

Operational Programme II Cohesion Policy 2007-2013

Empowering People for More Jobs and a Better Quality of Life

Annual Implementation Report 2010

Monitoring Committee

13 May 2011

Planning and Priorities Co-ordination Department
Office of the Prime Minister



Overview

- Achievement and Analysis of the progress
- Progress in Programme Implementation
- Further Information on Implementation
- Financial information
- OP towards Lisbon Objectives
- Information required by Article 10 of Council Regulation (EC) No 1081/2006
- Compliance with Community Law
- Significant problems encountered and measures taken to overcome them
- Monitoring by the Managing Authority
- Evaluation
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- Information and Publicity

Achievements and Analysis of the progress

- **Calls for Proposals launched in 2010**

2010				
Calls launched	Call 6		Call 7	
	Priority Axis 1	Priority Axis 3	Priority Axis 2	Priority Axis 4
Projects submitted	15	19	12	16
Projects indicative value	€28Mil	€22Mil	€12 Mil	€7 Mil
Status of evaluation	Still being evaluated	Still being evaluated	Still being evaluated	Still being evaluated

Achievements and Analysis of the progress (cont.)

- **New approved projects**

Approved projects in 2010				
Call 5 - PA 2	Total Value	Withdrawn projects (N.)	Totals new projects under PA 2	
			N.	Total Eligible Cost
6	€1,487,203.48	1	5	€1,331,419.48

Progress in Programme Implementation (cont.)

Aid Schemes implemented under Article 107 of the Treaty

As at the end of 2010				
Schemes	N. of applications received	N. Grant Agreements	Value	Concluded Projects
TAF	2123	1404	€3,018,360	1248
EAP	2350	1120	€4,779,240	352
TOTAL	4473	2524	€7,797,600	1600

Further Information on Implementation

Capacity within Stakeholders

- **Strengthening Administrative Capacity**

Changes within the MA

- New Head OP11
- Reduction in capacity by 1 FTE

Changes within the Stakeholders

- There were only minor changes in terms of capacity in the main stakeholders

Further Guidance on Implementation (cont.) **Capacity Building / Training**

- **A selection of Capacity Building/ Training provided**

Training	Participants	N. of Participants
Project Management Tools for Monitoring	MA	22
Introduction to Payment Procedures Guidelines to VAT	Project Leaders	25
Project Progress Report for NGOs and Social Partners	NGOs & Social Partners	7
Eligibility: Simplified Costs	MA	10
Start Up Training for New Beneficiaries	Project Leaders	39
Monitoring of Horizontal Policies	MA & IB	6
SFD-Train-the-Trainer Programme	SFD Trainers	39

Further Information on Implementation (cont.)

Report on the Implementation of the ESF Flat Rate Rule

- August 2010 - CION approves the implementation system for the application of Article 11.3 (b) (i) of EC Reg. 1081/2006, regarding indirect costs declared on a flat-rate basis, as proposed by the MA
- Flat rate thresholds established according to the size of the grant and the type of Beneficiary:

Size of The Grant	Projects implemented by <u>Non Government</u> Departments	Projects implemented by <u>Government</u> Departments
< € 200,000	10%	4%
€ 200,000 - € 600,000	8%	4%
€ 600,001 - € 2.3 million	5%	4 %
> € 2.3 million - € 4 million	2%	2%
€ 4 million	2%	2%

Further Information on Implementation (cont.)

Assistance by target groups – Annex XXIII

2010		People Entering		People Leaving		People Carried Over	
		Total	Women	Total	Women	Total	Women
Status in the Labour Market	Total Number of participants	29795	11970	17802	6802	2528	939
	Employed	14960	6514	6923	3134	1059	435
	Self Employed	778	220	653	172	36	19
	Unemployed	8836	2712	8304	2464	441	158
	Long Term Unemployed	2927	966	2689	878	40	22
	Inactive	5999	2744	2575	1204	1028	346
	Inactive in Education and Training	3163	1315	288	42	446	133
Age	Young People (15-24 years)	9218	3964	4353	1780	1199	412
	Older Workers (55-64 years)	2067	591	1571	385	77	13
Vulnerable Groups	Minorities						
	Migrants	670	157	615	129	3	0
	Disabled	901	269	554	132	158	85
	Other Disadvantaged People	4056	1686	1005	270	578	237
Education Attainment	Primary or Lower secondary education (ISCED 1 & 2)	18017	6566	12252	4139	942	325
	Upper Secondary education (ISCED 3)	4517	2287	2349	1133	565	183
	Post-secondary non-tertiary education (ISCED 3)	2753	1129	1251	485	188	44
	Tertiary Education (ISCED 5 & 6)	4508	1988	1950	1045	833	387

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Financial Information

2010 - Interim Payments			
Summary - Verified, Certified and received	Verified by MA (Public share €)	Certified by CA (Public share €)	Received from EC in (EU share €)
ESF - Nov 09	–	–	503,463.73
ESF - June 10	3,068,030.79	3,068,030.79	2,607,826.17
ESF – September 10	2,527,008.64	2,527,008.64	2,147,957.34
TOTAL	5,595,039.43	5,595,039.43	5,259,247.24

Financial Information (cont.)

2010 – OP II Financial Progress			
Total ESF OP Allocation	% Committed	% Contracted	% Paid
€131,764,705	58%	30%	10%

- Commitment amount registered a 4% decrease when compared with 2009
- This was mainly due to:
 - The withdrawal of four projects (three projects under PA 3 and one project under PA 4) and
 - The removal of the schemes' administrative costs from the relevant Priority Axes (PAs)

OP towards Lisbon Objectives

- € 92,500,800 are earmarked for Lisbon Agenda related projects
- Current commitments (Community amount) sums up to €55,497,97 which is equivalent to 60% of the Programme's earmarked amount

OP contribution towards the Lisbon Objectives

Objective	Projects contributing to this theme	Example of activities proposed under new projects
Environmental sustainability	√	<ul style="list-style-type: none"> •Electronic training materials; •Recycled or biodegradable materials
Equal opportunities	√	<ul style="list-style-type: none"> •Equal opportunities clauses in tenders / contracts •Accessible premises and equipment.
Partnership	√	<ul style="list-style-type: none"> •Collaboration between partners (also government and non-government organizations / local councils)
Innovative Activities	√	<ul style="list-style-type: none"> • Developing and implementing a diversity management policy within key sectors of the economy (e.g. tourism)
Gender Mainstreaming	√	<ul style="list-style-type: none"> • Actions ensuring that course and project promotion as well as course content is free of gender stereotypes • Having the course time-table fixed around family friendly hours

Problems encountered and Measures taken

1. Project Selection Process

- **Main Issue** → **Taking too long, due to primarily the following:**
 - Fragmentation of projects leading to excessive workload when compared to funds committed;
 - Quality of projects received requiring multiple clarifications and additional data or studies;
 - Availability of Committee Members.
- **Mitigation Measures:**
 - Efforts to increase the number of scheduled meetings
 - Revisions in the PSC procedures.

Problems encountered and Measures taken (cont.)

2. Public Procurement Process

- **Main Issues:**

- Bottlenecks created by high degree of centralisation (but this guarantees quality)
- A considerable amount of unsuccessful tendering (administratively and financially non-compliant bids) &/ or lack of bidders
- Limited capacity (both at Beneficiary and DoC level).

- **Mitigation Measures:**

- DoC revised the contracting procedures allowing the possibility of an additional two working days for the bidders to rectify its administrative compliance position
- DoC updated and simplified tender templates with a view to reduce administrative errors
- Ongoing efforts towards increasing capacity

Problems encountered and Measures taken (cont.)

3. Payments

- **Main Issues:**

- The volume of paperwork related to the processing of payments of ESF projects;
- High degree of fragmentation, requiring very detailed monitoring and lengthy checks (with validations and cross-checks of various documents);
- Lack of experience in the implementation of Cohesion Policy projects;
- Time-consuming verification process of the payments by the MA and the IB;
- Additional delays between verifications and certification by CA to EC.

- **Mitigation Measures:**

- Ongoing internal review and attempts to simplify the various processes, especially in the case of aid schemes;
- Training and continuous support and assistance provided to Beneficiaries by the stakeholders.

Monitoring by the Managing Authority

- **SFD 2007-2013**
- **Day-to-Day**
- **Project Progress Reporting (125 reports)**
- **Ministerial Project Steering Committees (20 sessions)**
- **Intermediate Bodies Steering Committees (2 meetings)**
- **Inter Ministerial Coordination Committee (1 meeting)**
- **Intermediate Bodies Network (2 meetings)**
- **High Level Meetings (26 projects reviewed)**
- **Update to Cabinets**

Evaluation

- **Mid-Term Evaluation** – key milestones include:
 - Award for the Tender of Mid-Term Evaluation to KPMG in Q2 2010
 - Preparatory meeting
 - Finalisation of Inception Report
 - Kick-off workshop with relevant stakeholders
 - Consultations with MA
 - Survey questionnaire to Beneficiaries
 - Interviews with 20 Beneficiaries of mainstream Projects
 - Other consultations with senior policy executives including Employment Training Corporation, the Malta Council for Science & Technology , DoC and Treasury amongst others
- **Participation in a number of Evaluations undertaken by DG Empl**
- **Participation in two Evaluation Network Meetings organised by DG Empl**

Implementation by Priority Axis

- **Priority Axis 1- *Improving Education and Skills:***

2010 - Financial Progress				
PA Allocation	Total No of Projects	Commitments <i>(Public eligible)</i>	Contracts <i>(Public eligible)</i>	Payments <i>(Public eligible)</i>
€37,400,000.00	13	€26,987,782.14	€17,137,548	€8,373,860.16

Implementation by Priority Axis (cont.)

• Priority Axis 1- Improving Education and Skills (cont.)

2010 - Progress on Indicators		
Ouput Indicator	Target	Result
1. Number of persons participating in further or higher education & training programmes	2,000	295
2. Number of persons participating in S&T or ICT in further or higher education & training programmes	600	1271
3. Number of persons participating in S&T or ICT capacity building education & training	250	48
4. Number of S&T or ICT actions/studies/campaigns/research activities carried out	10	5
5. Number of persons trained through capacity building courses	750	1396
6. Number of persons trained through supplementary courses, modules or credits for better skills matches	3000	545
7. Number of actions supporting educational quality, relevance, structures, systems, campaigns and research	20	5
Result Indicators	Target	Result
1. % of participants gaining a further or higher education & training qualification	75%	4%
2. % of participants gaining a further or higher education & training qualification in S&T or ICT	75%	31%
3. % of participants gaining a qualification/certification in capacity building education/training	80%	18 %
4. % of participants gaining a qualification/certification	80%	14%

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Implementation by Priority Axis

- **Priority Axis 2 - Investing in Employability and Adaptability of the Workforce**

2010 - Financial Progress				
PA Allocation	Total No of Projects	Commitments	Contracts	Payments
€30,995,000.00	10	€20,510,717.48	€9,584,370.45	€2,088,406.33

Implementation by Priority Axis (cont.)



• Priority Axis 2- Investing in Employability and Adaptability of the Workforce (cont.)

2010 - Progress on Indicators		
Output Indicator	Target	Result
1. Number of persons trained/supported	45000	19,131
2. Number of actions supporting educational structures, systems, campaigns and research	5	0
3. Number of undertakings supported	700	1404
Result Indicators	Target	Result
1. % of participants in employment or further study 6 month after receiving assistance	20%	16%
2. % of participants gaining a qualification/certification	60%	34%
3. % of participants gaining a qualification/certification	60%	29%

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Implementation by Priority Axis (cont.)

- ***Priority Axis 3 - Promoting an equal and inclusive labour market***

2010 - Financial Progress				
PA Allocation	Total No of Projects	Commitments	Contracts	Payments
€36,900,000.00	15	€16,355,965.18	€10,266,663.51	€2,229,577.69

Implementation by Priority Axis (cont.)

- **Priority Axis 3 - Promoting an equal and inclusive labour market (cont.)**

2010 - Progress on Indicators		
Output Indicator	Target	Result
1. Number of actions supporting a lifecycle approach to work	10	0
2. Number of women trained/supported	2000	308
3. Number of families benefiting from childcare	1600	0
4. Number of vulnerable persons trained/supported	6500	5156
5. Number of persons trained capacity building courses	600	276
6. Number of studies, actions, campaigns, research activities carried out	10	4
7. Number of civil society projects	50	2
Result Indicators	Target	Result
1. % of participants in employment or further study 6 months after receiving assistance	20%	0%
2. % of participants gaining a qualification/certification	50%	10%
3. % of vulnerable persons in employment or further study 6 months after receiving assistance	20%	11%
4. % of participants in capacity building gaining a qualification/certification	50%	30%

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Implementation by Priority Axis (cont.)

- ***Priority Axis 4 - Strengthening of institutional and administrative capacity***

2010 - Financial Progress				
PA Allocation	Total No of Projects	Commitments	Contracts	Payments
€21,405,000.00	6	€7,709,035.00	€1,233,960.26	€132,241.84

Implementation by Priority Axis (cont.)

• Priority Axis 4 - *Strengthening of institutional and administrative capacity (cont.)*

2010 - Progress on Indicators		
Ouput Indicator	Target	Result
1. Number of persons participating in training in a year	4000	213
2. Number of studies/ actions/campaigns/ research activities carried out	30	1
3. Number of projects supporting partnership	7	2
Result Indicators	Target	Result
1. % of participants gaining a qualification/certification	80%	17%
2. % increase in the technical capacity (secretariat) at MCESD to support Council (and sub-committees) in reaching informed opinions in policy issues	50%	57%

Implementation by Priority Axis

- **Priority Axis 5 – Technical Assistance**

2010 - Financial Progress				
PA Allocation	Total No of Projects	Commitments	Contracts	Payments
€5,064,705.00	1	€5,064,705.00	1,851,071.34	€667,336.83

Implementation by Priority Axis (cont.)

• Priority Axis 5 – Technical Assistance

2010 - Progress on Indicators		
Ouput Indicator	Target	Result
1. Number of persons trained	350	436
2. Number of evaluations carried out	4	0
3. Number of publicity measures undertaken	15	29
4. Number of studies/research activities carried out	5	1
Result Indicators	Target	Result
1. Reaching N+3/N+2 targets	80%	0%

ESF programmes: Coherence and Concentration



Contribution of the newly approved projects to NRP 2005-08 Themes	
Education and Training	√
Employment	√
Competitiveness	√
Contribution of the newly approved projects to CSGs and IEGs	
Attract and retain more people in employment and modernise social protection systems	√
Improve adaptability of workers and enterprises and the flexibility of the labour market;	√
Increasing investment in human capital through better education and skills	√



ESF programmes: Coherence and Concentration (cont.)

Links with the European Employment Strategy

OPII focuses on many measures of the European Employment Strategy:

National Action Plan for Employment

- Increasing the adaptability of workers and enterprises - *addressed mostly by PA 2, especially TAF*
- Attracting more people to the labour market and making work a real option for all - *addressed mostly by PA 2 and PA 3*
- Investing more and more effectively in human capital and lifelong learning - *addressed by all Priority axes*

EU 2020

- “Youth on the Move” – *addressed mostly by PA 3*
- “An agenda for new skills and jobs” – *addressed mostly by PA 1 and 2*
- “European Platform against poverty and social exclusion” – *addressed mostly by PA 3 focusing more on social exclusion*

Information and Publicity

- The MA continued with the implementation and monitoring of the Communication Plan
- Data on activities carried out was gathered in order to update the Plan in 2010

Annual Event

- The Annual Event for 2010 consisted of two information festivals (one in Malta and another in Gozo) held in September 2010. These included:
 - Information booths presenting selected projects under the chosen themes:
 - Employment Opportunities
 - Education and Health
 - Science and Technology
 - The Natural and Built Environment

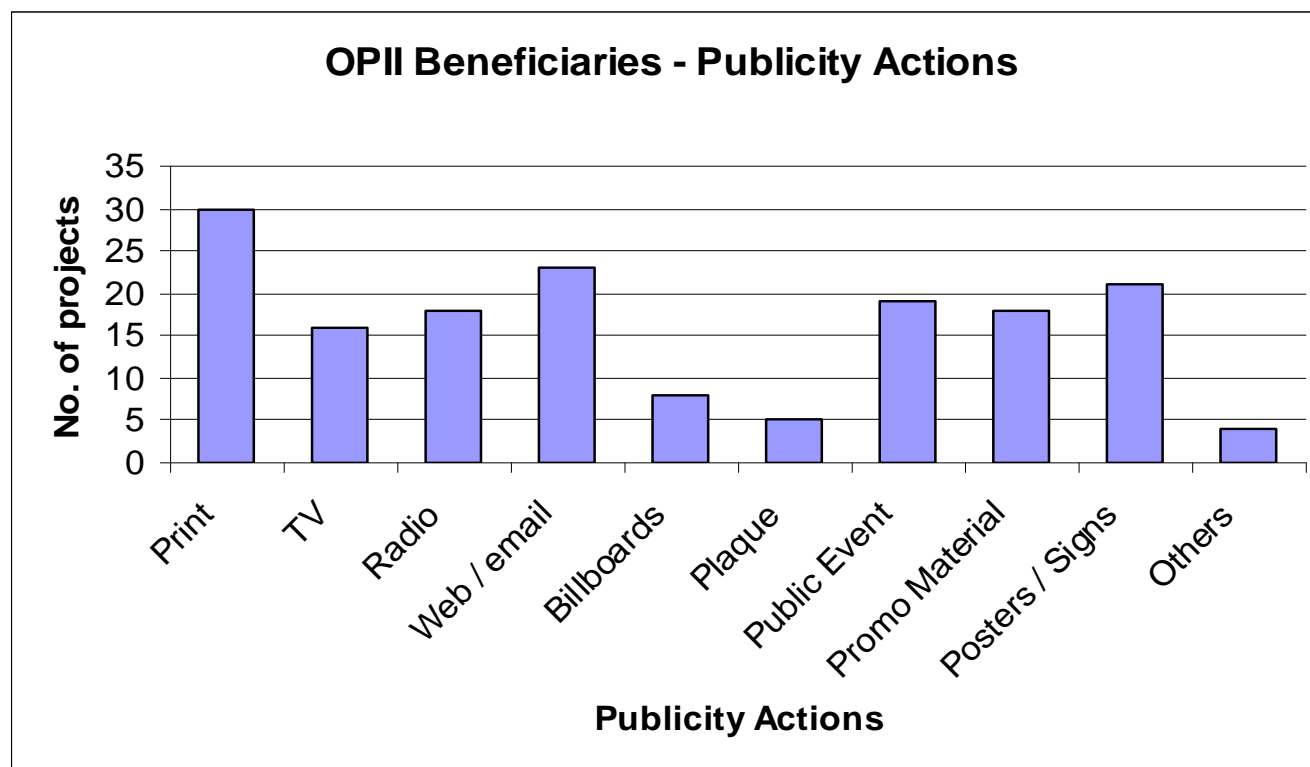
The Event was complemented by the distribution of an information/ promotional leaflet to all households in Malta and Gozo

Information and Publicity (cont.)

- Other information and publicity measures to promote OP II included:
 - Procurement of various promotional items
 - Participation of PPCD staff and the IBs on local radio and TV programmes
 - Participation in the INIO network of DG EMPL
 - Launch of Calls for Project Proposals on local newspapers and press release by both the MA & the IBs
 - Organisation of various information sessions by MA & one-to-one marketing & info sessions by IBs
 - Assistance through Email Helpdesk
 - Enhanced web-presence through regular updating of the MA's website www.ppcd.gov.mt, a page on a social networking site and the respective IB websites.

Information and Publicity (cont.)

Expenditure by the Beneficiary



Information and Publicity (cont.)

Communications Plan Review

- May 2010 MC was notified that an internal review of Communication Plan was being carried out . Reasons which led to the review included:
 - The pace of project implementation
 - Publicity at IB and Beneficiary level
 - Overexposure and repetition of publicity actions
 - Limiting print publications
 - The use of in-house resources
 - A number of activities which were listed in the Plan have already been implemented
- The Mid-Term Evaluation also assessed the Communication Plan
- MC had been informed that MTE outcome would be taken into consideration in the review.
- Since MTE has recently been concluded, the review of the Communication Plan shall be finalised during the coming weeks

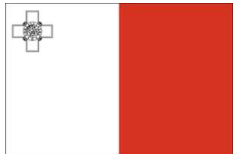
Concluding Remarks

In 2010 there were:

- 42 mainstream projects and 2 Aid Schemes under implementation
- Over 32,000 benefitting from ESF in Malta and Gozo in 2010.
- 1,846 Enterprises benefitting from Aid Schemes;
- 58% of the Programme committed;
- €40,073,613.60 contracted;
- €13,491,422.85 payments made.



Thank you!



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Empowering People for More Jobs and a Better Quality of Life
Event part-financed by the European Union
European Social Fund (ESF)
Co-financing rate: 85% EU Funds; 15% National Funds



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