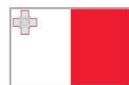


Update on Implementation 2014 – 2020 Programming Period

**Operational Programme I - *Fostering a competitive
and sustainable economy to meet our challenges***

**Monitoring Committee
7th April, 2016**



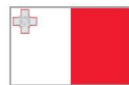
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Outline

- The Designation Procedure
- Calls for Proposals
- Update on OP/PA Commitments
- Aid Schemes
- SFD 2014-2020
- E-Cohesion
- Horizontal Priorities
- Communication Plan 2014-2020
- Training Activities 2014-2020
- Evaluation Activities 2014-2020
- Implementation of Financial Instruments
- SME Initiative
- Looking Forward

The Designation Procedure 2014-2020



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Designation procedure in Malta

The **Planning and Priorities Coordination Division (PPCD)** is the public body entrusted with the management and overall coordination of the European Regional Development Fund (ERDF), European Social Fund (ESF) and the Cohesion Fund (CF). The management of these funds is a common management and control system for all below-mentioned OPs:

- **Operational Programme I** - Fostering a competitive and sustainable economy to meet our challenges;
- **Operational Programme I** - SME initiative: Stimulate Private Sector Investment for economic growth;
- **Operational Programme II** - Investing in human capital to create more opportunities and promote the wellbeing of society; and
- **Malta Material Assistance Operational Programme co-financed by the FEAD** during 2014-2020 programming period.

The Intermediate Body

- The Measures and Support Division has been identified as the IB responsible for a number of grant schemes to be implemented under Operational Programme I.
- Grant schemes will be implemented under PA1, PA2 & PA 3.
- At this stage, the IB will launch six grant schemes aimed at supporting SME investment under PA 2 and PA 3. The aid for enterprises under PA 1 will be launched at a later stage.

The Certifying Authority

- The EU (Paying Authority) Directorate within the Ministry for Finance acts as Certifying Authority (CA) for ESIF 2014-2020.
- The CA is responsible for certifying declarations of expenditure and applications for payment before they are sent to the European Commission (EC).

The Audit Authority

- The Internal Audit and Investigations Department is the audit body with respect to the European Structural and Investment Funds (ESIF).

Status

- Feedback from the Audit Authority on the designation procedure is now being taken into consideration by the MA in the preparation of the documents required for the designation process.
- This will be submitted to the Audit Authority who will ensure full impartiality and independence in the designation process (Article 123 CPR).
- Following the opinion issued by the Audit Authority, the document by which the MA and the CA will be officially designated will be adopted at national level through a Ministerial Decision.

Timeline of Work

Tasks	Competent Authority	Deadline
Finalisation of the System Description	Managing Authority with the cooperation of main stakeholders	Mid- April
IAB' s Opinion	IAID	May
Formal Designation	MEAIM	May

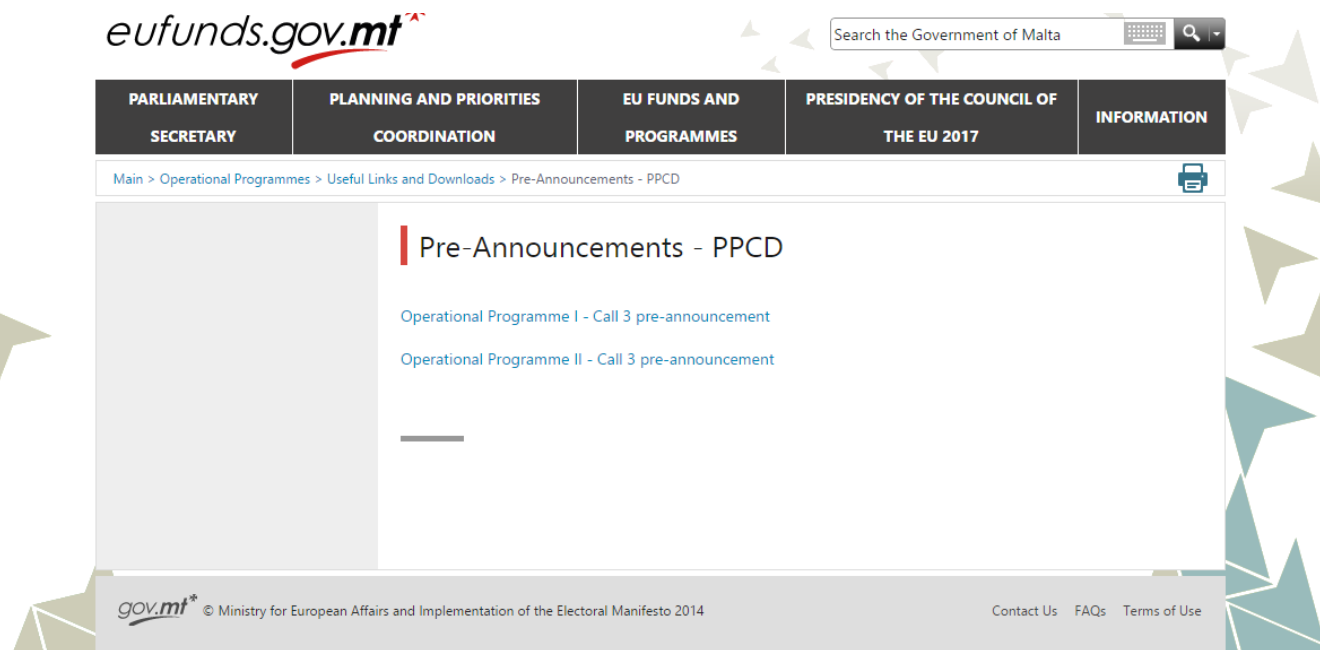
Calls for Proposals

Summary of Calls

Call	Status
Call I: PA3, 4, 5, 11	CLOSED (Under Evaluation)
Call II: PA 2, 8, 9	OPEN (closes Friday 8th April 2016)
Call III: PA4 (IP4c), 7, 10, 11	PRE-ANNOUNCEMENT (Published 13th December 2015) <i>(Call is envisaged to be issued by April 2016)</i>
Call IV: PA4 (IP4a), PA5 - (Local Councils and NGOs)	PRE-ANNOUNCEMENT (to be published Q2 2016)

Publication of Calls – Pre-Announcement

- Pre-Announcement of Calls – The purpose is to inform the public that a call for project proposals will be announced in the following weeks. This will enable the applicants to make the necessary preparations for the submission of the projects such as preparing CBAs and consult with the necessary stakeholders.
- The Pre-Announcement Call is published on the Sunday newspapers; press released on DOI; national newspapers and PPCD's website. With regard to the latter, one may find a link as per below:

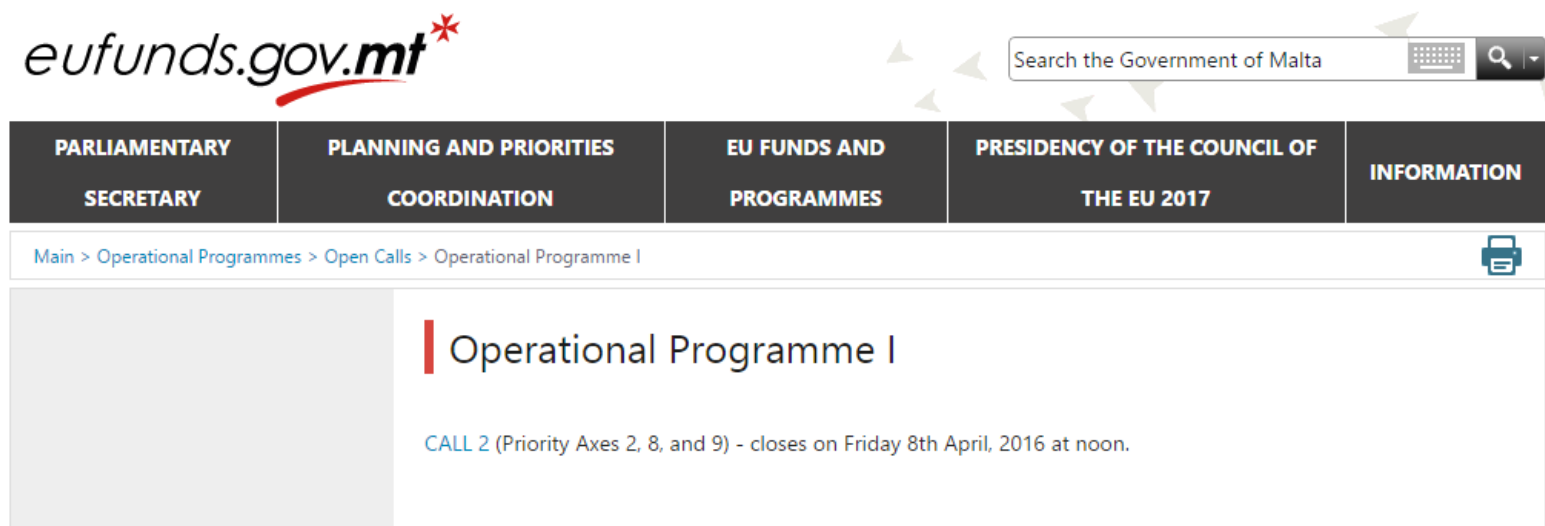


The screenshot displays the website *eufunds.gov.mt* with a search bar and a navigation menu. The menu includes: PARLIAMENTARY SECRETARY, PLANNING AND PRIORITIES COORDINATION, EU FUNDS AND PROGRAMMES, PRESIDENCY OF THE COUNCIL OF THE EU 2017, and INFORMATION. The breadcrumb trail reads: Main > Operational Programmes > Useful Links and Downloads > Pre-Announcements - PPCD. The main content area is titled "Pre-Announcements - PPCD" and lists two links: "Operational Programme I - Call 3 pre-announcement" and "Operational Programme II - Call 3 pre-announcement". The footer contains the *gov.mt* logo, copyright information for the Ministry for European Affairs and Implementation of the Electoral Manifesto 2014, and links for Contact Us, FAQs, and Terms of Use.

Publication of Calls (cont.)

- Calls are also published on the Sunday newspapers; press released on DOI; national newspapers and PPCD's website. With regard to the latter, one may find a direct link as per below with all the necessary information and is easily accessible:

*eufunds.gov.mt**



Search the Government of Malta

PARLIAMENTARY SECRETARY	PLANNING AND PRIORITIES COORDINATION	EU FUNDS AND PROGRAMMES	PRESIDENCY OF THE COUNCIL OF THE EU 2017	INFORMATION
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Main > Operational Programmes > Open Calls > Operational Programme I

Operational Programme I

CALL 2 (Priority Axes 2, 8, and 9) - closes on Friday 8th April, 2016 at noon.

Provision of Assistance to Prospective Applicants

The Managing Authority provides the necessary instructions and guidance to potential Applicants in accordance with the provisions of Article 125(3)(a)(i) CPR, in the form of:

- **Guidance Notes**
 - Eligibility Guidance Notes
 - Detailed Guidance Notes (applicable from Call II onwards)
 - Guidance Note on the Indicators
- **Information Sessions** – four sessions are being carried out in order to maximize assistance to the prospective applicants.
- **IT training** – training involves a filling up of a dummy application where attention is given on an individual basis.
- **Clarification meetings and e-mails** – a streamlined email address is provided for all the possible clarifications.

Provision of Assistance to Prospective Applicants

All the necessary information in relation to the Open Calls information may be found by clicking on one link which is easily accessible.

CALL 2 - OPI

[Pre-Announcement](#)

[Announcement](#)

[Registration for Information Sessions](#)

[Information Session No 1: General Overview \(19 January 2016\)](#)

[Information Session No 2: How to apply online \(26 January 2016\)](#)

[Information Session No 3: How to plan a Project Proposal \(2 February 2016\)](#)

[Information Session No 4: How to implement a Project Proposal \(12 February 2016\)](#)

[Registration for Practical Training on 'How to Fill in the Online Project Proposal Application - OPI'](#)

[Project Online Application Form](#)

[Guidance Notes for Call 2:](#)

[Eligibility Guidance Note for Call 2](#)

[Detailed Guidance Notes for Call 2](#)

[Guidance Note on the Indicators for Call 2](#)

For the FFS/CBA checklists for the CBA Consultant and Project Promoter including the financial assessment for Revenue-Generating Projects, please [click here](#).

To download the Guidance Manual for CBA Appraisal in Malta, please [click here](#). To download the Guide to CBA of Investment Projects, please [click here](#).

Call I – Operational Programme I

- **Eligible Applicants**

- Ministries;
- Government Departments;
- Central Government Authorities; and
- Public Sector Companies/Entities.

Call I (cont.)

► Area of Investment

Priority Axis (PA)	Investment Priority (IP)	Proposals received	Status
PA 3 – 'Enhancing Malta's competitiveness through investment in SMEs'	IP3d: <i>Supporting the capacity of SMEs to grow in regional, national and international markets, and to engage in innovation processes</i>	3	<i>Under Evaluation</i>
PA 4 – 'Shifting towards a low-carbon economy'	IP4a: <i>Promoting the production and distribution of energy derived from renewable sources</i>	1	<i>Under Evaluation</i>
PA 5 – 'Protecting our environment - investing in natural and cultural assets'	IP6c: <i>Conserving, protecting, promoting and developing natural and cultural heritage</i>	14	<i>Under Evaluation</i>
PA 11 – 'Investing in TEN-T infrastructure'	IP7i: <i>Supporting a multimodal Single European Transport Area by investing in the TEN-T</i>	2	<i>Under Evaluation</i>

Call II – Operational Programme I



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for Malta | 2014
2020

- **Eligible Applicants**

- Ministries;
- Government Departments;
- Central Government Authorities; and
- Public Sector Companies/Entities.

Call II (cont.)

- Areas of Investment

Priority Axis (PA)	Investment Priority (IP)
<i>PA2 – ‘Consolidating Investment within the ICT sector’</i>	<i>IP2c: Strengthening ICT applications for e-government, e-learning</i>

Call II (cont.)

- Area of Investment

Priority Axis (PA)	Investment Priority (IP)
PA8 – ‘Investing towards a more socially-inclusive society’.	IP9a: <i>Investing in health and social infrastructure which contributes to national, regional and local development, reducing inequalities in terms of health status, promoting social inclusion through improved access to social, cultural and recreational services and the transition from institutional to community-based services.</i>
	IP9b: <i>Providing support for physical, economic and social regeneration of deprived communities in urban and rural areas</i>

Call II (cont.)

- Area of Investment

Priority Axis (PA)	Investment Priority (IP)
<p><i>PA9 – ‘Developing our future through education, training and lifelong learning’.</i></p>	<p><i>IP10a: Investing in education, training and vocational training for skills and lifelong learning by developing education and training infrastructure</i></p>

Call III – Pre-Announcement – Operational Programme I

- **Eligible Applicants**

- Ministries;
- Government Departments;
- Central Government Authorities; and
- Public Sector Companies/Entities.

Call III - Pre-Announcement

- Areas of Investment

Priority Axis (PA)	Investment Priority (IP)
<i>PA 4 – ‘Shifting towards a low-carbon economy’</i>	<i>(IP) 4c - Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector.</i>

Call III (cont.)

- Area of Investment

Priority Axis (PA)	Investment Priority (IP)
<i>‘PA7 – ‘Shifting towards a more low-carbon transport sector’</i>	<i>IP 7c– Developing and improving environmentally-friendly (including low noise) and low-carbon transport systems, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility.</i>

Call III (cont.)

- Area of Investment

Priority Axis (PA)	Investment Priority (IP)
Priority Axis 10 – ‘Investing in a more environmentally-friendly society’	(IP) 6i - Investing in the waste sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements.
	(IP) 6ii - Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements.

Call III (cont.)

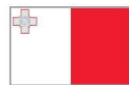
- Area of Investment

Priority Axis (PA)	Investment Priority (IP)
<p>PA 11 – ‘Investing in Ten-T infrastructure’</p>	<p>(IP) 7i - Supporting a multimodal Single European Transport Area by investing in the TEN-T.</p> <p>Note: Only investments submitted by Public Administration and targeting the <u>maritime transport infrastructure</u> will be considered for the purpose of this call.</p>

Evaluation Process

- Appointment of the Members of the Project Selection Committee;
- Setting of the Project Selection Appeals Board;
- Preparation of the necessary structures/documentation;
- Project proposals submitted for Call I are currently being evaluated:
 - Envisaged ending date: ***April 2016 for PA 3, PA 4 and PA 11***
June 2016 for PA 5

Update on PA/OP Commitments



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OP Commitment to Reduce Administrative Burden for Beneficiaries

Commitments at OP Level	Target date	Status
Provision of assistance to applicants in filling the application particularly to NGOs, Local Councils, civil society etc.	Quarter 4 2014	Complete
Assess the possibility of increasing the threshold for Departmental Tenders	Quarter 4 2014	Complete
Phased rolling out of the E-procurement system	Quarter 4 2014	Complete

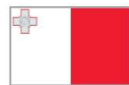
OP Commitment to Reduce Administrative Burden for Beneficiaries (*cont.*)

Commitments at OP Level	Target date	Status
The introduction of Procurement Managers in Line Ministries to speed up procurement processes.	Quarter 1 2014	Ongoing
Provision of assistance to NGO and civil society for tender drafting.	Quarter 1 2014	Ongoing
Development of procurement templates for NGOs	Quarter 1 2016	Ongoing
The use of SCOs has proven to be a positive experience under ESF. This will be further analysed and introduced where possible in other funds.	Quarter 4 2016	Ongoing

OP Commitment to Reduce Administrative Burden for Beneficiaries (*cont.*)

Commitments at OP Level	Target date	Status
Introduction of e-forms at application stage	Quarter 4 2014	Ongoing
Facilitate the implementation process through the enhancement of IT-enabled systems which is an ongoing process.	Quarter 4 2014	Ongoing

Aid Schemes (2014-2020)



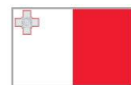
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Aid Schemes

- Aid to enterprises under OPI are envisaged under: PA 1; PA 2 and PA 3.
- The different measures together with the Selection Criteria will be discussed in a separate presentation.

Structural Funds Database and Online Application Form (2014-2020)



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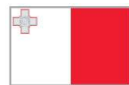


- Meetings held between the various stakeholders, Intermediate Bodies and the developer in order to discuss various aspects allowing the development of the various modules.
- The operational and functional aspects of each developed module were subsequently tested by the Managing Authority and any identified issues were rectified accordingly.
- Data groups and functionality roles were developed and implemented.
- Maintenance Screens were filled in with relevant data and this enabled the system to go live.

Online Application Form

- Development and launch of the online application form:
 - In May 2015 – Call 1
 - In November 2015 – Call 2
- This was the first time in which applicants were required to fill in and submit applications online.
- The online application form was developed and integrated within the system (SFD14-20), simplifying the process for the applicant.
- Training to potential applicants was provided via Information Sessions and training.

E-Cohesion



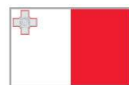
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E-Cohesion

- By the end of 2015, the requirements stipulated in Article 122 (3) of the Common Provisions Regulations 1303/2013 were being implemented;
- The electronic data exchange is one whole system used by the MA, CA, AA, IBs. Besides, this also covers all types of beneficiaries including beneficiaries of mainstream projects, aid schemes and Technical Assistance;
- The necessary data is in place for a number of requirements including reporting on progress, declaration of expenditure and exchange of information related to management, verifications and audits;
- The ‘only once’ encoding principle has been addressed and the system also allows for the elimination of paper flow of documents;
- SFD 2014-2020 ensures data integrity and confidentiality;
- Two targets set in OPI namely, the introduction of e-forms at application stage as well as the creation of the SFD 2014-2020 have been achieved.

Horizontal Priorities (2014-2020)



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Gender Equality, Equal Opportunities, Non-discrimination including accessibility (Article 110 (f) of EU 1303/2013)

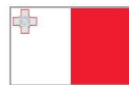
- The application form structure of this section has been strengthened to assist potential beneficiaries in:
 - identifying the minimum legal obligations
 - to propose additional measures (beyond the legal requirement)
- Applicants are encouraged to discuss their project ideas with the relevant Bodies (NCPE, KNPD) for advice on the legal obligations and on how to best integrate such priorities (beyond the legal requirements) within their projects.
- Additional marks are awarded to applicants that properly integrate Gender Equality, Equal Opportunity and Non Discrimination in an integrated way within their project application.
- Additional conditionalities/obligations may be imposed at eventual Grant Agreement stage to ensure the implementation of such horizontal priorities.

Sustainable Development

(Article 110 (g) of EU 1303/2013)

- Applicants are encouraged to discuss their project ideas with the relevant authority (MSDEC) on how to best address this priority within their project ideas.
- Additional marks are awarded to applicants that properly integrate Sustainable Development measures in an integrated way within their project application.
- Additional conditionalities/obligations may be imposed at eventual Grant Agreement stage to ensure the implementation of this horizontal priority.

Communication Action 2014-2020



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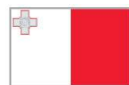
Communication Annual Action Plan 2016

- Providing the necessary training to stakeholders and beneficiaries on the Visual Identity Guidelines 2014-2020 during training sessions for new beneficiaries in May 2016.
- Participating in INFORM/INIO; the next meeting is going to be held on 31st May and 1st June 2016 in Slovenia.
- Organising information sessions on Calls III and IV for project proposals under OPI will be held in Q2 2016. Information sessions on Call II for project proposals under OPI were held in January 2016.
- Procuring of promotional items for ESIF 2014-2020 in Q2 2016.

Communication Annual Action Plan 2016

- Participation in activities related to Europe Day planned on the 6th and the 8th of May earmarked for families.
- The Annual Event for 2016 will also consist of an information campaign to promote the 2014-2020 programming period to the general public and potential beneficiaries, informing them on the socio-economic benefits of EU funding as well as any funding opportunities available.
- A dedicated section within the IIFY website to cater for the projects being funded under the 2014-2020 Operational Programme.

Training Activities (2014-2020)



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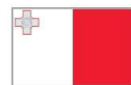
Training Strategy

- In 2015, the Managing Authority drafted the ‘Structural and Investment Funds Training Strategy’, which covers both the Managing Authority as well as stakeholders.
- The Training Strategy will support administrative capacity building of stakeholders involved in the implementation of ESIF in Malta and therefore maximise the benefits derived from the successful implementation of the programme.
- A training schedule is in place and first activities will start being implemented in July 2016.

Training Schedule

- **Induction training programmes** for new recruits within the horizontal stakeholders as well as beneficiaries – Planned for July 2016.
- **Technical training programmes** to facilitate programme /project management and implementation – October 2016.
- **IT training programmes** in relation to the SFD14-20 – Planned for July 2016.
- **Skills development programmes** to provide human resources with the necessary aptitude to grow within the organisation – Scheduled to start in July and will be ongoing for the remaining 6 months of the year.

Evaluation Actions (2014-2020)



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Evaluation activities in 2015 and 2016

- By Q2 2016, the MA will have finalised the Monitoring and Evaluation plan in coordination with DG Regio taking into consideration feedback received from the MC and ESG.
- The Managing Authority attended two Evaluation Network Meetings organised by DG REGIO on 5th November 2015 and 5th April 2016.
- Continuing the enhancement of the monitoring system.

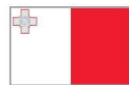
Evaluation Meetings

- Two Evaluation Steering Group (ESG) Meetings were organised on 11th November 2015 and 30th March 2016:
 - During the first meeting, the Terms of Reference of the ESG were presented, together with the Monitoring and Evaluation Strategy for ERDF and CF 2014-2020.
 - During the second meeting, the impact section of Monitoring and Evaluation Strategy for ERDF and CF 2014-2020, as well as the Terms of Reference of the Ex Ante assessment for Financial Instruments to be co-financed through ERDF and the assessment on the output, result and impact indicators 2007-2013 and 2014-2020 were presented.
- Convening the Evaluation Steering Group in Q3 2016 to discuss the evaluation questions and recommendations emanating from the studies.

Evaluation Plan 2016

- Issuing a tender to assist in the assessment of indicators for the 2014-2020 Operational Programme. This will be launched in April 2016.
- Issuing a tender for a feasibility study to carry out Counterfactual Impact Evaluation in Malta.

Implementation of Financial Instruments (2014-2020)



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Financial Instruments

- **Finalisation of the ex-ante assessment for instruments under PA 3**

This ex-ante assessment consisted in the preparation of:

- An Access to Finance Market (AFMA) Report – analysing the existing market environment for SMEs, including lessons learned from existing Financial Instruments, to define the existing gaps regarding SMEs and their access to finance;
- A Proposed Investment Strategy (PSI) – suggesting measures, on the basis of the finding and recommendations of the AFMA Report, and recommending certain types of financial instruments which ought to be considered for ESIF support.

The MA is currently analysing the PSI and is expected to finalise such document by June 2016.

Financial Instruments (*cont.*)

- **Launch the tender for financial instruments**

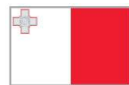
Launch of the *ex ante* assessment for the potential implementation of FI's under Priority Axis 4 in April 2016.

This will be launched in accordance with Article 37(2) of Regulation (EU) 1303/2013 and its main objective is to analyse:

- Market failures or sub-optimal investment situations;
- Investment needs;
- Value added of the Financial Instrument;
- Estimate of additional public and private resources to be potentially raised by the Financial Instrument;
- Identification of lessons learnt from similar instruments;
- Proposed investment strategy; and
- Specification of expected results.

SME Initiative

*Stimulating private sector investment
for economic growth*



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Key Milestones	Dates
Due diligence by EIF	Nov 2015 – January 2016
Signing of Operational Agreement with selected Financial Intermediary	January 2016
Joint Assistance Initiative for Maltese Enterprises (JAIME) made available to market	February 2016
Submission of first Annual Report for the JAIME instrument	Ongoing - due in May 2016

SMEi - Overview

- Allocation of €15 Million from the EU Structural funding envelope to benefit circa 850 SMEs and stimulate an expected investment of at least €60 Million.
- Aim is to facilitate SME lending to help them perform better and increase the potential for job creation and growth.
- Funds are to be managed through a local financial intermediary that is close to the market.

SMEi – Milestones achieved in 2015



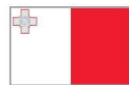
- **Jan – July 2015:** Following the approval of the single dedicated Operational Programme for the SME Initiative, the Maltese Authorities commenced the necessary discussions for the finalisation of the Funding Agreement and the Inter-creditor Agreement.
- **February 2015:** In order to prepare the market of the upcoming launch of the instrument, the SMEi was presented to all possible commercial banks with a local presence in Malta and Gozo and which might be interested in participating in the envisaged Open Call for the Selection of Financial Intermediaries.
- **July 2015:** Signature of the Funding Agreement with the European Investment Fund (EIF), and the Inter-Creditor Agreement with the European Investment Bank (EIB) and the European Commission, and launch of the Call for Expression of Interest for Financial Intermediaries.
- **October 2015:** Deadline to submit Expression of Interest and commencement of the due diligence process by the European Investment Fund.
- **December 2015:** finalisation of the due diligence process, with the selection of one Financial Intermediary, with the possibility of a second Financial Intermediary if certain conditions are met.

SMEi – Launch and signature of Operational Agreement

- The 1st Operational Agreement with the first selected Financial Intermediary was signed on the 26th January 2016, with the instrument being made available to and on the market a few weeks later on 15th February 2016.
- The SMEi is now being implemented by Bank of Valletta with the name JAIME (Joint Assistance Initiative for Maltese Enterprises).



Looking Forward (2014-2020)



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Looking forward

- Finalisation of designation - May 2016;
- Finalisation of PSC Call 1 – by April 2016 (PA 5 – June 2016);
- Evaluation of Call 2 – to be concluded by September 2016;
- Launch of Call 3 – in April 2016;
- Continuation of evaluation work;
- Ensuring appropriate actions are taken to promote the programme and the programme activities ;
- Implement the planned schedule of training activities as per training plan to strengthen the implementation of the programme;

Looking forward (*cont.*)

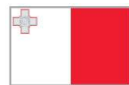
- Follow-up the implementation of the SME initiative;
- Finalise the assessment related to the implementation of other financial instruments under the Programme.

Contact Details

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