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**Swiss Agency for Development
and Cooperation SDC**

Supported by the Swiss-Maltese Grant

Swiss-Maltese Co-operation Programme 2007-2017

Annual Report for the period 1 May 2013 to 30 April 2014

INTRODUCTION

This is the Annual Report on the Swiss-Maltese Cooperation Programme 2007-2017 for the period 1 May 2013 to 30 April 2014. It covers a Swiss-Maltese Contribution totalling SFr 6.385 million, of which SFr 4.744 million¹ is Swiss funding and the remaining SFr 1.641 million is national co-financing.

The Funds and Programmes Division (FPD) at the Office of the Parliamentary Secretary for the EU Presidency 2017 and EU Funds within the Ministry for European Affairs and Implementation of the Electoral Manifesto (MEAIM) is the designated National Coordination Unit (NCU).

In terms of implementation, the following key results were achieved during the 12-month period under review:-

1. *The project titled 'Establishing Positron Emission Tomography / Computed Tomography (PET/CT) scanning in the Maltese Islands'*

The official inauguration of the PET/CT scanner on 6 February 2013 by Prime Minister Dr Lawrence Gonzi on 6 February 2013, in the presence of H E Bernardino Regazzoni, Ambassador of the Swiss Confederation to Malta marked the completion of the physical implementation of the project. Subsequently, the Project Completion Report accompanied by the final Reimbursement Request was submitted to SDC in November 2013. The final Financial Audit Report was submitted to SDC the following month.

The objective of the project was to provide access to PET/CT diagnostic facilities in Malta to all patients by installing a PET/CT scanner in the Medical Imaging Department at Mater Dei Hospital and to provide the full range of services in the oncology field in Malta, from diagnosis to treatment.

The grand total of project eligible costs amounted to €2,700,904 (SFr 3,304,866). The amount of Swiss Grant received totalled SFr 2,791,286 (€2,271,593) out of a maximum SFr 2,794,000. The balance was provided as co-financing by the Maltese Government through allocations in the national budget. Moreover, the component 'Partnership Mater Dei – IOSI' was fully financed by Malta funds.

2. *The project titled 'Support to the Mediterranean Academy of Diplomatic Studies (MEDAC)'*

The objective of this project is to make a contribution to confidence building, peace and stability in the Mediterranean region through a close partnership between Malta and Switzerland.

The total eligible cost of the project is SFr 2,620,000. Switzerland's share amounts to a maximum SFr 1,900,000 with the balance being financed by the Maltese authorities.

During the review period, MEDAC completed its academic programme 2012-2013, and commenced its 2013-2014 programme. The 2012-2013 group included forty-three (43) students from eighteen (18) different countries, with sixteen (16) benefitting from an M.Dip scholarship, whereas the 2013-2014 cohort comprised thirty (30) students from eighteen

¹ An additional allocation of up to SFr 0.250 million for Swiss administration of the Swiss-Maltese Cooperation Programme is managed by the Swiss Agency for Development and Cooperation (SDC)

(18) different countries, with sixteen (16) benefitting from a scholarship. As in previous years, participants have been following courses in international relations, international law, international history, international economics and the practice of diplomacy.

In early April 2013, MEDAC carried out its annual study visit to Geneva and Berne. In Geneva, students had the opportunity to visit several international organisations as well as the Swiss Mission to the UN and the Graduate Institute of International and Development Studies. In the context of the study visit, MEDAC also organised, jointly with Diplo Foundation, a public seminar on the theme 'Persuasion: the essence of diplomacy' to mark Prof. Kappeler's (MEDAC's founding director) 80th birthday. In Berne, the participants visited the Swiss Agency for Development and Cooperation, where they were briefed about Swiss development policy.

In July 2013, MEDAC organised its annual human rights summer school within the framework of its Human Dimension Programme. The theme of the summer school was 'Women's Rights and Gender Identities'. Its main objectives were to introduce and explore key ideas concerning human rights and the role of women's rights in the broader human rights story. Participants included diplomats, officials as well as civil society activists from around the Mediterranean region.

During 2013, MEDAC organised or facilitated the organisation of several alumni-related events. These included three (3) alumni reunions in Malta. Moreover, several Swiss embassies abroad have organised get-togethers of MEDAC alumni, including the Swiss embassies in Tunis and Berlin.

In 2013 MEDAC also organised a number of conferences and workshops on various topics pertaining to the Mediterranean region. These included:

- A Human Rights Seminar on 'Civil Society and Democratisation of Societies in Transition', which was organised in the framework of the MEDAC Human Dimension Programme (5 March 2013);
- A regional conference on the OSCE Code of Conduct, in cooperation with the governments of Austria, Germany, Malta and Switzerland (11-13 September 2013);
- A conference on 'Change and Challenges in the Southern Mediterranean: Civil Society, Dialogue, Media and Governance' in collaboration with the European Commission (6-8 December 2013).

Two MEDAC Board meetings were held in Malta during the reporting period. Apart from the Maltese Board members, Prof. Juerg Martin Gabriel from Switzerland and Ambassador Carl Andreas von Stenglin from Germany took part in the Board meetings.

During the reporting period, MEDAC released the following publications:

- An essay by Peter Ester and Pieter van Nispen on *Foreign Policy and the Cultural Factor. A Research and Education Agenda*, within the framework of MEDAC's Med Agenda series;
- An essay by Prof. Bichara Khader on *The European Union and the Arab World: from the Rome Treaty to the Arab Spring*, within the framework of MEDAC's MED Agenda Series;
- An essay by Ambassador Saviour Borg on *The United Nations General Assembly and the Mediterranean*, within the framework of MEDAC's MED Agenda Series;
- An edited volume entitled *Persuasion, the Essence of Diplomacy*, which was published in cooperation with Diplo Foundation on the occasion of Prof. Kappeler's 80th birthday;

- Two MEDAC newsletters which provide an overview of its activities during the previous six months.

A payment claim for the reimbursement of eligible costs incurred during the period 1 January to 30 June 2013 was included with Interim Report 6. This was certified and forwarded to SDC by the Paying Authority on 7 November 2013. The relative amount was transferred by the Swiss authorities to the Central Bank of Malta on 29 November 2013.

Similarly, a payment claim for the reimbursement of eligible costs incurred during the period 1 July to 31 December 2013 will be included with Interim Report 7. At the time of producing this report, that payment claim was still to be certified and forwarded to SDC by the Paying Authority.

Finally, the NCU submitted the fourth Project Annual Report to SDC on 4 April 2014.

3. The Technical Assistance Fund

The Technical Assistance Fund amounts to SFr 50,000 and is being used by the Maltese authorities for the administration of the Swiss-Maltese Cooperation Programme.

The following actions are identified in Annex 1 to the Technical Assistant Fund Agreement as eligible for support:

- Hiring of consultants for the preparation, monitoring and review of Project(s) financed by the Contribution and of the Cooperation Programme
- Participation in meetings with Swiss authorities held outside of Malta
- Organisation of Annual Meetings
- Publicity at Programme level

Three activities under the Technical Assistance project were implemented during the reporting period. These were:-

1. The fifth Annual Meeting, which took place in Malta on 17 May 2013.

An annual meeting is required to ensure the efficient and effective implementation of the Swiss-Maltese Cooperation Programme, serving to keep track of progress of implementation and providing a suitable forum within which any problems or issues encountered can be discussed and potential solutions proposed.

The final agreed version of the minutes of the meeting was forwarded to the Swiss authorities on 12 June 2013. The same document is also available on the internet site of the National Coordination Unit (NCU)².

2. The acceptance testing of the PET component in connection with the commissioning of the PET/CT Facility at Mater Dei Hospital.
3. The publication (twice) of a call for tenders to carry out publicity at the programme level, covering both the PET/CT scanner project and the MEDAC project. The first

² <http://www.swiss-contribution.gov.mt>

tender procedure - launched on 17 May 2013 - failed (further details provided in the next section). The tender was re-launched on 1 November 2013 and was successful. The service contract was signed on 13 February 2014, with implementation taking place over the twelve week period commencing on 24 March 2014. The publicity measures include roadside billboards, print adverts in magazines, electronic adverts (leader boards on news portals) and radio spots.

TA Fund budget revision (September 2013)

A call for tenders entitled 'Promotion of the Swiss-Maltese Cooperation Programme and Awareness of its Achievements' was launched by the NCU on 17 May 2013 with the deadline for the submission of offers of 14 June 2013. One offer was received and following its adjudication, the Evaluation Committee recommended to the Departmental Contracts Committee that the tender should not be awarded for reasons of financial non-compliance. The budget for the tender was set at €14,180³ (SFr 17,445) while the financial bid of the offer received was €28,002.43. The Departmental Contracts Committee adopted the recommendation of the Evaluation Committee and this became final after the lapse of the appeals period on 19 August 2013. No appeals were lodged.

As a result of this failure of the procurement procedure, publicity at programme level was stalled. The tender had to be re-launched but prior to that and in order to improve the chance of success, the NCU requested to increase the budget under the heading 'General Publicity Measures' from SFr 17,445 to SFr 21,085. As was agreed during the Annual Meeting 2013, the NCU proposed to achieve this by shifting funds from the 'Expenditure for Annual Meetings' and 'Expenditure for Participation in Meetings outside Malta' budget headings.

Separately, the NCU proposed to split the SFr 14,550 under 'Hiring of Consultants for monitoring / review' over 2013 and 2014. The amount of SFr 4,546 for 2013 was to cover expenses in connection with the acceptance testing on the PET/CT scanner, with the balance being earmarked for ex-post evaluation after conclusion of both projects.

The revised TA Fund budget was agreed between the NCU and SDC on 4 September 2013.

TA Fund budget revision (January 2014)

As described in the previous section, the publicity service tender procedure launched on 17 May 2013 failed. Following the agreement of 4 September 2013 on the revised TA Fund budget, the call for tenders was re-launched on 1 November 2013. This time it was successful and the contract was awarded on 13 February 2014. However as all payments would now be executed during 2014, a further revision to the TA Fund budget became necessary. The purpose of this was to have the full amount of SFr 21,085 for 'General Publicity Measures' allocated under 2014, instead of having it split between 2013 and 2014.

Another minor adjustment involved the heading 'Expenditure for Participation in Meetings outside Malta'. No such meetings were organised during 2013. Accordingly, the amount of SFr 500 earmarked for that purpose in the TA Fund budget agreed on 4 September 2013 was rolled over to 2014, under the same budget heading.

The revised TA Fund budget was agreed between the NCU and SDC on 8 January 2014.

³ Excluding VAT

Payment claims

Payment claims for the reimbursement of the certified, eligible costs incurred during the reporting period were included in Interim Reports 8 and 9. These costs included hospitality in connection with the Annual Meeting 2013 and the reimbursement to the Ministry for Health in respect of the consultancy fee for acceptance testing services of the PET component in connection with the commissioning of the PET/CT Facility at Mater Dei Hospital. The relative amounts were transferred from the pre-financing of SFr 40,000 deposited by the Swiss authorities in May 2010 at the Central Bank of Malta.

Finally, the NCU submitted the Technical Assistance Fund Annual Report to SDC on 3 March 2014.

FINANCIAL TABLES ILLUSTRATING ACTUAL AND ESTIMATED EXPENDITURE (excluding VAT)

Establishing Positron Emission Tomography / Computed Tomography (PET/CT) scanning in the Maltese Islands					
Budget Year / Quarter	Actual Realised Payments⁴		Future Estimated Expenditure		Total Expenditure (Cumulative)
	Swiss Funds⁵	Malta Funds	Swiss Funds	Malta Funds	
2012					
Quarter 1	-	-	-	-	-
Quarter 2	-	-	-	-	-
Quarter 3	€431,303.67	€74,057.43	-	-	€505,361.10
Quarter 4	€973,174.03	€192,631.52	-	-	€1,671,166.65
2013					
Quarter 1	-	-	-	-	-
Quarter 2	€867,115.06	€162,622.19 ⁶	-	-	€2,700,903.90
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
TOTAL	€2,271,592.76	€429,311.14	-	-	

⁴ In this Annual Report the figures are posted in the quarter corresponding to the cut-off date of the relevant Project Interim Report / Project Completion Report.

⁵ The amounts in this column are equivalent to the Swiss franc amounts reimbursed by SDC, converted into Euro at the daily rates applied respectively by the Central Bank of Malta.

⁶ 'Malta Funds' includes expenditure on training at IOSI Belinzona.

Support to the Mediterranean Academy of Diplomatic Studies (MEDAC)					
Budget Year / Quarter	Actual Realised Payments ⁷		Future Estimated Expenditure ⁸		Total Expenditure (Cumulative)
	Swiss Funds ⁹	Malta Funds	Swiss Funds	Malta Funds	
2010					
Quarter 4	€83,149.39	€33,505.61	-	-	€116,655.00
2011					
Quarter 1	-	-	-	-	-
Quarter 2	€178,808.68	€67,432.90	-	-	€362,896.58
Quarter 3	-	-	-	-	-
Quarter 4	€204,149.33	€77,475.42	-	-	€644,521.33
2012					
Quarter 1	-	-	-	-	-
Quarter 2	€245,766.63	€91,616.42	-	-	€981,904.38
Quarter 3	-	-	-	-	-
Quarter 4	€164,291.11	€59,769.29	-	-	€1,205,964.78
2013					
Quarter 1	-	-	-	-	-
Quarter 2	€266,473.88	€103,370.30	-	-	€1,575,808.96
Quarter 3	-	-	-	-	-
Quarter 4	€102,605.12	€38,880.15	-	-	€1,717,294.23
2014					
Quarter 1	-	-	-	-	-
Quarter 2	-	-	€314,828.44	€119,297.92	€2,151,420.59
TOTAL	€1,245,244.14	€472,050.09	€314,828.44	€119,297.92	

⁷ In this Annual Report, the figures are posted in the quarter corresponding to the cut-off date of the relevant Project Interim Report.

⁸ The Future Estimated Expenditure amount for Q2 2014 represents the difference between expenditure up to Q4 2013 and the total project cost in Euro (SFr 2,620,000 at the Rate of Exchange of SFr 1.2178 = €1).

⁹ Except for Q4 2013 where the Request for Reimbursement has not yet been submitted to SDC by the Paying Authority at the date of submission of this Annual Report, the amounts in this column are equivalent to the Swiss franc amounts reimbursed by SDC, converted into Euro at the daily rates applied respectively by the Central Bank of Malta.

Technical Assistance Fund					
Budget Year / Quarter	Actual Realised Payments ¹⁰		Future Estimated Expenditure ¹¹		Total Expenditure (Cumulative)
	Swiss Funds	Malta Funds	Swiss Funds	Malta Funds	
2010					
Quarter 1	€215.25	-	-	-	€215.25
Quarter 2	-	-	-	-	-
Quarter 3	€606.40	-	-	-	€821.65
Quarter 4	-	-	-	-	-
2011					
Quarter 1	€423.44	-	-	-	€1,245.09
Quarter 2	-	-	-	-	-
Quarter 3	€4,425.48	-	-	-	€5,670.57
Quarter 4	-	-	-	-	-
2012					
Quarter 1	€74.58	-	-	-	€5,745.15
Quarter 2	-	-	-	-	-
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
2013					
Quarter 1	€3,589.08	-	-	-	€9,334.23
Quarter 2	-	-	-	-	-
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
2014					
Quarter 1	€3,240.27	-	-	-	€12,574.50
Quarter 2	-	-	-	-	-

¹⁰ In this Annual Report, the figures are posted in the quarter corresponding to the cut-off date of the relevant Project Interim Report.

¹¹ Future Estimated Expenditure amounts in Swiss Francs are as agreed on 8 January 2014 between SDC and OPM. The exchange rate applied to estimate the euro equivalent given in this table is SFr 1.4367 = €1. This is the rate at which the amount of SFr 39,684.64 (i.e. SFr 40,000 advance payment by SDC less SFr 315.36 certified by the Paying Authority on 18 February 2010 in connection with Interim Report 1) was converted into euro on 20 April 2010.

Quarter 3	-	-	€22,474.42	-	€35,048.92
Quarter 4	-	-	-	-	-
2015					
Quarter 1	-	-	€348.02	-	€35,396.94
Quarter 2	-	-	-	-	-
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
TOTAL	€12,574.50	-	€22,822.44	-	

AUDIT

The Internal Audit and Investigations Department (IAID) in the Cabinet Office within the Office of the Prime Minister is the Audit Organisation for the projects being implemented under the Swiss-Maltese Cooperation Programme. IAID is the assigned audit body by the Government of Malta to conduct financial audits on all EU and bilateral funds received by Malta.

The Audit Organisation carried out two interim financial audits on the projects '*Establishing Positron Emission Tomography / Computed Tomography (PET/CT) Scanning in the Maltese Islands*' and '*Support to the Mediterranean Academy of Diplomatic Studies (MEDAC)*' during the period ending 30 April 2013.

During the month of December 2013, the Audit Organisation concluded a final financial audit on the project '*Establishing Positron Emission Tomography / Computed Tomography (PET/CT) Scanning in the Maltese Islands*' project. This audit related to the third interim / final completion report of the project covering the period 1 January 2013 to 31 May 2013 together with the corresponding Reimbursement Request presented to the Swiss Agency for Development and Cooperation (SDC) on 29 November 2013 amounting to SFr 1,060,741.83. The IAID tested 100% of the expenditure claimed.

STRATEGIES AND ACTIVITIES TO INFORM THE GENERAL PUBLIC ABOUT THE SWISS-MALTESE CO-OPERATION PROGRAMME AND THE PROJECT/S IMPLEMENTED

The physical and financial implementation of the PET/CT scanner project was successfully completed in 2013 while the MEDAC project is currently in the fourth and final academic year of implementation.

Publicity is of critical importance to generate public awareness of the Swiss-Maltese Contribution. With the aim of providing the general public with information about the Contribution and the support provided by Switzerland through the Cooperation Programme, a service contract for a publicity campaign was awarded by the NCU services on 13 February 2014. Implementation is taking place over the twelve week period commencing on 24 March 2014. The publicity measures include roadside billboards in Malta and Gozo, print adverts in magazines, electronic adverts (leader boards on news portals) and radio spots.

The campaign constitutes publicity at Programme level and is being financed through the Technical Assistance Fund. All publications include reference to the 'Swiss-Maltese Grant'.

The Executing Agencies implementing the projects in the 'Health' and 'Research and Development' focus areas are responsible for publicity at project level.

Agreements, calls for tenders, contracts and similar documentation carry the Swiss Contribution logo.

Annex 1

National Coordination Unit

Name	Funds and Programmes Division, Office of the Parliamentary Secretary for the EU Presidency 2017 and EU Funds, Ministry for European Affairs and Implementation of the Electoral Manifesto
Address	Triq il-Kukkanja Santa Venera
Postcode	SVR 1410
Country	Malta
Contact Name	Stephen Calleja
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Executing Agency (PET/CT scanner)

Name	Ministry for Health
Address	Palazzo Castellania 15, Merchants Street Valletta
Post Code	VLT 2000
Country	Malta
Contact Name	Dr Anthony Samuel
Telephone Number	(+356) 2545 6748
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Executing Agency (Support to MEDAC)

Name	Mediterranean Academy of Diplomatic Studies (MEDAC)
Address	University of Malta Msida
Post Code	MSD 2080
Country	Malta
Contact Name	Prof. Stephen Calleya
Telephone Number	(+356) 2340 2233
E-mail	stephen.calleya@um.edu.mt

Annex 2 – Tenders, contract awards and successful bidders

1. The tender procedure for the procurement of a Positron Emission Tomography / Computed Tomography (PET/CT) scanner was concluded on 9 March 2012 and the relevant details were provided in Annex 2 of the Annual Report for 2012.
2. The tender procedure for a publicity campaign at programme level was concluded on 13 February 2014 with the signature of the relative service contract.

The contract, whose value is given in the table below, was awarded to JP Advertising Ltd of Ta' Xbiex, Malta

Contract Name	Net €	VAT €	Total €
Promotion of the Swiss-Maltese Cooperation Programme and Awareness of its Achievements	9,828.00	1,769.04	11,597.04

3. No further tenders were launched during the review period.