



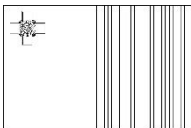
MINISTRY FOR FOREIGN AND
EUROPEAN AFFAIRS
PARLIAMENTARY SECRETARIAT
FOR EUROPEAN FUNDS

ANNEX

ANNUAL IMPLEMENTATION REPORT

EUROPEAN MARITIME AND FISHERIES FUND 2014-2020

29TH MAY 2020
FUNDS AND PROGRAMMES DIVISION, MFEA, MALTA



Maritime and Fisheries Operational Programme 2014-2020
Part-financed by the European Union
European Maritime and Fisheries Fund
Co-financing rate: 75% European funds; 25% national funds

Investing in sustainable fisheries and aquaculture



Citizen's Summary:

1. Introduction:

The European Maritime and Fisheries Fund Operational Programme [EMFF OP] for the 2014-2020 programming period, formally adopted on 3rd March 2015 and as amended in October 2017 (version 3.2), December 2018 (version 4.1) and November 2019 (version 5.0) is based on the following Union Priorities [UPs] and Specific Objectives:

UP1: Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries.

- Specific Objective 1 – Reduction of the impact of fisheries on the marine environment, including the avoidance and reduction, as far as possible, of unwanted catches [public eligible allocation: €200,000 EMFF Share 75%];
- Specific Objective 4 – Enhancement of the competitiveness and viability of fisheries and enterprises, including of small-scale coastal fleet, and the improvement of safety and working conditions [public eligible allocation €10,730,572 EMFF Share 75%];
- Specific Objective 5 – Provision of support to strengthen technological development and innovation, including increasing energy efficiency, and knowledge transfer [public eligible allocation €146,666 (€106,667 EMFF Share 75% and €40,000 EMFF Share 50%)];
- Specific Objective 6 – Development of professional training, new professional skills and lifelong learning [public eligible allocation €500,000 EMFF Share 75%];

UP2: Fostering environmentally sustainable, resource-efficient, innovative, and competitive and knowledge-based aquaculture.

- Specific Objective 1 – Provision of support to strengthen technological development, innovation and knowledge transfer [public eligible allocation €571,196 EMFF Share 75%];
- Specific Objective 2 – Enhancement of the competitiveness and viability of aquaculture enterprises, including improvement of safety or working conditions, in particular of SME's [public eligible allocation €200,000 EMFF Share 75%];
- Specific Objective 3 – Protection and restoration of aquatic biodiversity and the enhancement of ecosystems related to aquaculture and the promotion of resource-efficient aquaculture [public eligible allocation €2,321,548 EMFF Share 75%];

UP3: Fostering the implementation of the Common Fisheries Policy

- Specific Objective 1 – Improvement and supply of scientific knowledge as well as the improvement of the collection and management of data [public eligible allocation €4,426,910 EMFF Share 80%];
- Specific Objective 2 – Provision of support to monitoring, control and enforcement, thereby enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden [public eligible allocation €5,814,088 EMFF Share 88.58%];

UP5: Fostering marketing and processing

- Specific Objective 1 – Improvement of market organisation for fishery and aquaculture products [public eligible allocation €469,771 (€219,771 is EMFF Share 100% and €250,000 is EMFF Share 75%)];

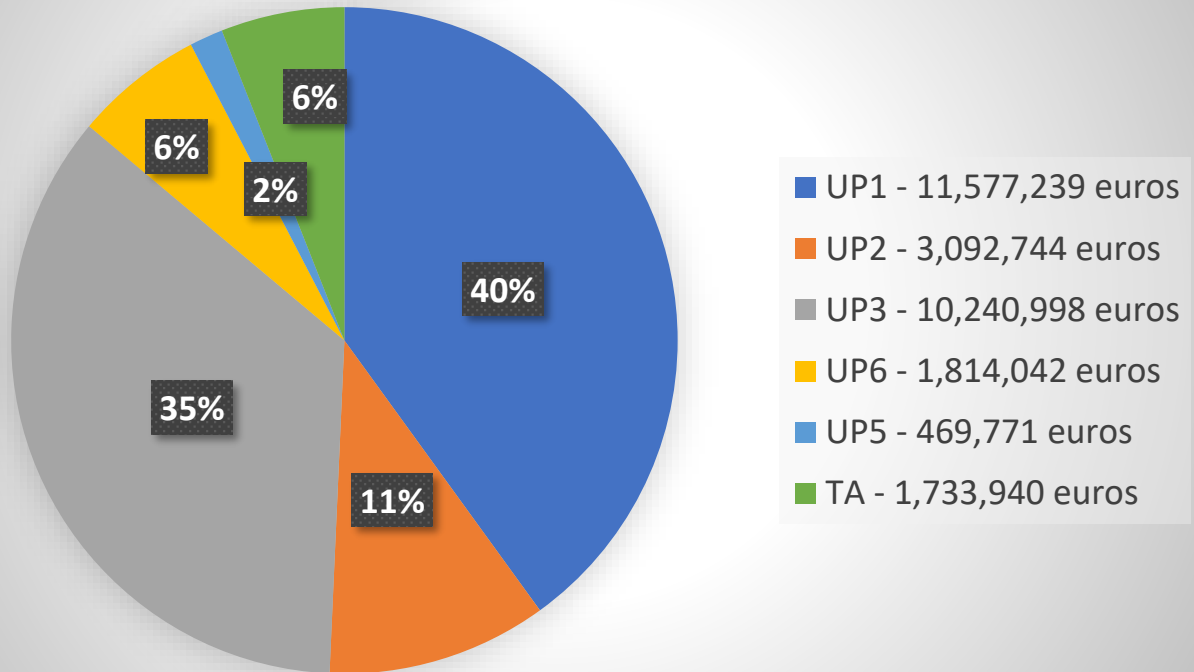
UP6: Fostering the implementation of the Integrated Maritime Policy

- Specific Objective 1 – Development and implementation of the Integrated Maritime Policy [public eligible allocation €1,814,042 EMFF Share 75%];

Technical Assistance [TA]

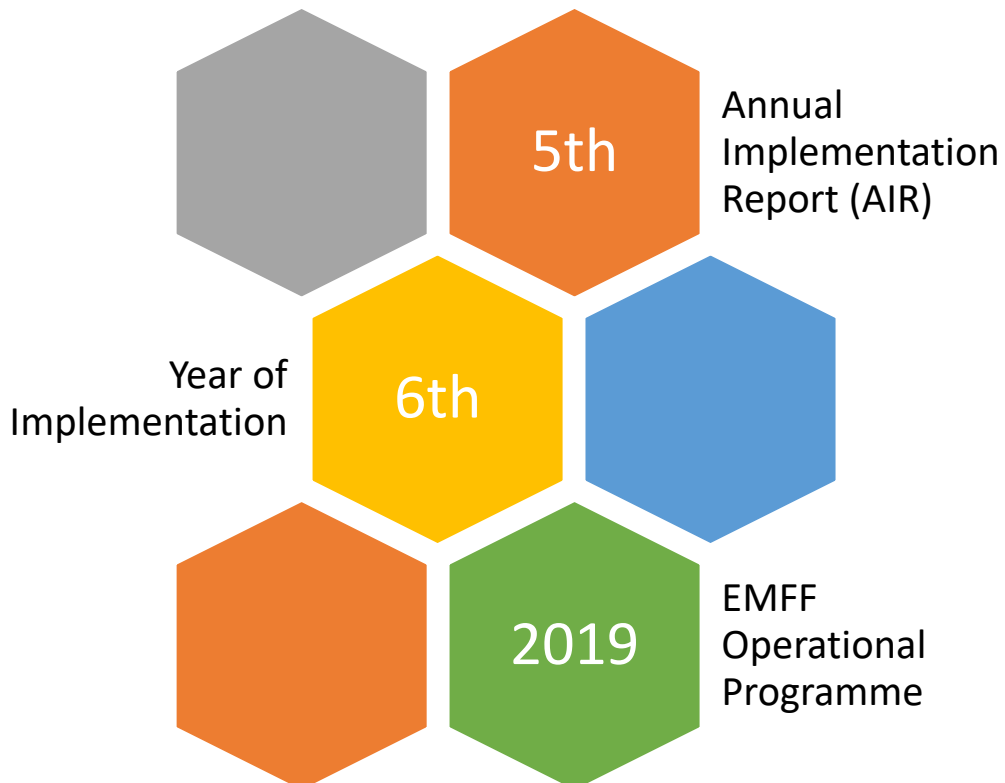
- public eligible allocation €1,733,940]

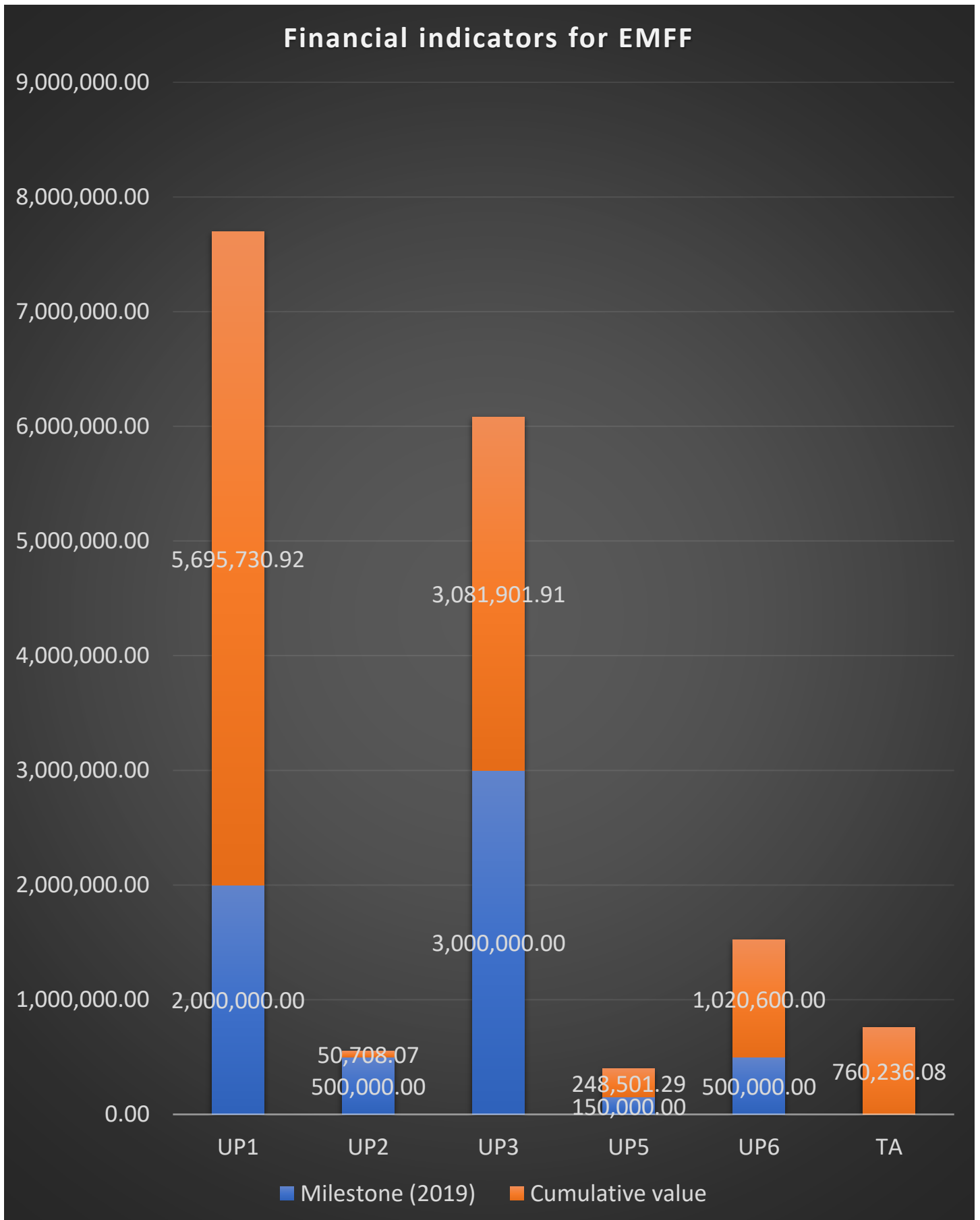
OP Funds Allocation - Public Eligible

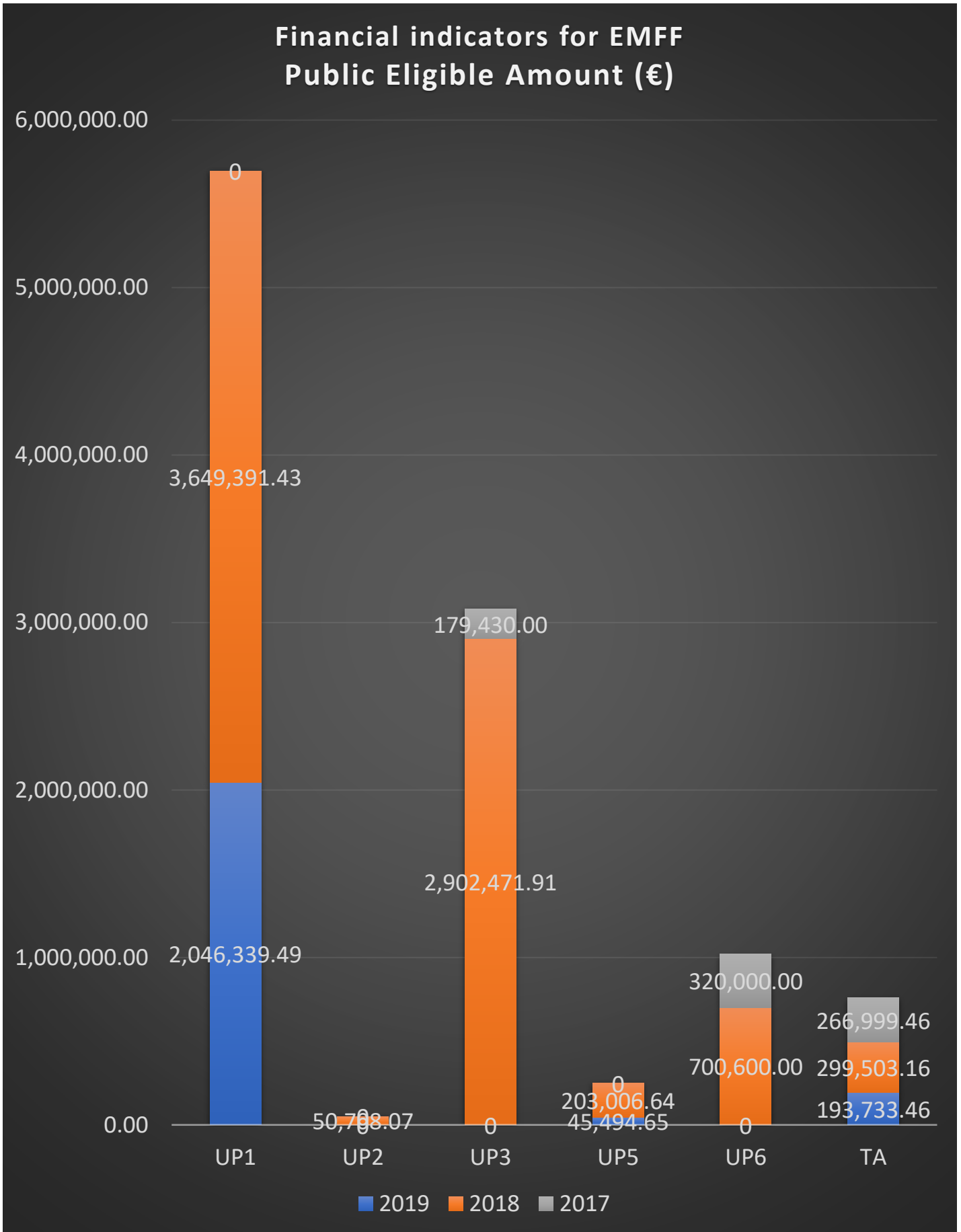


2. Overview of the Implementation of the EMFF Operational Program 2019

The Managing Authority [MA] is hereby presenting:

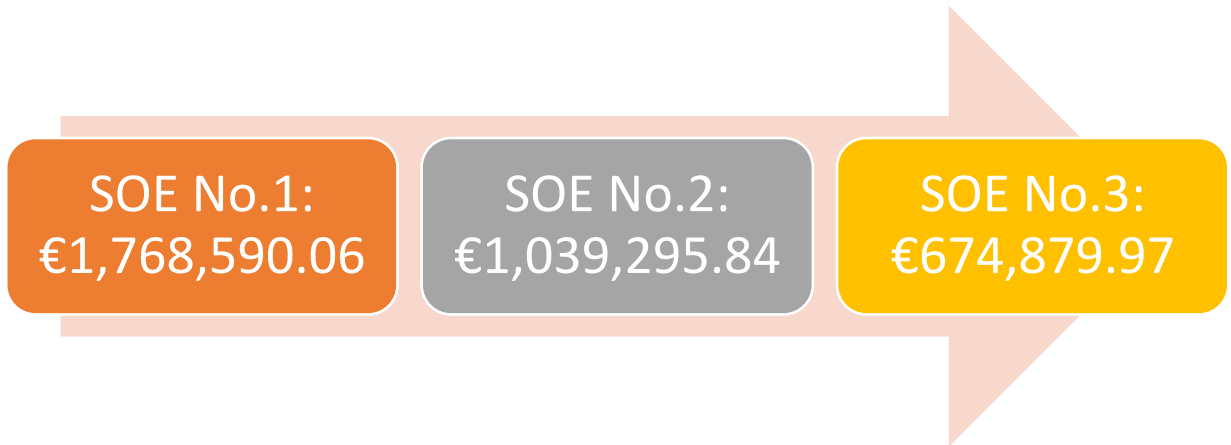




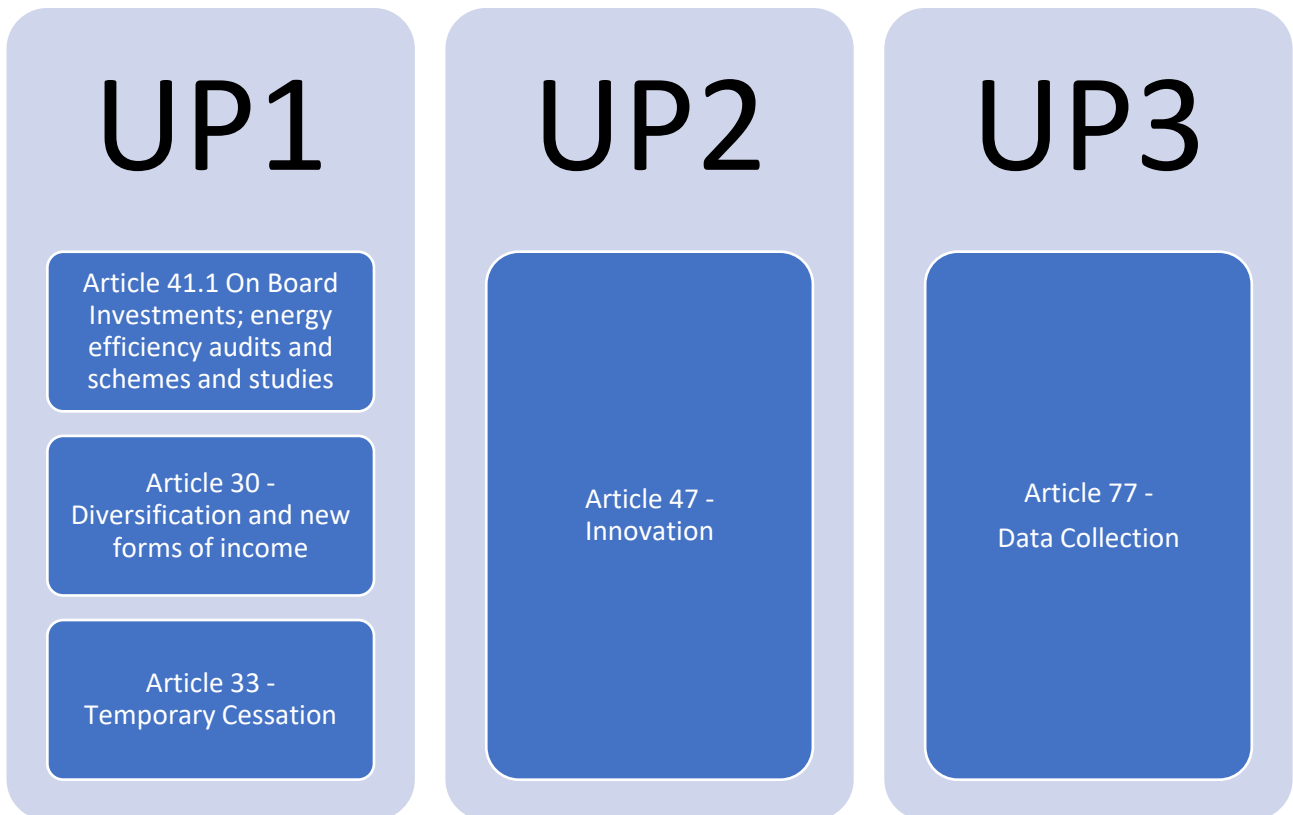


Whilst year 2018 turned out to be a year of great achievements for Malta in its implementation of the EMFF OP, with efforts concentrated on the achievement of the extended implementation period (N +3) and Performance Framework targets and on the issuance of calls, efforts in 2019 concentrated on the constant monitoring of operations awarded in previous years. By the end of 2019, a total of 34 operations had been selected for EU co-financing. Additionally, five EMFF calls were issued throughout the year.

Three National Refund Claim to the Commission [SOEs] by Fund were completed in 2019, one of which was finalised by accounting year ending 30 June 2019. The claim for payment, which amounted to €1,768,590.06 (EMFF share), was submitted to the EC on 10 May 2019. The claim for payment of the other two SOEs, which were completed for accounting year ending 30 June 2020, amounted to a total of €1,714,175.81 (EMFF share), submitted to the EC on 14 November 2019 (€1,039,295.84) and 9 December 2019 (€674,879.97).



Calls issued in 2019:



Article 41.1 On Board investments; energy efficiency audits and schemes and studies

- Total Public eligible: €150,000
- Targeted Fishers

Article 30 Diversification and new forms of income

- Total Public eligible: €225,000
- Targeted Fishers

Article 33 Temporary Cessation

- Total Public eligible: €500,000
- Targeted Fishers as final Beneficiaries through the Department of Fisheries and Aquaculture.

Article 47 Innovation

- Total Public eligible: €800,000
- Restricted Call issued to the University of Malta.

Article 77 Data Collection

- Total Public eligible: €1,000,000
- Restricted Call issued to the Department of Fisheries and Aquaculture.



3. Calls launched during 2019 and Progress made towards Milestone Indicators

[i] Union Priority 1:

Calls Launched in 2019 and Evaluation of Project Applications:

A total of three calls were issued in 2019 under Union Priority 1, two of which were open calls and directly targeted local fishers. One of these two calls was related to **Article 41.1** of Regulation (EU) No. 508/2014: *On board investments; energy efficiency audits and schemes and studies*, a call aimed at fishing vessel owners for investments in equipment or on board (total public eligible budget of €150,000). The other open call was related to **Article 30**: *Diversification and new forms of income* (total public eligible budget of €225,000).

The third and last call issued under Union Priority 1, this being a restricted call issued to the Department of Fisheries and Aquaculture, being the competent authority to implement the Temporary Cessation Scheme, was issued on the basis of **Article 33** of Regulation [EU] No. 508/2014 – *Temporary cessation of fishing activities*. The total public eligible amount was of €500,000. This call, issued in September 2019, also targeted fishers, this time however, as final beneficiaries. As per application form received and eventually awarded by the PSC in November 2019, the closed fishing season for swordfish was extended by one month during the month of December 2019, i.e. over and above the obligatory closure period referred to in **Article 10** in Title II Chapter 2 of the European Parliament legislative resolution of 4 April 2019 on the proposal for a regulation of the *European Parliament and of the Council on a multiannual recovery plan for Mediterranean swordfish and amending Regulations (EC) No 1967/2006 and (EU) 2017/2107 (com(2018)0229 – C8-0162/2018 – 2018/0109 (COD))*. A formula for the calculation of compensation/premium to be granted for vessel owners was introduced, after being presented and approved by the MC.

An open call for fishers to apply for temporary cessation was issued by the DFA in time for the measure to be implemented in December 2019. All fishing activities carried out by the fishing vessel or by the fishing vessel owners who applied for compensation were suspended during the period concerned by the temporary cessation. The aim was to further increase the recovery of the swordfish stock in Malta whilst also addressing over-exploitation of other fish stocks. The eligibility of applicants was determined by the DFA on the basis of established admissibility and selection criteria which take into consideration requirements set out in Article 33 and Article 10 of Regulation [EU] 508/2014. Applicants, for example, had to have spent 120 days at sea over a span of the last two years. An Information Session, for which around 40 fishers attended, was held in November. The DFA explained the contents of the application form and the whole selection process. 28 fishing vessel owners applied by the end of December. 26 applications were accepted, whilst 2 applications got rejected by the appointed PSC.



Adopted EMFF OP Measure	Applications.
Article 29 – Promotion of human capital	<ul style="list-style-type: none"> • EMFF 1.4.1 – Training for Fishers
Article 39 – Innovation linked to conservation	<ul style="list-style-type: none"> • EMFF 1.16.1 – A scientifically study to improve trawl gear selectivity
Article 41.1 – Energy efficiency and mitigation of climate change	<ul style="list-style-type: none"> • EMFF 1.20.1 – Article 41.1 – On board investments [Grande Madre – MLT000000620] • EMFF 1.20.2 – Article 41.1 – On board investments [Pelmar – MLT00MFA0276] • EMFF 1.20.3 – Article 41.1 – On board investments [Madre Teresa – MLT00MFA0154] • EMFF 1.20.4 - Article 41.1 - On board Investments [St. Peter - MLT00MFA0140].
Article 43.1 – Fishing ports, landing sites.	<ul style="list-style-type: none"> • EMFF 1.23.1 – The Construction and Finishing of an Office on the Fish Landing Site in the Marsaxlokk Designated Port • EMFF 1.23.2 – The Refurbishment and Upgrading of Slipways in the port of Marsaxlokk • EMFF 1.23.3 – The Construction of a Breakwater at Qrejten point in the port of Marsaxlokk • EMFF 1.23.5 – Upgrading of the Fisheries’ Infrastructure of Gozo • EMFF 1.23.6 – Upgrading of Mgarr Gozo and Marsaxlokk Malta Fishing Port

EMFF 1.23.1: *The Construction and Finishing of an Office on the Fish Landing Site in the Marsaxlokk Designated Port*

Implementation was hindered by delays in procurement processes. By end 2019, the crane, expected to aid fishers in the transportation of their catches, was procured. The landing site tender was awarded and is expected to be finalised by quarter 2 of 2020, following an addendum to the Grant Agreement.

The crane, which is now situated at the Marsaxlokk facility, was purchased. Such equipment is expected to aid fishers in the transportation of their catches.



EMFF 1.23.3: *Construction of a breakwater at Qrejten point in the port of Marsaxlokk*

Physical works on the new breakwater at Qrejten point [inclusive of but not limited to seabed dredging/silt containment/concrete laying] and the processing of pertinent payments progressed at a steady pace in 2019. Documentary On-The-Spot checks were carried out by Managing Authority representatives and a third-party contractor.



EMFF 1.23.5: *Upgrading of the fisheries infrastructure of Gozo*

In 2019, a second shift of funds was requested – approved by the Managing Authority on the basis of project management decisions and procurement developments. Liaison with the Beneficiary was conducted concerning Grant Agreement formulation signed in February 2019. Works commenced as planned; payments covering various project activities were processed. The Managing Authority endorsed changes to the boat trailers component featuring no reduction in project scope, more added value to the investment and a clear link to the improvement of fishers’ safety at the Mġarr designated port.

EMFF 1.23.6: – Upgrading of Mgarr Gozo and Marsaxlokk Malta fishing ports

Physical works at Mgarr designated port [inclusive of but not limited to seabed dredging/silt containment] and the processing of pertinent payments progressed at a steady pace in 2019. Documentary On-The-Spot checks were carried out by Managing Authority representatives and a third-party contractor. Liaison with Infrastructure Malta was conducted concerning Grant Agreement formulation, was signed in April 2019. Furthermore, a request for the inclusion of concrete works at the Marfa designated port was received by the Managing Authority, which requested additional data so as to be in a position to enable the potential apportionment of estimated cost. A notification indicating availability of more funds [from Union Priority 2] was sent to the Beneficiary since the Grant Agreement did not cover the full project cost owing to an initial limitation of funds.

**EMFF 1.4.1: Training for Fishers**

This operation, which falls under Article 29 of Regulation [EU] 508/2014, was also in advanced stages of implementation in 2019. A two-day seminar and 2 STCW accredited training modules courses were offered to registered professional fishers by the DFA. A certificate giving and closing ceremony was also held on 26th July 2018 whereby certificates were disseminated to fishers successfully completing one or both training modules. The courses were aimed at improving the knowledge and skills of local fishers, thus the overall standard of the local fishing industry. In October an addendum to the grant agreement was signed between the MA and the DFA. Such addendum was related to the inclusion of a second phase of courses which will be offered to fishers during the first and second quarter of 2020. These courses will be implemented through savings from the first batch of courses. Applications were received by the DFA by the end of November 2019.

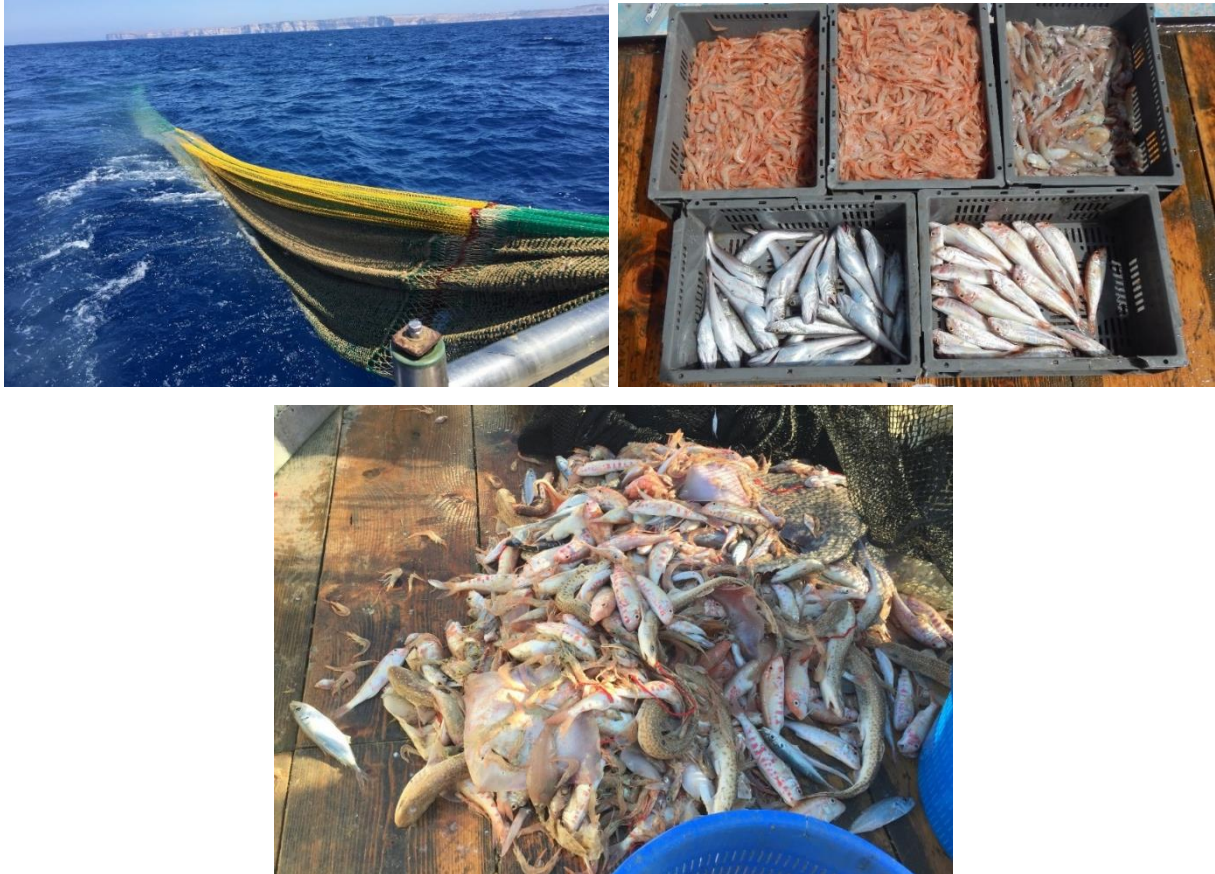
EMFF 1.20.4 - On board Investments [St. Peter - MLT00MFA0140].

Although discussions were held between the fisher and the MA throughout 2019, the Grant Agreement was not signed until March 2020 due to capacity challenges experienced by the Applicant. The operation is expected to be completed by the quarter 2 of 2020.

Completed operations:

EMFF 1.16.1 – A scientific study to improve trawl gear selectivity

This was completed in 2019 as per the end date stipulated in the Grant Agreement. Final payments were processed by quarter 1 and documentary on-the-spot checks were conducted by the Managing Authority. A Project Closure Report was submitted by the Beneficiary. A total of €193,061.29 in public eligible costs were processed out of the €200,000 allocated under this operation.



Other completed operations include **EMFF 1.20.1**, **EMFF 1.20.2** and **EMFF 1.20.3**, which fall under Article 41.1. These were concluded in year 2018 and payments were certified by the end of the same year. In 2019, the Managing Authority, together with a third-party engineer, conducted physical on-the-spot checks on board the related fishing vessels in order to ascertain that all line items listed in the Grant Agreement were in fact purchased, installed and operational. A Project Closure Report is to be prepared by end 2020 in view of the result indicator referring to change in net profits. A check on this matter will be conducted following registration of 2019 financials by the Beneficiary through an accountant of his trust. Written confirmation explaining the process was sent to the fisher in 2019.

EMFF 1.23.2: Refurbishment and upgrading of slipways in the port of Marsaxlokk

This operation was completed by end September 2019. Ten slipways, which shall aid the fishers in their logistical works, were upgraded. A total of €539,130.69 in public eligible costs were processed by the end of 2019.



[ii] Union Priority 2:Launched Calls, Ongoing Operations & Progress made toward milestones:

In September 2018, a restricted call was issued under Article 47 – *Innovation* of Regulation [EU] No. 508/2014, through which a proposal was submitted by the DFA in October. Unfortunately, the proposal was not found admissible by the Project Selection Committee in February 2019, since the submission did not fulfil the Admissibility Criteria adopted by the Monitoring Committee in April 2018. For this reason, the proposal entitled *Investing in research and innovation at the Aquaculture Directorate, at Fort San Luċjan, Marsaxlokk*, was rejected.

As a result, another restricted call was issued under the same Article 47 in October 2019, with a budget of €800,000. An invitation letter was issued to the Rector of the University of Malta to submit project proposal/s concerning aquaculture investment/s in response to the call issued. Although this was a restricted call, no project proposals were submitted by the University of Malta.

The total amount of public eligible funds paid by end 2019 amounted to €1,440,769.26 under Union Priority 2.

OP Amendments:

Unfortunately, Union Priority 2 did not achieve its milestones as set out in Annex II of *Commission Decision of 1.7.2019 determining for Malta and for the European Maritime and Fisheries Fund the Union priorities which have achieved their milestones with reference to the operational programme encoded under the following CCT number: CCI 2014MTY4MfOPOO1*. By the end of 2018, Union Priority 2 had achieved its output indicator (3 operations were under implementation out of the set 1 operation) and the expenditure incurred by beneficiaries in 2018 was paid over and above the set financial indicator milestone value (€1,146,368.94 payments made vis-à-vis the €500,000 milestone value). By end 2018, €50,708.07 were certified. The remaining amount of €1,095,660.93 were to be claimed to the Commission in 2019.

As recorded in the Annual Implementation Report for year 2018, between February and March 2019, news articles were published mainly in Spanish and Maltese media alleging the sale of illegal tuna to Spain whereby originally the illegal operations of a Spanish-owned company in Malta were brought to light. On 12th February 2019, a Press Release (PR190269en) was issued by the then Ministry of the Environment, Sustainable Development and Climate Change, which stated that:

‘In light of the facts presented before the Spanish authorities, the Government is indefinitely suspending the Director General of Aquaculture and Fisheries. As has always been done by the Government, it is collaborating with the authorities in all ongoing investigations to establish all the facts of this case, even in the best interest of the fisheries and aquaculture sector.

The Maltese Police involved Europol in the investigations to receive information from Spain on investigations conducted on a Spanish tuna company operating from Malta. meanwhile other investigations by the Malta Police Force are continuing and a Magisterial inquiry led by Magistrate Gabriella Vella is even ongoing”.

In the meantime, in order to safeguard the Union’s financial interests, the Managing Authority withheld the certification and the claim for payment of the above-mentioned expenditure under Union Priority 2 prior to an official decision being taken, determining, if any, serious infringement. In this regard, Union Priority 2 resulted in an under-achievement of the financial indicator milestone value since only circa €50,708.04 were certified and deemed as regular at end 2018. Since Union Priority 2 did not achieve its milestones, the UP2 performance reserve (with a value of €214, 041 (EU+MT share)) was deducted and shifted to Union Priority 6 as per OP amendments adopted by the Monitoring Committee and as per Version 5.0 of the EMFF Operational Programme for Malta adopted on 11 November 2019. The reallocation of the performance reserve was proposed in line with Article 22 (5) of Regulation (EU) No. 1303/2013. Operation **EMFF 2.3.2 – Increasing productivity, efficiency and sustainability of Blue-fin tuna fish farming operations** is currently suspended due to the above-mentioned ongoing investigation.

Ongoing operations:**EMFF 2.2.1: – Productive Aquaculture Investments at Pisciculture Marine de Malte Limited**

Addendum no.1 to the Grant Agreement was compiled and signed in March 2019. The said addendum amended sections of the Grant Agreement and Annex 1 – Project Description affected by requests for project amendments lodged by the Beneficiary and approved by the Managing Authority following a clarification process. It also addressed considerations by the Audit Authority made in quarter 1 of 2019 during the execution of a system audit on the Managing Authority, concluded via the issuance of a final report in February 2019 following a standard contradictory procedure. On another note, the second reimbursement claim was submitted and processed in quarter 2 of 2019. Two project extension requests were approved on the grounds of Act of God classification factors and unforeseen procurement delays. Cabins [the only pending line item in the project] were being tailor manufactured as of end 2019.

**EMFF 2.3.1: – Productive Investments in non-food aquaculture using RAS in AquaBioTech Group**

Second and third reimbursement claims were submitted and processed in quarters 3 and 4 of 2019. Two project extension requests were approved by the Managing Authority due to the heavy fragmentation and complexity of the procurement for research services involved. A project amendment request was approved, tackling both modifications to some line items already in the Grant Agreement together with the introduction of new ones, mainly brought about by dynamism in clientele demands. No reduction in project scope is anticipated.



[iii] Union Priority 3*Calls Launched in 2019 and Evaluation of Project Applications:*

A restricted call for project proposals was issued under Union Priority 3, on the basis of Article 77 – *Data Collection*. The Department of Fisheries and Aquaculture, being the competent body under Union Priority 3, was invited to submit a project proposal with a maximum total public eligible amount of €1,000,000. The Managing Authority issued the call in September 2019. The DFA submitted an application form by the closing date of the call, i.e. 15 October 2019. The operation entails a continuation of the data collection multiannual programme, this time for years 2020-2021. The project proposal was found admissible by the Project Selection Committee, according to the *Admissibility and Selection Criteria* approved by the Monitoring Committee in September 2019. Yet, the evaluation of the project proposal was not completed by the end of 2019 by the PSC. In this regard, the evaluation continued in year 2020 and was eventually awarded by the end of Quarter 1.

With reference to Article 76 – *Control and Enforcement*, the project proposal which was submitted by the Department of Fisheries and Aquaculture in year 2018, this being for ‘*The supply, delivery, installation and commissioning of a CCTV Network System around Malta and Gozo including a control centre for the Department of Fisheries and Aquaculture*’, was expected to be evaluated in 2019, as stated in the Annual Implementation Report for year 2018. The evaluation of the project proposal was delayed, however, since the Managing Authority had to verify that no double financing was involved. In fact, the admissibility check of the project proposal was conducted by the PSC in September 2019 and a clarification letter was sent to the DFA during the same month. Yet, the PSC halted the evaluation of the project proposal due to pending discussions from the DFA’s end.

Ongoing Operations and Progress made toward milestones:

During 2019, the implementation of **EMFF 6.2.2: – Data Collection Multi-Annual Programme 2017-2019**, which falls under Article 77 - *Data Collection*, of Regulation [EU] No. 508/2014, was under implementation and in advanced stages.

The nine operations awarded under Article 76 – *Control and Enforcement*, also progressed during 2019. The end date of operation **EMFF 6.1.1 c) - The development, purchase, and installation of the components necessary to ensure the traceability of fishery and aquaculture**, was extended until September 2020 due to public procurement issues encountered. The fisheries sales notes system, which falls under operation EMFF 6.1.1 c) was successfully completed in 2018. On the other hand, the procurement procedure related to the purchase of five hand-pallet trucks was delayed, this being one of the reasons for the DFA’s request to extend the Grant Agreement. Operation **EMFF 6.1.1 e) - The Modernisation and purchasing of patrol vessels, aircrafts and helicopters** also forms part of this Grant Agreement. This operation entails the procurement of two Rigid Hull Inflatable Boats (RHIBs). These were delivered to the Department of Fisheries and Aquaculture in May 2019, following two contract extensions. Payments related to the procurement of the two RHIBs were processed by the end of 2019. The other seven operations which fall under Article 76 were also under implementation in 2019, these being EMFF 6.1.2 a), EMFF 6.1.2 b), EMFF 6.1.2 f), EMFF 6.1.2 h), EMFF 6.1.2 i), EMFF 6.1.2 j) and EMFF 6.1.2 k).



On the 29th November 2019, the first seminar was held for the EMFF 6.1.2(j) – Seminars and media tools.

Completed Operations:

Operation **EMFF 6.2.1 - Data Collection Framework Multiannual Programme 2014-2016** was completed by end 2018. In year 2019, several final payments were processed, a Project Closure Report was submitted by the Beneficiary, this being the DFA, and management verifications were conducted by Managing Authority officials. Further management verifications are expected to be conducted in year 2020.

The total amount of public eligible funds paid by end 2019 stood at €4,437,259.55 under Union Priority 3, out of the total allocation of €10,240,998 stipulated in the EMFF Operational Programme.

[iv] Union Priority 5:

Ongoing Operations and Progress made toward milestones:

As reported in the previous Annual Implementation Report, operation **EMFF 4.3.1: - Nesploraw Flimkien it-Tezori tal-Bahar!** was fully implemented by end December 2018. Throughout 2019, the Managing Authority concluded its management verifications on the operation. Financial, output and result indicators set for this Union Priority were met. By end December 2019, a total amount of €249,957.71 in public eligible costs were processed. All payments were certified and claimed to the European Commission by the end of the year.

[v] Union Priority 6:

Ongoing Operations and Progress made toward milestones:

Operation **EMFF 8.3.1: - Marine environmental monitoring: towards effective management of Malta’s marine waters**, contributes to the effective management and sustainable use of marine resources, through sustained environmental monitoring in marine waters. In 2019, as in previous years, contact was maintained between the Managing Authority and the Beneficiary, this being the Environment and Resources Authority (ERA). Regular monitoring and meetings were held whereby the state-of-play of implementation and issues necessitating follow-up were discussed. Progress reports were also compiled in line with the Grant Agreement. By the end of 2019, the implementation and updating of the monitoring programme, as well as the assessment report (which focused on the analysis of monitoring, assessment of environmental status and proposals of environmental targets) were completed.



The marine database system, which was developed and made available to relevant stakeholders in December 2018, was further developed and populated with datasets. Discussions were held throughout 2019 to solve issues related to INSPIRE compliance. By end December 2019 such discussions were complete and the final GMLs generated from the database system were approved by the Steering Committee and made available to the relevant stakeholders. In this regard, the activity related to the development of a marine database system was complete by the end of 2019.

A request for an addendum, dated August 2019, was sought in order to extend the end date of the Grant Agreement so as to include additional monitoring activities which form part of the monitoring programme for the marine environment reported by Malta pursuant to the *EU Marine Strategy Framework Directive (MSFD) (2008/56/EC)*, amounting to €225,000. Approval was granted by the Managing Authority in September 2019. By the end of 2019 discussions between the MA and ERA were underway to draft and complete the addendum.

As per the amendments made to the EMFF Operational Programme, the performance reserve allocated under Union Priority 2 was shifted to Union Priority 6 since the latter was deemed to have successfully achieved its milestones in line with Annex 1 of Commission Decision of 1.7.2019. In this regard, the funds were allocated to EMFF 8.3.1 to increase its added value through the above-mentioned additional activities, all of which are directly linked to the operation and to Article 80.1 (c) of Regulation (EU) No. 508/2014. This is because their implementation will lead to the continuation of other monitoring processes, feeding also into the targets and objectives of EMFF 8.3.1, will lead to a continuous-based monitoring and will also enable a holistic assessment of the status of Malta’s marine waters.

No payments were processed in year 2019. This was due to some issues experienced by the Beneficiary related to the data and deliverables provided by the contractor, which resulted in two contract extensions. In this regard, ERA was not in a position to disburse the final payment of the relevant contract value. Such data and deliverables were later approved by ERA in December 2019 following repeated surveys by the contractor.

The total amount of public eligible funds paid, as well as certified, by end 2019 stood at €1,020,600 under this Union Priority, out of the total allocation of €1,814,042 stipulated in the EMFF Operational Programme.

Additional outcomes – Impacts:

The monitoring undertaken by ERA as part of the EMFF project works towards the achievement of *Good Environmental Status (GES)* in marine waters as listed in Annex 1 to the *EU Marine Strategy Framework Directive (MSFD) (2008/56/EC)*. GES is defined by 11 descriptors and the monitoring undertaken through operation EMFF 8.3.1 is for the purpose of a number of these 11 MSFD descriptors as per the below:

- Descriptors 1, 4 and 6 on Biodiversity;
- Descriptor 2 on non-indigenous species;
- Descriptor 5 on nutrient enrichment;
- Descriptors 8 and 9 on contaminants and
- Descriptor 10 on marine litter

All the elements of the marine strategy are reviewed every six years after their establishment and the updates should be made available to the public for comments, as per Article 17 and Article 19 of the above-mentioned directive. In this regard, in year 2019, ERA carried out the second cycle of the assessment of the status of the marine environment, and the revision of GES characteristics and the environmental targets that were initially reported by Malta in 2013. The public was invited to submit any feedback or comments on the documents prepared by ERA as part of this public consultation. Apart from other projects, the reports are based on the data collected through operation EMFF 8.3.1. In fact, most of the monitoring programme was implemented through EMFF 8.3.1 during the period 2017-2019. The implementation of the monitoring programme provided updated datasets that enabled the review of the initial assessment of environmental status for Malta’s marine waters in accordance with the Directive’s requirements.¹

¹ https://era.org.mt/en/Documents/MSFD_Art.17_Update_Malta_FINAL.pdf

[vi] Technical Assistance:

As in previous years, during 2019 Technical Assistance (TA) funds were used mainly to support the implementation of the EMFF Operational Programme. In 2019, a total of €204,501.21 worth of payment claims (public eligible) were processed by the Managing Authority relating to various operations under this Union Priority, namely in relation to the following:

- EMFF 7.1.1: – *Implementation of the Operational Programme*
- EMFF 7.1.2: – *IT Systems*
- EMFF 7.1.3: – *Improving administrative capacity*
- EMFF 7.1.4: – *Communication Activities*
- EMFF 7.1.5: – *Evaluation*
- EMFF 7.1.9: – *Other*

Technical Assistance expenditure was mainly related to salaries, promotional activities and material, logistical expenses of meetings organised by the Managing Authority throughout the year and other IT related payment claims. Apart from the above-mentioned activities, technical assistance was also utilised to cover advertising costs incurred for the publishing of various adverts in local newspapers and in the local Government Gazette in order to promote the calls launched during 2019, more specifically in relation to the open calls.

TA expenditure was utilised to fund the logistical expenses, such as the hiring of venue, interpretation services, the hire of equipment and catering services, of both the fifth Monitoring Committee meeting held on 15 May 2019 and of the FAME Support Unit workshop on *CT10 needs assessment 2019* held on 28 October 2019. Promotional material was distributed to the Monitoring Committee members. Managing Authority officials also disseminated promotional material at several stands which were put up by the Funds and Programmes Division during Europe day activities held in both Malta and Gozo in May. During such activities, information on the EMFF was also provided to the general public and any queries raised in relation to funding opportunities were addressed.

By the end of 2019, a total of €771,005.22 in public eligible funds were disbursed under this Union Priority out of the total TA allocation of €1,733,940.

4. Evaluation Activities:

During quarters 1 and 2 of 2019, the MA compiled its fourth EMFF AIR in accordance with regulations and the dedicated template. The fifth meeting of MC was held on the 15/05/2019, whereby an update on the implementation of the OP was provided to Committee members. Proposed amendments to the OP were discussed in detail within the local context - these were adopted successfully. Changes implemented in the OP also led to changes in the Admissibility and Selection Criteria.

A third-party service provider was engaged through a public procurement procedure to conduct the mandatory Interim Evaluation, a process that highlighted the strengths of the current OP implementation and fielded recommendations for improvement.

Evaluation and monitoring activities were carried out by the MA during 2019, to assess the progress of the OP in terms of taking stocks of: [a] calls issued, [b] operations awarded, [c] projects’ implementation status, [d] indicators to be achieved, and [e] evaluating and implementing means of address in relation to challenges being faced. The Annual Review Meeting and Joint Annual Review Meeting were held in November 2019, during which the state-of-implementation of the OP, its progress and results achieved as at time of reporting, were discussed between MA and EC representatives. Challenges faced by the MA in relation to the implementation of certain measures were discussed and a way forward agreed upon.

Throughout the reporting year, Project Progress Reports covering ongoing operations were submitted by the respective beneficiaries upon a comprehensive template prepared by the MA. Assistance with the filling-in of said template was provided. Bilateral and generic meetings were also held with the aim of providing project stakeholders with a clear status of operations, the basis for informed decision making.

On 09/10/2019, the FAME Support Unit Annual Stakeholders Meeting was held in Brussels, Belgium – this was attended by two MA representatives. The FAME Support Unit organises a stakeholder meeting annually so that communication among stakeholders [MAs, the European Commission, evaluators and other experts] is strengthened. The aim of this meeting was to discuss emerging issues and opportunities related to EMFF post-2020, and discuss the implementation of the EMFF 2014-2020, specifically lessons learnt. The setting enabled exchange and communication among the Fund’s stakeholders and the meeting covered a broader range of topics.

On 28/10/2019, FAME SU representatives held a workshop in Malta with MA personnel entitled CT10 Needs Assessment 2019. The topics covered included: [a] programming processes, [b] the intervention logic in terms of policy objectives/priorities/ specific objectives, [c] from the SWOT exercise to actions, and [d] output and result indicators within the ambit of links between objectives, type of actions, target groups and timing aspects.

5. Information and Publicity

The MA online webpage was regularly updated throughout the year in order to meet the regulatory requirements, such as the list of selected operations as laid down in Article 119 of Regulation [EU] No. 508/2014. The MA ensured that the webpage included the necessary information and documentation such as regulations, publications, reports, supporting documentation and other documents pertaining to upcoming calls.

Information sessions and/or meetings were held accordingly. Open calls were promoted in the Government Gazette and on all Sunday newspapers, where applicable with the aim of ensuring wide coverage. Advertising costs were covered by Technical Assistance.

Promotional material was disseminated during the Monitoring Committee meeting held on 15/05/2020 and also during the Europe Day activity (09/05/2020) held at City Gate, Valletta. Information about the Fund was also provided to the enquiring citizens and queries raised in relation to funding were addressed. The event was organised by Europe Direct Information Centre – Valletta, hosted by MEUSAC and supported by the European Commission.

Open calls and success stories were also promoted on the Funds and Programmes Division's responsive website on <http://www.eufundsmalta.gov.mt/> which can be accessed also through *Maltapps*, a mobile application enabling the public to access information on government services, including EMFF funding, on mobile devices anywhere 24 hours a day.

In accordance with its communication strategy for the 2014-2020 programming period, the Managing Authority embarks on an annual event in order to reach the general public and disseminate the opportunities provided by and achievements of the Fund. For the year 2019, a significant quantity of promotional activity books concerning the subject of fisheries and aquaculture, targeting pupils between 6-10 years of age, were freely distributed to five major public libraries across the Maltese islands in collaboration with Libraries Malta. The intent was to educate the younger generation in order to indirectly inform the elder ones within households, thus taking an innovative approach to outreach.

