

MONITORING COMMITTEE for Operational Programme II

Empowering People for More Jobs and a Better Quality of Life
Cohesion policy (2007-2013)

ESF Annual Implementation Report 2008

12 May 2009

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- The AIR 2008 was prepared in line with Article 67 of the Council Regulation (EC) No. 1083/2006
- The report outlines information on:
 - Physical progress made in implementing the OP;
 - Steps taken by the MA and other stakeholders to ensure the quality and effectiveness of implementation;
 - Any significant problems encountered in implementing the OP and any measures taken to overcome them.

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Operational Programme II Approval Date : 22 June 2007



		Community Funding	National Funding
Priority Axis 1	Improving Education and Skills	31,790,000	5,610,000
Priority Axis 2	Investing in Employability and Adaptability of the Work Force	26,345,750	4,649,250
Priority Axis 3	Promoting an Equal and Inclusive Labour Market	31,365,000	5,535,000
Priority Axis 4	Strengthening of Institutional and Administrative Capacity	18,194,250	3,210,750
Priority Axis 5	Technical Assistance	4,305,000	759,705
Total Funding : €131,764,705			

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Overview of the implementation



- a. Calls for Project Proposals;
- b. Project Selection Process;
- c. Aid Schemes under Article 87 of the Treaty;
- d. Setting up of the Management and Control System;
- e. Manual of Procedures 2007 – 2013;
- f. Project Progress Report;

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Overview of the implementation (cont...)

- g. Evaluation;
- h. Indicators Users' Guide;
- i. Structural Funds Database 2007 – 2013;
- j. Strengthening Administrative Capacity;
- k. ESF Flat Rate Rule.



Overview of the implementation (cont...)

a. Calls for Project Proposals :

Three calls were launched:

Call	Launched	Closed	Proposals Received
Call 3 (PA1 & 3)	8 th January 2008	22 nd February 2008	PA1 – 19 applications PA3 – 22 applications
Call 4 (PA 3 NGOs only)	29 th February 2008	2 nd May 2008	PA 3 – 6 applications
Call 5 (PA2 &4)	20 th October 2008	9 th January 2009	PA2 – 14 applications PA4 – 16 applications



Overview of the implementation (cont...)

a. Calls for Project Proposals (cont...):

Application forms and guidance notes prepared for previous calls were revised and updated according to the PAs;

Five information sessions of three hours each were held in 2008 with a total of about 200 participants;

A list of frequently asked questions was posted on the PPCD website for additional guidance to applicants.



Overview of the implementation (cont...)

b. Project Selection:

- The Project Selection Process related to Calls 1 & 2(PA2 & 1) continued in 2008;
- A new Project Selection Committee (PSC) for ESF was set up in the second quarter of 2008 in order to speed up the process;
- Project proposals submitted under Call 3 (PA1 & 3) during 2008;
- Project proposals submitted under Call 4 (NGOs) started being evaluated in the third quarter of 2008 and the process was still ongoing as at end 2008;
- The PSC asked for clarifications from the Applicants in cases where this was necessary to ensure a more comprehensive assessment;
- 33 approval letters were issued in 2008;
- Unsuccessful Applicants were informed through a rejection letter and had the possibility to appeal. Only two appeals were made during 2008.



Overview of the implementation (cont...)



c. Aid Schemes:

- On 11th March 2008, the Managing Authority designated ETC as the Intermediate Body (IB) for two schemes implemented under the ESF (OPII);
- Following a call for Aid Schemes two proposals were submitted and approved: the Training Aid Framework (TAF) under PA 2 and the Employment Aid Programme (EAP) under PA 3;
- Monitoring Committees that were held in 2008 also approved modifications to the eligibility criteria for the aid schemes that were approved in 2007

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Overview of the implementation (cont...)



d. Setting up of the Management and Control System

- In line with Article 71 of the General Council Regulation 1083/2006 and in line with the provisions of Article 21 of the Implementing Regulation 1828/2006, the Managing Authority in collaboration with other relevant stakeholders drafted the description of the management and control systems;
- It was submitted by MA to the AA for its opinion and compilation of the Compliance Assessment;
- Transmitted via SFC by the AA to the EC on the 27th June 2008;
- Accepted by the EC on the 15th December 2008.

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Overview of the implementation (cont...)



d. Setting up of the Management and Control System (cont...)

- Provides details of the functions and organizational set up of the different organisations.
- Provides description and details of procedures to be used for
 - project selection;
 - Payments and the accounting system;
 - the audit trail and the financial control system;
 - the monitoring and information system.
- Includes organigrams and flow charts.
- The MA drafted national eligibility rules (in line with Article 56 (4) of Regulation EC 1083/2006) which were sent to the Commission together with the management and control system.

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Overview of the implementation (cont...)



e. Manual of Procedures 2007 – 2013

- One MoP covering the two Operational Programmes was compiled;
- Includes guidance on:
 - compliance with Community Policies;
 - the contracting procedures;
 - financial management procedures including payments;
 - monitoring and reporting;
 - audit and control;
 - reporting on irregularities;
 - delegation of Authority;
 - the verification process;
 - information and publicity;
 - and retention of documents.

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Overview of the implementation (cont...)



f. Project Progress Report:

- It will facilitate tri-annual reporting by each Beneficiary
- Includes reporting on:
 - aspects of project management;
 - achievements on the implementation schedule;
 - Progress in terms of disbursement, indicators, horizontal priorities, publicity; and
 - reporting of any risks perceived for the following trimester.

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Overview of the implementation (cont...)



g. Evaluation

- During 2008 discussions were held on the plan, mainly between the Commission Services and the MA, which led to the finalization of the document;
- The plan was also presented during the Monitoring Committee held on 22nd May 2008;
- Fourth Quarter 2008 – drafting of the ToRs for the development of a Tracking System and the Mid-Term Evaluation which will be outsourced through a tender.

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Overview of the implementation (cont...)



h. Indicators Users' Guide

- guidelines to provide Intermediate Bodies and Beneficiaries with a practical and clear guide on the indicator definitions as stipulated in both OPs;
- provides a concise introduction of the scope, purposes and usage of the indicator system in relation to Cohesion Policy;
- enabling a more effective monitoring of the indicators and targets as well as facilitates future evaluations

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Overview of the implementation (cont...)



i. Structural Funds Database 2007 – 2013

- The MA set up a designated small unit to support Beneficiaries and other users;
- New development of the payments and verification and certification modules;
- The first payments were processed through the system by the Treasury;
- Step by step tutorials and guidelines have been created by the SFD unit and uploaded on the PPCD website;
- A *train the trainers* programme for the different organisations using the system was drawn up.

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Overview of the implementation (cont...)



j. Strengthening Administrative Capacity

- Calls to increase the number of staff in the horizontal stakeholders;
- Capacity building measures in line with the training strategy:
 - Induction training sessions for newcomers to the Cohesion Policy implementation system. These consisted of 11 training modules spread over 8 days;
 - Two separate capacity building training programmes for *new* Cohesion Policy 2007-2013 Beneficiaries following approval of the first round of projects, consisted of 7 training modules spread over 11 days and 4 training modules spread over 7 days**;

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Overview of the implementation (cont...)



k. ESF Flat Rate Rule

- In May 2008, the MA issued a tender for the implementation of the ESF Flat Rate;
- The main scope of the tender was to establish the appropriate flat rate/s for indirect costs for different categories of operations funded under the ESF OP 2007 – 2013;
- This study was finalised in 2009.

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- **Financial Information**

- **Advance Payments from the EC in line with Article 82 of Regulation 1083/2006**

Advance Payment 2007	€2,240,000
Advance Payment 2008	€3,360,000
Total Advance Payment by end 2008 : €5,600,000	

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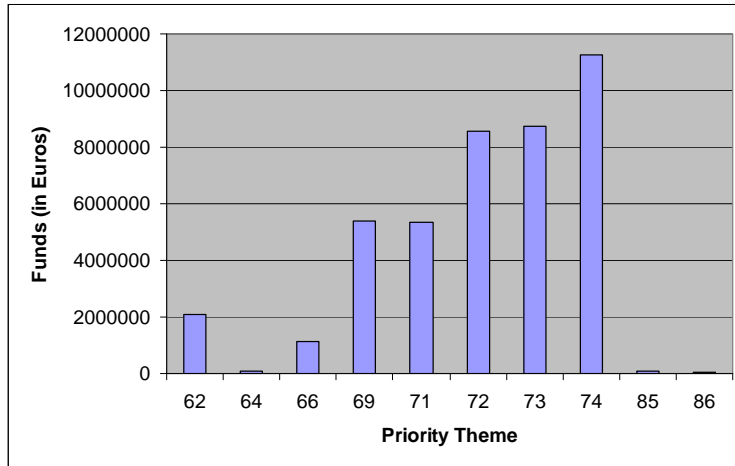
Table 2.1: Priority Axes by source of funding (€)

	Expenditure paid out by the beneficiaries included in payment claims sent to the managing authority	Corresponding public contribution	Private expenditure ¹	Expenditure paid by the body responsible for making payments to the beneficiaries	Total payments received from the Commission
Priority Axis 1: Improving education and skills	0.00	0.00	N/A	0.00	0.00
Priority Axis 2: Investing in the employability and adaptability of the workforce					
ESF type of expenditure	21,231.03	21,231.03	N/A	21,231.03	0.00
ERDF type of expenditure	1,518.32	1,518.32		1,518.32	
Priority Axis 3: Promoting an equal and inclusive labour market (ESF type of expenditure)	3,974.95	3,974.95	N/A	3,974.95	0.00
Priority Axis 4: Strengthening of institutional and administrative capacity	0.00	0.00	N/A	0.00	0.00
Priority Axis 5: Technical Assistance					
Specify the Fund: ESF					
Of which ESF type expenditure	50,907.18	50,907.18	N/A	50,907.18	0.00
Of which ERDF type expenditure	1,136.28	1,136.28	N/A	1,136.28	0.00
Sub Total – ESF	76,113.16	76,113.16	N/A	76,113.16	0.00
Sub Total – ERDF	2,654.60	2,654.60	N/A	2,654.60	0.00
Grand Total	78,767.76²	78,767.76	N/A	78,767.76	0.00

¹ Only applicable for operational programmes expressed in total cost

² This amount represents the expenditure incurred up to 2008 by different entities from the national funds which will eventually be claimed from the Structural Funds.

Financial Information (cont...)



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Qualitative analysis

- Addressing the targets set out in the Operational Programme
 - Marks were awarded depending on the number of targets addressed by the proposed project;
 - Approved projects will be contributing towards:
 - increased student participation rates in upper secondary education level and more;
 - an increase in the participation rate in lifelong learning;
 - increase in female participation rate;
 - the integration, retention and progression of disadvantaged groups in the labour market

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Qualitative analysis (cont...)

- Operational Programme towards the Lisbon Objectives
 - Applicants were asked to indicate the percentage of the project budget targeting each category (Data is to be found in table 2.3 in the AIR 2008);
 - Applicants were also asked to indicate towards which of the Community Strategic Guidelines (CSGs) / Integrated Employment Guidelines (IEGs) their project would be contributing;
 - In the same manner Applicants were required to indicate towards which National Reform Programme (NRP) Strategic Themes the project would contribute



Earmarking Commitments

Priority Theme	Total per category*	% of OP	OP Target %
62	€ 10,835,316.52	9.67%	12.50%
63	€ -	0.00%	1.25%
64	€ 89,935.95	0.08%	3.21%
65	€ -	0.00%	2.68%
66	€ 1,197,626.37	1.07%	0.89%
67	€ -	0.00%	1.34%
68	€ -	0.00%	1.79%
69	€ 5,603,423.77	5.00%	7.14%
70	€ -	0.00%	0.45%
71	€ 12,863,259.20	11.49%	16.96%
72	€ 9,552,717.74	8.53%	16.52%
73	€ 10,954,723.71	9.78%	11.61%
74	€ 11,409,125.34	10.19%	6.25%
Grand Total	€ 62,506,128.60	55.81%	82.59%

*amount includes the allocation committed by the MA to the IB for the implementation of Aid Schemes



Qualitative analysis (cont...)



- Equal Opportunities
 - One of the horizontal priorities within the selection criteria.
 - Applicants were requested to address the principles of non-discrimination and equal opportunities in the proposals;
 - Prospective Beneficiaries have been encouraged to consider steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation;

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Qualitative analysis (cont...)



- Partnership
 - encouraging Applicants to involve both local and transnational partners to participate and contribute towards project implementation;
 - partnership has been given due consideration during the project selection process and was included in the selection criteria as approved by the Monitoring Committee;
 - Approved projects have a majority of project partners that are public bodies with other projects including a mix of partnership comprising social partners and NGOs, particularly in the area of social inclusion;
 - two calls were issued in 2008 which targeted solely Social Partners and NGOs

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Qualitative analysis (cont...)

- Commitments for Gozo
 - Among the projects which were approved in 2008, two will be implemented in Gozo. (Value: € 360,000 eligible costs);
 - All other ESF approved projects are open for participants from Gozo;
 - Both schemes that were approved for implementation under the ESF cover the whole territory of Malta (including Gozo);
 - In terms of employment aid, Gozo benefits from specific beneficial criteria.



Qualitative analysis (cont...)

- Innovative Activities
 - Innovation is a cross cutting principle across Priority Axes;
 - Possibility of gaining extra points;
 - 13 projects addressing the Focus Area of Innovation approved;



Qualitative analysis (cont...)

- Transnational Actions
 - the transnational dimension which is supported through additional points in the project selection process is the one that adds value to the principle of innovation;
 - The presence of Transnational Partners in projects approved during 2008 is very limited within the approved projects.



Problems encountered

- a. Delays in the implementation of operations.**
 - During the first quarter of 2008 new staff was appointed in a number of organisations;
 - A new Project Selection Committee was established in 2008 to deal solely with OPII calls in order to be able speed up the selection process;
- b. Changes within the State Aid Regulations**
 - Relevant revisions in the eligibility criteria of the Training Aid Framework (TAF) and the Employment Aid Programme (EAP) were presented to the Monitoring Committee and subsequently approved.



Complementarities with other instruments

- Malta has a centralised management system which strengthens the mechanisms through which the MA ensures that there is no duplication in the activities funded
- During 2008, the ToRs for a number of co-ordination structures were drafted to pave the way for the establishment of these committees in 2009



Day to Day Monitoring

- Project Managers monitor projects / schemes on a daily basis;
- Senior Managers liaise with stakeholders and address issues within potential projects;
- Projects at risk are brought to the attention of Head OPII and DG PPCD;
- Monitoring through SFD.



Formal Monitoring

- Formal Monitoring and Reporting is carried out every four months
- High Level Monitoring Structure led by PPS including all relevant stakeholders addressing projects at risk

Monitoring Committee

Two MC were held during 2008 in:

- May - MC approved the Annual Implementation Report and change in the TA criteria
- October - MC approved changes to the OP



Physical Progress

Priority Axis 5 - Technical Assistance				
Output	Indicator 1: Number of Persons Trained	Achievement	230 ¹¹	233
		Target	n/a	350
		Baseline	n/a	
	Indicator 2: Number of evaluations carried out	Achievement	0	0
		Target	n/a	4
		Baseline	n/a	
	Indicator 3: Number of Publicity measures undertaken	Achievement	11	15
		Target	n/a	15
		Baseline	n/a	
	Indicator 4: Number of studies/research activities carried out	Achievement	0	0
		Target	n/a	5
		Baseline	n/a	
Result	Indicator 1: Reaching N+3/N+2 targets	Achievement	0	0
		Target	n/a	80%
		Baseline	n/a	



Publicity Measures

- a. **Communications plan** – approved by EC on 21st January 2008.
- b. **Information Festival** - consisted of a walk-through exhibition visually emphasizing, in a coherent manner, the different priority areas of Malta's Cohesion Policy programmes.



Publicity Measures (cont...)

Measures providing information and publicity:

- Media relations and participation of PPCD staff on local radio and TV to provide information on the ESF OP to the general public;
- Launch of Calls for Project Proposals through various adverts and press releases on the local newspapers together with the organisation and delivery of information sessions and organisation of information sessions related to these calls;
- Revamping of the Managing Authority's website www.ppcd.gov.mt.
- Design, finalisation and circulation of the visual identity guidelines for Cohesion Policy 07 -13 as per Communication Plan for the OPs



Targets for 2009

- To consolidate and focus on the implementation and execution of the selected projects.

Programme Management

- Verification / certification of expenditure related activities;
- Finalising terms of reference for the execution of the first round of evaluation exercises.

Information and Publicity

- Launching of the tender for the information event of 2009 as well more structured monitoring of the publicity activities at project level.



Targets for 2009 (cont...)

Administrative Capacity

- Further training to both existing and new Beneficiary organisations.

Financial Control

- Continue to strengthen capacity within the MA, CA, AA and IBs as outlined in the systems description.
- Start on-the-spot checks from the MA side.





Thank you!



Operational Programme I and II – Cohesion Policy 2007-2013
Investing in Competitiveness for a Better Quality of Life
Empowering People for More Jobs and a Better Quality of Life
Event part-financed by the European Union
European Regional Development Fund (ERDF)
Cohesion Fund



European Social Fund (ESF)
Co-financing rate: 85% (70% ERDF, 30% ESF) EU Funds; 15% National Funds

Investing in your future

