

CITIZENS' SUMMARY

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

Programming period: 2014-2020

Budget available: €709.1 Million

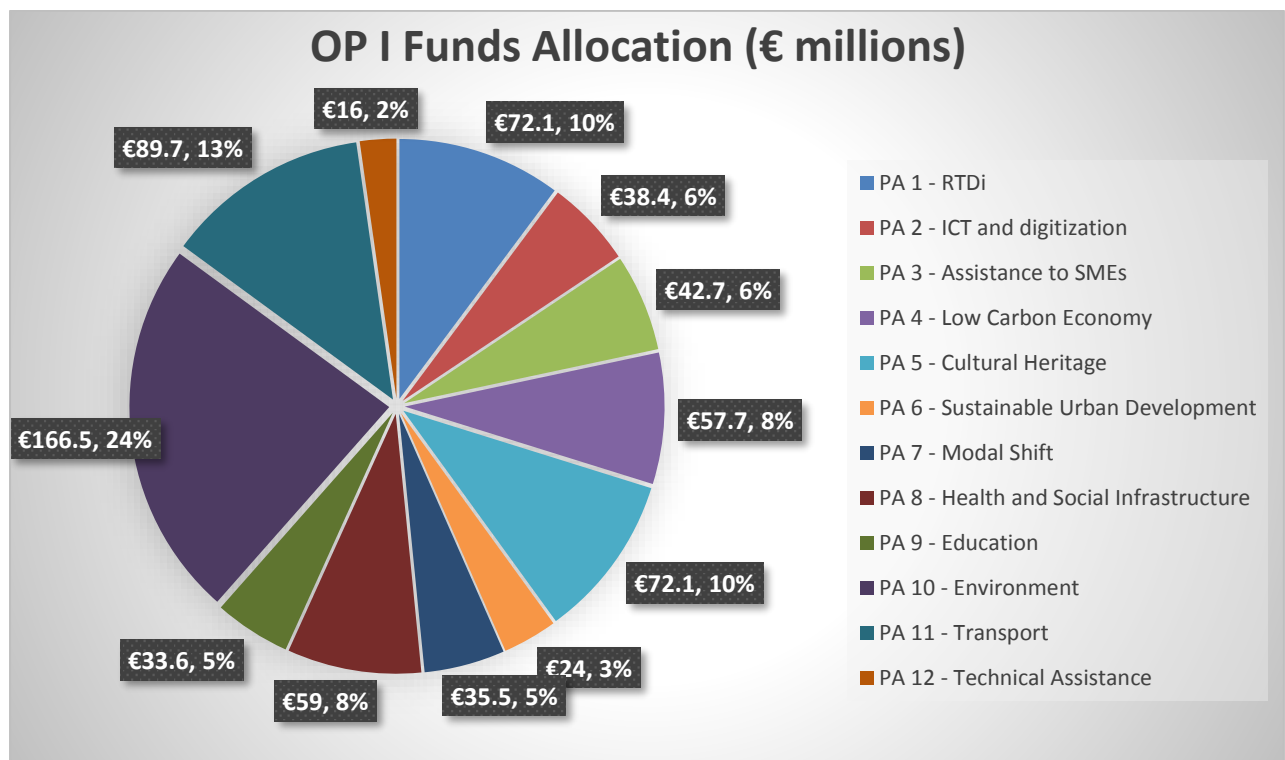
Reporting Year: 2018

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?

In the case of Government Ministries and Entities, including public bodies and NGOs, not involved in an economic activity which is in competition with the private sector, applications can be submitted directly with the Planning and Priorities Coordination Division (PPCD) acting as the Managing Authority when calls are published for projects in the priority areas identified above. Further details can be found on <https://eufunds.gov.mt/en/Information/Pages/Open-Calls.aspx>.

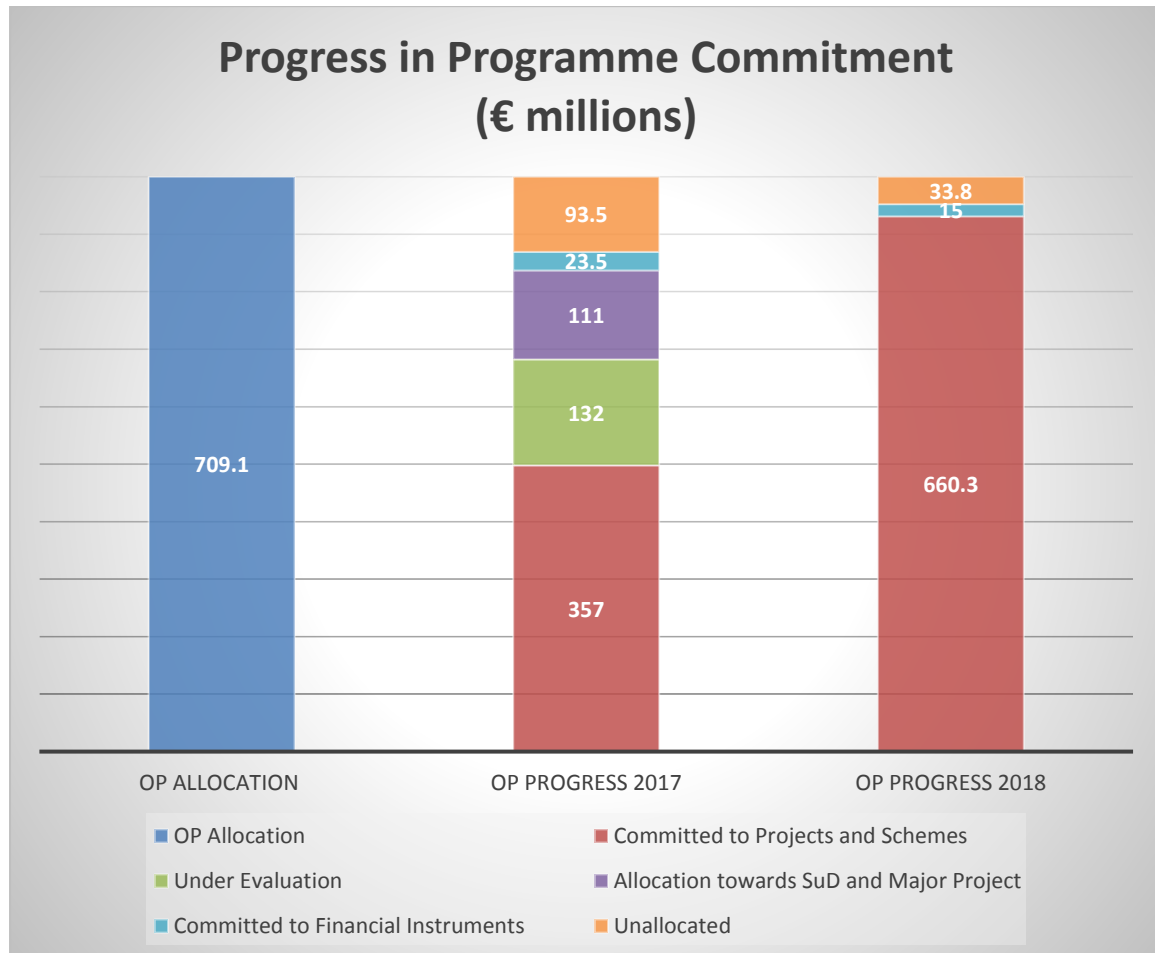
In the case of the private sector, including bodies involved in an economic activity, applications can be submitted with the Measures and Support Division. Further details can be found on <https://businessenhance.gov.mt/en/Pages/Main-Page.aspx>.

Contractors interested in submitting tender offers in relation to projects being implemented through the assistance of EU funds, should visit and register on <https://www.etenders.gov.mt/epps/home.do> in order to be able to participate in public calls for tenders issued by Project Beneficiaries and Implementers.

Even though there are no calls under these funds that are earmarked for private citizens, they may still benefit from the different funded actions that aim to have significant positive impact on every day life, such as through the introduction of new e-services, the construction of a new hospital, actions aimed towards a cleaner environment and better quality of water, and many others. Furthermore, citizens can directly benefit from the European Social Fund, which focuses on human capital, through schemes such as scholarships and actions aimed at improved labour market situations. Further details can be found at <https://education.gov.mt/en/Pages/educ.aspx#>.

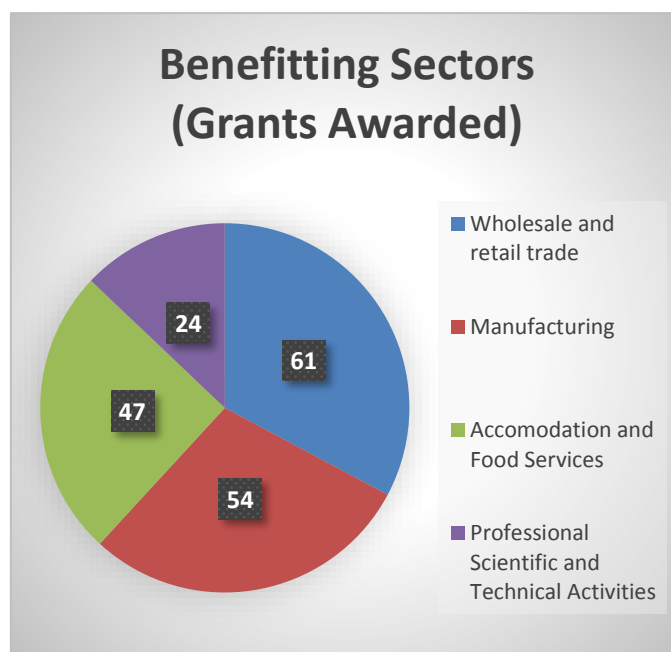
Progress by end of 2018

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 2018, thirty-six new projects, in the areas of Energy, Natural and Cultural Heritage, Research and Development, Road and Maritime Infrastructure, Waste and Water, Social and Health Infrastructure, and Sustainable Urban Development, were approved following the conclusion of the evaluation of 6 Calls for project proposals. The lists of beneficiaries under the ERDF and CF can be found here: <https://eufunds.gov.mt/en/Operational%20Programmes/Programming%20Period%202014%20-%202020/Operational%20Programme%201/Pages/Operational-Programme-I.aspx>

Calls continued to be launched also with respect to assistance to enterprises. In 2018 alone 132 project proposals by the private sector were approved for EU assistance, amounting to €6.7M. By end 2018, 218 enterprises had benefitted from EU assistance, for a total ERDF grant amount of €12.6M. 12 sectors were granted support with the most benefitting sectors shown below. The list of beneficiaries can be found here: <https://businessenhance.gov.mt/en/schemes/Pages/General-Information-.aspx>.



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

Priority Axis	Progress Achieved
PA 1 RTDi:	<p>Two projects, providing research infrastructure, with a total EU Funding amount of €52M are being implemented by the University of Malta. These projects aim to:</p> <ul style="list-style-type: none"> - Enable and support technology transfer, entrepreneurship and knowledge exchange with industry (Transdisciplinary Research and Knowledge Exchange (TRAKE) project) - Achieve a model resource efficient building, namely a “live” laboratory, to monitor a range of resource efficient technologies in a real life-context (Sustainable Living Complex (SLC) project). <p>A grant scheme aimed for the private sector, focusing on RD&I, was also launched in 2018 through an open rolling call for project proposals with several cut off dates.</p>
PA 2 ICT:	<p>Two projects, with a total EU Funding amount of €33.4M, are being implemented with the aim of developing and implementing a national spatial data infrastructure, to provide information that identifies the geographic location of features and boundaries in Malta(Sintegram); and creating a number of eService applications in the areas of Government to Business (G2B),</p>

	<p>Government to Customers (G2C) and Government to Government (G2G) (CONVERGE).</p> <p>In 2018, the implementation of these projects progressed well with equipment being procured under Sintegram and the setting up of a number of e-services under CONVERGE in the area of education, tourism, justice and disaster management.</p> <p>This PA also included the implementation of a grant scheme to private companies, namely the e-Commerce Grant Scheme. In 2018, 49 applications were submitted, out of which 5 are still pending evaluation. 31 grants, with a total value of €146,000 were approved.</p>
<p>PA 3 Enhancing Competitiveness through investment in SMEs:</p>	<p>Three projects with a total EU Funding amount of €18.6M are currently being implemented. The main achievements registered in 2018 are summarised as per below:</p> <ul style="list-style-type: none"> - The upgrading of the Crafts Village in Ta' Qali where a number of the planned works were completed with a total of 17 enterprises operating on site. - Construction works on the new Xewkija Industrial park in Gozo which were in an advanced stage. - The Internationalisation Knowledge Platform which was launched on the 15th November 2018. Since then 231 enterprises registered on the platform of which 43 received Export Assistance. <p>5 different Grant Schemes for the private sector are implemented under this PA, namely</p> <ul style="list-style-type: none"> - SME Growth Grant Scheme - Start-up Investment Grant Scheme - SME Diversification and Innovation - SME Internationalisation and - SME Consultancy Services Grant Schemes <p>Calls under all schemes continued to be issued in 2018 through open rolling calls with different cut-off dates. During 2018, 181 applications, out of which 33 were still pending evaluation. 101 project proposals were approved with a total value of €6.6M.</p>

**PA 4 Low
Carbon
economy:**

Three projects, related to Energy Efficiency, were under implementation in 2018 with a total EU Funding amount of **€5.2M**. They mainly deal with:

- Upgrading and retrofitting of the **Administration Centre of the Ministry for Gozo** aimed to minimise the building's energy consumption. A 54% reduction in energy consumption is expected; - **in 2018, 2 tenders for M&E works and replacement of apertures were awarded.**
- Increasing energy efficiency in the street lighting of Malta's arterial and distributor roads through the installation of smart LED street lighting, expecting to decrease its annual primary energy consumption by over 70%; - **over 2000 luminaires installed in arterial and distributor roads in 2018**
- Investing in an energy efficient lighting system together with a heating, ventilation and air-conditioning (HVAC) system that will result in a carbon efficient residence minimising energy demand for the **St. Vincent De Paul Residence** (retirement home). The project is expected to decrease its annual primary energy consumption by 32.8% - **the main tender for an energy efficient lighting system, together with heating, ventilation and air conditioning was published in 2018.**

5 projects, related to Renewable Energy Sources, also received ERDF assistance for a value of **€15.7M**, with one project having been concluded in 2017. The interventions mainly deal with:

- Increasing the use of **RES in the domestic sector** through a scheme which provides financial support covering part of the costs of PV systems installed in households. The project will be targeting c. 6,594 households; - by 2018, **4972 households were assisted through grants to cover part of the costs of PV systems installed;**
- Installing PVs in public buildings (**Malta Information Technology Agency**), as well as in buildings owned by NGOs (**Malta Red Cross, Oasi Foundation and Church School Association**) to shift towards the use of RES. The projects are expected to produce 0.29MW of additional capacity of renewable energy production. – **RES investment has generated 0.05MW of additional capacity of renewable energy production.**

Furthermore, throughout the year, the Funding Agreement for a **Financial Instrument for RES and EE measures for households and enterprises with**

	<p>a total EU Funding amount of €15M was signed with the European Investment Fund in 2018, appointing the latter as Fund of Funds Manager.</p> <p>The aim of this instrument is to provide better access to finance for both private individuals and enterprises through the provision of a capped guarantee for loans related to Energy Efficiency and Renewable Energy. In 2018 consultations were held with local stakeholders as well as the European Commission and the EIB Group to determine the actions that could be deemed eligible under this Instrument.</p>
<p>PA 5 Cultural heritage:</p>	<p>Twenty-nine projects with a total EU Funding amount of €74M are to date under execution.</p> <p>Major achievements by end of 2018 include:</p> <ul style="list-style-type: none"> - Malta's National Community Art Museum (MUŻA) opened its doors to the public in December with 5,185 visitors visiting the museum by end of year. - Circa 12,000hrs of visual footage from PBS archives dating back to 1960 were digitised by end 2018. The contract for the digitisation of circa 20,000 notarial documents was signed by the Notarial Archives whilst works for the restoration and refurbishment of the Notarial Archives are ongoing. - Several preliminary studies in relation to Chadwick Lakes and the pilot project were finalised with 2000 sqm of natural land preserved so far. - Restoration works at the Sacra Infermeria within the Mediterranean Conference Centre reported major progress whilst the tender for the augmented reality has been contracted and is now being implemented. - Under the Grandmasters' Palace Regeneration Project, works have commenced on the Piano Nobile whilst the Design Team has finalised the design of the Interpretation Centre. - Projects being implemented by Local Councils include the ongoing restoration and renovation works of two historic train stations and the setting up of an Interpretation Centre dedicated to Malta's historic railway. - Other projects being implemented by NGOs have also registered progress in the restoration and reconstruction works on churches, coastal fortifications, windmills and other buildings of historical and

	<p>natural importance, including work on St. John's Co-Cathedral in Valletta and the Southern and Northern Coastal Towers.</p>
<p>PA 6 SUD:</p>	<p>Following the finalisation of the Sustainable Urban Development strategy for the Harbour Area, progress was registered on the operations approved for EU financing to address the specific needs of communities of lower Valletta and improve their quality of life.</p> <p>The actions within the strategy are grouped as follows:</p> <ul style="list-style-type: none"> - A – Improving the urban environment, the revitalisation of cities and the preservation of cultural heritage - B – Social housing and community needs - C - Enhancing the competitiveness of small and medium-sized enterprises; and - D – Actions for the vulnerable. <p>€24M in EU funding was committed towards projects falling under this PA.</p> <p>4 activities focusing on the preservation of cultural heritage were completed in 2018 and a further 13 activities were being implemented. Moreover, a €2M scheme was launched to promote investment in the restoration of balconies of residential buildings within the Marsamxett Area.</p> <p>Under the social housing component, extensive restoration works were carried out on a number of dilapidated housing buildings resulting in 10 newly renovated units by end 2018.</p> <p>The main intervention focusing on the competitiveness of small and medium-sized enterprises in Lower Valletta is the conversion of the Old Abattoir into the Valletta Design Cluster. Works started with the restoration of facades and elevation of the site in question in St Christopher Street, Valletta.</p>
<p>PA 7 Modal Shift:</p>	<p>€35.5M were committed for the SMITHS (Sustainable Multi Intermodal Transport HubS) project which aims to:</p> <ul style="list-style-type: none"> - encouraging a modal shift from private car use to collective, sustainable & alternative low-carbon transport modes; - facilitating alternative transport through new/improved maritime infrastructure; - introducing the concept of local transport hubs;

	<ul style="list-style-type: none"> - addressing current traffic congestion on selected critical public transport bus corridors by deploying a number of intelligent CCTV cameras to monitor and detect barriers. <p>By end 2018:</p> <ul style="list-style-type: none"> - The tender for a Park and Ride Facility in Gozo was awarded with the aim of regenerating a brown site and transforming it into a multi-modal hub that will include a terminal for electric powered buses; - Works on the establishment of safe cycling routes commenced with progress on the ground registered on Triq Luqa, Triq Buqana and Triq Bormla together with resurfacing work on certain sections to be included in the routes; - Civil works contracts for the Sliema and Bormla Ferry Landing places were awarded; - The tender for the purchase and deployment of CCTV cameras has been contracted and is under implementation.
<p>PA 8 Social and Health Infrastructure:</p>	<p>Four projects with a total EU Funding amount of €20.5M are currently being implemented in the area of Social Intervention:</p> <ul style="list-style-type: none"> - The setting up of a centre that will support the integration of vulnerable persons within the community (The Meeting Place) – works completed in 2018; - The establishment of semi-independent living arrangements in Naxxar to support the integration of persons with disabilities within the community by providing them with transitional residential and employment opportunities (REACH) – excavation works commenced in 2018, design and build tender contracted; - The retrofitting of energy-efficient lifts in social housing estates throughout the island in order to increase vertical mobility - works ongoing on numerous sites in 2018. - Other social infrastructure intended to assist vulnerable people. <p>Four mainstream selected projects with a total public eligible value of €46M are currently being implemented in the area of Health Intervention:</p> <ul style="list-style-type: none"> - The construction of a regional health hub in Paola which will seek to provide primary health care provision to the inhabitants of the Southern Region – excavation works commenced in 2018, together with

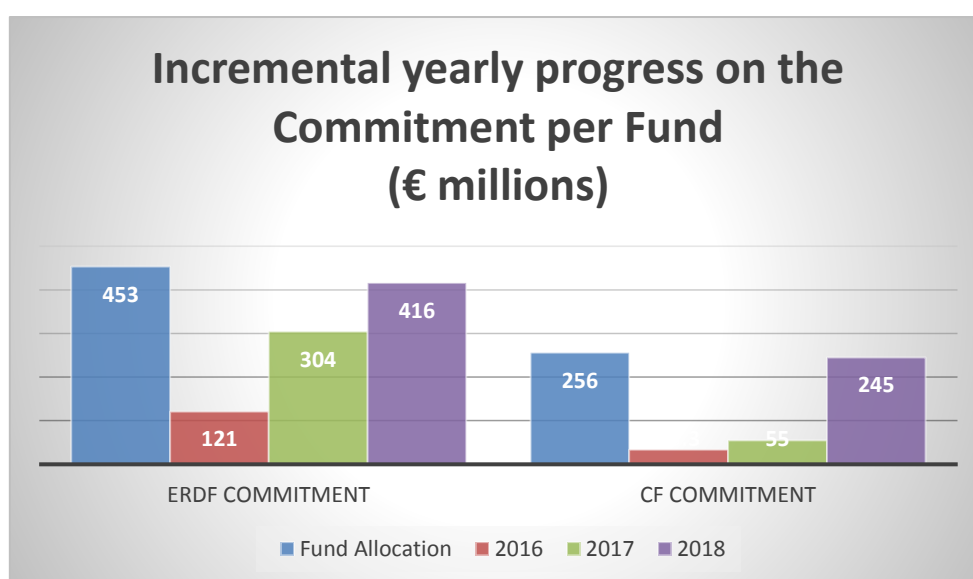
	<p>contracting of the Design and Build, Project management, equipment and furniture</p> <ul style="list-style-type: none"> - The setting up of the Establishment for Blood, Tissue and Cell Centre to provide for the stem cell, bone, cornea and amnion banking. - Improvement of palliative care by Hospice Malta through the expansion of the Day Therapy Unit, Out Patients' Clinics and storage facility for equipment which can be loaned to patients. - The setting up of a Caritas Community Centre to centralise in one place (i) all out-patient based services (non-residential) and (ii) all the administrative operations of the organisation.
<p>PA 9 Education, Training and Lifelong Learning:</p>	<p>Two projects with a value of €33.9M are currently being implemented:</p> <ul style="list-style-type: none"> - Construction of 3 new buildings as part of the MCAST Masterplan (Phase 2) project, housing part of the Institute of Engineering and Transport (IET), as well as building and construction the Institute of Information, Communication and Technology (IICT), and the MCAST Resource Centre (MRC). The project shall also include a College Management Information System - in 2018, 10 ICT labs were being utilised by MCAST students, and the IET building was the most advanced in terms of construction. - Investment in 76 Vocational Education & Training (VET) labs in 13 secondary state schools in Malta and Gozo covering 9 VET and applied subjects: Hospitality; Health and Social Care; Engineering Technology; Information Technology; Agribusiness; Retail; Textiles and Fashion; Hairdressing and Beauty; Media Literacy (INVEST project) – by end 2018 18 VET labs were furnished with the relevant applicable equipment whilst several other procurement processes for equipment were at an advanced stage
<p>PA 10 Environment:</p>	<p>Six projects (including a Major Project of over €50M) with a total public eligible value of €150M are being implemented under this PA.</p> <p>Under the Waste Investment Priority, the funded interventions aim at:</p> <ul style="list-style-type: none"> - Rehabilitating the former landfill at Wied Fulija. - Setting up of a Multi-Material Recovery Facility within the grounds of the Civic Amenity site in Hal Far. - Encouraging Sustainable Waste Practices in Households in order to increase the separation of Municipal Solid Waste at source. <p>The interventions related to Water, have the objective of</p>

	<ul style="list-style-type: none"> - Upgrade of the water production/distribution as well as of the sewage network with the aim of addressing existing obstacles to the water production, wastewater collection and treatment and water reuse in the Maltese Island (Major Project). - Retrofitting of the Sant Antnin Waste Water Treatment Plant with innovative activated sludge-based technologies. - Increasing knowledge on the occurrence of natural water resources in the Maltese islands. (Water Campaign and Monitoring Project) - Setting up a Rain Water Integrated Infrastructure Network for rainwater management in five catchments in Malta. <p>By end of 2018, progress on was registered on:</p> <p>Sustainable Waste Campaign:</p> <ul style="list-style-type: none"> i. a nationwide campaign was launched to encourage sustainable waste practices in households. ii. a national organic waste separation scheme was introduced in October 2018 and all households were issued with an organic bin and the opportunity to receive 4 colour-coded containers in order to encourage waste separation at source. iii. around 60,000 sets of bins, covering 38% of the number of households in Malta and Gozo, were distributed. <p>Water Major Project:</p> <ul style="list-style-type: none"> i. Works related to the investment in the primary water network to supply blended water to unconnected areas. ii. The drilling of the underground tunnel for the distribution of water the RO Plant in Pembroke to the main reservoirs in Ta' Qali iii. The construction of a new RO plant in Gozo iv. The upgrade of the waste water network intended to reduce waste infiltration in the coastal waste water network. <p>Sant'Antnin Project:</p> <ul style="list-style-type: none"> i. Works commenced on the retrofitting of the Sant Antnin Waste Water Treatment Plant with a Moving Bed Biological Reactor (MBBR) activated sludge process.
<p>PA 11 TEN-T:</p>	<p>3 projects with a total public eligible value of €95.4M were funded, or are currently being funded under this PA, with the aim of:</p>

	<ul style="list-style-type: none"> - Upgrading of the existing roundabout junction at Node EA15 (Kappara) to a grade separated junction - completed in early 2018. - Constructing of a multilevel junction at Nodes EA20A & EA 21 (Marsa) and upgrading of other sections of what is known as the TEN-T Core and Comprehensive Transport Network for the removal of existing traffic bottlenecks; - by end 2018, works were underway for the widening of the Marsa - Hamrun bypass and the majority of the site works in the area were completed, while the tender for the Phase III of the Marsa Junction Project (mainly dealing with a number of superstructures) was awarded and contract signed. - The enhancement of the capacity of the Core TEN-T Port of Valletta by undertaking investment towards the setting up of a new cargo facility located at Bridge Wharf and Church Wharf.
--	---

Allocation and Commitment of the two Funds:

As at end 2018, 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 continue to progress in 2019 as projects start in earnest the works on the ground. Furthermore a final set of calls will be launched to target the limited areas where the allocation is not yet fully committed.

For more information:

info.eufunds@gov.mt – subject OPI Citizen Summary 2018

PA1 INVESTING IN RESEARCH & TECHNOLOGICAL DEVELOPMENT & INNOVATION

TWO PROJECTS, PROVIDING RESEARCH INFRASTRUCTURE, WITH A TOTAL EU FUNDING AMOUNT OF €52M ARE BEING IMPLEMENTED BY THE UNIVERSITY OF MALTA

€**72**
MILLION
APPROVED

2
PROJECTS
APPROVED IN 2018

THESE PROJECTS ARE:

- **TRAKE** [TRANSDISCIPLINARY RESEARCH & KNOWLEDGE EXCHANGE]
- **SLC** [SUSTAINABLE LIVING COMPLEX]



PA2 CONSOLIDATING INVESTMENT WITHIN THE ICT SECTOR

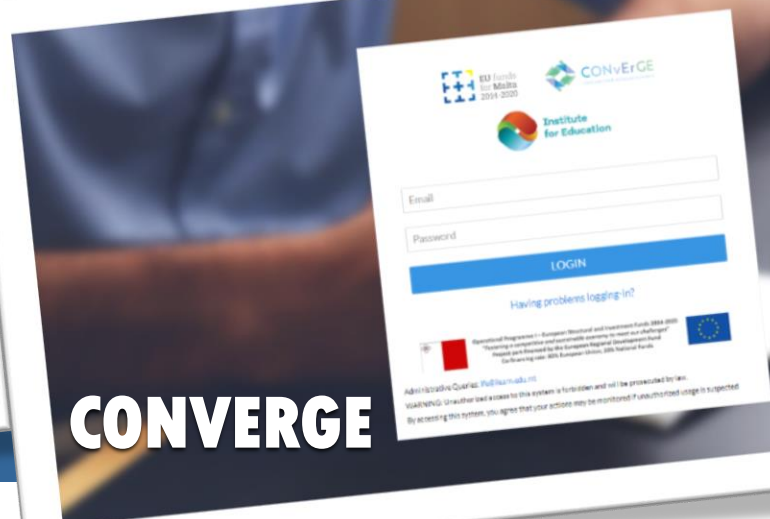
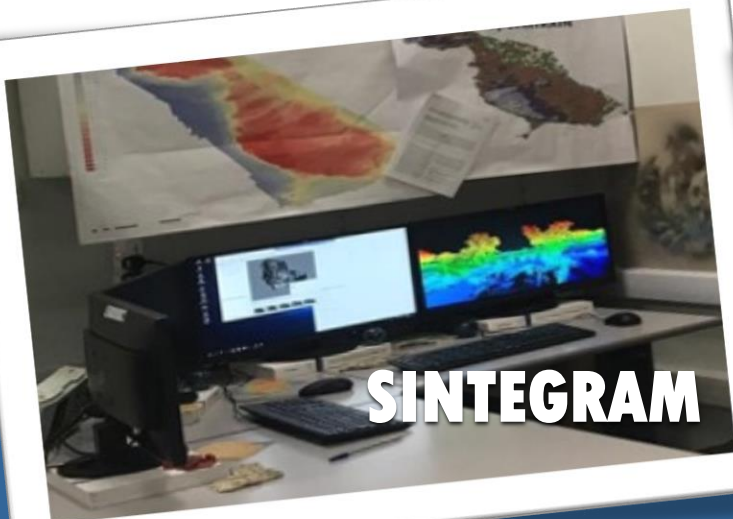
TWO PROJECTS WITH A TOTAL EU FUNDING AMOUNT OF €33.4M AIMED AT DEVELOPING AND IMPLEMENTING A NATIONAL SPATIAL DATA INFRASTRUCTURE AND CREATING A NUMBER OF ESERVICE APPLICATIONS.

€ **33** MILLION APPROVED

2 MAIN PROJECTS

THESE PROJECTS ARE:

- **SINTEGRAM** [DEVELOPING SPATIAL DATA INTEGRATION FOR THE MALTESE ISLANDS]
- **CONVERGE** [CONNECTED E-GOVERNMENT]



PA3

ENHANCING MALTA'S COMPETITIVENESS THROUGH INVESTMENTS IN SME'S

THREE PROJECTS WITH A
TOTAL EU FUNDING
AMOUNT OF €19M ARE
CURRENTLY BEING
IMPLEMENTED

€ **19**
MILLION
APPROVED

3
MAIN
PROJECTS

THESE PROJECTS ARE:

- CRAFTS VILLAGE [TA' QALI]
- XEWKIJA INDUSTRIAL PARK [GOZO]
- INTERNATIONALISATION KNOWLEDGE PLATFORM



XEWKIJA
INDUSTRIAL PARK



TA' QALI
CRAFTS VILLAGE

PA4 ENHANCING MALTA'S COMPETITIVENESS THROUGH INVESTMENTS IN SME'S

THREE PROJECTS RELATED TO ENERGY EFFICIENCY [€5.2M] AND FIVE PROJECTS RELATED TO RENEWABLE ENERGY SOURCES [€15.7M]

€ **21**
MILLION
APPROVED

3
MAIN
PROJECTS

PROJECTS INCLUDE:

- ADMINISTRATION CENTRE OF THE MINISTRY FOR GOZO
- ENERGY EFFICIENCY IN STREET LIGHTING
- INCREASING RENEWABLE ENERGY SOURCES IN DOMESTIC SECTOR



PA5

ENHANCING MALTA'S COMPETITIVENESS THROUGH INVESTMENTS IN SME'S

29 PROJECTS REVOLVING
AROUND CULTURAL
HERITAGE ARE BEING
IMPLEMENTED TO DATE

€ **74**
MILLION
APPROVED

29
PROJECTS

PROJECTS INCLUDE:

- MALTA'S NATIONAL COMMUNITY ART MUSEUM (MUZA)
- DIGITIZATION OF PBS ARCHIVES
- RESTORATION OF SACRA INFERMERIA AT MCC



PA6

ENHANCING MALTA'S COMPETITIVENESS THROUGH INVESTMENTS IN SME'S

EU FUNDING WAS COMMITTED
TOWARDS ACTIVITIES FOCUSING ON
PRESERVATION OF CULTURAL
HERTIGE, SOCIAL HOUSING AND
INTERVENTIONS FOR SME'S

€
45
MILLION
COMMITTED

17
ACTIVITIES

ACTIVITIES & INTERVENTIONS
CARRIED OUT IN:

- MARSAMXETT AREA
- VALLETTA DESIGN CLUSTER
- RESTORATION OF FACADES IN ST.
CHRISTOPHER STR. VALLETTA



PA7

SHIFTING TOWARDS A MORE LOW-CARBON TRANSPORT SECTOR

EU FUNDING WAS COMMITTED TOWARDS ENCOURAGING A MODAL SHIFT FROM PRIVATE CAR USE TO COLLECTIVE, SUSTAINABLE & ALTERNATIVE LOW-CARBON TRANSPORT MODES

€ **35**
MILLION
COMMITTED

1
MAIN
PROJECT

ACTIVITIES UNDER THIS PA INCLUDE:

- PARK & RIDE FACILITY [GOZO]
- SAFE CYCLING ROUTES
- FERRY LANDING PLACES
- CCTV CAMERAS



RENDERING OF
NATIONAL TRAFFIC
CONTROL CENTRE



RENDERING OF
CYCLING ROUTES

PA8

INVESTING TOWARDS A MORE SOCIALLY INCLUSIVE SOCIETY

EU FUNDING PROJECTS BEING IMPLEMENTED IN THE AREA OF SOCIAL INTERVENTION

€ **53**
MILLION
APPROVED

4
MAIN
PROJECTS

ACTIVITIES UNDER THIS PA INCLUDE:

- THE MEETING PLACE
- REACH
- RETROFITTING OF ENERGY-EFFICIENT LIFTS IN SOCIAL HOUSING ESTATES
- REGIONAL HEALTH HUB IN PAOLA



PA9 DEVELOPING OUR FUTURE THROUGH EDUCATION, TRAINING AND LIFELONG LEARNING

EU FUNDING PROJECTS BEING IMPLEMENTED IN THE AREA OF EDUCATION, TRAINING AND LIFELONG LEARNING

€ **34**
MILLION
APPROVED

2
PROJECTS

PROJECT INCLUDE:

- CONSTRUCTION OF 3 NEW BUILDINGS [PART OF MCAST MASTERPLAN]
- [INVEST PROJECT] 76 VET LABS IN 13 SECONDARY SCHOOLS



PA10 INVESTING IN A MORE ENVIRONMENTALLY-FRIENDLY SOCIETY

EU FUNDING PROJECTS BEING IMPLEMENTED IN THE AREA OF WASTE AND WATER

€ **150**
MILLION
APPROVED

6
PROJECTS

INTERVENTIONS INCLUDE:

- WASTE INVESTMENT PRIORITY [MULTI-MATERIAL RECOVERY FACILITY; WASTE SEPARATION]
- UPGRADING WATER DISTRIBUTION NETWORK [MAJOR PROJECT]



WATER MAJOR PROJECT

PA11

INVESTING IN A TEN-T INFRASTRUCTURE

EU FUNDING PROJECTS BEING
IMPLEMENTED TO UPGRAD
THE TEN-T ROAD
INFRASTRUCTURE

€ **95**
MILLION
APPROVED

3
PROJECTS

PROJECTS INCLUDE:

- KAPPARA FLYOVER
- MARSALA FLYOVER
- PORT OF VALLETTA
ENHANCEMENT



UPGRADING OF TEN-T INFRASTRUCTURE