on the integration of environmental considerations, as well as mitigating foreseen impacts at policy stage.
- From January to December 2025, 10 Strategic Environmental Assessment (SEA) consultations (in which public authorities preparing draft plans and programmes screen their own

policies liaised with ERA to screen their policies for potential environmental impacts) were processed. This involved a review of the potential impacts of the emerging plans and programmes on various important environmental factors including natural sites, rural land, the landscape and its features, etc.

CASE-SPECIFIC PROJECT LEVEL

- During this period, ERA received a total of 7,793 consultations on applications for development permission from the Planning Authority (PA). 3,093 consultations required more in-depth evaluation of their environmental impacts, including cases necessitating more detailed environmental studies.
- From January to December 2025, ERA received a total of 33 PDS (Project Description Statements) and concluded 34 cases for EIA screening. During this period, ERA reviewed 3 EIA reports and requested 4 new EIAs. During the year under review, 3 cases which were subject to an EIA, were concluded with a final assessment.
- ERA was also involved in reviewing and providing early feedback to applicants or architects on their development intentions at pre-application stage, e i.e. prior to the formal submission of the development application to the Planning Authority.
- ERA also processes other types of consultations involving direct interventions on land. These include Transport Malta's Road Works Permits (RWP) consultations for proposed road works, trenching operations and related works, ranging from minor localised interventions to major infrastructural projects. During the stipulated period, ERA processed a total of 2,375 such consultations.
- ERA also screened 3 funding proposals in view of their potential impacts on the environment.

Table 1 Consultations received and assessed

Applications received	Planning Applications	Development Notification Orders	Planning Control	Pre-Applications	Dangerous Structures	Others (WMS/TRK/EC, ¹ etc.)	Total Assessed
Via e-apps	2,786	39	21	-	-	-	2,846
Via email	98	34	2	66	7	40	247
RWP	-	-	-	-	-	-	2,375
EU funding requests	-	-	-	-	-	-	3

¹WMS – Works method statement; TRK – Tracking application; EC – Enforcement Case

Table 2 Environment Impact Assessments

EIAs ²						
	Preliminary screened (Pre-PDS)	Received PDSs	Screening of PDS	Scoping (Terms of Reference)	EIAs Submitted	Final Assessment & Presentation to ERA Board
EIAs	47	33	34	2	5	3

²Statistics represent end-of-year state of play, based on rolling figures for iterative cases including applications carried forward from previous year.

Table 3 Appropriate Assessments

AAs		
	Screening	TORs for Further Studies issued
AAs	81	1

Environmental Permitting

ERA is responsible for assessing and processing environmental permit applications, ranging from customs clearances for controlled products to operational permits for large industrial installations. Through the mechanism of environmental permits, ERA mitigates or prevents several environmental impacts and risks associated with activities, interventions and operations within its regulatory scope. This is achieved by making sustainable decisions and by integrating key environmental considerations into permits via conditions and approved technical specifications.

The Environmental Permitting Unit continued processing applications for registrations related to groundwater resources and the licensing of quarry

operations, following transfer of responsibility for resource-related aspects in 2024.

The Unit also continued providing technical feedback during the Authority's assessment of development projects where proposals required an Environmental Permit either for their execution (in part or in full) or for the operational phase of the proposed development.

The continued use of e-permitting systems ensures that the permitting process remains effective, more transparent, inclusive, simple, and efficient. The permits are regularly published on the ERA website. Environmental permits are regularly published on the ERA website, accompanied by guidance to assist applicants, the public, and relevant stakeholders. With the changes in the Environmental Protection Act, the

Authority is enhancing transparency and promoting public participation and scrutiny during the processing of permit applications.

LEGISLATION ON ENVIRONMENTAL PERMITTING

ERA continued to advance the drafting of framework legislation related to Environmental Permitting, culminating in the publication of the Environmental Permitting (Procedure for Applications and their Determination) Regulations on 11 May 2025. The Regulations introduce a consolidated environmental permitting framework, establish clear procedures and consolidate current fragmented permitting regimes. They provide applicants with greater clarity and specify which environmental permit applications must be decided in public. The draft Regulations streamline, and for certain sectors replace, existing permitting regimes covering a wide range of operations, interventions or activities. In addition, the regulatory scope has been extended to previously unregulated areas, while a common procedural structure has been introduced both in terms of application processing and fees.

The Regulations also contain transitory provisions. Operators conducting activities listed in Schedule II prior to the Regulations' entry into force had the opportunity to apply for a clearance by 11 November 2025. Furthermore, to ensure a level playing field, all operators carried out activities in Schedule, but who already had a valid permit, had the permit extended for another 4 years or until 2029, whichever comes first. With these changes in the Environmental Protection Act the Authority will be improving transparency and

encouraging public participation and scrutiny during the processing of applications.

PROCESSING OF PERMITS

The table below provides a detailed overview of all the categories of permit applications processed by the Permitting Unit in 2025 as well as their determination.

Active involvement in Technical Working Groups related to the revised Industrial and Livestock Rearing Emissions Directive (IED 2.0).

As part of its role in permitting installations falling with scope of the Industrial Emissions (Integrated Pollution Prevention and Control) Regulations which transpose parts of the Industrial Emissions Directive 2010/75/EU, Malta regulates certain scales of landfills and livestock farms based on Best Available Techniques Conclusions as set out in reference documents established by the EU Commission.

The revised Industrial Emissions Directive 2024/1785 introduces the development of such documents for landfills, removing the requirement to base such permits on the Landfill Directive 1999/31/EC. It also establishes a simplified permitting framework for livestock farms through Uniform Conditions for Operating rules for Livestock.

While the Unit consistently followed discussions at EU level and led local consultation on these processes, it has continued actively participating in technical meetings in the development of both these tools. This has ensured that local circumstances are adequately reflected in the EU-level discussions, while contributing to capacity building within the Authority.

Table 4 List of All Permit Applications Processed

Type of Permit	Type of Applications Received between 1st January 2025 – 31st December 2025							Determination ¹			
	New permit	Renewal	Variation	Renewal & Variation	Cessation (full or partial)	Extensions	Reconsideration	Granted	Refused	Dismissed	Withdrawn by applicant
IPPC permits	0	5	1	5	0	8	0	12	0	0	1
Environmental Permits	46	18	8	24	4	13	0	117	0	9	26
Deposit at Sea	4	0	4	0	0	0	0	8	0	0	0
Waste carrier barges	1	20	0	0	0	0	0	31	0	0	0
Hull cleaning notifications	0	0	0	0	0	0	0	0	0	0	0
Waste carriers	7,349	0	0	0	0	0	0	5,724	1,162	0	0
Waste brokers	1	29	0	0	0	0	0	37	0	0	1
Animal Livestock Registration	8	2	0	0	0	0	0	9	0	0	0
Other Registrations	1	1	0	0	0	0	0	2	0	0	0
Nature and Tree permits	162	8	0	0	0	0	0	149	0	5	1
Emergency and temporary permits	23	0	0	0	0	0	0	23	0	0	0
CITES Trade Licences	584	0	0	0	0	0	0	432	0	1	1
CITES Clearances	6,705	0	0	0	0	0	0	6,705	0	0	0
CITES Article 10	271	0	0	0	0	0	0	196	0	0	5
CITES Import/ Export/ re-export permit	105	0	0	0	0	0	0	94	0	0	0
Consignment permits	766	0	0	0	0	0	0	681	33	0	0

¹ This also includes the determination of applications received in previous years which were received in previous years.

Type of Permit	Type of Applications Received between 1st January 2025 – 31st December 2025							Determination ¹			
	New permit	Renewal	Variation	Renewal & Variation	Cessation (full or partial)	Extensions	Reconsideration	Granted	Refused	Dismissed	Withdrawn by applicant
Extended Producer Responsibility (Scheme permits)	0	0	0	0	0	0	0	0	0	0	0
Registered Self-Compliant (Individual self-complaint producer) ²	1	25	0	0	0	0	0	24	0	0	0
Registered producers participating in schemes ³	3,036	1,649	0	0	0	0	0	2,668	0	0	0
Deregistrations of Producers	10	29	0	0	0	0	0	0	0	0	0
Trans-frontier Shipment Permits (export)	36	0	12	0	0	8	0	36	0	6	7
Trans-frontier Shipment Permits (transit)	20	0	3	0	0	0	0	4	0	1	9
Trans-frontier Shipment Permits (take-back)	0	0	0	0	0	0	0	1	0	0	0
Groundwater-related Permits ⁴	0	0	0	0	0	0	0	0	0	0	0
Clearances for Categories within scope of Schedule II of S.L. 549.172	18							12			2
TOTAL	19,146	1,786	26	29	4	29	0	16,963	1,195	23	53
Grand TOTAL	21,022							18,235			

² These include the following sectors: Packaging waste, Batteries and Accumulators and WEEE

³ Requirements not fulfilled and thus not renewed or issued

⁴ New permits in relation to groundwater refers to replacement boreholes, seawells or boreholes intended for the uses which are allowable as specified in S.L. 549.165

Compliance and Enforcement

OPERATING CONTEXT AND STRATEGIC DIRECTION

During 2025, the Compliance and Enforcement Unit (CEU) continued to fulfil its regulatory mandate of ensuring adherence to environmental permit conditions, obligations, statutory environmental legislation and enforcement procedures applicable across terrestrial, marine, industrial, commercial and biodiversity-related activities. The Unit maintained responsibility for complaints handling, proactive inspections, incident response, administrative enforcement and coordination with national and European stakeholders.

The principal thematic enforcement priorities remained consistent with those addressed in 2024. These included illegal waste disposal, wildlife crime, industrial compliance, marine pollution risks, single-use plastics, extended producer responsibility obligations and activities affecting protected habitats or species inter-alia. Continuity in enforcement focus was necessary to sustain regulatory pressure in areas historically associated with environmental risk or recurrent non-compliance.

However, 2025 cannot be interpreted as a simple continuation of 2024. Structural reform within the CEU transformed operational responsibilities, inspection planning, internal coordination mechanisms and the allocation of enforcement functions. Any direct numerical comparison between the two years must therefore be treated cautiously, particularly where responsibilities shifted between teams or where inspection categorisation changed. In several areas, 2025 represents a new operational baseline rather than a year-on-year progression.

IMPLEMENTATION OF CEU RESTRUCTURING

An organisational restructuring exercise entered into force in January 2025, replacing the previous sector-weighted operational model with a hybrid structure combining regional enforcement, thematic development and centralised operational coordination.

CEU now operates through five core teams:

- Northern Region Team
- Southern Region Team
- Border Control Team
- Market Surveillance Team
- Operations and Administration Team

The Northern and Southern Regional Teams serve as the primary regional enforcement bodies responsible for environmental permit compliance, adherence to environmental regulation, habitat protection, marine surveillance, complaint investigations and risk-based inspection planning within their respective geographic areas.

The Border Control Team focuses on transboundary environmental compliance. Its responsibilities include monitoring movement of protected species under CITES, verifying export classifications and enforcing regulated commodities such as timber, genetically modified organisms and single-use plastics entering the national market.

The Market Surveillance Team ensures regulatory compliance related to producer responsibility schemes, transfrontier waste shipments and associated documentation, hazardous waste traceability and monitoring of market placement of certain products. Its activities include inspections related to extended producer responsibility, verification of consignment notes and enforcement concerning shipments of waste.

The Operations and Administration Team provides cross-cutting coordination. Its functions include compliance clearances associated to planning permits, administrative enforcement processing, recovery of fines, long-term monitoring of developments, data reporting linked to permit conditions, coordination of consultations and oversight of processes under the Environmental Liability Directive.

This restructuring significantly affects how enforcement activities are recorded and reported. Certain 2025 datasets cannot be mapped directly onto 2024 categories without loss of comparability. Where comparisons remain valid, they are presented. However, where structural changes prevent equivalence, 2025 figures should be considered as the first reference point under the new operational framework.

COORDINATION, GOVERNANCE, AND INSTITUTIONAL COLLABORATION

Operational effectiveness in 2025 remained a top priority. CEU further strengthened structured collaboration with internal ERA units, particularly the Environmental Permitting Unit, Environmental Assessment Unit and thematic technical units responsible for biodiversity, water, air quality and waste regulation. This approach reduced procedural duplication, improved consistency in enforcement interpretation and further enabled earlier regulatory intervention during permitting or assessment stages.

External coordination also intensified. Increased engagement with national authorities, law-enforcement bodies, local councils and sectoral regulators became more formalised, with clearer procedural interfaces and improved information exchange. Streamlined processes reduced administrative delays in enforcement escalation and facilitated more coherent responses to complex or cross-jurisdictional environmental incidents.

At the European level, CEU participated in the second Technical Support Instrument (TSI) programme of the European Commission, supported through its longstanding collaboration with IMPEL. This initiative focused on structured training pathways for junior officers and enhancing the retention of potential new officers across the Authority. The advisory component of this project is expected to conclude by end 2026 with implementation continuing in the forthcoming years. During 2025, CEU also increased its active participation within IMPEL networks and maintained regular attendance at European enforcement working parties and technical meetings. Engagement at this level supported alignment with emerging regulatory standards and facilitated the exchange of operational information. Participation reflects strategic investment in institutional capability and regulatory coherence rather than short-term metrics.

CEU'S PARTICIPATION IN THE EUROPEAN UNION IMPLEMENTATION AND ENFORCEMENT OF EUROPEAN LAW NETWORK (IMPEL)

CEU's engagement with IMPEL went beyond participation in training initiatives. The Authority continued to coordinate IMPEL activities at the national level through the designated National IMPEL Coordinator, ensuring structured liaison between European project frameworks and domestic

enforcement priorities. During 2025, more than twenty CEU officers were actively involved in multiple IMPEL projects spanning waste enforcement, nature protection, environmental crime, inspection methodologies and cross-sector regulatory themes. This breadth of involvement strengthened institutional knowledge transfer, supported methodological harmonisation with European counterparts and embedded practical learning within day-to-day enforcement operations rather than limiting engagement to representational attendance.

CAPACITY BUILDING AND PROFESSIONAL DEVELOPMENT

Compliance and Enforcement officers gained exposure to new cross-cutting environmental topics and learning opportunities to enhance their adaptability and effectiveness in environmental enforcement.

Training during 2025 went beyond practical learning derived from routine inspections. Targeted technical development was a deliberate component of enforcement strategy. Officers completed specialised training, including Tree Specialist training and Life Saving certification, strengthening competence in high-risk operational environments and technically sensitive ecological contexts.

This shift underscores that enforcement credibility depends on demonstrable technical authority. Without continuous professional development, inspection activities risk becoming procedural rather than substantive. Investment in officer capability therefore represents a regulatory safeguard rather than a mere administrative exercise.

INSPECTION STRATEGY AND RISK-BASED ENFORCEMENT

A slight decrease in the total number of inspections over 2024 should not automatically be interpreted as a decline in enforcement activity. During the reporting period, inspection planning followed a risk-based methodology that prioritised cases with the greatest potential environmental impact. Inspections were therefore primarily targeted at:

- installations with significant potential environmental impact;
- operators with a history of adverse compliance;

- geographically sensitive habitats and marine environments; and
- incidents requiring immediate intervention or escalation.

This approach emphasizes regulatory effectiveness over numerical inspection output. A higher proportion of targeted inspections resulting in corrective action, enforcement escalation or sustained compliance delivers greater environmental protection than numerous low-risk site visits.

Reduced inspection counts therefore reflect a strategic concentration of enforcement resources, not diminished regulatory activity. The critical measure

is the quality of outcomes rather than inspection quantity alone.

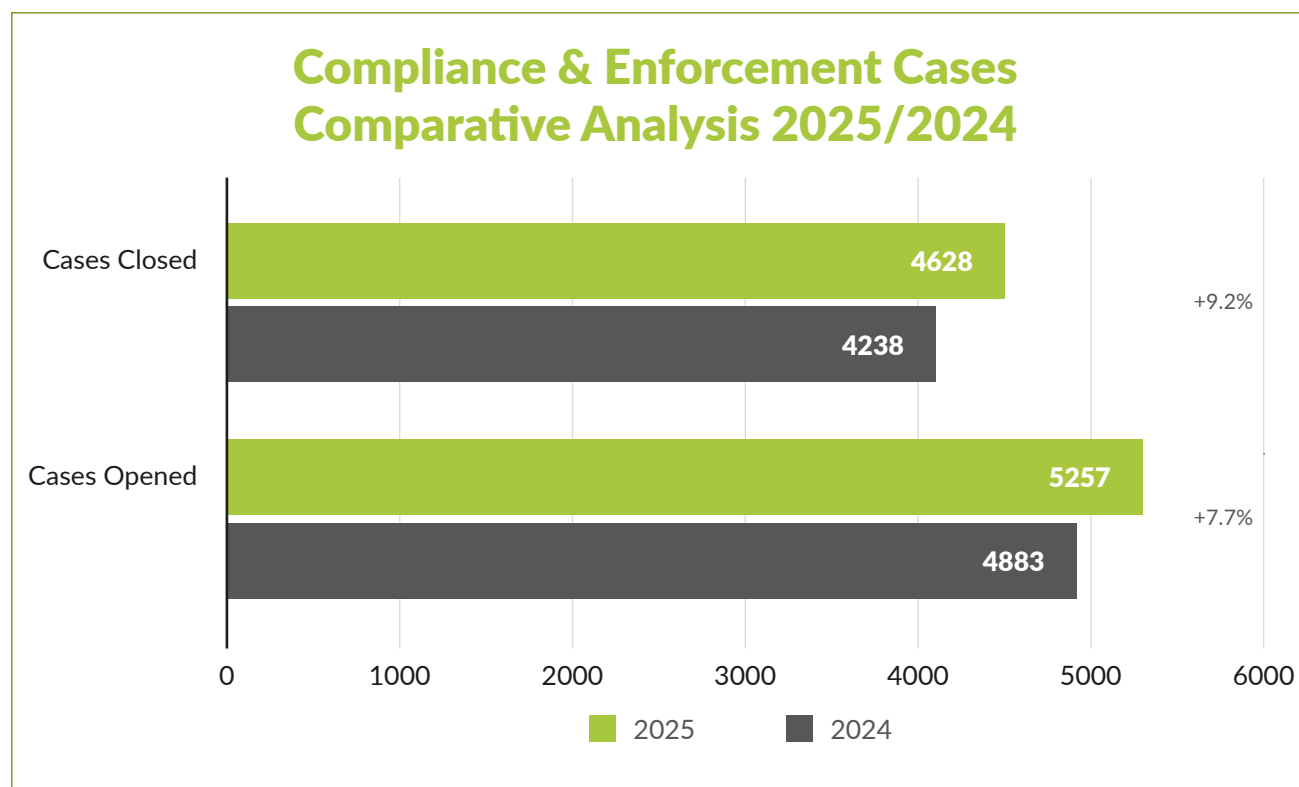
ENFORCEMENT ACTIVITY OVERVIEW

Casework and Inspections

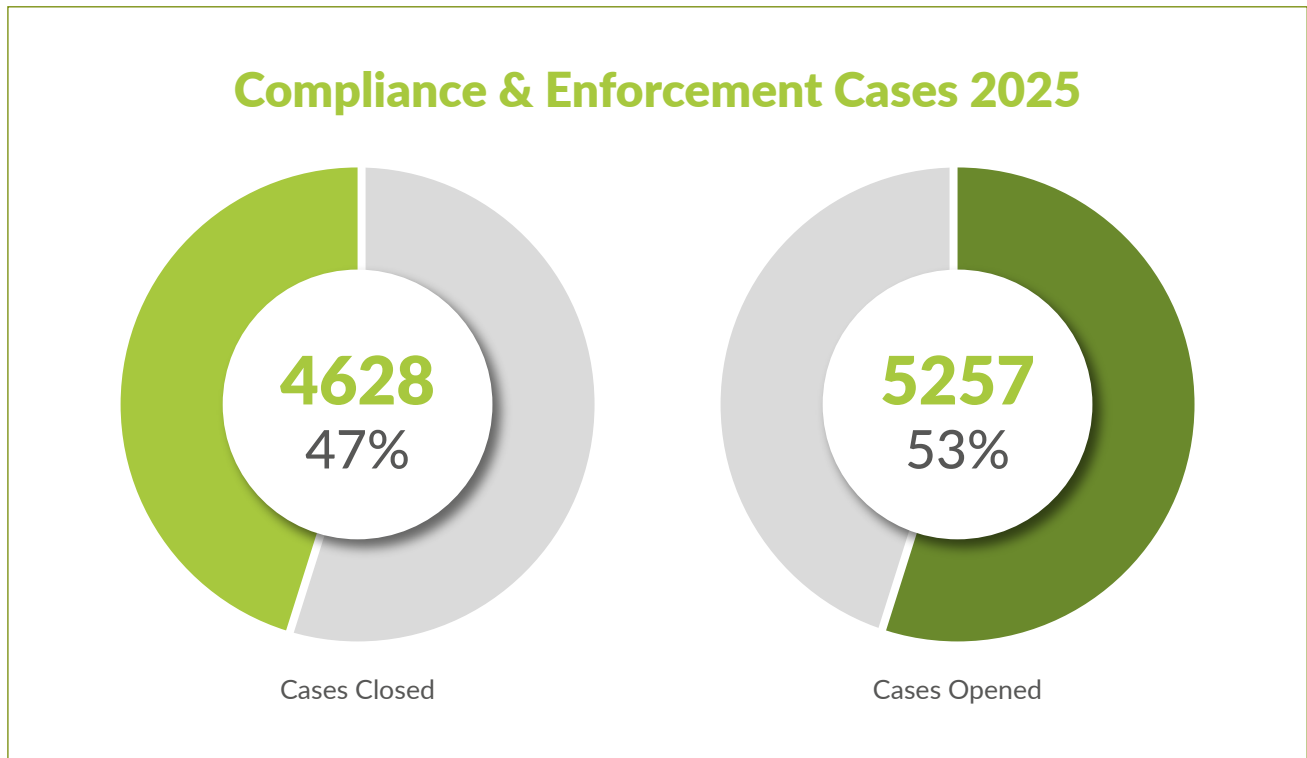
In 2025, 5,257 investigative cases were opened while 4,628 cases were closed. These figures include complex cases extending over multiple years. Inspection activities covered terrestrial operations, marine environments, industrial facilities, biodiversity protection, waste management and market compliance.

Graphical analysis of opened versus closed cases, together with inspection trends, is presented in the accompanying figures along a comparative assessment of 2024 figures.

Graph 4 - Compliance and Enforcement Cases – Comparative Analysis 2025/2024



Graph 5 - Compliance and Enforcement Cases



Administrative Enforcement Measures

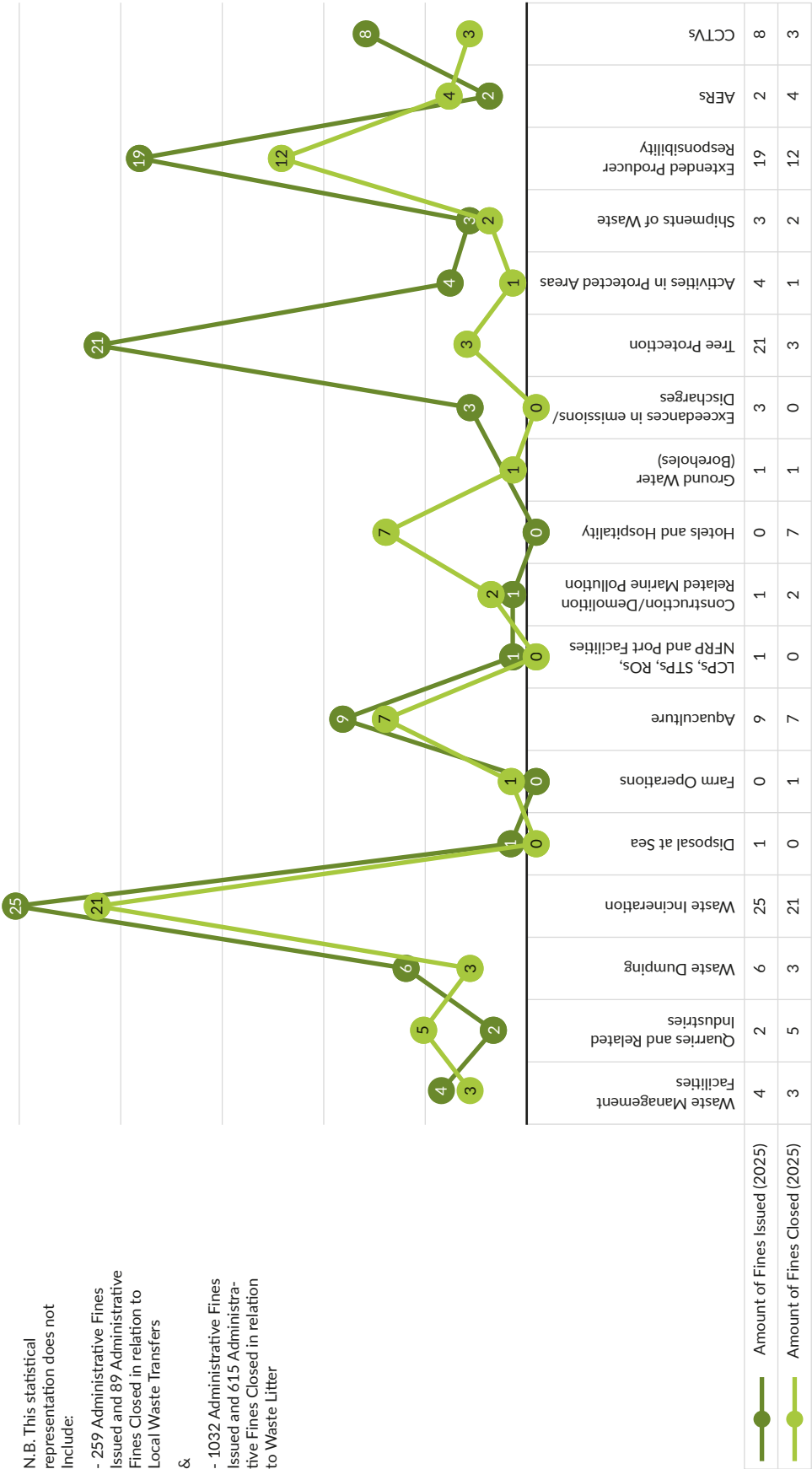
CEU applied an enforcement framework comprising official warnings, Stop or Compliance Orders, and Administrative Fines, with measures implemented progressively depending on the severity of non-compliance and the operator's compliance history.

In 2025, a record number of 1,401 administrative fines were issued across regulatory sectors, along with 1,192 warning letters, indicating ERA's increased effectiveness against environmental illegalities.

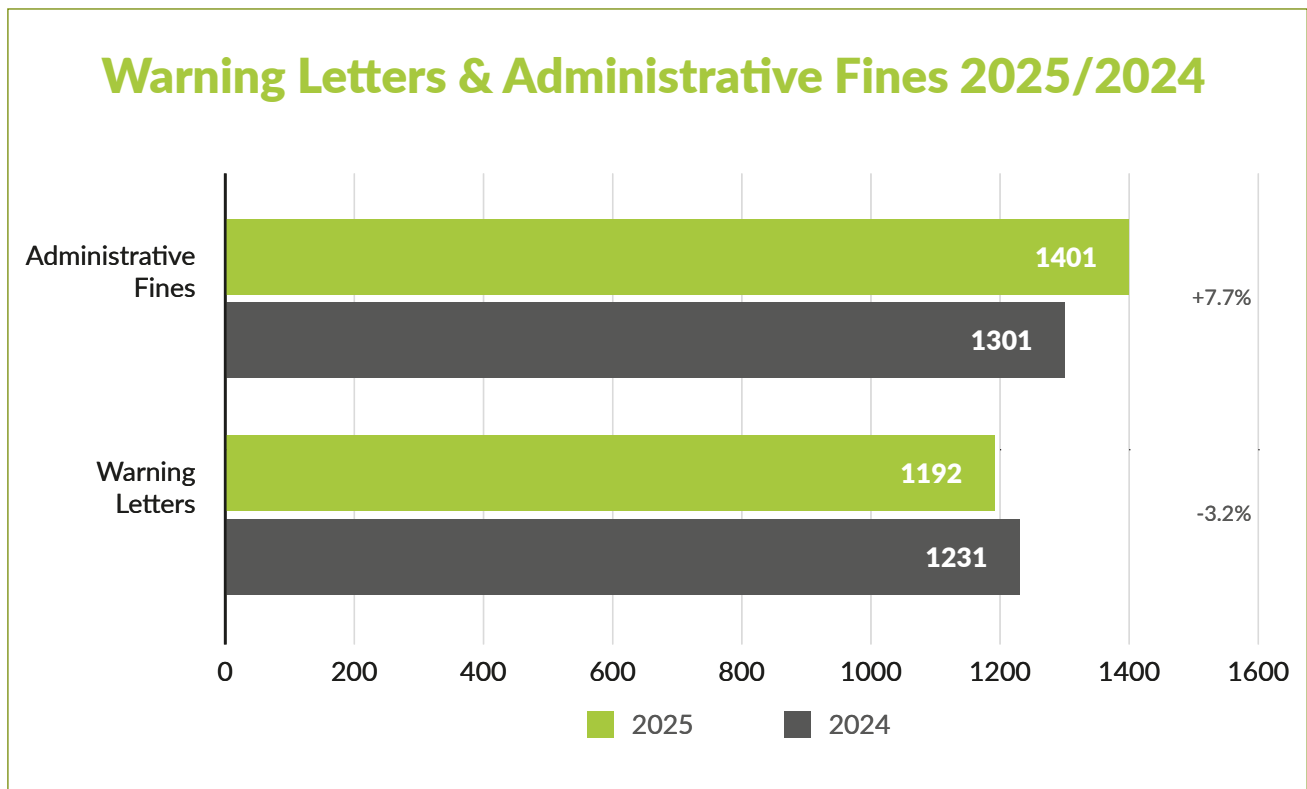
Warning letters serve as an initial compliance measure, formally notifying operators of identified non-compliance and requiring corrective action before escalation to stronger enforcement measures. The total also includes warnings issued in relation to Mandatory Waste Separation (MWS) obligations; however, a more detailed analysis of enforcement specifically addressing MWS compliance is provided later in this report. Distribution by enforcement category is presented in the corresponding graphical breakdowns included in this section.

Graph 6 - Administrative Fines Analysis (2025)

Administrative Fines – Issued & Settled 2025



Graph 7 - Total Warning Letters & Administrative Fines (including MWS) – Comparative Analysis



Waste Littering Enforcement

Waste littering enforcement remained a central operational priority during 2025, reflecting its continued environmental and public impact across urban and rural areas.

A total of 4,845 inspections were carried out in 2025 compared to 5,632 in 2024. Administrative Fines issued solely on litter-related infringements amounted to 1,032, compared to 1,073 in 2024 (-3.8%), while warning letters totalled 1,007, compared with 1,014 in 2024 (-0.7%).

The reduction in inspection numbers must be interpreted within the broader operational context of 2025. Inspection activity was partially affected by industrial action from the contracted enforcement officers during the reporting period, which temporarily reduced operational capacity. In parallel, CEU introduced a revised risk-based deployment model following the unit's restructuring. Inspection planning therefore prioritised localities with recurring non-compliance, time-sensitive collection schedules, and

repeat contraventions, rather than applying uniform geographical coverage. Resources were consequently concentrated on problematic streets and peak non-compliance periods identified through prior enforcement data and municipal reporting.

Notably, although inspections decreased by 14%, enforcement outputs remained broadly stable. The proportion of inspections resulting in administrative fines increased from approximately 19% in 2024 to approximately 21% in 2025, reflecting improved enforcement efficiency and more targeted deployment of inspection resources.

Mandatory Waste Separation (MWS) warning letters continued to be issued where first-time contraventions were noted, with escalation to administrative fines in cases of repeated breaches. This gradual enforcement approach supports behavioural correction while maintaining proportionality.

The 2025 figures therefore reflect strategic optimisation of enforcement activity rather than reduced regulatory intervention.

Graph 8 - Waste Litter Comparative Analysis



Sectoral and Thematic Enforcement Outcomes

The 2025 reporting framework reflects the implementation of CEU's five-team structure.

Enforcement activity is therefore presented according to territorial, thematic and cross-cutting operational responsibilities rather than following the sector-based configuration used in previous years.

Northern Region Team

The Northern Region Team is responsible for compliance and enforcement across the northern part of Malta as well as Gozo and Comino.

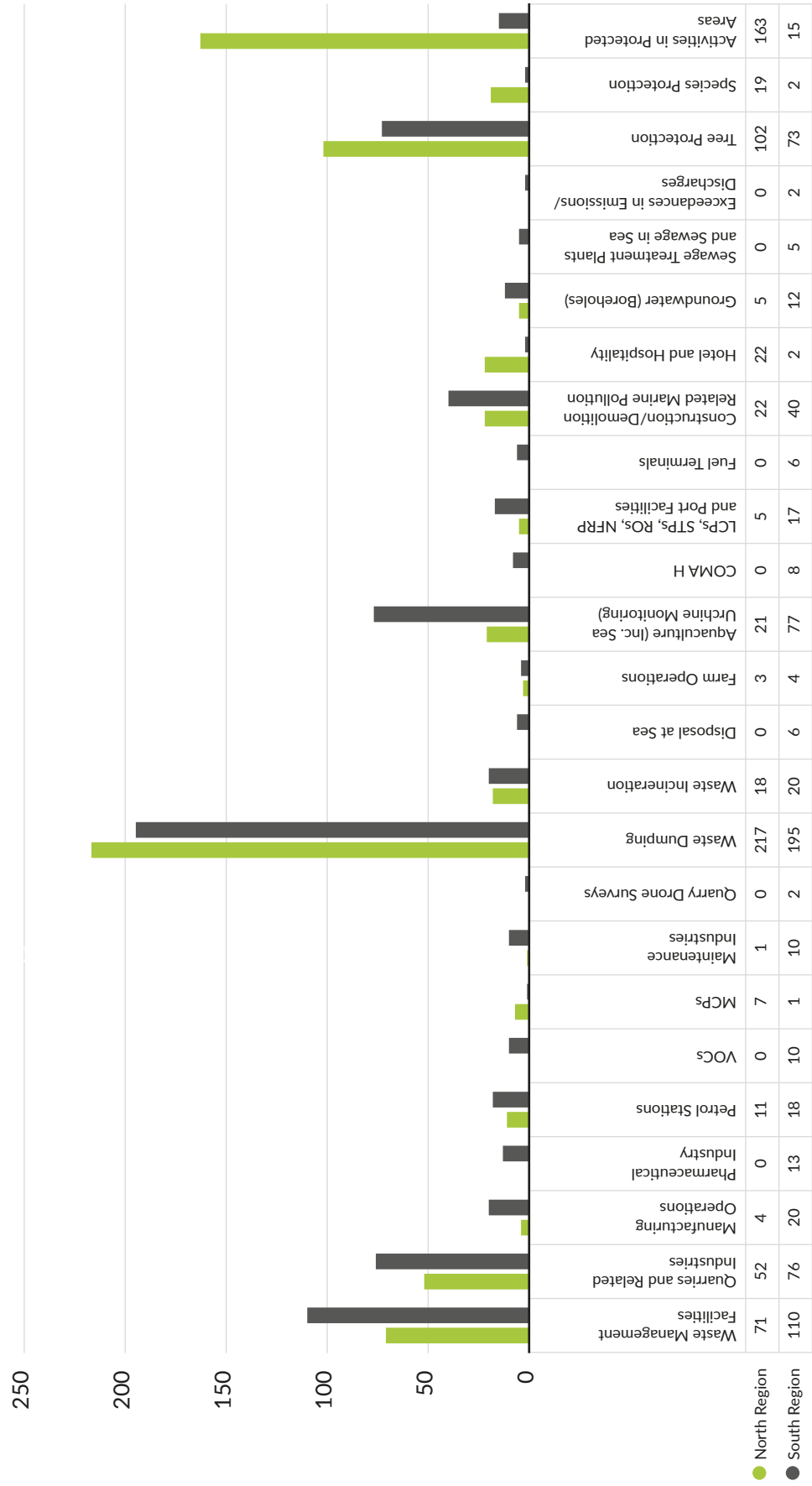
Operational activity profile (2025):

- Inspections conducted: 470
- Investigative cases handled: 936 cases opened, 828 cases closed
- Administrative enforcement actions issued: 5 Stop and Compliance Orders, 37 Administrative Fines and 20 Warning Letters

Inspection efforts were prioritised on installations with high environmental risk, sensitive ecological sites, recurring non-compliance and marine-related pressures affecting coastal integrity among others.

Graph 9 - Regional Teams Inspections 2025

Regional Teams Inspections



Southern Region Team

The Southern Region Team is responsible for enforcement across the southern part of Malta, covering the same sectors as described for the Northern Region Team.

Operational activity profile (2025):

- Inspections conducted: 743
- Investigative cases handled: 730 cases opened, 445 cases closed
- Administrative enforcement actions issued: 6 Stop and Compliance Orders, 41 Administrative Fines and 24 Warning Letters

Inspection planning focused on high-impact facilities, repeat offenders, and activities with potential for cumulative environmental harm.

Border Control Team

The Border Control Team oversees compliance related to the movement of regulated species, waste streams, and controlled materials across national entry and exit points. Its core functions include enforcement of CITES requirements, monitoring of restricted commodities and investigative actions linked to illegal wildlife trade or unlawful material movement.

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) is an international agreement that ensures international trade in wild animals and plants does not threaten their survival. The team therefore monitors the import, export and re-export of listed specimens, while also considering protections under the legislation of the species' country of origin, particularly where wildlife may have been illegally sourced prior to trade. When infringements are identified, the Authority may initiate court proceedings or support investigations together with the Environmental Police on suspected wildlife crimes.

The team also conducts border checks on products subject to environmental restrictions, including restrictions and controls on invasive alien species, compliance with the ban on certain single-use plastics, mandatory markings on single-use beverage cups and recycled content requirements for PET beverage bottles in line with European legislation.

Operational activity profile (2025):

- Inspections conducted: 344
- Investigative cases handled: 478 cases opened, 330 cases closed
- Administrative enforcement actions issued: 2 Warning Letters

Operational deployment remained intelligence-led, targeting movements with the highest regulatory or environmental risk rather than applying a uniform inspection frequency.

Market Surveillance Team

The Market Surveillance Team ensures compliance with key market-based environmental regulations that promote responsible product placement and lawful waste management. This includes oversight of Extended Producer Responsibility (EPR) schemes, under which producers, importers and distributors assume responsibility for the end-of-life management of products placed on the market, ensuring proper collection, recovery, recycling and reporting of regulated waste streams.

The team also monitors compliance with the Waste Shipments Regulations, which regulate the cross-border movement of waste to ensure shipments are authorised, environmentally sound and fully traceable. This includes verification of required documentation, such as Annex VII forms for non-hazardous waste shipments destined for recovery and the movement document under Article 4 for notified shipments.

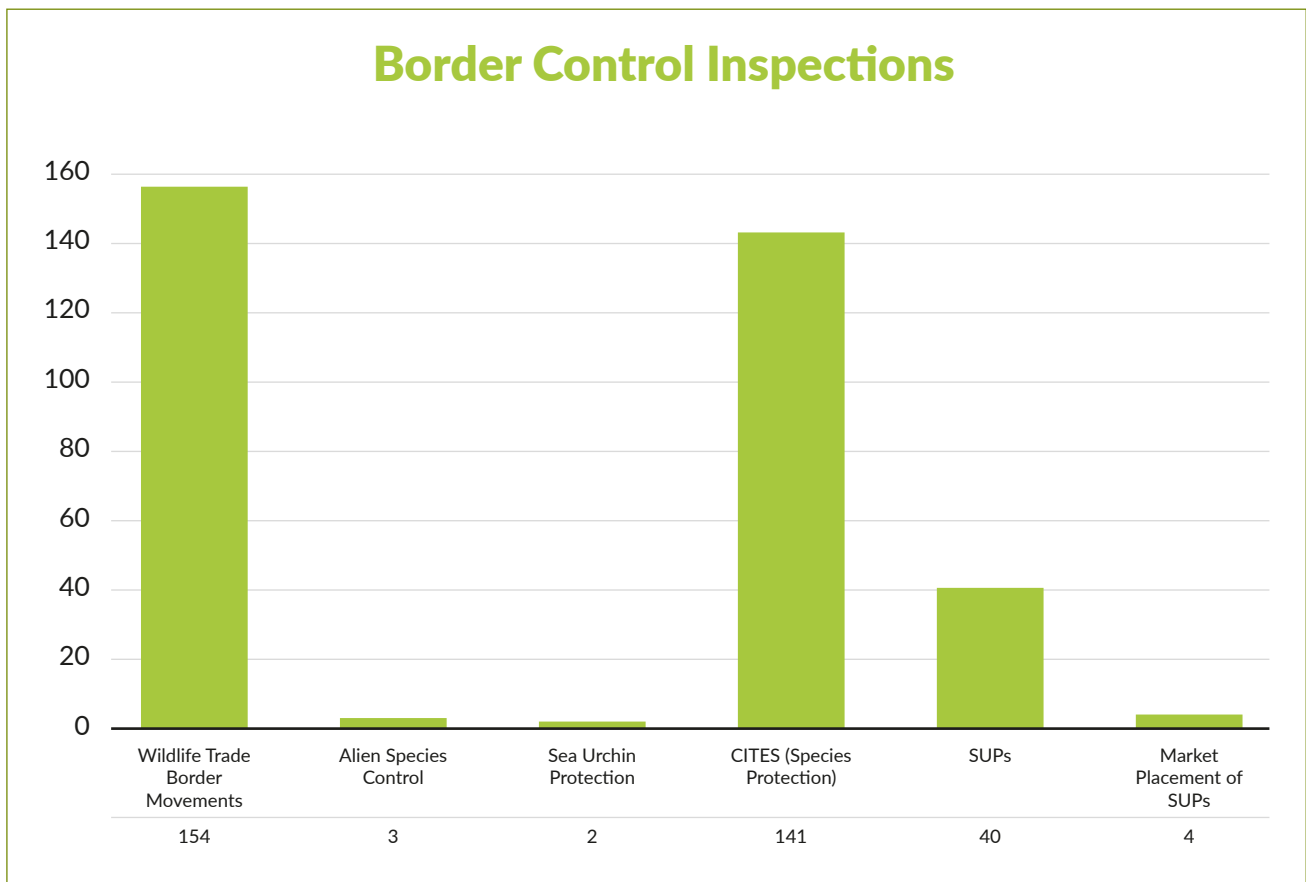
In addition, the team ensures that waste carriers operating on Maltese roads are registered with ERA and that waste is transported only to authorised treatment or disposal facilities, maintaining traceability and compliance throughout the waste management chain.

Operational activity profile (2025):

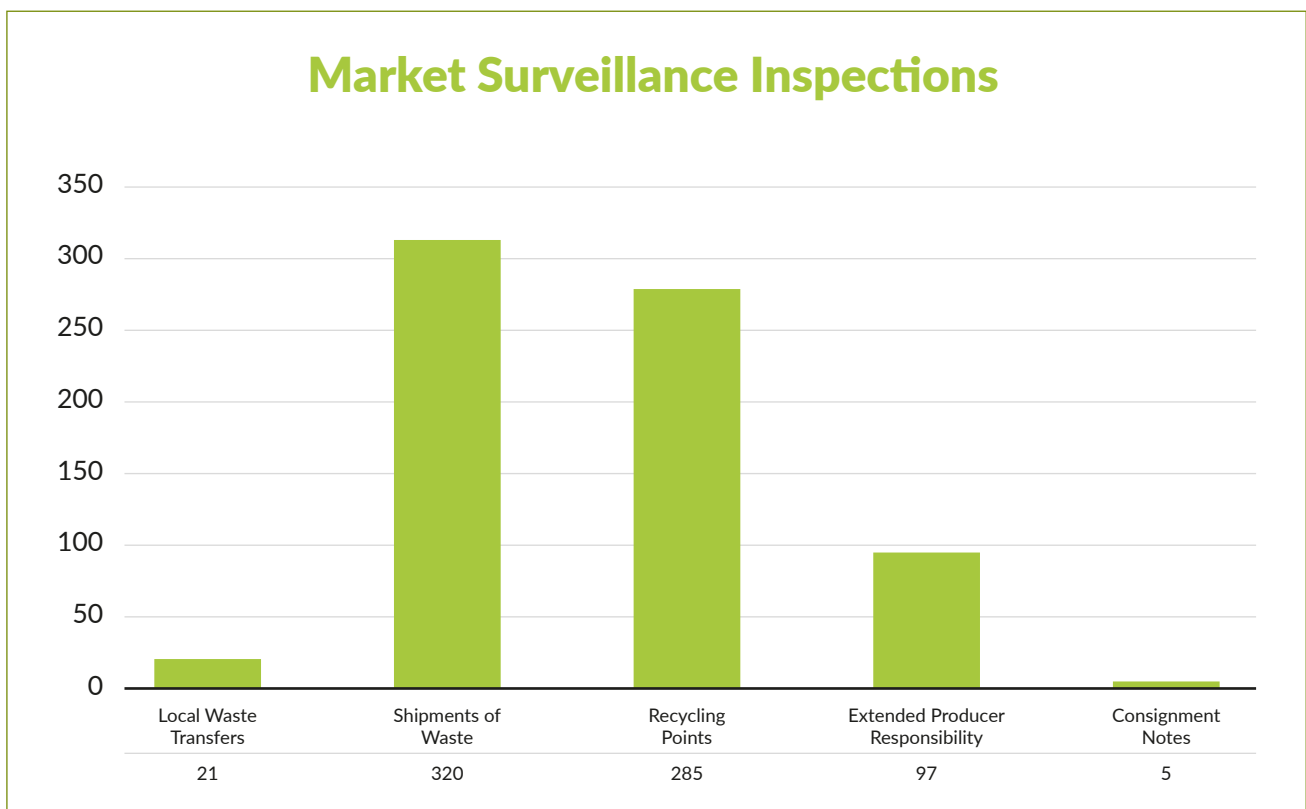
- Inspections conducted: 728
- Investigative cases handled: 305 cases opened, 255 cases closed
- Administrative enforcement actions issued: 281 Administrative Fines and 126 Warning Letters

Inspection planning prioritised operators placing regulated products on the market without registration, ensuring waste traceability, and addressing potential breaches of product restrictions.

Graph 10 - Border Control Team Inspections 2025



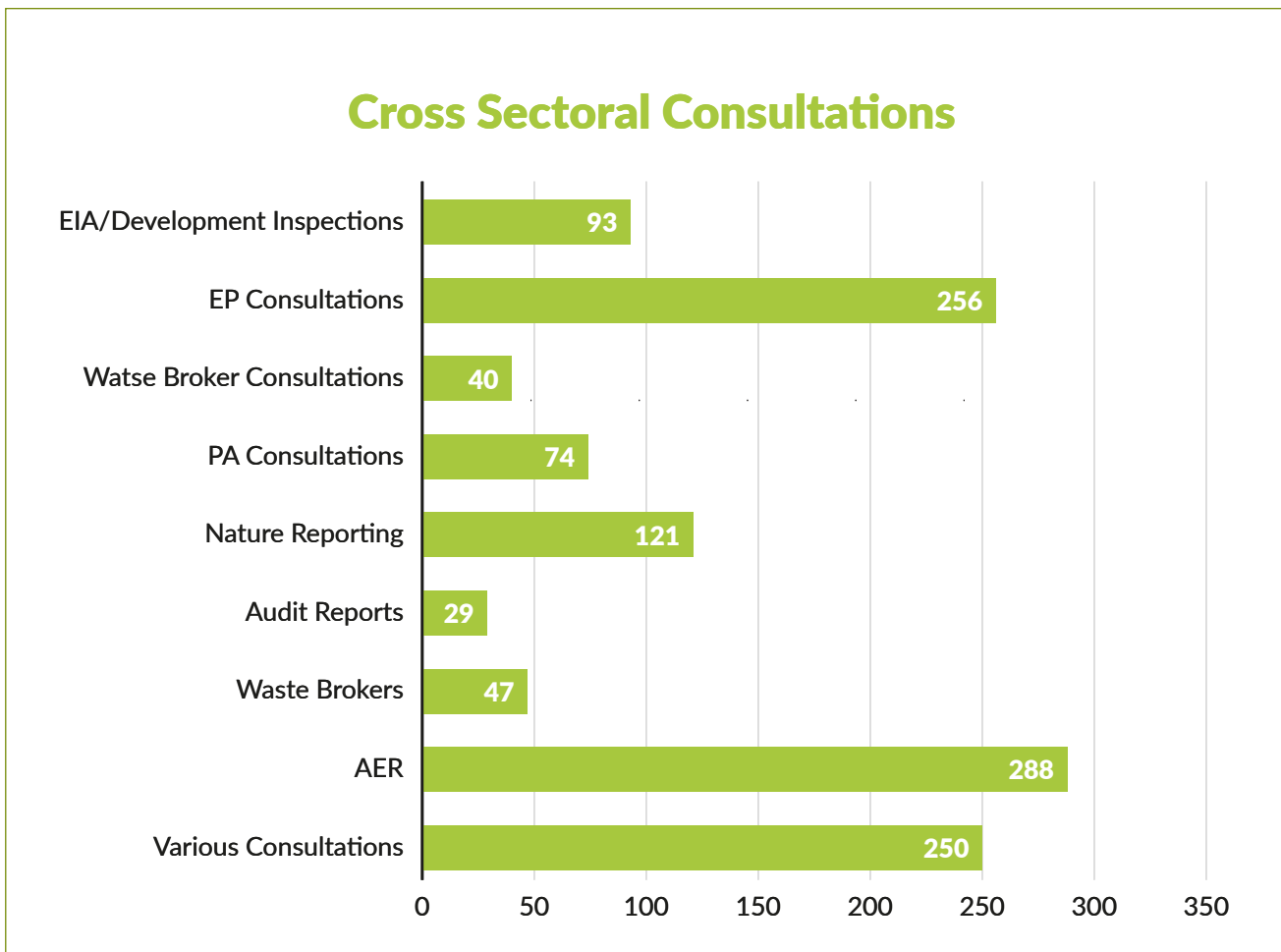
Graph 11 - Market Surveillance Team Inspections 2025



Graph 12 - CEU 2025 Total Inspections



Graph 13 - Cross Sectoral Consultations



Operations and Administration Team

Beyond the operational figures presented above, the Operations and Administration Team carried out a range of cross-cutting regulatory support functions that are not fully captured by inspection statistics alone. This included the review and clearance of cases linked to development permitting, where investigations were conducted to support ERA's conditions within planning applications. This work involved consultations with applicants and architects, desk-based assessments and targeted site inspections to verify adherence to ERA conditions.

The team also coordinated the application of a risk-based "traffic light" prioritisation system for development applications, collaborating closely with the Environmental Assessment Unit to identify high-risk cases and ensuring that enforcement resources were allocated accordingly.

In addition, the team oversaw the monitoring and follow-up of ongoing cases, particularly those related to waste littering and compliance. This involved a combination of desktop reviews, on-site inspections and case monitoring to ensure that identified non-compliance was addressed and that enforcement actions progressed appropriately.

Operational activity profile (2025):

- Inspections conducted: 5055
- Investigative cases handled: 2438 cases opened, 2447 cases closed
- Administrative enforcement actions issued: 1042 Administrative Fines and 1020 Warning Letters

It should be noted that, among the wide array of statistics portrayed above, over 200 cases were not included in the data because they fell outside ERA's remit and therefore do not appear under specific teams.

In addition to these figures, the cross-cutting nature of this team's work involved coordinating and reviewing numerous sets of documentation that span all sectors. The team's activities also reflect regulatory influence not captured through inspection counts yet essential for enforcement continuity, escalation and institutional coordination.

The defining feature of 2025 was the consolidation of CEU's operational model following the unit's restructuring, emphasizing coordinated, risk-based enforcement over mere inspection volume.

The restructuring reshaped CEU's operational model, strengthened coordination mechanisms and improved training capacity. Inspection planning became more risk-driven, with enforcement effectiveness taking precedence over inspection volume.

Direct comparison with 2024 is limited in several domains, however, it is apparent that CEU shifted toward a more targeted, technically grounded and institutionally integrated enforcement framework. This strategic transition is expected to deliver sustained long-term compliance that does not depend on inspection volumes but rather on the effectiveness and consistency of regulatory interventions in addressing non-compliance and ensuring adherence to environmental obligations over time.



Projects

Digital Initiatives

During 2025, the Authority continued to invest in its digital transformation programme to enhance service delivery through a one-stop-shop approach, promote public participation, improve internal operational efficiency, and reduce its environmental footprint in line with established sustainability targets.

Ensuring the availability of accurate and timely environmental information remained a central priority, supporting the Authority in the effective development and implementation of strategies, policies, and legislative measures through secure and modern digital technologies.

Key digital initiatives undertaken during the year included the migration and digitisation of forms, with several applications transitioned from the ALOHA platform to the Therefore system, as well as the upgrading of servers to newer versions in accordance with MITA security standards. Preparatory work also commenced on the migration of MEPS servers ahead of the planned launch of MEPS Version 2 in 2026.

Further enhancements were implemented within the Environmental Resources Information System (ERIS), strengthening transparency and operational efficiency. Improvements included new functionality within the Purchase Request System to enhance controls and auditability, as well as the continued development of the Annual Environmental Reports module, with deployment scheduled for Q1/Q2 2026.

Additional initiatives included the introduction of new electronic payment facilities at the Authority's offices in Malta and Gozo, preparatory work for a centralised printing service, the development of electronic application forms for clearance requests and Pre-Demolition Audits, and the initiation of discussions to standardise telephony services. In support of enforcement activities, body cameras were also introduced for contracted officers carrying out littering-related inspections.

Environment Fund

The Environment Fund, established under Article 32 of the Environment Protection Act (Cap. 549) and administered by ERA, aims to provide financial support for tangible environmental conservation projects, studies or initiatives that have the potential to achieve and manage the aims and objectives of the Environment Protection Act, including remedial actions to mitigate environmental harm and broader environmental protection within the Maltese Islands.

BELLUS CALL

The first call issued under the Environment Fund was the BELLUS Call, through which six projects were selected for funding. These comprised three projects led by non-governmental organisations, two by educational institutions, and one (1) by a Local Council. Of the six funded projects, one has been successfully completed, while two (2) are currently ongoing. One beneficiary requested the termination of their project

due to a lack of available manpower; this request was reviewed and subsequently approved by the ERA Board.

ROVS SCHEME

ERA launched the first scheme under the Environment Fund, entitled ROVS – “Restoration of Void Spaces with Crushed Inert Excavation, Construction and Demolition Waste”, with a total allocated budget of EUR 350,000 and a maximum grant of EUR 50,000 per successful applicant. The scheme aims to incentivise the crushing of inert excavation and construction and demolition waste (CDW) prior to its recovery in void spaces using market-based mechanisms. Following the evaluation process, one applicant was selected under this scheme and has confirmed the commencement of crushing inert waste prior to disposal.

TARGETED INITIATIVES

Through the Environment Fund, ERA is financially supporting an initiative to improve the overall aesthetic of the Gardjola Gardens in Isla by stimulating new growth through the removal of invasive alien species and the planting of indigenous species. In the coming year, ERA aims to make further use of the Environment Fund to support additional projects and initiatives in different localities, contributing to the improvement of both the natural environment and local communities.

ERA AWARDS

For the first time under the ERA Awards (formerly known as the Buonamico Awards), ERA granted financial assistance of up to EUR 10,000 to St Dorothy's Senior School under the Green School Award. Following the completion of the evaluation process, the school was selected for funding in recognition of the quality and merit of its proposed project.

EU Funds

Throughout 2025, ERA submitted two projects for co-financing through EU funds. In addition, ERA issued letters of support for 12 project proposals and assessed approximately 24 requests for participation in various EU programmes, including Interreg IT-MT, the LIFE Programme, and Horizon Europe.

Projects submitted for EU Funding in 2025

EMFAF - MARINE CONSERVATION: AN INCLUSIVE APPROACH TO MANAGING MARINE RESOURCES PHASE II (EMFAF.P1.366)

ERA successfully led the submission of a second application for a project funded through the European Maritime, Fisheries and Aquaculture Fund (EMFAF) Programme 2021-2027. The total public eligible cost of the project is € 4,319,415 (excluding indirect cost). ERA will be supported throughout implementation by local partners, including Aquatic Resources Malta, the Department of Fisheries and Aquaculture, Transport Malta, and Ambjent Malta.

The project will build on Phase I (EMFAF.P1.209), further implementing the activities under that phase while also introducing new actions. Within this context, this project will continue to implement management processes in the marine environment, targeting the maintenance or achievement of Favourable Conservation Status (FCS) of marine habitats and species within marine Natura 2000 sites, as well as Good Environmental Status in wider marine areas in accordance with the objectives of the EU Marine Strategy Framework Directive (MSFD). A harmonised approach to implementing management processes under these two main policy processes will continue to be sought, alongside additional activities to support further implementation, updating and coordination of management action targeting common policy objectives.

The management measures to be implemented by the project reflect those adopted by Malta for marine Natura 2000 sites and included in Programmes of Measures under MSFD processes. An ecosystem-based approach to management is adopted, whereby human activities are addressed in an integrated manner through active engagement with relevant stakeholders. The main objective of these management processes is a shift towards sustainable use of the marine environment, while actively supporting the restoration of disturbed or deteriorated habitats. Through the implementation of these measures, the project aims to contribute to the protection and restoration of aquatic biodiversity and ecosystems with the Maltese waters.

E-CORE - ENVIRONMENTAL CONNECTIVITY FOR OPTIMISED RESILIENCY AND ECOSYSTEM MANAGEMENT IN NATURA 2000 SITES

ERA is involved as a project partner in the submission of an application for a project funded through the European Regional Development Fund and Cohesion Fund (2021-2027). The project will be led by Ambjent Malta.

This is an ambitious project that will focus on the implementation of management objectives for terrestrial Natura 2000 sites. This will be achieved through site-specific interventions focusing on restoring and improving the environmental connectivity of internationally protected habitats, including flora and fauna, as well as the adoption of sustainable visitor management practices within Natura 2000 sites. The project will adopt a holistic, interdisciplinary approach, whereby targeted solutions have been identified for different threats and pressures that are currently impacting the resilience and health of indigenous and endemic habitats and species. It will also be complemented by communication and behavioural change initiatives to raising awareness and equip stakeholders accordingly.

Specific actions include the restoration and transformation of historical buildings into environmental awareness centres, focusing on site-specific thematic areas (including the Natura 2000 network and nocturnal fauna, a bird observatory, and Buskett's water heritage); the creation of ecological stepping stones for migrating avifauna through the formation of brackish ponds at I-Għadira s-Safra; the restoration of environmental flows within the Wied il-Luq sub-catchment and the expansion of Annex I (Habitats Directive 92/43/EEC) riparian and terrestrial habitats; the improvement of habitat conditions for Annex I and Annex II flora and fauna through the adoption of specialised rodent control techniques, potentially influencing 3,075 ha of coastal Natura 2000 sites; and capacity building for site managers through upgraded facilities, specialised training opportunities, and improved decision-making tools, including the installation of environmental monitoring stations at il-Buskett and Kemmuna.

LETTERS OF SUPPORT

Throughout 2025, ERA issued a total of 12 letters of support or other forms of support to EU or other

externally funded project proposals that contribute to ERA's priorities and objectives. These are:

- MAESTRI – Predictive models of microplastic accumulation in coastal marine areas, effects on biodiversity, and strategies to reduce pollution.
- MEDSENSE – Advancing Sustainable and Climate-Resilient Groundwater Management in the Mediterranean through an Advanced Digital Ecosystem
- MEDMAQUIS - A bridge between Italy and Malta to preserve the richness and stability of the Mediterranean Maquis
- LIFE MEDWINGS - Integrated actions to protect *Larus audouinii* in Mediterranean countries
- LIFE WRRFP - WEEE Refrigeration Recycling Facility Project
- LIFE CONCEPTU MARIS Plus - Boosting Marine Megafauna Monitoring and Assessment Across the Mediterranean
- LIFESaFESeas - Safeguarding the Future of Endemic Seabirds
- DAVER - Data for Vehicle Emissions and Noise Remote Sensing
- C-SHARE - CAMS SHipping Emissions, Collaborative Assessment and REfinement for enhanced uptake
- Traces of Pembroke: seeing with our feet, walking with our eyes
- TRACE+3D – Tracing Contaminants in Coastal Environments with 3D Fluorescence and Spectroscopic Profiling
- Eco-FLOAT - A Versatile Flotation Device for Supporting Eco-Friendly Maritime Operations

Implementation of Ongoing EU-Funded Projects during 2025

RECLAIM: RESTORATION AND CONSERVATION THROUGH THE LIMITATION OF ALIEN AND INVASIVE MENACE

The RECLAIM Project is funded under the Interreg Italia-Malta Programme and addresses a shared environmental challenge for Sicily and Malta: the spread of invasive and potentially invasive alien species (IAS). These species pose significant threats to natural ecosystems, biodiversity, and agroecosystems,

with wider implications for tourism, agricultural productivity and the preservation of natural capital.

The project aims to implement targeted interventions in priority natural areas, undertake monitoring activities to guide further action, develop guidelines for the sustainable control and localised eradication of IAS, and build on the results achieved through previous initiatives, including the recently concluded Interreg FAST Project. Particular emphasis is placed on habitat restoration through the reintroduction of native species in areas where alien species have been contained or removed.

The project commenced on 2 May 2025 and will run until 2 November 2027. The official kick-off meeting was held in Catania on 24 September 2025.

During the initial implementation phase, ERA focused on establishing the operational and technical foundations required for effective delivery. Key preparatory actions included the drafting of tender documentation for the removal of invasive alien species from designated sites, a central component of ERA's contribution to habitat restoration efforts in this Project. In parallel, procurement procedures were initiated for specialised monitoring equipment to support data collection and assessment of ecological outcomes.

These preparatory steps ensure that ERA is well positioned to implement the project while delivering measurable conservation outcomes in line with the Programme's cross-border environmental objectives.

TREASURE: TESTING NOVEL ENVIRONMENTAL QUALITY MEASURES IN AND AROUND EURO-MED PORTS

The TREASURE project seeks to improve environmental quality in and around Mediterranean port areas by mitigating sediment and water pollution; a common challenge in such locations. The project is funded through Interreg Euro-MED. Its aims are to identify an ecosystem with multiple stakeholders, and to create open pilot laboratories or territorial mini-labs. This will involve effective cross-sector and cross-cutting governance frameworks address the challenges of pollution in port areas, define an integrated approach to environmental quality assessment for the preservation and restoration of the land-sea ecosystem, and test and experiment new techniques for the remediation of degraded and polluted port areas. The project is expected to provide enhanced environmental knowledge on one of Malta's heavily modified water bodies (Port il-Kbir area) and explore the use of the novel techniques for solutions for pollution attributed to activities within the port. The local lead is Transport Malta with ERA participating as a stakeholder.



TSI: REFORM AND CAPACITY BUILDING IN PERMISSIONS AND COMPLIANCE AT ERA II

This project continues the previous Structural Reform and Support Programme (SRSP) project entitled *Reform and Capacity Building in Permissions and Compliance at ERA* executed between 2020 and 2023. The overall aim of this project is to assist ERA to further improve and professionalise the Authority in dealing with environmental challenges in a visible and most efficient and effective way. This will be achieved through a focus on becoming a learning and flexible organisation, which quickly adapts and responds to challenges and allows rapid adjustment of its strategies, processes, and resources.

LIFE IP RBMP: OPTIMISING THE IMPLEMENTATION OF THE 2ND RBMP IN THE MALTA RIVER BASIN DISTRICT

The LIFE IP project is an eight-year initiative led by the Energy and Water Agency and co-financed under the EU LIFE Programme. This project aims to support the implementation of the Water Framework Directive in Malta, ensuring the optimised management of water resources across the Maltese Islands.

At the beginning of 2024, the project entered its fourth and final phase which has since been extended to the

end of 2026. As a project partner, ERA has continued its active participation in four Concrete Actions.

1. Restoration of one of the coastal wetlands (Action C₁₃)
2. Anchoring and Mooring surveys (Action C₁₄)
3. Hydrographic model simulations of Malta's marine waters to quantify and investigate pressures in the marine environment (Action C₁₆)
4. Monitoring for emerging pollutants of potential concern (Action C₁₈)

Refurbishment of the Air Monitoring Laboratory

Work has continued steadily on the air monitoring laboratory, which is undergoing refurbishment and upgrades to meet the increasing demands of ambient air and biodiversity monitoring. The project aims to enhance the facility's capabilities, improve operational efficiency, and expand its role in supporting biodiversity analysis, while providing additional workspace for modern laboratory equipment and efficient data processing. The laboratory is expected to be fully operational by 2026.



Auditor's Report

Environment and Resources Authority

For the Year Ended 31 December 2025

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Environment & Resources Authority

Authority's Report

For the Year Ended 31 December 2025

The Authority present their report and the audited financial statements for the year ended 31 December 2025.

Principal Activities and Functions

As the environmental and resource regulator in Malta, the Environment and Resources Authority (ERA) is responsible for the Environment Protection Act (CAP 549). This legislation covers all of the thematic environmental areas including waste, water, air quality, biodiversity and nature protection, environmental noise, radiation, marine, genetically-modified organisms and bio-safety, environmental assessment, ozone protection and industry, amongst other things.

ERA is also the competent authority responsible for implementing much of the EU Environment Acquis as well as international environmental dossiers such as the Aarhus, Espoo and Basel Conventions, as well as the Convention on Biological Diversity, the Convention on long range Transboundary Air Pollution and Barcelona Convention, amongst others.

The Environment and Resources Authority is involved in a number of ongoing projects related to marine environment conservation, water and waste management, and reform and capacity building amongst others. ERA regularly participates in other EU and International project opportunities that might assist the Authority in meeting its environmental objectives.

From a procedural aspect, ERA is responsible for the processing of environmental permit applications ranging from proposals for activities affecting the natural environment, protected flora and Fauna to industrial and waste management operations with an associated environmental risk. These are required in order to safeguard the environment from impacts arising from industrial and anthropogenic activities.

In terms of policy, ERA advises the Ministry responsible for the environment on draft international legislation and on the formulation of national policy in relation to matters regulated by the Environment Protection Act. To this effect, ERA also leads public consultations held with respect to drafting of national legislation, both of national initiative and on transportations of obligations emanating from EU directives.

With the coming into force of Act No. XVII of 2024 (amending the Environment Protection Act, Cap. 549), on the 10 May 2024, ERA took over the resources aspects from the Malta Resources Authority (MRA). The Environmental Permitting Unit is now responsible for processing applications for registrations related to groundwater resources and licensing of quarry operations.

Events After Balance Sheet Date

No significant events have occurred after the balance sheet date which require mention in this report.

Outlook for Financial Year Ending 31 December 2025

The Members are positive that the Authority will continue to operate in line with the current business plan.

Results and Surplus Funds

The financial results of the Authority for the year ended 31 December 2025 are shown on page 7 of the statement of comprehensive income. In 2025, the Authority is registering a surplus amounting to €5,173,035 (2024 : €4,164,015).

Related Party Transactions

Details of transactions with related parties undertaken by the Authority during the period are disclosed in the notes to the financial statements.

Disclosure of Information to the Auditor

So far as the Authority is aware, there is no relevant audit information of which the Authority's auditor is unaware. The Authority has taken all the steps that ought to have taken in order to establish that the Authority's auditor is aware of any relevant information.

Environment & Resources Authority

Authority's Report (continued)

For the Year Ended 31 December 2025

Board Members

In accordance with Chapter 549 Act, Article 6 (5 and 7), the independent members shall hold office for such period, being not less than three years, as may be specified in the letter appointing them and if no such period is specified shall remain in office for three years. The other members of the Authority shall hold office until they are replaced by the Minister, and as long as they remain public officers.

The Board Members of the Authority who held office during the year were:

Perit Vincent Cassar - Chairperson (Appointed on 8 February 2023 and reappointed on 8 February 2026)
Prof. Manuel Sinagra - Deputy Chairperson (Appointed on 7 February 2023 and reappointed on 7 February 2026)
Dr. Ing. Christopher Ciantar (Appointed on 23 June 2021 and reappointed on 28 November 2025)
Mr. Martin Galea Degiovanni (Appointed on 15 September 2021 and reappointed on 28 November 2025)
Dr. Stephanie Fabri (Appointed 24 January 2022 and reappointed on 28 November 2025)
Ms. Charmaine Mangion (Appointed on 24 January 2022 and reappointed on 28 November 2025)
Mr. Clarence Pace (Appointed on 7 February 2023 and reappointed on 7 February 2026)
Mr. Kurt Farrugia (Appointed on 27 September 2023)
Perit Kevin Fsadni (Appointed on 27 September 2023)
Prof. Saviour Formosa (Appointed on 12 February 2024)
Mr. Isaak Koroma (appointed on 11 April 2025)

Board Secretary

Ms. Lorna Farrugia (Appointed on 02 February 2024)

Bankers

Bank of Valletta p.l.c
BOV Centre
Cannon Road
Sta Venera SVR 9030
Malta

APS Bank p.l.c
APS Centre
Tower Street
Birkirkara BKR 4012
Malta

Legal Advisors

Dr. Paula Axiak (Appointed on 22nd November 2017)

Environment & Resources Authority

Authority's Report (continued)

For the Year Ended 31 December 2025

Statement of Authority's Responsibilities

The Authority acknowledge their responsibility to prepare financial statements in accordance with Chapter 549 of the Environment Protection Act, and to prepare financial statements which give a true and fair view of the state of affairs of the Authority at the end of each financial period and of its profit or loss for that period.

In preparation of the annual financial statements, the Authority is responsible for:

- ensuring that the financial statements have been drawn up in accordance with the International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Authority will continue in business as a going concern.

The Authority is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Authority and to enable them to ensure that the financial statements comply with the provisions of the Act and with the International Financial Reporting Standards as adopted by the EU. The Authority is also responsible for ensuring that an appropriate system of internal control is in operation to provide them with reasonable assurance that the assets of the Authority are being properly safeguarded and that fraud and other irregularities will be prevented or detected.

Auditor

Alan Fiorini, Certified Public Accountant, has expressed his willingness to continue in office and a resolution for his reappointment will be proposed.

Approved by the Authority Board on 17 April 2026 and signed on its behalf by:



Perit Vincent Cassar
Chairperson



The logo of the Environment & Resources Authority (ERA) is a circular emblem. It features a stylized sun or starburst in the center, with the letters 'ERA' prominently displayed. The words 'Kevin Mercieca' are written in a curved path above the emblem, and 'Chief Executive Officer' is written in a curved path below it.

Kevin Mercieca
Chief Executive Officer

Registered Address:

Hexagon House
Spencer Hill
Marsa
MRS 1441
Malta

Environment & Resources Authority

Report of Auditor

To the Environment & Resources Authority on the Audit of the Financial Statements

Report on the Audit of the Financial Statements

I have audited the accompanying financial statements of Environment & Resources Authority set out on pages 7 to 30 which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Opinion

In my opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Authority as at 31 December 2025, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The Authority is responsible for the other information. The other information comprises the Authority's Report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Based on the work I have performed, in my opinion, the information given in the Authority's Report for the financial year for which the financial statements are prepared is consistent with the financial statement.

In addition, in light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I am required to report if I have identified material misstatements in the Authority's Report and other information. I have nothing to report in this regard.

Responsibilities of the Authority

The Authority is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS as adopted by the EU, and for such internal control as the Authority determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authority is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Report of Auditor (continued)

To the Environment & Resources Authority on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority.
- Conclude on the appropriateness of the Authority's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report of Auditor (continued)

To the Environment & Resources Authority on the Audit of the Financial Statements

I communicate with the Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



This copy of the audit report has been signed by

Alan Fiorini

Certified Public Accountant

Suite 8, Ta' Mallia Buildings,

Triq in-Negozju

Mrieħel

BKR 3000

17 April 2026

Environment & Resources Authority
Statement of Comprehensive Income
For the Year Ended 31 December 2025

		2025	2024
	Note	€	€
Revenue	3.	28,063,638	21,515,320
Salaries and personnel expenses	8.	(13,621,249)	(11,961,385)
Administrative expenses		(9,433,030)	(7,345,501)
Finance costs	5.	(5,238)	(10,227)
Finance income	5.	-	157,993
Other income	4.	171,494	1,808,083
Loss on disposal of assets		(2,580)	(268)
Surplus before tax		5,173,035	4,164,015
Taxation	6.	-	-
Surplus for the year - total comprehensive income	7.	5,173,035	4,164,015

The notes on pages 11 to 32 form an integral part of these financial statements.

Environment & Resources Authority

Statement of Financial Position

As At 31 December 2025

	Note	2025 €	2024 €
ASSETS			
Non-current assets			
Property, plant and equipment	9.	9,023,376	9,486,674
Total non-current assets		9,023,376	9,486,674
Current assets			
Trade and other receivables	10.	1,530,960	2,255,095
Cash and cash equivalents	13.	24,454,003	15,679,781
Total current assets		25,984,963	17,934,876
TOTAL ASSETS		35,008,339	27,421,550
EQUITY AND LIABILITIES			
Equity			
Accumulated surplus	12.	21,528,350	16,355,315
Total equity		21,528,350	16,355,315
Liabilities			
Non-current liabilities			
Trade and other payables	11.a.	2,637,334	1,852,731
Total non-current liabilities		2,637,334	1,852,731
Current liabilities			
Trade and other payables	11.b.	10,842,655	9,213,504
Total current liabilities		10,842,655	9,213,504
Total liabilities		13,479,989	11,066,235
TOTAL EQUITY AND LIABILITIES		35,008,339	27,421,550

The notes on pages 11 to 32 are an integral part of these financial statements.

These financial statements on pages 7 to 32 were approved by the Authority Board on 17 April 2026 and were signed on its behalf by:

Perit Vincent Cassar
Chairperson

Kevin Mercieca
Chief Executive Officer

Environment & Resources Authority
Statement of Changes in Net Assets
For the Year Ended 31 December 2025

2025

	Accumulated Surplus
	€
Balance as at 01 January 2025	16,355,315
Comprehensive income	
Surplus for the year	5,173,035
Balance as at 31 December 2025	21,528,350

2024

	Accumulated Surplus
	€
Balance as at 01 January 2024	12,191,300
Comprehensive income	
Surplus for the year	4,164,015
Balance as at 31 December 2024	16,355,315

The notes on pages 11 to 32 form an integral part of these financial statements.

Environment & Resources Authority
Statement of Cash Flows
For the Year Ended 31 December 2025

		2025	2024
	Note	€	€
Cash from operating activities:			
Surplus before tax		5,173,035	4,164,015
Interest expense to reconcile to surplus from operations		5,238	(147,766)
Subvention income to reconcile to surplus from finance activities		(24,400,000)	(18,300,000)
Income from other public entity		-	(1,572,329)
Depreciation		977,554	987,536
Grants amortised		(90,232)	(49,417)
Provision for doubtful debts		2,680,430	981,217
Loss on disposal of assets		2,580	268
Deficit from operations		(15,651,395)	(13,936,476)
Movement in trade and other receivables		(1,956,295)	(2,304,168)
Movement in trade and other payables		2,098,748	763,907
Bank interest received		-	157,993
Net cash flows used in operating activities		(15,508,942)	(15,318,744)
Cash flows from investing activities:			
Payments and transfers to acquire property, plant and equipment		(516,836)	(2,562,869)
Net cash flows used in investing activities		(516,836)	(2,562,869)
Cash flows from financing activities:			
Proceeds from subvention received		24,400,000	18,300,000
Proceeds from grant received		400,000	1,600,000
Net cash flows from financing activities		24,800,000	19,900,000
Net cash from in cash and cash equivalents		8,774,222	2,018,387
Cash and cash equivalents at beginning of year		15,679,781	13,661,394
Cash and cash equivalents at end of year	13.	24,454,003	15,679,781

The notes on pages 11 to 32 form an integral part of these financial statements.

Environment & Resources Authority
Notes to the Financial Statements
For the Year Ended 31 December 2025

1. Basis of preparation

a. Statement of compliance

The financial statements have been prepared and presented in accordance with the requirements of the International Financial Reporting Standards issued by the International Accountancy Standards Board as adopted by the EU (IFRS). All references to IAS, IFRS or SIC/IFRIC Interpretations refer to those adopted by the EU.

b. Basis of measurement

The financial statements have been prepared on the historical cost basis.

c. Functional and presentation currency

The financial statements are presented in euro (€), which is the Authority's functional currency.

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in profit or loss.

d. Use of estimates and assumptions

The preparation of financial statements in conformity with International Financial Reporting Standards as adopted by the EU requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the opinion of the Chairperson and Chief Executive Officer, the accounting estimates and judgments made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS1 (revised).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies

a. Presentation of financial statements

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

New and amended IFRS Accounting Standards that are effective for the current year

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The Company has adopted the amendments to IAS 21 for the first time in the current year. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not

New and revised IFRS Accounting Standards adopted by the EU in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following revised IFRS Accounting Standard that has been issued and adopted by the EU but is not yet effective in the EU:

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments

The IASB's amendments to IFRS 9 and IFRS 7 issued in May 2025 are the result of post-implementation review of the classification and measurement requirements of IFRS 9.

The amendments in Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) are:

Derecognition of a financial liability settled through electronic transfer

The amendments permit an entity to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognised) before the settlement date if specified criteria are met. If an entity elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

Classification of financial assets

- Contractual terms that are consistent with a basic lending arrangement

The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance (ESG) concerns.

- Assets with non-recourse features

The amendments enhance the description of the term 'non-recourse', in particular to specify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

a. Presentation of financial statements (continued)

- Contractually linked instruments

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritisation of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

Disclosures

- Investments in equity instruments designated at FVTOCI.

The requirements in IFRS 7 are amended to require an entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period.

- Contractual terms that could change the timing or amount of contractual cash flows.

The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs. The requirements apply to each class of financial asset measured at amortised cost or FVTOCI and each class of financial liability measured at amortised cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with IAS 8, with specific exceptions.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity

The amendments to IFRS 9 and IFRS 7 issued by the IASB in December 2025 address the recognition and disclosure of contracts to buy or sell electricity from renewable sources, such as wind and solar.

Amendments to IFRS 9 Financial Instruments

The following requirements of IFRS 9 are affected by the amendments:

- the own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

a. Presentation of financial statements (continued)

- the hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument:

- to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and

- to measure the hedged item using the same volume assumptions as those used for the hedging instrument.

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 7 and IFRS 19 were amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The amendments to the own use exemption are required to be applied retrospectively in accordance with IAS 8 using the facts and circumstances at the date of initial application. The amendments to the hedge accounting requirements are to be applied prospectively to new hedging relationships designated on or after the date of initial application.

Annual Improvements to IFRS Accounting Standards - Volume 11

The IASB issued amendments to five IFRS Accounting Standards in July 2025 as part of its annual improvements process.

IFRS 1 First-time Adoption of International Financial Reporting Standards—Hedge accounting by a first-time adopter

For consistency with the requirements in IFRS 9, IFRS 1:B5-B6 were amended to refer to the 'qualifying criteria' for hedge accounting (instead of the 'conditions') and to add cross-references to IFRS 9:6.4.1 to improve the understandability of IFRS 1.

IFRS 7 Financial Instruments: Disclosures—Gain or loss on derecognition

The amendments remove an obsolete cross-reference in IFRS 7:B38 to a paragraph that had been deleted when IFRS 13 was issued and align the wording of this paragraph with the terms used in IFRS 13.

Guidance on implementing IFRS 7—Disclosure of deferred difference between fair value and transaction price

The amendments update IFRS 7:IG14 to make the wording of that paragraph consistent with IFRS 7:28 and improve the internal consistency of the wording in the example in IFRS 7:IG14.

Guidance on implementing IFRS 7—Introduction and credit risk disclosures '

The amendments add a statement to IFRS 7:IG1 clarifying that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. The amendments also simplify the explanation of the aspects of the requirements that are not illustrated in IFRS 7:IG20B.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

a. Presentation of financial statements (continued)

IFRS 9 Financial Instruments—Derecognition of lease liabilities

The amendments add a cross-reference to IFRS 9:3.3.3 in IFRS 9.2.1(b)(ii) to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9:3.3.3 and therefore recognise any resulting gain or loss in profit or loss.

IFRS 9 Financial Instruments—Transaction price

The amendments replace 'their transaction price (as defined in IFRS 15)' in IFRS 9.5.1.3 with 'the amount determined by applying IFRS 15' to address inconsistency between IFRS 9.5.1.3 and the requirements of IFRS 15 which may require a receivable to be measured at an amount that differs from the amount of the transaction price recognised as revenue. Additionally, the reference to 'transaction price' (as defined in IFRS 15) is deleted from Appendix A of IFRS 9.

IFRS 10 Consolidated Financial Statements—Determination of a 'de facto agent'

The amendments address concerns that the requirements in IFRS 10:B73-B74 might, in some situations, be contradictory. IFRS 10:B73 refers to 'de facto agents' as parties acting on the investor's behalf and states that the determination of whether other parties are acting as de facto agents requires judgement. However, the second sentence of IFRS 10:B74 includes more conclusive language and states that a party is a de facto agent when those that direct the activities of the investor have the ability to direct that party to act on the investor's behalf. The amendments update IFRS 10:B74 to use less conclusive language and to clarify that the relationship described in IFRS 10:B74 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

IAS 7 Statement of Cash Flows—Cost method

The amendment replaces the term 'cost method' with 'at cost' in IAS 7:37 in line with the removal of the definition of 'cost method' from the IFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. An entity is required to apply the amendments to IFRS 9:2.1(b)(ii) to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. No specific transition provisions are provided in respect of the other amendments.

New and revised IFRS Accounting Standards issued by the IASB but not yet adopted by the EU

The following new and revised IFRS Accounting standards have not been endorsed for use in the EU yet and could not therefore be adopted by the Company: (The effective dates stated below are for IFRS as issued by IASB. EU is expected to approve the amendments with the same effective dates.)

The directors do not expect that the adoption of the new standards and amendments to the existing standards listed above will have a material impact on the financial statements of the Company in future periods, except if indicated below.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IFRS 7 Financial Instruments: Disclosures. Furthermore, the IASB has made minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings Per Share.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

a. Presentation of financial statements (continued)

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary (defined as a subsidiary that does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards) to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

The directors of the Company do not anticipate that IFRS 19 will be applied for purposes of the financial statements of the Company.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency

The amendments to IAS 21 require an entity with the functional currency of a non-hyperinflationary economy but the presentation currency of a hyperinflationary economy to translate all amounts in its financial statements, including comparatives, at the closing rate at the date of the most recent statement of financial position.

When the entity's presentation currency ceases to be the currency of a hyperinflationary economy and its functional currency continues to be the currency of a non-hyperinflationary economy, the entity applies prospectively (without restatement of the comparative amounts) the method currently applicable to such situations under IAS 21.

Having considered the expected costs and benefits, the IASB also decided to include an exception to the translation method above for affected entities that apply IAS 29 Financial Reporting in Hyperinflationary Economies and are required to translate the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy. In these circumstances, the entity is required to restate the comparative amounts of that foreign operation included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures for the previous reporting period in accordance with IAS 29:34.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027. They would have to be applied retrospectively with certain transition provisions.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

a. Presentation of financial statements (continued)

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB. The board of Directors does not expect that the adoption of the amendments to the existing Standards listed above will have a material impact on the financial statements of the Company.

The board of Directors does not expect that the adoption of the amendments to the existing Standards listed above will have a material impact on the financial statements of the Company.

b. Property, plant and equipment

i. Value Method

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably.

ii. Subsequent costs capitalised

Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

iii. Depreciation

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of items of property, plant and equipment, and major components are accounted for separately. The estimated useful lives are as follows:

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

b. Property, plant and equipment (continued)

iii. Depreciation (continued)

Air conditioners	16.67%
Leasehold premises	1.2%
Leasehold improvements	5%
Lifts	10%
Furniture and fixtures	15%
Motor vehicles	20%
Electrical, plumbing & installations	6.67%
Computer equipment & software	20%
Right of use assets	20%
Other equipment	20%

Gains and losses on the disposal or retirement of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount at the date of disposal. The gains or losses are recognised in the statement of comprehensive income as other operating income or other operating costs, respectively.

c. Financial instruments

i. Non-derivative financial assets

The Authority classifies its non-derivative financial assets as measured at amortised cost.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Authority initially recognises receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Authority becomes a party to the contractual provisions of the instrument.

The Authority derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Authority is recognised as a separate asset or liability.

Financial assets at amortised cost include cash and cash equivalents and trade and other receivables.

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets (unless they are receivables without a significant financing component) are recognised initially at fair value plus any directly attributable transaction costs. Receivables without a significant financing component are recognised initially at the transaction price. Subsequent to initial recognition, such assets are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents comprise call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Authority in the management of its short term commitments.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

c. Financial instruments (continued)

ii. Non-derivative financial liabilities

Non-derivative financial liabilities are recognised initially on the trade date at which the Authority becomes a party to the contractual provisions of the instrument.

The Authority derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Authority classifies non-derivative financial liabilities as measured at amortised cost. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables and borrowings.

iii. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, Environment & Resources Authority has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

d. Revenue recognition

i. Subvention of Government

Subvention or funding available to cover recurrent expenditure are reflected in the Authority's profit or loss and are recognised when there is reasonable assurance that all conditions attaching to them are complied with and the subventions will be received.

ii. Government Grants

Government grants are recognised when there is reasonable assurance that all the conditions attaching to them are recognised as income over the periods necessary to match the grant on a systematic basis and to the cost that it is intended to compensate. Where the grant related to an asset, the fair value is credited to a deferred income account and is released to the statement of comprehensive income over the expected useful life of the relevant asset by annual equal annual installments.

iii. Interest Income

Revenue is recognised as interest accrues (using the effective interest method). Interest income is included in finance income in the income statement.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

e. Impairment

i. Financial Assets

The Authority measures loss allowances at an amount equal to lifetime expected credit losses ("ECLs"), except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured at 12-month ECLs. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Authority expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Authority considers reasonable and supportable information that is relevant and available without undue cost or effort. The Authority takes into consideration its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix (i.e. simplified approach).

The Authority considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Authority in full, without recourse by the Authority to actions such as realising security (if any is held).

At each reporting date, the Authority assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Authority on terms that the Authority would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Authority has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

ii. Non-financial Assets

The carrying amount of the Authority's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists then the asset's recoverable amount is estimated.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

e. Impairment (continued)

ii. Non-financial Assets (continued)

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

f. Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

An application to the tax authorities has been submitted by the Authority to register the tax exempt status. Due to this application, the Authority does not provide for tax at 35% in its financial statements.

g. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified;

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

g. Leases (continued)

- the Company has the right to direct the use of the asset. The Company has this right when it has decisionmaking rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where all the decisions about how and for what purpose the asset is used are predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or

-The Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment'.

h. Employee benefits

The Authority contributes towards the state pension in accordance with the local legislation. The only obligation of the Authority is to make the required contributions. Obligations for contributions are recognised as employee benefits expenses in profit or loss in the periods during which services are rendered by the employees.

i. Contingencies

Contingent liabilities incurred by the Authority are not recognised but disclosed unless the possibility of an outflow or resources embodying economic benefits is remote.

Contingent liabilities represent possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity and are not recognised because it is not probable that an outflow of resources will be required to settle the obligation. Moreover, the amount of the obligation cannot be measured within sufficient reliability.

Inevitably, the determination that the possibility that an outflow of resources embodying economic benefits is remote and that the occurrence or non-occurrence of one or more uncertain future events is not wholly within the control of the Authority requires significant judgemental.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

j. Financial risk management

The Authority Board has responsibility for the establishment and oversight of the Authority's risk management framework. The Authority's risk management policies are established to identify and analyse the risks faced by the Authority to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in the Authority's activities. The Authority is exposed to credit risk, liquidity risk and market risk through its use of financial instruments which result from its operating activities. This note presents information about the Authority's exposure to each risk, the Authority's directives, policies and procedures for measuring risk, and the Authority's management of capital.

i. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Authority's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Authority's financial assets face minimal foreign currency risk since the majority of the business transactions are made in Euro.

ii. Credit Risk

Credit risk is the risk of financial loss to the Authority if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Authority's receivables from customers and cash at bank. The Authority's credit risk is limited to the carrying amount of financial assets recognised at the date of the Statement of Financial Position, which are disclosed in Note 10 and 13.

The Authority continuously monitors defaults of customers and other counterparts, and incorporates this information into its credit risk controls. The Authority's policy is to deal only with creditworthy counterparties.

None of the Authority's financial assets are secured by collateral or other credit enhancements. The credit risk for liquid funds is considered to be negligible, since the counterparties are reputable institutions with high quality external credit ratings.

The following table provides information about exposure to credit risk:

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

j. Financial risk management (continued)

ii. Credit Risk (continued)

	Carrying amount 2025 €	Carrying amount 2024 €
Current (not past due)	60,714	1,599,076
1-30 days past due	54,370	17,593
31-60 days past due	1,436,380	19,468
61-90 days past due	48,025	137,560
More than 90 days past due	3,645,228	1,424,408
Gross amount of receivables	5,244,717	3,198,105
Provision for doubtful debts and expected credit loss	(4,091,746)	(1,411,316)
Net amount of receivables	1,152,971	1,786,789

iii. Liquidity Risk

The Authority's exposure to liquidity risk arises from its obligations to meet financial liabilities, which comprise funds deposited with ERA and trade and other payables. Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funding to meet the entity's obligations when they become due.

At 31 December 2025 and 31 December 2024, the contractual maturities of the financial liabilities of the Authority were as summarized below. Contractual maturities reflect gross cash flows, which may differ from the carrying values of financial liabilities at the date of the Statement of Financial Position.

2025

	Carrying amount €	Contractual cash flows €	Less than 12 months €
Environmental Fund	6,056,800	(6,056,800)	-
Funds deposited with ERA	826,206	(826,206)	-
Trade payables	489,239	(489,239)	(489,239)
Taxes and social security	940,055	(940,055)	(940,055)

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

2. Significant Accounting Policies (continued)

j. Financial risk management (continued)

2024

	Carrying amount	Contractual cash flows	Less than 12 months
	€	€	€
Environmental Fund	4,928,113	(4,928,113)	-
Funds deposited with ERA	435,949	(435,949)	-
Trade payables	833,216	(833,216)	(833,216)
Taxes and social security	971,511	(971,511)	(971,511)

iv. Cash flow and fair value interest rate risk

The presentation of the financial statements and liabilities under the current and non-current headings within the statement of financial position is intended to indicate the timing in which cash flows will arise.

The Authority is exposed to interest rate risk on its bank balances. In view of the low market interest rates, a change in current market interest rates as at the reporting date would not have a material effect on profit or loss.

k. Capital risk management

The Authority's objectives when managing capital are to safeguard its ability to continue as a going concern and to maximize the return to stakeholders through the optimisation of the debt and equity balance.

The Authority manages the capital structure and make adjustments to it, in light of the changes in economic conditions. The capital structure is reviewed on an ongoing basis.

3. Revenue

	2025	2024
	€	€
Subvention from Government	24,400,000	18,300,000
Procurement of shipment waste	144,125	134,740
Administrative fines	872,518	461,305
Fees for IPPC, waste and other permits	253,447	311,717
Producer Responsibility Registration (WEEE)	57,028	17,578
Monitoring for waste disposal	2,336,520	2,289,980
Total	28,063,638	21,515,320

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

4. Other income

	2025	2024
	€	€
Government grants amortised	38,159	49,417
Salary recoveries	112,074	145,279
Income from other public entities	-	1,572,329
Other income	21,261	41,058
Total	171,494	1,808,083

5. Net financing (expense)/income

	2025	2024
	€	€
Financing income		
Interest income	-	157,993
Financing cost		
Finance cost	5,238	10,227
Net financing (expense)/income	(5,238)	147,766

6. Taxation

In accordance with Article 30 of the Environment Protection Act, 2016, the Authority is exempt from any liability for the payment of any tax on income or duty on documents for the time being in force in Malta.

7. Surplus for the year

Surplus is stated after charging the following:

	2025	2024
	€	€
Auditor's remuneration	6,300	7,800
Board Honoraria	189,512	155,242
Depreciation	977,554	987,536

Environment & Resources Authority**Notes to the Financial Statements (continued)****For the Year Ended 31 December 2025****8. Salaries and personnel expenses****a. Wages and Salaries**

Payroll costs for the year comprise of the following:

	2025	2024
	€	€
Wages and salaries	12,869,689	11,229,612
Social security costs	751,560	731,773
Total	13,621,249	11,961,385

b. Average number of employees

The average number of persons employed by the Authority during the year was as follows:

	2025	2024
Officers	293	291
Total	293	291

c. Number of board members and board secretary

	2025	2024
Board members	11	10
Board secretary	1	1
Total	12	11

Environment & Resources Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2025

9. Property, plant and equipment

31 December 2025													
	Construction in progress	Air conditioners	Leasehold premises and improvements	Lifts	Furniture and fixtures	Motor vehicles	Electrical and plumbing	Computer equipment and software	Right of use assets	Other equipment	Total		
	€	€	€	€	€	€	€	€	€	€	€	€	€
Cost													
Opening balance	2,907,407	238,903	5,059,069	78,020	541,829	253,337	389,401	3,144,581	476,242	3,933,618		17,022,407	
Additions	272,211	-	33,420	-	3,396	-	-	193,430	-	14,379		516,836	
Disposals	-	-	-	-	-	-	-	(38,024)	-	(168,803)		(206,827)	
Transfers	-	-	215	-	-	-	(215)	-	-	-		-	
Balance at 31 December 2025	3,179,618	238,903	5,092,704	78,020	545,225	253,337	389,186	3,299,987	476,242	3,779,194		17,332,416	
Depreciation													
Opening balance	-	(222,495)	(1,094,395)	(41,187)	(387,236)	(160,455)	(156,346)	(2,109,796)	(380,993)	(2,982,830)		(7,535,733)	
Disposals	-	-	-	-	-	-	-	35,444	-	168,803		204,247	
Depreciation	-	(3,950)	(91,804)	(7,800)	(54,596)	(24,900)	(25,852)	(385,963)	(95,248)	(287,441)		(977,554)	
Balance at 31 December 2025	-	(226,445)	(1,186,199)	(48,987)	(441,832)	(185,355)	(182,198)	(2,460,315)	(476,241)	(3,101,468)		(8,309,040)	
Carrying amount													
At 01 January 2025	2,907,407	16,408	3,964,674	36,833	154,593	92,882	233,055	1,034,785	95,249	950,788		9,486,674	
At 31 December 2025	3,179,618	12,458	3,906,505	29,033	103,393	67,982	206,988	839,672	1	677,726		9,023,376	

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

9. Property, plant and equipment (continued)

31 December 2024												
	Construction in progress	Air conditioners	Leasehold premises and improvements	Lifts	Furniture and fixtures	Motor vehicles	Electrical and plumbing	Computer equipment and software	Right of use assets	Other equipment	Total	
	€	€	€	€	€	€	€	€	€	€	€	€
Cost												
Opening balance	1,327,574	235,786	5,035,281	78,020	520,237	203,942	389,400	2,708,403	476,242	3,492,648	14,467,433	
Additions	1,816,585	1,117	23,788	-	21,592	49,495	-	444,074	-	206,208	2,562,869	
Disposals	-	-	-	-	-	-	-	(7,896)	-	-	(7,896)	
Transfers	(236,762)	2,000	-	-	-	-	-	-	-	234,762	-	
Balance at 31 December 2024	2,907,407	238,903	5,059,069	78,020	541,829	253,337	389,400	3,144,581	476,242	3,693,618	17,022,406	
Depreciation												
Opening balance	-	(191,847)	(1,003,746)	(33,386)	(322,196)	(138,855)	(130,373)	(1,722,748)	(285,744)	(2,726,929)	(6,555,824)	
Disposals	-	-	-	-	-	-	-	7,628	-	-	7,628	
Depreciation	-	(30,648)	(90,649)	(7,801)	(65,040)	(21,600)	(25,973)	(394,676)	(95,248)	(255,901)	(987,536)	
Balance at 31 December 2024	-	(222,495)	(1,094,395)	(41,187)	(387,236)	(160,455)	(156,346)	(2,109,796)	(380,992)	(2,982,830)	(7,535,732)	
Carrying amount												
At 01 January 2025	1,327,574	43,939	4,031,535	44,834	198,041	64,987	259,027	985,655	190,498	765,719	7,911,609	
At 31 December 2024	2,907,407	16,408	3,964,674	36,833	154,593	92,882	233,054	1,034,785	95,250	950,788	9,486,674	

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

10. Trade and other receivables

	2025	2024
	€	€
Trade receivables	5,244,817	3,198,105
Provision for doubtful debts and expected credit loss	(4,091,746)	(1,411,316)
Deposits	301,777	301,777
Prepayments	76,112	166,529
Total	1,530,960	2,255,095

Note:

Other receivables consist of EU Funded projects for which the Authority is the coordinating beneficiary, responsible for overall management and coordination of the project and implementation of certain actions.

11. Trade and other payables

a. Non-current liabilities

	2025	2024
	€	€
Funds deposited with ERA	826,206	435,949
Deferred income - Government grants	1,761,128	1,416,782
Other payables	50,000	-
Total	2,637,334	1,852,731

Note: Deferred income (Government grants)

Deferred income represents the Government grants received to fund the purchase of property, plant and equipment owned by the authority. Each year, an amount equivalent to the depreciation charged on these assets is transferred to profit and loss.

b. Current liabilities

	2025	2024
	€	€
Trade payables	489,239	833,216
Operating lease payables	-	104,762
Accruals	3,028,728	2,040,981
Taxes and social security	940,055	971,511
Deferred income	327,833	334,921
Environment Fund (Note i)	6,056,800	4,928,113
Total	10,842,655	9,213,504

Note i: Environmental Fund

These funds were managed by MEPA prior to the demerger. These funds were collected through development planning applications as planning gain to sustain environmental projects and studies and cater for environmental mitigation measures. These funds were transferred to the Authority on the 5th December 2016 (after a deduction of 10% administration charge, charged by the Planning Authority) under the Environment Fund and is being used for current undertakings and projects in the pipeline.

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

11. Trade and other payables (continued)

c. Environmental Fund

	2025	2024
	€	€
Opening balance	4,928,113	4,854,466
Inflows	1,133,437	229,208
Outflows	(4,750)	(155,561)
Closing balance	6,056,800	4,928,113

d. Commitments of funds

The Authority issued a call for tenders for Multibeam surveys for seabed habitats beyond Malta's Fisheries Management Zone. The value of the agreement is €2,373,215 excluding VAT. The scope of this tender is the collection of Multibeam Echo Sounder (MBES) data within selected offshore survey areas (total approx. area of 6,730 km² and depths ranging from 70m to 3,560m) and related analysis and interpretation.

This data will assist ERA in assessing the presence, or otherwise, of two habitat types listed in Annex 1 to the Habitats Directive (92/43/EEC), i.e. 'Reefs' and 'Submerged or partially submerged sea caves'.

The studies beyond the 25 nautical mile boundary need to be undertaken with priority to ensure that there is no escalation of the infringement process 2020/2280. Malta has agreed to undertake these studies in the light of the likely escalation of the infringement procedure.

12. Accumulated surplus

Accumulated surplus as at 31 December 2025 amount to EUR 20,291,860. Upon demerger in 2016, ERA capitalised EUR 4,181,261 as Leasehold premises and improvements against its accumulated surplus as part of the assignment of these premises to the Authority. As at 31 December 2024, the net accumulated surplus amounted to EUR 16,355,315.

13. Cash and cash equivalents

	2025	2024
	€	€
Cash on hand	1,427	2,727
Bank balances	19,872,576	11,097,054
Short-term deposits	4,580,000	4,580,000
Total cash and cash equivalents	24,454,003	15,679,781
Total cash and cash equivalents in the statement of cash flows	24,454,003	15,679,781

A substantial amount of cash and cash equivalents as at 31 December 2025, relates to funds advanced to Authority with respect to the setting up of funds. These funds are to be applied for specific purposes as provided for by the Act. As at 31 December 2025, an amount of €6,056,800 (2024: €4,928,113) relate to Environment Fund as in accordance with Chapter 549 of the Environment Protection Act, Article 32.

14. Related party transactions

The Authority is established under Environment Protection Act (Cap. 549). The Authority shall consist of not less than nine (9) and not more than eleven (11) members, of whom one shall be the Chairperson of the Authority.

The members of the Board of the Authority shall be appointed by the Minister as follows:

Environment & Resources Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

14. Related-party transactions (continued)

(a) three (3) public sector officials having experience or qualifications in matters concerning the environment, environmental health, social policy, or resources;

(b) seven (7) members (hereinafter called the "independent members") shall be chosen from amongst persons of known integrity and with knowledge of and experience in:

(i) the Environment Voluntary Organisations sector and who shall be nominated by the said Voluntary Organisations; and

(ii) the rest being persons with knowledge of and experience in matters relating to the functions of the authority, for good governance;

(c) a member nominated by the Leader of the Opposition.

The Chairperson of the Authority shall be chosen by the Minister from amongst the independent members of the Authority.

In light of above, the Authority considered the ultimate controlling party to be the Ministry for Environment, Energy and Public Cleanliness who appoints the majority of the board members.

During the course of the period, the Authority entered into transactions with a number of government entities which are related through common control.

Key management personnel compensation, consisting of board remunerations, has been disclosed in Note 8.

15. Contingencies

Contingent Assets and Liabilities

The Authority holds various bank guarantees arising from the additional agreements made with certain applicants to be fulfilled before the Authority can issue a full environment permit. The Authority also holds bank guarantees arising out of permit conditions. These guarantees cover any losses which may likely be incurred by the Authority upon non-compliance of these additional conditions. As at 31 December 2025, the total bank guarantees amount to €17,626,899 (2024: €16,165,210).

The Authority is a defendant in a substantial number of cases instituted by persons claiming damages or remedial measures from third parties including against the Authority. Based on the information available to the Authority, the extent of potential liabilities cannot be quantified and no current claims or legal proceedings are deemed to be exceptional or which could lead to a significant liability falling on the Authority. Therefore, no provision for any claims or legal proceedings was deemed necessary as at the end of the reporting period.

Environment & Resources Authority
For the Year Ended 31 December 2025

Schedules

Schedule of Administrative Expenses

	2025	2024
	€	€
Administrative expenses		
Advertising and promotion	532,906	379,325
Auditor's remuneration	6,300	7,800
Bank charges and interest	4,214	3,250
Cleaning services	138,643	59,063
Consumables	82,982	73,908
Depreciation	977,554	987,536
Remuneration of Board Members	189,512	155,242
Electricity & water	95,218	101,867
Insurance	130,779	112,659
Rental fee	56,745	51,288
Legal fees	-	100
Gain on foreign exchange	-	(9)
Sponsorships	900	17,250
Ambient monitoring and data management	180,194	142,603
Printing and stationery	2,690	1,758
Programs and initiatives	1,488,907	2,889,862
Provision for bad and doubtful debts and expected credit loss	2,680,430	981,217
Repairs and maintenance	54,405	62,714
Security	150,574	129,329
Subscriptions, books and postage	33,314	21,513
Telecommunications	31,884	39,528
Travelling	407,701	404,707
Staff training and education	104,866	74,333
Materials, supplies and sundries	4,867	17,578
General and administrative expenses	117,521	68,466
Seconded staff costs	37,900	28,462
Membership Allowances	3,147	3,688
Professional fees	46,066	46,216
Computer expenses	569,327	289,547
Meetings and conventions	303,484	194,701
Allocation to Environment Fund	1,000,000	-
Total	9,433,030	7,345,501

Auditor's Report

To the Environment & Resources Authority on the Audit of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund

Report on the Audit of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund Statement

I have audited the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund for the year ended 31 December 2025 as part of the audit of the Environment & Resources Authority.

Opinion

In my opinion, the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund gives a true and fair view as at 31 December 2025 for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and have been properly prepared in accordance with the requirements of Article 32 (6) of The Environment Protection Act.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund section of my report. I am independent of the Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The Authority is responsible for the other information. The other information comprises the Authority's Report. My opinion on the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the Statement of the Environment Fund, Waste Management Fund and Administrative Settlements Fund, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of the Authority

The Authority is responsible for the preparation of the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund that give a true and fair view in accordance with IFRS as adopted by the EU, and for such internal control as the Authority determines it necessary to enable the preparation of Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund that are free from material misstatement, whether due to fraud or error.

Auditor's Report (continued)

To the Environment & Resources Authority on the Audit of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund(continued)

Responsibilities of the Authority (continued)

In preparing the Statement of the Environment Fund, Waste Management Fund and Administrative Settlements Fund, the Authority is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund

My objectives are to obtain reasonable assurance about whether the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Statement of the Environment Fund, Waste Management Fund and Administrative Settlements Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority.
- Conclude on the appropriateness of the Authority's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report or to modify my opinion. My conclusions are based on the audit evidence obtained up to a going concern.
- Evaluate the overall presentation, structure and content of the Statement and whether the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund represent the underlying transactions and events in a manner that achieves fair presentation.



Auditor's Report (continued)

To the Environment & Resources Authority on the Audit of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund(continued)

Auditor's Responsibilities for the Audit of the Statement of the Environment Fund, Waste Fund, Waste Management Fund and Administrative Settlements Fund(continued)

I communicate with the Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

This copy of the audit report has been signed by



Alan Fiorini
Certified Public Accountant

Suite 8, Ta' Mallia Buildings,
Triq in-Negozju
Mriehel
BKR 3000

10 April 2026

