

European Fisheries Fund programme 2007-2013

Malta

Annual Report 2009

July 2010

Ministry for Resources and Rural Affairs

Annual and Final Reporting

1. IDENTIFICATION

Member State: Malta

Operational programme	Programme number (CCI No):	2007MT14FP0001
Report on implementation	Reporting year:	2009
	Date of approval of the annual report by the monitoring committee	21 st July 2010

2. EXECUTIVE SUMMARY

A Monitoring Committee for the implementation of the Maltese EFF Operational Programme 2007-2013 was established and Rules of Procedure were adopted on 26th of May 2009. The Project Selection Criteria were finalised and approved by the Monitoring Committee in June 2009. The EFF Manual of Procedures was also finalised and circulated to all the stakeholders. During the year 2009, the Managing Authority compiled the Description of management and control systems under Article 71 of Regulation (EC) No. 1198/2006 and Article 47 of Regulation (EC) No. 498/2007. The document was submitted via SFC 2007 on 9th December 2009.

Calls for the aid schemes and the capital projects were drafted during 2009. These aid schemes will lead to the implementation and utilisation of the allocated budget of the European Fisheries Fund 2007-2013.

Priority Axis 1 – Measures for the adaptation of the Maltese fishing fleet

Calls for the public aid for permanent cessation of fishing activities (Measure 1.1) and the investment on board fishing vessels and selectivity (Measure 1.3) were drafted. Following approval by the Managing Authority, the calls will be published on the Ministry website and on the Government Gazette.

Measure 1.4 of Priority Axis 1 deals with the socio-economic compensation for the management of the community fishing fleet. During 2009, the Fisheries Control Directorate held discussions with Transport Malta - the maritime transport authority, to set up the details of training courses that will be offered to the fishers. A tender document will later be drafted for the provision of training courses.

Priority Axis 2 – Aquaculture, processing and marketing of fishery and aquaculture products

The last call for the marketing and processing scheme under the FIG 2004-2006 was launched in 2008. As interest for this call was low, with only 3 enterprises submitting an application and 2 enterprises completing the project; it was decided to issue the marketing and processing call under EFF 2007-2013 during the last quarter of 2010, also to give more time to enterprises to recover from the economic crisis.

It is envisaged that a service tender for the preparation of an Aquaculture strategy for Malta will be drafted in early 2010. The strategy will lay down a structured path for sustainably developing aquaculture in Malta and identify the domains that are essential for a profitable and sustainable industry in Malta. The aim of the strategy is to optimise the sustainable growth of the aquaculture sector by 2015.

Priority Axis 3 - Measures of Common Interest

Measure 3.1 deals with fishing ports, landing sites and shelters. The proposed designated ports in Malta still lack some basic amenities necessary for the proper control of landings. Moreover, the Mediterranean Regulation has further increased the obligations with respect to landings of tuna, swordfish and trawled fish. Catches of such species have now to be landed at designated ports. Investments will be made in four designated ports; Marfa, Valletta, Marsaxlokk and Mgarr Gozo.

During 2009, Mgarr Gozo, Marsaxlokk and Valletta have been identified as the most advantageous sites for landings. The specifications for the landing sites, dredging works and landing facilities were drafted and will be submitted to MEPA for approval.

During 2009, a number of potential sites for the new fish market were identified and continued to be assessed for suitability. Discussions with MEPA were held as part of the assessment process.

The departmental tender for the modification of the existing slipway at the hardstanding facilities Kavallerizza punta tal-qrejtien Marsaxlokk was submitted to the MRRA Contracts Unit for vetting and the necessary approval. The plans for works in connected with this project are ready.

Measure 3.2 – Development of new markets and promotional campaigns.

It was agreed that a survey with the aim of obtaining data concerning the consumption of fish should be carried out. A brochure which targets the sectors that consume less fish could then be published. This will create more awareness of the benefits of consuming fish, and improve the demand for underutilised fish and aquaculture species. Events such as fish fairs will also be organised.

Priority Axis 5 – Technical Assistance

It is envisaged that calls for the recruitment of 3 officials (1 for MA, 1 for IB and 1 for CA) will be published during the first quarter of 2010. EFF will pay 75% of their salary while the balance of 25% will be paid by national funds.

3. OVERVIEW OF THE IMPLEMENTATION OF THE OPERATIONAL PROGRAMME BY PRIORITY AXIS

3.1 Information on the physical progress of the priority axes

Priority axis 1 – Measure for the adaptation of the Community Fishing Fleet

Indicators		2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Indicator 1: 6% reduction in fishing capacity of Malta fleet sector for declining species (Blue Fin Tuna & Swordfish) by 2015	Achievement										
	Target ¹										Gross tonnage of vessels to be scrapped 200 Average kW to be scrapped 1,252
	Baseline - gross tonnage of vessels in Fishing Vessel Register by end 2006 - 15,166										

¹ The target can be given annually or for the whole programming period

Indicators		2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Indicator 2: More modern fishing fleet – 1% of total fleet would have undertaken modernisation by 2015	Achievement										
	Target										Number of vessels to be modernised by 2015 – 15 vessels
	Baseline – number of vessels in the Fishing Vessel Register in 2006 which had already undertaken modernisation during the period 2004-2006 – 7										
Indicator 3 – Number of engines replaced with lower emissions- 7	Achievement										
	Target										Number of vessels with engines replaced for lower emissions by 2015 – 7 (876 kW)
	Baseline –										

Total engine power of all vessels in the Fishing Vessel Register in 2006 – 98,744 kW											
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Indicators		2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Indicator 4: Minimum 50% of trainees satisfied or very satisfied with training received	Achievement										
	Target										Number of fishers having received formal training during the period 2007-2013 – 30
	Baseline – Number of fishers which had received formal training on professional skills during the period 2004-2006 –										

	nil										
Indicator 5: Minimum 50% of trainees satisfied or very satisfied with training received	Achievement										
	Target										Number of fishers receiving formal training for occupations outside sea fishing during the period 2007-2013 – 30
	Baseline – Number of fishers which had received formal training for occupations outside sea fishing during the period 2004-2006 – nil										

Priority Axis 2: Aquaculture, Processing and Marketing of Fishery and Aquaculture Products

Indicators		2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Indicator 6 – Accompanying investment by recipient farms by 2015	Achievement										
	Target										Number of new species cultivated – 1
	Baseline - Number of different species currently being cultivated in 2006 - 3										
Indicator 7 - % of projects undertaken by fin-fish farms that have an element of environmental protection – 25%	Achievement										
	Target										Number of fish farms that undertake environmentally friendly initiatives - 3
	Baseline – Number of environment protection projects undertaken										

	by 2006 – 1										
Indicator 8 – Increase in average quantity of exports during the period 2007-2015 (+10%)	Achievement										
	Target										Number of new species cultivated and exported by 2015 – 1
	Baseline – Number of species exported in 2006 – 2										
Indicator 9- Average number of fry commercially produced in 2015 – 1 million	Achievement										
	Target										Number of fish farms commercially producing fry – 1
	Baseline – Average number of fry commercially produced in 2006 – nil										
Indicator 10 – More modern fish processing and packaging industry –	Achievement										

80% of all plants are either new or modernised by 2015											
	Target										Number of new processing and packaging facilities in operation by 2015 - 2
	Baseline – Number of processing and packaging facilities in place in 2006 – 5										
Indicator 11: More modern fish processing and packaging industry – 80% of all plants are either new or modernised by 2015	Achievement										
	Target										Number of existing plants undertaking action to modernise their processing facilities during the period 2007-2015 - 2
	Baseline – Number of processing and packaging facilities in										

	place in 2006 – 5										
Indicator 12: Increase in average quantity of exports (aquaculture and fisheries products) during the period 2007-2015 (+10% on the average quantity registered during the period 2004-2006)	Achievement										
	Target										Number of promotion and marketing projects undertaken – 1
	Baseline - Average quantity of exports (aquaculture and fisheries products) during the period 2004-2006 – 301,972 kgs										

Priority axis 3: Measure of Common Interest

Indicators		2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Indicator 13: Number of ports available for the landing and storage of fish – 7	Achievement										
	Target										Number of upgrading projects on major infrastructural facilities undertaken by 2010 – 1
	Baseline – number of ports having the necessary landing and storage facilities in 2006 – 1										
Indicator 14: All fish markets in operation by 2015 are new	Achievement										
	Target										Number of newly developed fish markets by end 2015 – 1

	Baseline – number of fish market in areas in 2006 - 1										
Indicator 15: Increase in the average national per capita consumption of fish (kg/year) during period 2007-2015 (+3%)	Achievement										
	Target										Number of marketing and promotional campaigns organised during the period 2007-2015 - 4
	Baseline – Average national per capita consumption of fish during period 2000-2006 – 6.58 kg/year										

Priority Axis 5: Technical Assistance

Indicators		2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Indicator 16: More efficient management of the OP	Achievement	1 ex-ante evaluation									
	Target										1 ex-ante evaluation, 1 interim evaluation , enhanced software system
	Baseline – Insufficient staff numbers and equipment										
Indicator 17: public access to information concerning the OP	Achievement			Information concerning the EFF OP on website							
	Target										Information concerning the EFF OP on website
	Baseline										

3.2 Specific information for priority axes and measures

A Fishing Effort Adjustment Plan is being prepared in line with Article 22 of Regulation 1198/2006.

3.3. Financial information (all financial data shall be expressed in Euro)

Regions eligible under the convergence objective

	Expenditure paid by the beneficiaries included in payment claims sent to the Managing Authority	Corresponding public contribution	Corresponding EFF contribution	Expenditure paid out by the body responsible for making payments to the beneficiaries	EFF committed by the Managing Authority	Total payment requested from the Commission Specify the basis for calculating the Community contribution (Article 76 (1) or 76 (2) of Council Regulation (EC) No 1198/2006)	Total payments received from the Commission A first advance payment to the amount of EUR 586,063.03 was executed on 23 rd December 2008, (bank value date). A second advance payment to the amount of EUR 586,063.03 was requested on 17 th June 2009 and was executed on 14 th

							September 2009 (bank value date).
Priority Axis 1							
Priority Axis 2							
Priority Axis 3							
Priority Axis 4							
Priority Axis 5							
Grand total							

This section is not applicable for the year 2009 as no expenditure has been processed as yet.

3.4 Qualitative analysis

No further information on achievements can be provided at this stage as projects will be implemented during 2010.

Actions were taken to ensure that the partnership principle according to Article 8 of the EFF Basic Regulation 1198/2006 is duly respected. Such actions include the consultations that were carried out with the public authorities (the Fisheries Board) and other social and economic partners, including representatives of the aquaculture industry. It should be noted that consultations related to the compilation of Malta's National Strategic Plan for the Fisheries Sector (2007-2013) and the EFF Operational Programme (2007-2013) had been carried out in 2007 and 2008 respectively.

3.5 Monitoring arrangements

The Monitoring Committee was established in its first meeting on 26th May 2009, and held its second meeting on 27th November 2009. The following subjects were treated by the MC:

- Rules of Procedures for the Monitoring Committee
- Project Selection Criteria for selecting operations
- Annual Reports
- Ministry website
- Management and Control Systems of the OP and Compliance Assessment Report
- European Transparency Initiative
- Status reports on the state of play of OP implementation

The Operational Programme has been subject to an ex ante-evaluation and will be subject to an interim and an ex post evaluation in accordance with the provisions of Articles 48, 49 and 50 of Council Regulation 1198/2006. The interim evaluation is due by 30 June 2011.

The aim of the evaluations is to improve the quality and effectiveness of the assistance from the EFF and the implementation of the OP. The evaluation will appraise the impact with respect to the guiding principles set out in Article 19, the relevant parts of the National Strategic Plans and specific problems affecting Malta, while taking account of the needs of sustainable development in the fisheries sector and the environmental impact.

The EFF Structural Funds Database 2007-2013 is the main tool that will be used for the monitoring of OP implementation and data collection. The Structural Funds Database 2007-2013 is a web enabled system developed for the Government of Malta for the management of EU funds during the period 2007-2013. The SFD 07-13 forms part of the government's project management database system. The backbone of the SFD 07-13 is the financial mechanism for the management of funds from programme to invoice level.

The database is a centralised system linked to the structural funds' stakeholders, which include the Managing Authority, Treasury, Certifying Authority, Audit Authority, Line Ministries, Intermediate Bodies and the Beneficiaries.

3.6 Significant problems encountered and measures taken to overcome them

3.7 Recommendations from the Commission following annual examination of the Operational Programme

The Commission has not issued any formal recommendations.

The Commission recommended in the examination meeting to keep up to date a permanent table with the collection of EFF implementation data (based on the model in Annex III to the EFF Implementing Regulation 498/2007, the so-called "new INFOSYS").

A list according to the said Annex is being prepared and will be ready for questions and reporting at the next Monitoring Committee meeting, when information on individual operations will be available.

3.8 Assistance repaid or re-used

No assistance was repaid or re-used. The Operational Programme is still in its initial stages of implementation.

3.9 Substantial modification within the meaning of Article 56 of Regulation (EC) No 1198/2006

There was no substantial modification within the meaning of Article 56 of Regulation (EC) No. 1198/2006.

3.10 Changes in the context and general conditions to the implementation of the Operational Programme

The Operational Programme has been revised due to the changes in the implementing bodies, namely the Managing Authority, the Intermediate Body and the Certifying Authority. The technical assistance measure now includes a strategy leading to a more sustainable aquaculture industry. The financial table has also been revised to incorporate the shift in budget from Axis 2 to Axis 5, thus including the budget allocated to the aquaculture strategy. The revised Draft Operational Programme has been presented to the Monitoring Committee on 27th November 2009.

4. THE USE MADE OF TECHNICAL ASSISTANCE

It is envisaged that calls for the recruitment of 3 officials (1 for MA, 1 for IB and 1 for CA) will be published during 2010. The Managing Authority and the Veterinary Regulations Fisheries Conservation and Control Division will seek funds under the Technical Assistance budget to cover the salaries of the new recruits which are needed to implement the new programme. EFF will pay 75% of their salary while the balance of 25% will be paid by national funds.

Technical Assistance has already been used for the drafting of the Operational Programme, Strategic Environmental Assessment and the ex-ante evaluation report. 0.30% of EFF's contribution allocated to the Operational Programme have been spent for those purposes.

5. INFORMATION AND PUBLICITY

Publicity measures will be included in the publishing of the permanent cessation and investment on board fishing vessels and selectivity calls and will also be used in the publishing of the vacancies mentioned above.

The Ministry's website was arranged for the following documents:.

- a. National Strategy
- b. Operational Programme
- c. Manual of Procedures
- d. Systems Description
- e. Official Minutes of Monitoring Committee meeting
- f. Grant Schemes Guidelines and Application forms
- g. Information on beneficiaries according to the European Transparency Initiative

The website address reads: http://vafd.gov.mt/eur_traninit

An e-mail address is provided for information requests which should give rise to a compilation of frequently asked questions: eff.mrra@gov.mt

6. INFORMATION ABOUT COMPLIANCE WITH COMMUNITY LAW

No significant problems with respect to compliance with Community law have been encountered in the implementation of the OP for the year 2009.

7. COMPLEMENTARITY WITH OTHER INSTRUMENTS

EU Regulations governing the European Fisheries Fund (EFF), the European Agricultural Fund for Regional Development (EAFRD) and the Structural Funds specify that the

respective strategies and Operational Programmes must set out how the different funding streams will complement each other. In Malta, the Managing Authority for Cohesion Policy is the Planning and Priorities Coordination Division (PPCD) within the Office of the Prime Minister (OPM), the Managing Authority for the EAFRD is the Rural Development Department within the Ministry for Resources and Rural Affairs (MRRA), whilst for the EFF, the Managing Authority is the EU Affairs Directorate within the Ministry for Resources and Rural Affairs (MRRA).

The NSRF, the NSP and the RDP have all been developed with particular attention being given to areas where programme activity could indeed overlap.

Complementarity of actions will be regularly reviewed through quarterly evaluations and an annual meeting of the three Managing Authorities. The strategic and operational fit between the programmes will also be part of any mid-term evaluation. Furthermore, the EFF Managing Authority is represented on the Inter Ministerial Co-ordination Committees that were set up by the Managing Authority for Cohesion Policy in order to enhance co-ordination between the different funding mechanisms and also to ensure synergy and complementarity between the different initiatives in order to minimise risks with regard to overlaps and duplication of effort.