

# CITIZENS' SUMMARY

**Funds: European Regional Development Fund (ERDF) and Cohesion Fund (CF)**

**Programming period: 2014-2020**

**Budget available: €718 Million**

**Reporting Year: 2017**

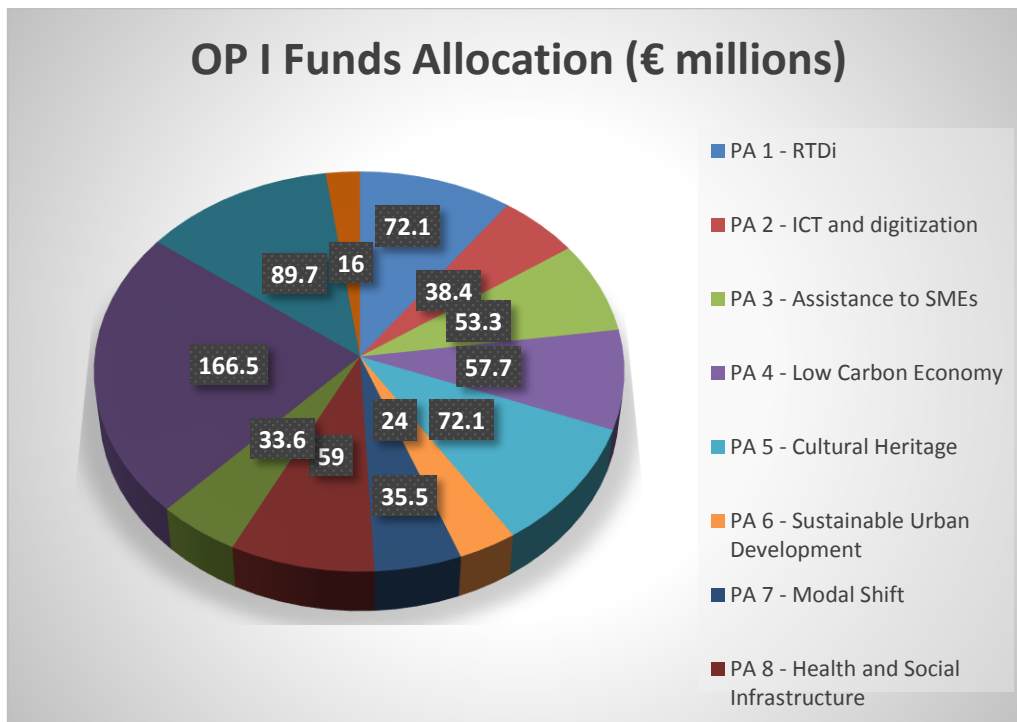
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## What are ERDF and CF and what do they finance?

The ERDF and the CF are two European Union Funding instruments intended to support infrastructural investments in less developed regions

The aim of these two funds is to assist Malta in fulfilling a number of different objectives, known as Thematic Objectives, which reflect national priorities. The ERDF in Malta supports infrastructural investments in education, health, social infrastructure, cultural heritage, research and innovation, renewable energy and competitiveness (Priority Axes (PAs) 1 – 9). On the other hand, CF supports infrastructural investments in road and maritime infrastructure as well as investments in the water and waste sectors (PAs 10 and 11).

The allocation of ERDF and CF funds under the OP is as follows:

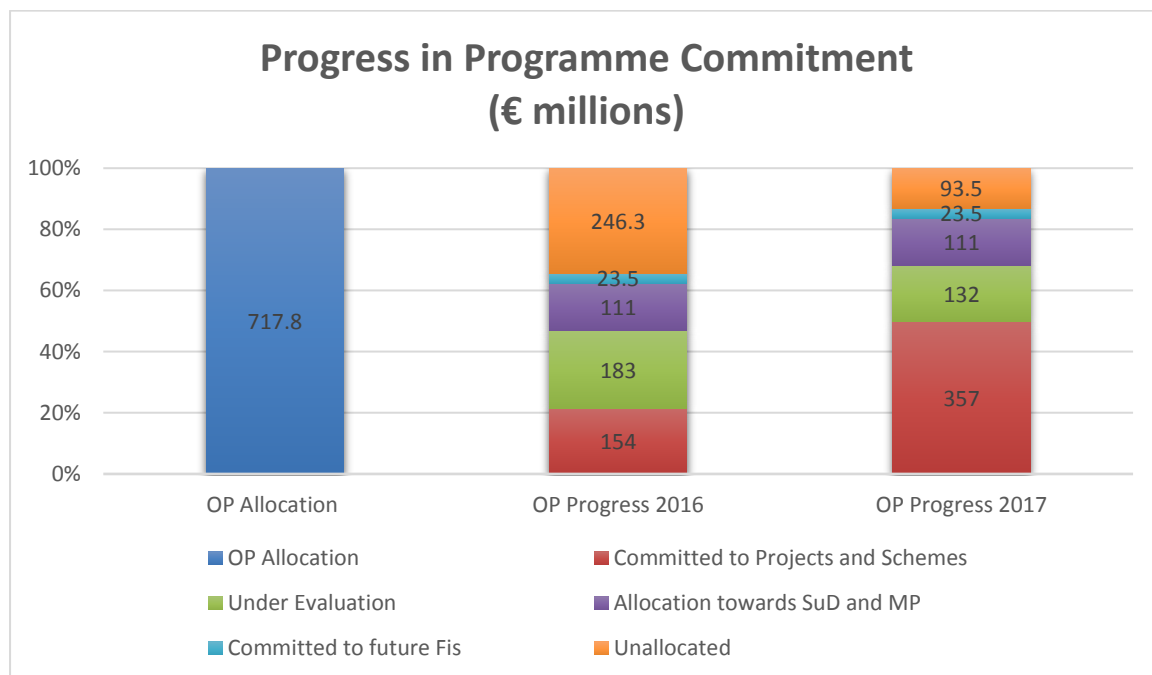


### How can one access these funds?

Calls for project proposals are issued, from time to time, by the Planning and Priorities Coordination Division (PPCD) acting as the Managing Authority. Calls are advertised on all local newspapers and online in order to ensure maximum visibility. Target groups for calls include Public Administration including local councils, NGOs, and social partners. Extensive guidance is provided throughout the process both through information sessions as well as through the provision of supporting documentation. An online desk also supports any queries from prospective applicants. ERDF also supports enterprises through grant schemes which are managed by a dedicated Division, i.e. the Measures and Support Division. The Measures and Support Division supports prospective enterprises in a similar manner as outlined above.

### Progress by end of 2017

Work on the implementation of the Operational Programme (OP) continued in earnest in 2017, with progress registered in all phases of the implementation cycle, when compared to the previous reporting year, as can be seen below:



In 2017, ten new projects, in the areas of ICT, Social Infrastructure, Health and Education, were approved following the conclusion of the evaluation of Call II. Another six projects, in the areas of Energy, Low Carbon Transport, Waste and Water were approved under Call III. The evaluation of Call IV continued, while Call V and Call VI were launched.

Calls continued to be launched also with respect to assistance to enterprises. In 2017 six grant schemes were launched under the Business Enhance ERDF Grant Schemes initiative, five of which fall under PA 3 and one under PA 2.

In terms of progress in the implementation of the projects approved for funding, details can be found below:

Priority Axis	Progress Achieved
<p><b>PA 1 RTDi:</b></p>	<p>A call for project proposals was issued in early 2017 and closed in September. By the end of the year, the evaluation of this call was ongoing.</p>
<p><b>PA 2 ICT:</b></p>	<p>Two <b>projects with a total value of €33.4M</b> are being implemented, and are aimed at developing and implementing a national spatial data infrastructure (<b>Sintegram</b>); and creating a number of eService applications in the areas of Government to Business (G2B), Government to Customers (G2C) and Government to Government (G2G) (<b>Converge</b>). In 2017, the focus of these projects was on the launch, evaluation and awarding of tenders.</p> <p>This PA also included the implementation of a grant scheme to private companies, namely the e-Commerce Grant Scheme. Since its launch, in November 2016, 57 applications were received, and 20 grants, were approved with a total value of €95,380.</p>
<p><b>PA 3 Enhancing Competitiveness through investment in SMEs:</b></p>	<p>Three <b>projects with a total eligible value of €18.6M</b> are currently being implemented. The main achievements registered in 2017 are summarised as per below:</p> <ul style="list-style-type: none"> <li>- Designs and architectural drawings of civil engineering works were carried out on both <b>Ta' Qali Crafts Village</b> and <b>Xewkija Industrial Park</b>;</li> <li>- Relevant planning permits regarding major works tenders were approved by the Planning Authority;</li> <li>- Excavation works on both Ta' Qali Crafts Village and Xewkija Industrial Park commenced.</li> <li>- Main tender for the <b>Internationalisation Knowledge Platform</b> was under evaluation with its implementation expected to take place in 2018.</li> </ul> <p>5 different Grant Schemes for the private sector are implemented under this PA, namely</p> <ul style="list-style-type: none"> <li>- SME Growth Grant Scheme</li> <li>- Start-up Investment Grant Scheme</li> <li>- SME Diversification and Innovation</li> <li>- SME Internationalisation and</li> <li>- SME Consultancy Services Grant Schemes</li> </ul>

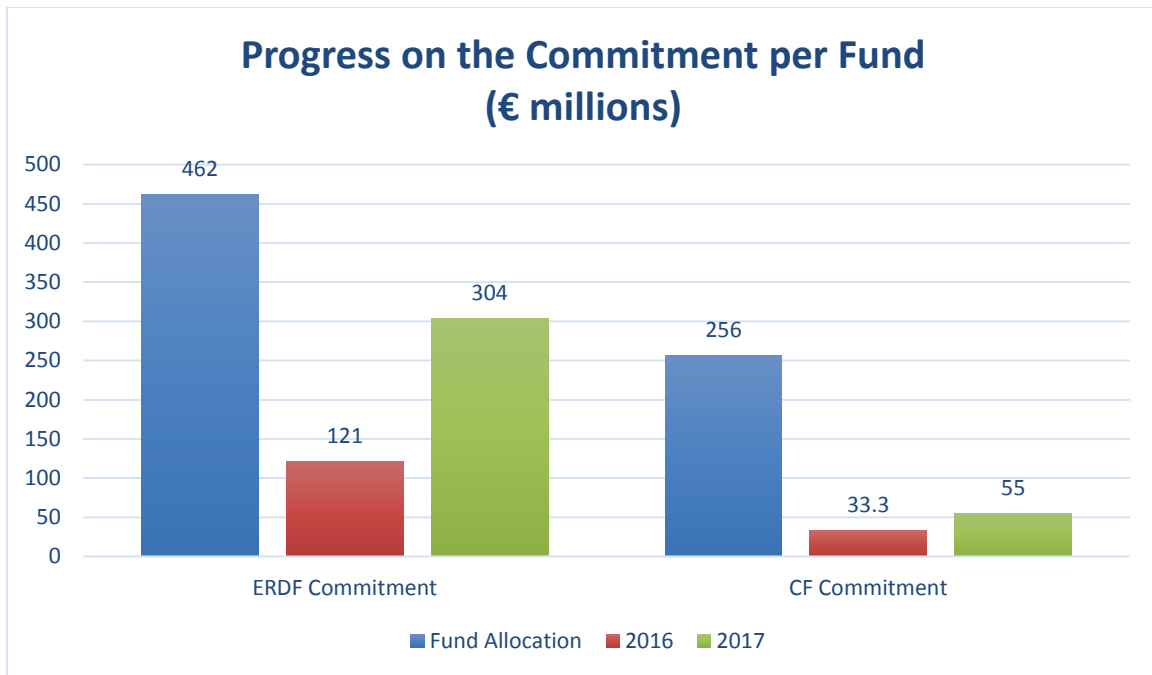
	<p>Calls under all schemes were issued in 2017 and €8M in grants were awarded by the end of the year.</p>
<p><b>PA 4 Low Carbon economy:</b></p>	<p>Four projects with a <b>total value of €20.7M</b> are still in progress while one project was concluded in 2017.</p> <ul style="list-style-type: none"> <li>- <b>The Domestic Household Scheme</b> for the installation of PV systems is proving to be very successful with 4,388 households in 69 localities receiving commitment of financial support to undertake investment in Renewable Energy Systems. In terms of actual claims, 3,054 payments were issued, amounting to circa €6.7M;</li> <li>- The drafting of tender dossiers for the implementation of energy efficiency measures at <b>San Vincenz de Paule Residence</b> and the <b>Gozo Administration Centre</b>, as well as for the installation of <b>smart Road and Street lighting</b> in arterial and distributor roads in Malta reached an advanced stage.</li> </ul> <p>Throughout the year, a study, known as an <i>ex-ante assessment</i>, was carried out in order to determine whether a gap exists in the Maltese market for Financial Instruments in the area of energy efficiency and renewable energy sources. This study, which is expected to be finalised in mid 2018, was also carried out in order to determine what kind of instrument would best address the needs of the Maltese households and commercial enterprises in terms of increased access to finance.</p>
<p><b>PA 5 Cultural heritage:</b></p>	<p>Eleven <b>selected projects with a total value of €47.5M</b> are to date under execution.</p> <ul style="list-style-type: none"> <li>- Works at the <b>Manoel Theatre</b> were concluded and the theatre was opened in time for the Christmas period, whilst works at <b>MUZA (National Community Art Museum)</b> progressed well with the museum expected to open its doors by Q2 2018;</li> <li>- Concept Designs and architectural drawings for almost all projects have been carried out;</li> <li>- Tender dossiers on most of the projects' major contracts have been drafted, published or awarded;</li> <li>- Most of the relevant planning permits have been approved or their application is at an advanced stage.</li> </ul>
<p><b>PA 6 SUD:</b></p>	<p>A strategy for Sustainable Urban Development was drafted and this will serve as a basis for the selection of potential interventions to be carried out in the Inner</p>

	<p>Harbour Area. A Coordination Committee for Sustainable Urban Development was also set up to assist in this purpose, and a number of operations have already been shortlisted for possible funding.</p> <p>As at end 2017, no projects were approved for funding under this PA. These are expected to be selected and commence their implementation in the second half of 2018.</p>
<p><b>PA 7 Modal Shift:</b></p>	<p>€ <b>28.4M</b> were committed for the <b>SMITHS</b> (Sustainable Multi Intermodal Transport HubS) project which aims to:</p> <ul style="list-style-type: none"> <li>- encourage a modal shift from private car use to collective, sustainable &amp; alternative low-carbon transport modes;</li> <li>- introduce the concept of local transport hubs;</li> <li>- address current traffic congestion on selected critical public transport bus corridors;</li> <li>- deploy a number of intelligent CCTV cameras to monitor and detect barriers.</li> </ul> <p>This project was approved towards the end of 2017 and it is still under its early stages of implementation, but the tendering process is already progressing.</p>
<p><b>PA 8 Social and Health Infrastructure:</b></p>	<p><b>Six</b> selected projects with a total value of <b>€53.4M</b> are currently being implemented.</p> <ul style="list-style-type: none"> <li>- Works are progressing well with respect to the <b>Meeting Place</b> aimed at supporting the integration of vulnerable person within the community, with the construction phase reaching an advanced stage; while Concept Designs and architectural drawings have been completed for the <b>REACH</b> project.</li> <li>- Traffic Impact Assessment Studies, Land Contamination Studies and Land Surveying were carried out for <b>Paola Primary Health Care Southern Regional Hub</b>. Consultation with MITA also commenced in 2017, so as for the Paola Hub to be integrated and connected to the Government's ICT network.</li> <li>- Progress was registered under the project targeting <b>improved accessibility and energy efficiency in Social Housing</b> with regard to the require planning permits and preparation of tender specifications.</li> </ul>
<p><b>PA 9 Education, Training and</b></p>	<p><b>Two</b> projects with a total value of <b>€33.6M</b> continued to progress in 2017.</p>

<p><b>Lifelong Learning:</b></p>	<ul style="list-style-type: none"> <li>- Works on the <b>MCAST Campus Master-Plan: Phase 2</b> commenced on the Institute of Engineering and Transport, and a large number of tenders were drafted, published and contracted. By year end MCAST had contracted a total of circa €10.6M.</li> <li>- Ca €2M worth of tenders aimed at increasing physical infrastructure to provide VET under the <b>INVEST</b> project are at vetting stage.</li> </ul>
<p><b>PA 10 Environment:</b></p>	<p>One project for a <b>national water campaign</b> was selected in November 2017 for a total value €21.2M</p> <p>The project aims at:</p> <ul style="list-style-type: none"> <li>- optimising the water resources management in the Maltese islands</li> <li>- increasing the appreciation on the vulnerability of water resources in the Maltese islands, and identify the optimal tools on how these resources can be protected.</li> </ul>
<p><b>PA 11 TEN-T:</b></p>	<p>The upgrade to the <b>Kappara Junction</b> has so far been the only project financed under this PA, with an eligible amount of €33M.</p> <ul style="list-style-type: none"> <li>- By end of 2017, the works on the fly-over and underlying roundabout were practically completed and with access for motorists to all areas made available in early January.</li> <li>- The remaining works relating to the widening of the University Underpass are expected to be completed by Q1 2018.</li> </ul>

**Allocation and Commitment of the two Funds:**

As at end 2017, the overall progress of the implementation of the OP in terms of allocation and commitment is as follows:



#### What's next...

The implementation of the programme is expected to gain more momentum in 2018 as projects start concluding their procurement stage and progress on to increased works on the ground. Furthermore the evaluation of projects, as well as the launching of further calls targeting various sectors, will continue during the course of 2018 to ensure the achievement of the targets set out by the ERDF and CF Operational Programme.

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#### For more information:

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