

Secretary General,
Distinguished Guests,

I thank you for inviting me to address this important event today.

The world is experiencing a triple planetary crisis.

Addressing climate change, protecting biodiversity, and nurturing the ecological restoration of our land has become an urgent priority for all.

As members of the Commonwealth, we are here to renew our commitment to work together towards this aim through the Call to Action on Living Lands.

Indeed, combating land degradation and desertification is essential to sustain human life on Earth. From ensuring long-term food security to land stabilization, soil conservation is directly linked to climate mitigation and water quality. Growing water scarcity due to climate change is becoming an even greater reality for an increasing number of countries, threatening the lives and livelihoods of its citizens. Taken together, all these conditions have a significant effect on a country's economic and social development.

This was the case for my country, Malta.

Throughout its history, Malta has faced particular challenges related to water scarcity. Malta's semi-arid Mediterranean climate limits the availability of natural freshwater resources.

Natural water resources can only meet around 40% of the annual water demand of the Maltese islands, even if water is used in a highly efficient manner. Malta's national water policy is therefore based on the conjunctive use of water demand management and water supply augmentation measures – whilst ensuring a high level of engagement with water users. This ensures the security of water supply for the population, support of economic activity, and the survival of the agricultural sector whilst respecting the needs of the natural environment.

Throughout the years, Malta has successfully strived to develop an integrated water management framework. Key features of this framework include:

(i) An effective leakage management programme, which has significantly reduced losses in the water distribution network, attenuating the need to ramp up water resource exploitation to meet increasing demand. As a result of this programme, national water demand today stands at around 60% of what it was during the mid-1990s despite an increasing population, an expanding economy, and an improving standard of living. Malta boasts one of the lowest water distribution network Infrastructure Leakage Index in the European Union, a showcase figure lower than 1.8, down from a staggering 20 in the early 1990s, spearheaded by a relentless water resource conservation drive by the national water utility.

(ii) The development of energy-efficient sea-water desalination, with the Water Services Corporation's new desalination plant in Gozo requiring only around 2.8 units of energy to produce a cubic metre of freshwater.

(iii) The launch of a New Water programme that transforms wastewater into a high-quality and safe alternative water resource for agricultural irrigation.

(iv) The drafting of a 10-year high-level national investment plan for water services, a steadfast commitment to future-proof the local water and wastewater sector till 2033 and beyond.

Concurrently, we have strived to develop a high level of appreciation for the importance of using water effectively and efficiently. In this context, I would like to mention the following key measures:

(i) support provided to enterprises in optimising their water use efficiency – through consumption audits offered by the Energy and Water Agency, linked to financial support by Malta Enterprise hence showing how different entities can work together to strengthen their impact, and

(ii) promoting research and innovation through financing joint initiatives by academia and industry to develop water management solutions through a scheme managed by the Energy and Water Agency.

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One of the worst impacts of climate change on Malta is undoubtedly drought, making adaptation to ensure water security a most pressing issue to address when building and financing our resilience to climate change. In July this year, Malta's first-ever Green Bonds were launched through the Water Services Corporation, the sole and national water management utility on the Maltese Islands.

The Water Services Corporation is the first company in Malta to have taken this step and one of the first Water Utilities in the World to follow an ecological initiative such as this. The Green Bonds were open to institutional and retail investors and consumers, Euro 25 million to finance targeted sustainable water and wastewater projects. The bonds were fully subscribed within hours of issuance. The bonds have a term to maturity of ten years and an interest rate of 4.25% and have been certified by the Climate Bonds Initiative.

This certification ensures that the capital outlay from these bonds will be used to finance green projects that positively impact the environment and, in the same way, level up Malta's economic model towards carbon neutrality. The income from the Green Bonds will be used to finance a number of projects, including the state-of-the-art high energy-efficiency desalination reverse osmosis plant in Gozo and over 19,000 square meters of solar farms, which generate renewable energy. These projects will help address some of Malta's key water security challenges when adapting to climate change and building resilience while boosting the economy.

The Bonds will also help reduce the Water Services Corporation's reliance on fossil fuels. This will be done by financing cutting-edge aeration technology in wastewater treatment, enhancing treatment performance, and reducing pollution with less energy input.

Another essential feature of our strategy has been to bolster these investments with interactive, solid educational programmes. These programmes support building a water conservation culture among the general public, thus facilitating the uptake of measures. The "Water Be the Change" campaign undertaken in recent years by the Energy and Water Agency has highlighted

the vital role played by each citizen to be “the change” towards ensuring efficient use of water resources.

Furthermore, the Agency’s Water Conservation Educational Centre has been reaching out to all schools in Malta with an interactive water conservation programme for students. This educational programme has been developed specifically for Malta and may be replicated in other islands. These educational initiatives are strongly linked with climate change, highlighting the essential impacts this can bring to the water sector and our livelihoods.

Distinguished Guests,

I cannot but emphasise the importance of regional and international cooperation.

Currently, through the regional LIFE IP RMP project, a water management toolkit for Mediterranean islands is being developed and whose capitalisation effort will see Malta engaging with other Mediterranean islands through two specific regional conferences which Malta will be organising in the Eastern and Western Mediterranean. With Commonwealth support, such a project can be replicated among Commonwealth islands.

Malta is also very active within the Union for the Mediterranean’s Water Agenda, which emanates from the UfM Ministerial Valletta Declaration of 2017 and the 5+5’s Regional Water Process. Notably, Malta is co-leading with Egypt in developing the UfM’s regional strategy for water, sanitation, and hygiene.

Furthermore, through the Island for Islands initiative, Malta’s water policy framework is also being promoted internationally as a case of best practice for other small islands wishing to replicate this programme.

In September 2022, Malta and Antigua & Barbuda signed a Memorandum of Understanding on Water Cooperation to strengthen technical cooperation between both countries, including improving water management through capacity-building programmes and pilot leakage management projects.

We hope our experience inspires fellow Commonwealth countries facing similar challenges and seeking to diversify forms of financing of national green transition agendas.

To conclude, I want to express my gratitude once again for the kind invitation to participate in this event and share Malta’s experience in water conservation and management with you.

I therefore look forward to work with the Commonwealth Secretariat and the Commonwealth Climate Finance Access Hub, together with partners at the UNCCCDD to see how best to take this forward.