

# MONITORING COMMITTEE for Operational Programme I

*Investing in Competitiveness for a Better Quality of Life*

## Strategic Report 16 November 2012

# What is a Strategic Report?



- **New Obligation under 2007-2013:**
  - **Article 29(2) of the General Regulations stipulates that Member States are to submit a report by end 2009 and a second report by end 2012 latest.**



# Aim of the Strategic Report



- **To provide a concise report containing information on the contribution of the programmes co-financed by the funds towards:**
  - implementing the objectives of Cohesion policy as established by the Treaty;
  - fulfilling the tasks of the funds as set out within the Regulation;
  - implementing the priorities detailed in the Community Strategic Guidelines on Cohesion and the priorities set by the NSRF; and
  - achieving the objective of promoting competitiveness and job creation and achieving the objectives of the integrated guidelines for growth and jobs.



# Focus of the 2012 Strategic Report



- **Following the submission of the national reports of 2009 the EU Institutions agreed that the 2012 Strategic Reports should focus on the following:**
  - **Giving a clear picture on programme implementation and of the achievements of Cohesion policy in this programming period.**
  - **Assessing the multiple and varied impacts of the economic and financial crisis on the programmes and on the programming context.**
  - **Providing examples of the contribution of the programme strategies to the Europe 2020 strategy.**



# Strategic Report – Format



- **Format of report set by Commission through COCOF Information Note dated 19 January 2012.**
- **Indicative Structure:**
  - **Socio-economic situation and trends;**
  - **Impact of and response to the economic and financial crisis;**
  - **Links between NRPs and EU objectives;**
  - **Achievements and Future Prospects;**
  - **Evaluations;**
  - **Potential changes in the priorities of the NSRF in the context of a changed socio-economic situation; and**
  - **Examples of Good Practices.**



# Strategic Report – The Local Context



- **Coordination - Managing Authority**
- **Requests for information were sent to Line Ministries and relevant stakeholders. Information requested included:**
  - updated information with respect to the socio-economic trends of the Maltese islands since 2009;
  - submission of updated national and sectoral strategies; and
  - update on relevant statistics.





# Socio-economic Situation

- **Impact of international economic crisis:**
  - Recovery of economic growth in 2011: following a decline in real output of 2.4% in 2009, real GDP grew by 3.4% in 2010 and 1.9% in 2011. Increase in overall employment rate by 2.3 percentage points – but still -6.7% from EU Average (2011).
  - Maltese economy was not affected by the global recession to the same extent as other EU Member States, partly as a result of the significant diversification that the economy was subject to (higher share of services sectors and the emergence of new growth areas in both the services and the manufacturing industry).

# Achievements and Future Prospects (i)



- **Proposed Sections:**

1. **Contribution of the OPs to the NSRF objectives and indicators.**
2. **Results of evaluations undertaken on Cohesion policy programmes.**
3. **Expenditure declared by OP and progress in committing planned allocations.**





# Achievements & Future Prospects (ii)



4. **Contribution of the ESF to the European Employment Strategy and to the relevant objectives of the National Strategy Reports on Social Protection and Social Inclusion.**
  - **Contribution expected or realised to other priorities of the National Reform Programmes under the EUROPE 2020 strategy.**
  
6. **Contribution of Cohesion Policy OPs to the response to European Economic Recovery Plan.**



# Achievements & Future Prospects – Indicators (i)



- **Vision 2007-2013 is underpinned by two goals namely:**
  - **Convergence - converging Malta's GDP per capita to that of the EU27 average; and**
  - **Cohesion - increasing Gozo's GDP per capita as a percentage of that of Malta (in Purchasing Power Standards terms).**



# Achievements & Future Prospects – Indicators (ii)



Goal/Indicator	Baseline (Year)	Target (Year)	Update (Year)
Converging Malta's GDP per capita to that of the EU25 average (in PPP)	77.8 % (2005)		83% (2011)
Increasing Gozo's GDP per capita as a percentage of that of Malta (PPS terms)	75.9 % (2003)	78.0 % (2013)	74.3% (2009)
% increase in the employment rate	54.3 % (2005)	57.0 % (2013)	57.6% (2011)

*1 Figures quoted in '000s*

*Source National Statistics Office*

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# Achievements & Future Prospects – Evaluations (i)



**To date:**

- **1 Ex-Ante Evaluation and**
- **2 Mid-Term Evaluations (1 for each OP)**

**for the 2007-2013 period have been carried out**

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# Achievements & Future Prospects – Evaluations (ii)



## Findings of the Mid Term Evaluation:

- Both OPs' objectives were considered still relevant;
- There was evidence of an increase in the overall projects' implementation;
- Level of disbursement for both OPs at the time of the reporting was significantly low;
- Output and result indicators showed healthy prospects of their likely achievement. On the other hand, impact indicators were the lowest achievers due to the fact that their progress was as yet hard to measure.



# Achievements & Future Prospects – Expenditure declared by Fund (as at end December 2011)



OP	Fund	Year	Requested to EC	Received from EC
			(EU share, €)	(EU share, €)
OPI	ERDF	2009	5,354,678	1,636,873
		2010	24,383,279	28,101,084
		2011	62,093,266	44,371,149
		<b>Total</b>	<b>91,831,224</b>	<b>74,109,106</b>
	CF	2009	13,183,943	--
		2010	39,220,765	32,538,384
		2011	12,004,660	27,096,878
		<b>Total</b>	<b>64,409,368</b>	<b>59,635,262</b>
OPII	ESF	2009	574,893	71,429
		2010	4,755,783	5,259,247
		2011	10,316,697	10,316,697
<b>Grand TOTAL</b>			<b>15,647,373</b>	<b>15,647,373</b>

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# Achievements & Future Prospects - Advances + Expenditure declared by Fund (as at end December 2011)

OP	Fund	Advance Payment	Interim Payments	Total	% of EU Allocation
		<i>(EU Share, €)</i>			
OPI	ERDF	39,958,023	74,109,106	114,067,129	26%
	CF	29,835,227	59,635,262	89,470,489	31%
OPII	ESF	10,080,000	15,647,373	25,727,373	23%

# Achievements & Future Prospects – Progress in commitments by OP (as at end December 2011)



OP	Fund	EU Allocation	Committed Amount	Committed vs EU Allocation
		<i>EU Share, €</i>		<i>%</i>
OPI	ERDF	443,978,031	362,093,680	82%
	CF	284,145,020	155,592,088	55%
	Total	728,123,051	517,685,768	71%
OPII	ESF	112,000,000	92,471,889	83%



# Achievements & Future Prospects – Contribution of the ESF towards the European Employment Strategy



- **Malta's response to the EES has been formulated within the various editions of the NRP.**
- **Through the ESF, OP11 is supporting the different initiatives closely interlinked to the EES namely:**
  - **Improving the adaptability of workers and enterprises**
  - **Attracting more people to the labour market and making work a real option for all**
  - **Investing more and more effectively in human capital and lifelong learning**



## Achievements & Future Prospects - Contribution expected or realised to other priorities of the National Reform Programmes under the EUROPE 2020 strategy



<b>Total amount for Earmarked Categories of Intervention (synergy with the Lisbon Strategy)</b>	<b>€429,329,889</b>
<b>Projects (including Major Projects) and Aid Schemes approved falling under the Earmarking categories</b>	<b>€278,314,016</b>
<b>% of total Earmarked commitment for Projects (including Major Projects) and Aid Schemes approved falling under the Earmarking categories</b>	<b>65%</b>

# Progress and Challenges



- **Summary of the main measures taken, difficulties overcome to accelerate implementation of the 2007-2013 programmes on the ground.**
- **Major developments in relevant national and regional policies.**
- **Contribution of the OPs towards the European Economic Recovery Plan.**



# Progress and Challenges - main measures taken to accelerate implementation of the programmes



- **Capacity Building (including one-to-one training) in a number of organisations;**
- **Availability of pre-financing;**
- **Strengthened inter-agency co-ordination;**
- **Strengthened monitoring and reporting.**





# Progress and Challenges – Major Developments in National and Regional Policies



- **National Strategies:**
  - Pre-Budget and Budget Documents for 2010, 2011 and 2012
  - Malta's National Reform Programme under the 2020 Strategy
  - Eco-Gozo (regional)
- **Sectoral strategies:**
  - Tourism
  - Health
  - ICT and Digital Gaming
  - Integrated Transport Strategy
  - Energy, solid waste management, climate change and water
  - Social inclusion



# European Economic Recovery Plan



- **Actions undertaken as part of the CION proposal in relation to the EERP to mitigate the impact of the crisis include:**
  - **Pre-financing of all public eligible expenditure; and**
  - **Advance Payments on Major Projects.**



# Examples of Good Practice



- **Examples of Good Practice in terms of 2007-2013 programme strategies will address each of the following key pillars of the Community Strategic Guidelines namely:**
  - **Making Europe and its regions more attractive places in which to invest and work;**
  - **Improving knowledge and innovation for growth;**
  - **More and better jobs; and**
  - **The territorial dimension of Cohesion Policy.**



# State of Play



- **Report currently being drafted by the Managing Authority based on input received from Line Ministries.**
- **Draft will be placed on the Managing Authority's website prior to submission to the European Commission.**
- **Deadline for Submission: 31<sup>st</sup> December 2012.**



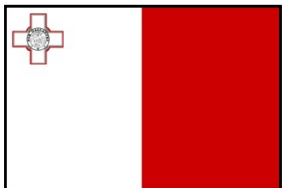


EUROPEAN REGIONAL DEVELOPMENT FUND  
COHESION FUND  
MALTA 2007-2013

Thank you

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European Regional Development Fund  
Co-financing rate: 85% EU Funds; 15% National Funds.



***Investing in your future.***