



EUROPEAN REGIONAL DEVELOPMENT FUND
EUROPEAN SOCIAL FUND
COHESION FUND
MALTA 2007-2013



PARLIAMENTARY SECRETARIAT
FOR THE EU PRESIDENCY 2017 AND EU FUNDS
AUBERGE D'ARAGON, INDEPENDENCE SQUARE, VALLETTA, MALTA

Operational Programme I Cohesion Policy 2007-2013

*Investing in Competitiveness for a
Better Quality of Life*

Update on Implementation



Operational Programme I – Overview

€522M under ERDF and €334M under CF allocated towards:

- i. Objective 1 - Sustaining a growing knowledge based competitive economy:
 - PA 1 - Supporting entrepreneurships, RTDi and Industrial Infrastructure
 - PA 2 - Sustaining the Tourism industry and promoting culture

- ii. Objective 2 - Improving Malta's attractiveness and the quality of life:
 - PA 3 - Ten-T
 - PA 4 - Climate change and Resource Efficiency
 - PA 5 - Safeguarding the Environment and Risk Prevention
 - PA 6 - Urban development and improving the Quality of life



Priority Axis 1 – Enhancing Knowledge and Innovation

Objectives

- Increasing investment in RTDi as per National Strategic Plan for Research and Innovation 2007-2010
- Improving Malta's knowledge base
- Long-term impact on the competitiveness of the Maltese economy in line with Malta's Industrial Strategy 2007-2013



Priority Axis 1 Ongoing and Closed Projects per Focus Area

Focus Area	Ongoing Projects	Closed Projects	Total Number of Projects	Total Committed Amount
Investment in RTDi and RTDi-related Infrastructure	5	12	17	€47,256,334
Enterprise Infrastructure	4	1	5	€47,255,993
Assistance to Enterprise – Aid Schemes and Financial Engineering Instrument	5	2	7	€25,478,512

Priority Axis 1 Progress on Output Indicators (Achieved)

Indicator	Target	Achievement
No. of new/upgraded industrial zone projects by the end of 2015	7	7
<i>No. of RTD projects (core indicator)</i>	28	30
No. of new/modernized specialized learning facilities constructed/refurbished	22	32
No. of SMEs benefitting from JEREMIE Financial Instrument	600	650
No. of enterprises assisted (Non-SMEs)	4	4



Priority Axis 1 Progress on Output Indicators (Still to be Achieved)

Indicator	Target	Achievement
No. of projects (direct investment aid to SME)	270	234

Priority Axis 1 Progress on Result Indicators (Achieved - 1)

Indicator	Target	Achievement
No. of SMEs launching new or improved product or processes	40	65
No. of SMEs improving their use of ICT for e-business	49	62
No. of SMEs improving their market penetration efforts	55	105



Priority Axis 1 Progress on Result Indicators (Achieved - 2)

Indicator	Target	Achievement
No. of SMEs assisted in environmentally sensitive technologies, operating systems and processes	15	20
No. of start-up businesses supported (core indicator)	20	20
Investment induced through JEREMIE Financial Instrument	€51.5m	€57.9m



Priority Axis 1 Progress on Result Indicators (Still to be achieved - 1)

Indicator	Target	Achievement	Committed results
No. of new enterprises (local and foreign)/expansions in sites upgraded	25	-*	63
No. of enterprises involved in networking and new collaboration with other businesses and academia	30	28	35

* All projects which will contribute to these Indicators were still ongoing in 2015

Priority Axis 1 Progress on Result Indicators (Still to be achieved -2)

Indicator	Target	Achievement	Committed results
% increase of students taking up S&T related studies at the Vocational/Higher education levels at targeted intervention Institutions	45	43.17**	45
% increase of students registrations of S&T related studies at Secondary level by 2015	10	-*	10

* All projects which will contribute to these Indicators were still ongoing in 2014

** % increase of S&T students benefitting from completed projects



Priority Axis 1 Financial Progress

Status following OP Change

	PA Allocation	Total No of Projects	Commitments (Public eligible)	Contracts (Public eligible)	Payments (Public eligible)
2015	€120,000,000	22 projects, 6 Schemes and 1 Financial Instrument	€119,950,859	€118,652,879	€106,757,982



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Priority Axis 2 – Promoting Sustainable Tourism

Objectives

- Supporting the upgrading of the tourism product, particularly cultural assets
- Promoting the Maltese Islands as a prime and diverse tourist destination beyond the sun and sea niche segments
- Improving the competitiveness of tourism and culture operators



Priority Axis 2

Ongoing and Closed Projects per Focus Area

Focus Area	Ongoing Projects	Closed Projects	Total Number of Projects	Total Committed Amount
Product Development and Niche Market Development	13	10	23	€114,719,905
Assistance to Enterprise	0	1	1	€7,942,482



Priority Axis 2 Progress on Output Indicators (Achieved)

Indicator	Target	Achievement
No. of assisted tourism and cultural projects (core indicator)	20	23
No. of projects implemented by enterprises	110	115
No. of marketing measures to penetrate/develop new/established niche markets	2	2



Priority Axis 2 Progress on Output Indicators (Still to be achieved)

Indicator	Target	Achievement	Committed Outputs
Surface area of rampart elevation plan restored (m ²)	150,000	144,062	153,632

Priority Axis 2 Progress on Result Indicators (Still to be achieved)

Indicator	Target	Achievement	Committed Results
% overall increase in the number of paying visitors at upgraded sites	4	_*	4.34
% of total tourists visiting upgraded cultural sites	14	9.40**	30.92
% average increase in tourist departures for the established niche segments	3	_***	6.71
No. of enterprises adopting new products and processes	90	68	90

* Data to be collated once the projects are completed

** Data still to be verified

*** Projects which will contribute to this indicator were still ongoing in 2015



Priority Axis 2 Financial Progress

Status following OP Change

	PA Allocation	Total No of Projects	Commitments (Public eligible)	Contracts (Public eligible)	Payments (Public eligible)
2015	€120,000,000	23 projects & 1 Scheme	€122,662,387	€119,017,715	€104,458,350



Priority Axis 3 – Developing the TEN-T

Objectives

- Accessible infrastructure - road network and sea ports infrastructure
- Ease traffic congestion
- Improve safety
- Reduce costs
- Improve the environment
- Sustain productivity and competitiveness





Priority Axis 3 Ongoing and Closed Projects per Focus Area

Focus Area	Ongoing Projects	Closed Projects	Total Number of Projects	Total Committed Amount
Road Transport Links	0	2	2	€100,722,318
Maritime Transport Links	2	1	3	€33,370,540

Priority Axis 3 Progress on Output Indicators (Achieved)

Indicator	Target	Achievement
Sq m of new/refurbished infrastructure	57,889 m ²	80,799 m ²
Construction of new sea passenger terminal	1	1



Priority Axis 3 Progress on Output Indicators (Still to be achieved)

Indicator	Target	Result	Committed Results
Kms of roads upgraded (core indicator)	20	13.29	20.59



Priority Axis 3 Progress on Result Indicators (Achieved)

Indicator	Target	Achievement
% increase in sea passengers per annum	15	5.64

Priority Axis 3 Progress on Result Indicators (Still to be achieved)

Indicator	Target	Achievement	Committed results
Perceived overall experience of transport operators/users	4	-*	-
Reduction in journey time (minutes)	-10	-7.85	-12.37
% reduction in traffic accidents in the areas of intervention	10	-*	10
% increase in cargo per annum	2	-*	2

* Data to be collated once the projects are completed



Priority Axis 3 – Financial Progress

Status following OP Change

	PA Allocation	Total No of Projects	Commitments <i>(Public eligible)</i>	Contracts <i>(Public eligible)</i>	Payments <i>(Public eligible)</i>
2015	€123,000,000	5 projects	€134,142,858	€127,192,545	€111,225,978



Priority Axis 4 – Climate Change and Resource Efficiency

Objectives

This PA contributes towards Malta's achievement of its national target of increasing the share of energy from renewable sources to 10% by 2020 by focusing on:

- the promotion of measures for the best use of available resources;
- the promotion of the use of RES and energy efficiency measures;
- the reduction in the use of non-renewable energy sources;
- the reduction of GHG emissions.



Priority Axis 4 Ongoing and Closed Projects per Focus Area

Focus Area	Ongoing Projects	Closed Projects	Total Number of Projects	Total Committed Amount
Energy	16	23 Projects and 1 Aid Scheme	40	€72,713,342
Resource Efficiency	4	0	4	€1,208,539



Priority Axis 4 Progress on Output Indicators (Achieved)

Indicator	Target	Achievement
No. of projects dealing with Resource Efficiency	1-2	3
No. of RES/Energy Efficiency schemes	2-3	3
No. of studies	4	4
No. of RES projects (core indicator)	30	32

Priority Axis 4 Progress on Output Indicators (Still to be achieved)

Indicator	Target	Achievement	Committed Results
Solar water heaters – m ² installed	1,500	1450.50	1,519
Annual penetration rate of installed PV, micro-wind and solar (in kWpeak/annum or equivalent in energy saving) generating systems starting in 2008 (kWp/annum)	45,000	40,198	49,212

Priority Axis 4 Progress on Result Indicators

Indicator	Target	Achievement
Total annual electricity generated from small scale PV and micro-wind installations (MWh/annum)	67,000	30,110.82*
Total energy savings per year (MWh/annum)	24,000	7,825.24**
Reduction greenhouse emissions (CO ₂ and equivalents, kt) (core indicator)	70	33.38***

* This indicator is calculated on an annual basis and hence the 30,110.82 MWh is only covering the period Jan-Jun 2015.

** This indicator is calculated on an annual basis and hence the 7,825.24 MWh is only covering the period Jan-Jun 2015.

*** This indicator is calculated on an annual basis and hence the 33.38Kt is only covering the period Jan-Jun 2015.

Priority Axis 4 – Financial Progress

Status following OP Change

	PA Allocation	Total No of Projects	Commitments (Public eligible)	Contracts (Public eligible)	Payments (Public eligible)
2015	€79,000,00	45 projects & 1 Scheme	€73,921,921	€70,122,758	€63,446,070



Priority Axis 5 – Safeguarding the Environment & Risk Prevention

Objectives

In line with the National Sustainable Development Strategy, this PA aims at:

- expanding the network of waste facilities & minimizing waste land-filling;
- rehabilitating land-fills;
- Increasing efforts to prevent flash floods; and
- upgrading water and sewage treatment infrastructure.



Priority Axis 5 Ongoing and Closed Projects per Focus Area

Focus Area	Ongoing Projects	Closed Projects	Total Number of Projects	Total Committed Amount
Water and WasteWater	3*	1	4	€98,108,893
Solid Waste	6*	0	6	€71,531,080
Flood Relief	1	0	1	€43,791,106



Priority Axis 5 Progress on Output Indicators (Achieved)

Indicator	Target	Achievement
No. of water projects	1	1
No. of liquid waste treatment plants constructed/upgraded	3	3
No. of landfills rehabilitated	3	3
No. of Storm Water Management (risk prevention) projects (core indicators)	1	1
No. of waste projects (core indicator)	3	3

Priority Axis 5 Progress on Result Indicators (Achieved)

Indicator	Target	Result
Area rehabilitated (km ²) (core indicator)	0.3	0.33
Status of coastal waters in the South of Malta (from Sufficient)	Excellent	Excellent
% decrease in national sewerage effluent discharge	80	80

Priority Axis 5 Progress on Result Indicators (Still to be achieved -1)

Indicator	Target	Achievement	Committed Results
Landfill volume saved on an annual basis as at 2015 (m ³)	75,000	-*	75,000
Total RES recovered from waste by 2015 (GWhrs/annum)	17	2.27*	19.37
M ³ of increased rain water harvesting and re-use potential in catchment areas	300,000	100,000	300,000

* The projects which are contributing to these indicators are still ongoing in 2015

Priority Axis 5 Progress on Result Indicators (Still to be achieved -2)

Indicator	Target	Achievement	Committed Results
Compliance of Reverse Osmosis desalination plants with the Drinking Water Quality Directive	Full	-*	Full
Population affected by improved water networks	30,000	-*	30,000
Power consumption reduction (KWhrs/annum)	600,000	-*	600,000

* The projects which are contributing to these indicators are still ongoing in 2015



Priority Axis 5 Progress on Result Indicators (Still to be achieved -3)

Indicator	Target	Achievement	Committed Results
Additional water resources through further treatment of sewage effluent*	5Mm ³	-*	6.2Mm ³
% decrease in energy consumed for volume of water treated*	50	-*	68%
Frequency of flooding within area of intervention	1 every 5 years	-*	1 every 5 years

* The projects which are contributing to these indicators are still ongoing in 2015



Priority Axis 5 – Financial Progress

Status following OP Change

	PA Allocation	Total No of Projects	Commitments <i>(Public eligible)</i>	Contracts <i>(Public eligible)</i>	Payments <i>(Public eligible)</i>
2015	€211,288,259	11	€213,431,079	€207,574,759	€179,052,075



Priority Axis 6 – Urban Regeneration and Improving Quality of Life

Objectives

- Safeguarding and valorizing the country's urban heritage
- Promoting an overall improvement in quality of life
- Better accessibility, enhanced education, social and health systems
- Increasing the environmental monitoring capacity
- Encouraging a modal shift and improving
- Improving e-accessibility



Priority Axis 6 Ongoing and Closed Projects per Focus Area

Focus Area	Ongoing Projects	Closed Projects	Total Number of Projects	Total Committed Amount
Education Health and Social Infrastructure	7	11 Projects & 1 Aid Scheme	19	€134,610,231
Internal Mobility	1	3	4	€28,774,714
eAccessibility	1	2	3	€28,203,160
Urban Regeneration	1	0	1	€8,600,325
Environmental Monitoring	1	0	1	€4,206,860

Priority Axis 6 Progress on Output Indicators (Achieved -1)

Indicator	Target	Achievement
No. of projects ensuring sustainability and improving the attractiveness of towns and cities (core indicator)	1	1
Km of upgraded roads (non TEN-T)	7	7.64
No. of projects promoting Modal Shift	2	2
No. of new e-services for the public and the business community	72	72



Priority Axis 6 Progress on Output Indicators (Achieved - 2)

Indicator	Target	Achievement
No. of projects [health] (core indicator)	4	4
No. of environmental monitoring projects	1	1
No. of refurbished existing learning and training facilities with new equipment	110	123
Sq. m. of modernized learning and training facilities (with new equipment) within intervention areas	45,000	66,902

Priority Axis 6 Progress on Output Indicators (Still to be achieved)

Indicator	Target	Result	Expected Contribution
Sq. m. of newly constructed learning, training and other support facilities within intervention areas	140,000	75,256	140,000
No. of constructed learning and training facilities	15	13	15

Priority Axis 6 Progress on Result Indicators (Achieved)

Indicator	Target	Achievement
Road surface condition of upgraded roads	1.0-1.5	2.99
Number of benefitting students (Education)	56,000	63,023
No. of new services offered in the health sector	5	14*
National environmental monitoring programmes established	4	4

* Data provided is being verified to ensure that there is no double counting

Priority Axis 6 Progress on Result Indicators (Still to be achieved -1)

Indicator	Target	Achievement	Committed results
Average % redevelopment of units in regeneration areas of total national regeneration	1.27	-*	0.8
<i>% increase in use of non-car modes in the intervention areas (mainly the highly urbanised harbour area)</i>	8	-*	8

* Projects which will contribute to these Indicators were still ongoing in 2015

Priority Axis 6 Progress on Result Indicators (Still to be achieved)

Indicator	Target	Achievement	Committed results
% increase in use of e-services	26	8.2*	26
% of total patients [within intervention areas] using new/upgraded equipment/services	60	_*	60

*An appropriate methodology for the calculation of this indicator is still to be established.



Priority Axis 6 – Financial Progress

Status following OP Change

	PA Allocation	Total No. of Projects	Commitments <i>(Public eligible)</i>	Contracts <i>(Public eligible)</i>	Payments <i>(Public eligible)</i>
2015	€191,000,000	28	€204,395,290	€196,145,515	€168,489,896



Territorial Earmarking: Progress on Implementation of the 10% commitment for Gozo

- 24 ERDF Gozo-based projects & 20 ERDF projects with a Gozo component
- 1 CF Gozo-based project & 3 CF projects with a Gozo component
- 58 Gozo-based enterprises benefitting from grants
- 45 Gozo-based SMEs benefitting from the JEREMIE instrument
- 10.70% achievement reached in Gozo commitment
- €91.6M committed towards Gozo, 80.6% disbursed to date



JEREMIE Financial Engineering Instrument

98% of the JEREMIE portfolio has been committed to date and 93% has been disbursed. This translates into:

- SMEs benefitting from JEREMIE loans – 650
- Loans approved – 759
- Loan Committed amount – EUR 61.2m
- Loan Disbursed amount – EUR 58.5m





Significant Problems encountered and measures taken to overcome them (1)

Identified Problem	Measures undertaken
Implementation process – lack of technical capacity of the Beneficiaries	Increased supervision and assistance from the MA and other stakeholders to overcome this limitation. New Project Leaders were provided with one to one assistance from MA and LM officers.
Implementation process – Archeological Findings	Improved liaison with the Superintendence for Cultural Heritage and revision of designs to ensure that progress continues to be registered in works.
The payment process	Treasury continued to provide guidance on financial practices to beneficiaries and stakeholders to ensure compliance and eligibility of expenditure.



Monitoring and Reporting by the MA

Monitoring Tool	Tasks carried out during 2014
Structural Funds Database 07-13	8 training sessions with 82 participants
Day-to-day management verifications	152 documentary checks and/or physical checks
Project Progress Reporting	Bi-annual reporting
Ministerial Project Steering Committee	10 meetings held by different Line Ministries
Intermediate Bodies Steering Committees	2 meetings held
Project Progress Meetings	11 meetings held with a total review of 30 different ERDF/CF projects
Monitoring Committee	2 Monitoring Committee meetings
Annual Review Meeting	2 held in May and November



Information and Publicity

The MA continued to undertake communication and information activities:

- Updating of www.eufunds.gov.mt website, including important changes following the launch of the new OPs in March 2015 and the creation a section dealing exclusively with the 2014-2020 Programming Period
- Updating of Investing In Your Future website <https://investinginyourfuture.gov.mt/>, in terms of including additional information on the projects
- Participation in 15th Meeting of the INFORM Network of EU Regional Policy Communication Officers

NOAH the Project Lover visits Malta!



Annual Information Activity

- The MA is currently airing five minute features, entitled TEBQA, on TVM
- The features include a number of projects implemented under Malta's Cohesion Policy Operational Programmes 2007-2013
- TEBQA focuses on the benefits to the industry and society in general, which are derived from EU funded projects





Financial Information*

Period of Statement of Expenditure	Allocation	Paid to date	Verified by MA to date	Certified by CA to date	Received from EC to date
	<i>Public Share</i>	<i>Public Share</i>	<i>Public Share</i>	<i>Public Share</i>	<i>EU Share</i>
ERDF	€522,327,095	€452,250,017	€396,111,237	€381,835,005	€364,517,777
CF	€334,288,259	€290,278,053	€235,737,696	€235,737,696	€222,545,764
Total	€856,615,354	€742,528,070	€631,848,933	€617,572,701	€587,063,530

Concluding Remarks

- Progress has been registered in achieving the OP targets of competitiveness and quality of life
- Over 50% of government expenditure is expected to be supported through Structural and Cohesion Fund
- Approval of OP change allows better absorption of funds, however the challenge remains real
- In 2016, the 2007-2013 Programme will continue running. Over 500 verification checks need to be undertaken prior to Closure
- Stakeholders cooperation is required. This will be in parallel to the start of the implementation of the 2014-2020 Programme

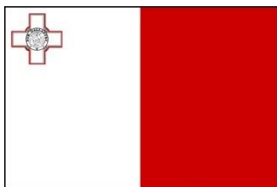


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Thank you



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Event part-financed by the European Union
European Regional Development Fund
Co-financing rate: 85% EU Funds; 15% National Funds.

Investing in your future

