

Combined Strategic and Annual Programme Report 2018

EEA and Norwegian Financial Mechanisms 2014-2021

Malta

FINAL

March 2019

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ACRONYMS AND ABBREVIATIONS

AA – Audit Authority

AROPE – At risk of poverty

ARP – At Risk of Poverty Rate

CA – Certifying Authority

CARS – Computerised Accounting Records System

DHIR – Directorate for Health Information and Research

EEA – European Economic Area

EU – European Union

FM – Financial Mechanism

FMO – Financial Mechanism Office

FSWS – Foundation for Social Welfare Services

H. E. – Her Excellency

HM – Heritage Malta

Hon – Honourable

JCBF – Joint Committee for Bilateral Funds

KS –Norwegian Local Council Association

LGD – Local Government Division

MCESD – Malta Council for Economic and Social Development

MEUSAC – Malta EU Steering and Action Committee

MFCSS - Ministry for the Family, Children’s Rights and Social Solidarity

MFTP – Ministry for Foreign Affairs and Trade Promotion

MJCL – Ministry for Justice, Culture and Local Government

MCSD - Management and Control System Document

MMM - Malta Maritime Museum

MSEDC - Ministry for the Environment, Sustainable Development and Climate Change

NAT – Nucleic Acid Amplification Testing

NFP – National Focal Point

NFP as PO – National Focal Point as Programme Operator

NHSS – National Health Systems Strategy

OK – Opportunity Knocks

PA - Planning Authority

PDP –Pre-defined Project

PKU – Phenylketonuria

PO –Programme Operator

PP – Project Promoter

SGS – Small Grant Scheme

SIT – Sensory Integration Therapy

SOS – Solidarity Overseas Services

A. EXECUTIVE SUMMARY

This is Malta's second Combined Strategic and Annual Report for the European Economic Area (EEA) and Norway Grants 2014-2021 but the first one whose layout is based on the new template prepared by the Donors.

In accordance with Article 2.5 of the Regulation, on 1 February 2017, the Donor States and Malta agreed on an implementation framework outlining the following Programmes:

- Local Development and Poverty Reduction - €2,996,000 under EEA Financial Mechanism (FM) and €2,988,000 under Norway FM and €1,056,000 from Malta Funds.
- Fund for Non-Governmental Organisations - €700,000 under the EEA FM
- Social Dialogue – Decent Work - €36,000 under the Norway FM

Other allocations include the Technical Assistance and the Fund for Bilateral Relations at an amount of €340,000 for each fund.

Year 2018 marks two important events for the EEA and Norway Grants 2014-2021 in Malta, namely the signing of the Programme Agreements in June and the Programme Launch in September. Both events were given extensive media coverage, thus giving high prominence to both events.

Following the Programme Launch on 12th September, four projects shall be implemented under the EEA and Norway 2014-2021 FMs namely:

- PDP 1 – 'Reduction in social inequalities in health and the burden of disease' implemented by the Ministry for Health (MFH), with a total project cost of €2,407,059 ;
- PDP 2 - 'Opportunity Knocks' (OK) implemented by Appoġġ Agency within the Foundation for Social Welfare Services (FSWS), with a total project cost of €941,176;
- PDP 3 - 'Training of Local Council Staff in Principles of Good Governance, Transparency and Accountability', for which a total budget allocation of €200,000 is earmarked, in parallel with an additional sum of €1 million in grants through a Small Grant Scheme for Local Councils in Urban Areas. both led by the Local Government Division (LGD) under the Ministry for Justice, Culture and Local Government (MJCL);
- PDP 4- 'The Malta Maritime Museum: local development through cultural heritage' implemented by Heritage Malta (HM), with a total project cost of €2,015,529.

The amounts referred above include the 15% share from Malta. Three out of these four projects have a Donor Project Partner, representing a significant increase in bilateral relations when compared to the 2009-2014 Programming period.

This report shall highlight the state-of-play of the programme for 2018 in Malta as well as the projects' current status since the launch of the programme. Till the end of the year under review, the NFP as PO had concluded the appraisal of all four pre-defined projects and grants were awarded in October, followed by the signing of the Contracts between the PPs and the NFP as PO. The NFP as PO is also in the final stages of the discussion related to the Covenant, which will be signed between LGD, the Operator of the Small Grant Scheme (SGS) and the NFP as PO. The implementation of the projects has commenced with procurement procedures while other activities shall kick-start as of January 2019. Hence this report shall mainly highlight the objective of each project rather than its implementation status, being in its very early stages.

B. PERFORMANCE

1. PROGRAMME CONTEXT

Malta shall be benefitting from funds under the EEA and Norway Grants 2014-2021 specifically under Programme Area 10, which emphasises *Strengthened Social and Economic Cohesion* as its overall objective. Through these funds, Malta aims to invest in a number of key strategic areas that target vulnerable children and youths, persons with disabilities, the elderly, the working poor and the unemployed. This shall thus contribute to the further socio-economic development of the island.

On 19 December 2014, the Government of Malta released *The National Strategic Policy for Poverty Reduction and for Social Inclusion 2014-2024*. This policy document outlines a ten-year plan that maps Malta's strategic direction to address poverty and social exclusion up to year 2024 and has three objectives; to increase Malta's sustainable development; to promote empowerment and social solidarity, and to consolidate social services in order to address these challenges.

The strategy categorises poverty into two: absolute poverty and relative poverty.

Absolute poverty is defined as a lack of basic human needs, such as adequate and nutritious food, clothing, housing, clean water and health services. It is synonymous with destitution and occurs when people lack adequate resources or a minimum level of physical health. The use of the absolute poverty indicator to define poverty has its advantages, namely that of providing a fixed and clear universal threshold of poverty. Simultaneously, it poses disadvantages which include the difficulties in applying a single measure of basic needs since these are relative and vary with socio demographic characteristics and cultural practices.

Relative poverty entails having fewer resources or less income than others within a society or country, or compared to worldwide averages. Relative deprivation concerns a state where people have insufficient resources or capabilities to participate in the customs of the society in which they live. Thus, relative deprivation has an objective financial dimension as well as a subjective and psychological dimension. Though a person may not be considered poor, one may still feel materially deprived, with consequential impact on one's psychological and social well-being. The main relative poverty indicator is the 'at-risk-of-poverty rate' (ARP), defined as the share of persons with an equalised disposable income below the poverty line – that is below 60% of the median national equalised income.

The strategy will form the basis of a Small Projects Initiative funded through a small grant scheme that will subsequently be launched under the EEA/Norway FM 2014-2021, in order to provide support for the implementation of pilot initiatives in physical, economic and social regeneration of these deprived communities in urban areas.

Social exclusion is considered as lack of access to support networks that help people participate in educational, employment, cultural and other social activities. Consequently, social exclusion is social disadvantage and relegation to the fringes of society as it is the process in which individuals or entire communities are systematically blocked from rights, opportunities and resources. Moreover, it can be described as cumulative marginalisation and disempowerment from production, consumption, social networks, decision making and an adequate quality of life.

The *At risk of poverty or social exclusion* indicator encompasses three indicators, namely:-

- the At Risk of Poverty rate;
- the work intensity indicator; and
- the severe material deprivation rate.

In 2016, the number of people at risk of poverty or social exclusion in Malta decreased by almost 15,000 compared to 2013. In 2013, there were 24,000 children and 9,000 young persons aged between 18 and 24 that were considered at risk of poverty and social exclusion and in 2016, the numbers were reduced to 18,000 and 6,000 respectively. An analysis of the at-risk-of-poverty rate by district reveals that the Harbour area districts, which are the most densely populated area on the island of Malta, have the highest rate of persons at risk of poverty.

1.1 PDP 1 – Reduction in social inequalities in health and the burden of disease

The project *Reduction in social inequalities in health and the burden of disease* shall focus on three main areas in health: - Sensory Integration Therapy (SIT), the screening for phenylketonuria (PKU) and Nucleic Acid Amplification Testing (NAT).



Figure 1: Typical setting of a SIT room

The SIT Centre will provide an opportunity for accessibility and equality in health services within the EU society. SIT aims to help children with sensory processing difficulties by exposing them to sensory stimulation in a structured, repetitive way. The theory behind it is that over time, the brain will adapt and allow children to process and react to sensations more efficiently. SIT should be provided by specially trained professionals like occupational therapists and speech and language pathologists and hence, besides refurbishing a new SIT centre and procurement of specialised equipment, this project shall have a special focus on providing training to such specialists.

PKU is a genetic disorder, usually inherited through the person's parents. PKU is an inborn error of metabolism that results in decreased metabolism of the amino acid phenylalanine. Screening for PKU shall enable professionals to recognise this condition in affected children at a very early stage of their lives thus in ample time to allow the modification of their diet and hence, prevent the devastating mental degeneration that accompanies exposure to wrong diet.

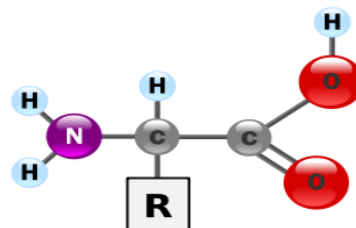


Figure 2: The structure of an alpha amino acid in its unionised form

Last but not least, the NAT testing is a technique utilised to detect a particular nucleic acid, virus or bacteria which acts as a form of germ in blood, tissue and urine. The NAT system differs from other tests in that it detects genetic materials rather than antigens or antibodies. Part of this project shall be dedicated to the investment of hardware and capacity building specifically for NAT testing.

In 2000, Malta ranked fifth (5th) in the World Health Organisation’s ranking of the best healthcare systems around the globe. Other countries such as the United States and United Kingdom ranked 37th and 18th respectively. Malta’s healthcare system is quite similar to the British one, with healthcare being free at the point of delivery. However, on a European level, Malta’s healthcare system ranked 23rd in the Euro health consumer index, with 642 points in 2017. Unfortunately, it is still low when compared to Iceland, scoring 9th with 830 points and Norway scoring 4th with 850 points.^a

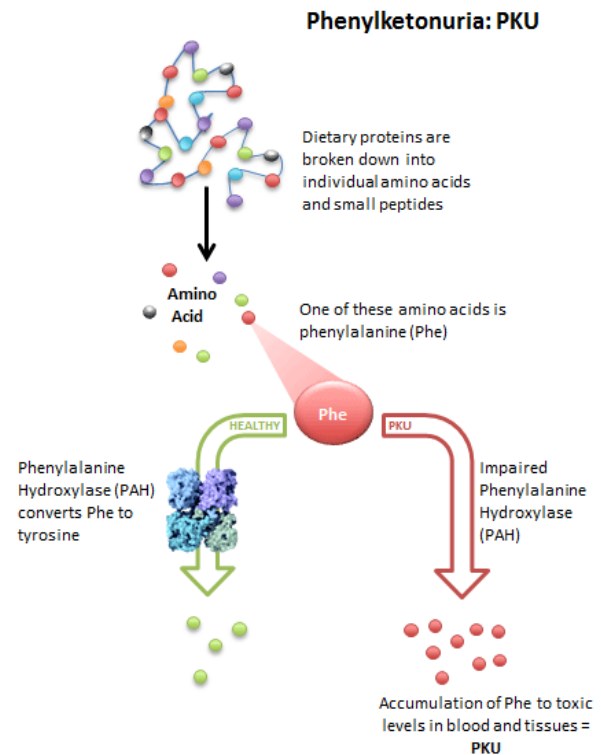


Figure 3: Mechanism of Phenylketonuria PKU

In June 2014, the Maltese Government embarked on its National Health Systems Strategy (NHSS), identifying four overall objectives. Through this NHSS, Government intends to achieve its goal to provide every individual with the opportunity to lead a healthy and active life, to provide equitable access to quality health care and move towards achieving a sustainable health care service.

Promoting good health is also an integral part of the European Union’s public health strategy. Europe 2020 is the EU’s 10 year economic growth strategy focusing on objectives for smart and inclusive growth. Health policy is important since it helps keeping people healthy and active for longer and thus has a positive impact on productivity and competitiveness. Innovation can help make the healthcare sector more sustainable and find new cures for health conditions.

The European Platform against poverty has aims to ensure economic and social cohesion with a target to lift at least 20 million Europeans out of poverty by 2020. One way the Commission will contribute is by boosting efforts on health promotion and prevention with a focus on reducing health inequality. It will develop innovative and sustainable financing of health-related services for older people but also support community-based responses to needs such as social care for the elderly as well as children’s health and global health threats.

Malta’s budget for 2019^b shall also be focussing on a long term strategic plan for healthcare for the years 2020-2030. This strategy is crucial in order to ensure that as many people as possible are cared for through national investment.

^a <https://healthpowerhouse.com/media/EHCI-2017/EHCI-2017-report.pdf> pgs. 11, 12, 16.

^b https://mfingov.mt/en/The-Budget/Documents/The_Budget_2019/Budget_speech_English_2019.PDF

1.2 PDP 2 – Opportunity Knocks (OK)

The Opportunity Knocks (OK) project intends to focus on prevention of youths at risk of social exclusion. A multi-disciplinary team of professionals shall provide professional services to the participating cohort of young people. These vulnerable young people will be offered various opportunities to gain independence and lead a socially integrated life. A residential safe house setting shall support highly vulnerable young people deriving from dysfunctional families.

In 2013, the youth poverty rate for females in Malta was higher (24.2%) than that for males (21.4%). This disparity was overturned in 2016, where it stood at 21.2% and 12.6% for males and females respectively. From 2013 to 2016, the *At Risk of Poverty* (AROP) rate for females practically halved from 24.2% to 12.6%^c.

The youth poverty indicator is defined as the number of young people aged 18-24 years, who live in households that are at-risk of poverty or social exclusion. In contrast to EU trends, young persons in Malta are significantly less likely to be at-risk of poverty or social exclusion when compared to the general population. In 2015, the AROPE rate for young persons in Malta stood at 20%, compared to a higher EU average of 31.3%. Similarly to the child poverty rate, youth poverty exhibited a consistent decline from 22.8% in 2013 to 17.1% in 2016.

The Malta Strategy for Poverty and Social Exclusion^d, which echoes the spirit of the EU's Health 2020 agenda, emphasises the fact that our Nation shall believe strongly in developing its children to their maximum potential and to reduce any disadvantages in their early years. In 2014, the Maltese Government launched a Draft Youth Policy Framework 2015-2020. Having regard to the changing lives of young people in Malta today and the need for employing effective strategies in support of them, the National Youth Policy Towards 2020^e focuses on all 13-30 year olds and has two related aims, namely to effectively support and encourage the young individual in fulfilling her/his potential and aspirations, while addressing their needs and concerns, and to effectively support young people as active and responsible citizens, who fully participate in and contribute to the social, economic and cultural life of the nation and Europe. The policy will be implemented through two specific but interdependent strategies that complement the two inter-related policy aims. Strategy 1 focuses on Youth work and services for young people while Strategy 2 focuses on Cross-sectional support for young people. The focus in Strategy 1 will be on supporting the personal development and well-being of young people through the implementation of programs, projects and activities based on youth work and non-formal education. The focus of Strategy 2 will be on cooperation and mutual support and endeavour between relevant Ministries and entities in providing programmes, projects and activities for the development of young people's potential, skills and competencies.



Figure 4: Book cover of the National youth Policy Towards 2020

^c <https://family.gov.mt/en/Documents/Poverty%20Booklet.pdf>

^d Ibid.

^e https://education.gov.mt/en/resources/Documents/Policy%20Documents/National_Youth_Policy_Towards_2020.pdf

f

1.3 PDP 3 – Training of Local Staff in Principles of Good Governance, Transparency and Accountability

According to statistics on income, social inclusion and living conditions in Malta, an article published by the Central Bank of Malta in 2018^f, poverty is highly predominant amongst persons living in households with dependent children, persons living in single parent households and unemployed people.

The AROPE rate also shows that the Harbour area districts in Malta, which are the most densely populated areas, have the highest rate of persons at risk of poverty. When one analyses the urban localities in the Maltese Islands, it transpires that the highest number of persons receiving supplementary allowances are residing in localities such as Valletta with 18.7% and Floriana with 16.1%. The localities with the lowest number of persons receiving supplementary allowances are found in the Northern, Western and South Eastern districts.

In order to address inequalities between different districts, the Local Government Division (LGD) within the Ministry for Justice, Culture and Local Government (MJCL) shall be elaborating on a sustainable development strategy for urban localities by adopting a bottom-up approach, thus involving all stakeholders. In line with the guiding principle of the Strategic Plan for the Environment and Development, the objective of this strategy shall be to continue enhancing urban areas in order to improve the quality of life and sustainable living standards of deprived communities. The integrated approach adopted will aim towards creating an environment, which is conducive to economic development, whilst sustaining an improved urban environment which is safe, liveable and environmentally-friendly, complemented with social and educational services for stronger sustainable neighbourhoods.

The strategy will form the basis of small project initiatives funded through a Small Grant Scheme, which will be launched in parallel with this PDP. In order to improve the quality of life and sustainable living standards of these deprived communities, the LGD, through the Norway Grants 2014-2021, shall also be providing training to the administrative and politically appointed Local Council representatives. This training, which will be separate from the SGS, will focus on good governance as well as transparency and accountability and hence, inducing essential skills and good practices in the running of a Local Council and management of the scheme.



Figure 5: Photo of Valletta considered as an urban area - ©Martin Bonnici Photography

^f Poverty, Social Exclusion and Living Conditions in Malta: an analysis using SILC, 2018

1.4 PDP 4 – The Malta Maritime Museum: local development through cultural heritage

The Malta Maritime Museum (MMM) in Vittoriosa is housed in the former Royal Naval Bakery, built in the 1840s as the main bakery for the Mediterranean Fleet of the British Forces. It is the largest museum on the Island with a collection of over 20,000 artefacts.

Vittoriosa, one of the so-called Three Cities, is situated in the Harbour area, the area which, as already stated earlier, has the highest rate of persons at risk of poverty and is characterised by high unemployment, particularly among youths. The high population density, coupled with the high level of urbanisation and the socio-economic inequalities of the Harbour area, call for measures to address the needs and problems of the area.

Due to their major role in Malta's rich history, however, the Harbour district happens also to be characterised by a high concentration of rich urban fabric including a significant concentration of historical and cultural buildings, which have a direct effect on the economic and touristic activity in the area.

The tourism sector remains an important factor for Malta's economy. According to statistics, in 2017, inbound tourism stood at 2,273,837, an increase of 15.7 per cent when compared to 2016^g. Recommendation by friends/relatives ranked as the top source of influence in tourists' decision to choose Malta for their trip (37.5%). Internet ranked second (27.9%), closely followed by a positive experience during a previous visit to Malta (23.2%). Other information channels included travel guide books, newspaper and magazine articles, and recommendation by travel agent. It is interesting to note that history and culture ranked as the prime reason for choosing Malta amongst tourists residing in Valletta/ Floriana with 53.6%^h. It is noteworthy that respondents opting to reside within the parameters of Valletta/ Floriana expressed a higher interest in history and culture when compared to respondents residing in other parts of Malta. Interestingly enough, respondents residing in other parts of Malta other than Valletta or Floriana still chose to visit our cultural heritage with an amount of 40%. Tourists residing in Valletta/Floriana ranked the Three Cities as the second most visited localities after Mdina with 48.5%.

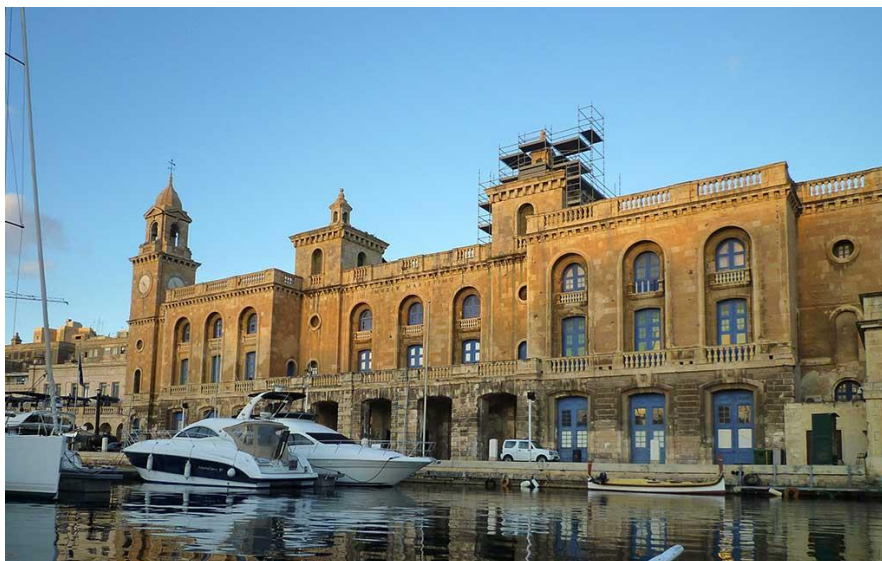


Figure 6: The Malta Maritime Museum in Vittoriosa

^g NSO News Release, 2 July 2018

^h Theme 4 The Tourist Experience – Evaluation and Monitoring Research Findings 2015, Valletta 2018 Foundation

The upgrading of the Maritime Museum to international standards would enhance the contribution of cultural heritage to the sustainability of the Malta's economy, especially the Three Cities area. To achieve this, HM intends to utilise funds from the Norway Grants 2014-2021 to progress its vision for this museum. This can indeed attract more tourists to the area thus increasing HM's income as well as Malta's economy and address local development in the Cottonera area.

2. RESULTS

2.1 Description and analysis of results of outcomes

This section will be compiled as from the second Annual Programme Report submitted.

2.2 Bilateral outcome: Analysis of bilateral relations and achievements

On a national level, the first bilateral relation event between Malta and Liechtenstein took place in January 2018. Hon Carmelo Abela, Minister for Foreign Affairs and Trade Promotion (MFTP), officially visited Liechtenstein between the 14th and the 17th of January 2018. During his meeting with Hon Aurelia Frick, Liechtenstein's Minister for Foreign Affairs, Justice and Culture, he discussed the steady growth of bilateral relations between the two countries and the commitment to explore trade, culture and educational opportunities. The global and regional challenges of migration were also discussed at some length, with Minister Abela expressing Malta's readiness to work closer with Liechtenstein as it explores all avenues to tackle this global phenomenon.

A courtesy call was made on Hereditary Prince Alois von Liechtenstein, for informal talks on common goals and key global issues between the two countries. The Minister also met with Mr Rene Schierscher, Secretary General, Office of the Minister for Foreign Affairs, Justice and Culture, Mr Josef Beck, General Manager of Liechtenstein Chamber of Commerce and Industry, and Mr Simon Tribelhorn, Director of Liechtenstein Bankers' Association, with whom he discussed possible areas of co-operation between the two countries in trade and finance.

Minister Abela also visited the Liechtenstein National Parliament and attended the launch of activities marking the 'European Year of Cultural Heritage 2018' at Gutenberg Castle in Balzers with Minister Frick.



Figure 7: from left, Malta's Ambassador to Liechtenstein, Saviour Borg; the Hereditary Prince Alois von Liechtenstein; Minister for Foreign Affairs & Trade Promotion, Carmelo Abela and MFTP Chief-of-Staff, Mr Arthur Garrard



Figure 8: Hon Minister Abela and Liechtenstein's Minister for Foreign Affairs, Justice & Culture, Ms Aurelia Frick



Figure 9: Minister Abela meets the Hereditary Prince Alois von Liechtenstein



Figure 10: Minister Abela and his delegation in talks with Liechtenstein's Minister for Foreign Affairs, Justice & Culture, Ms Aurelia Frick, and her team

With regards to the EEA and Norway Grants 2014-2021, Malta signed the Programme Agreement on 5 June 2018. The signing took place at the Auberge d'Aragon, the seat of the Ministry for European Affairs and Equality (MEAE). Present at this ceremony were H.E Margit F. Tveiten, Norwegian Ambassador for Malta, Hon. Aaron Farrugia, Parliamentary Secretary for EU Funds and Social Dialogue, Mr Paul Zahra, Permanent Secretary for EU Funds, and the NFP and NFP as PO. H.E. Margit F. Tveiten signed the Programme Agreement on behalf of the Donor states whilst Ms Carmen Dalli, Director, signed on behalf of the NFP, in the absence of Mr Raphael Scerri, Director General.



Figure 11: H.E. Margit F Tveiten and Ms Carmen Dalli during the signing of the Programme Agreement



Figure 12: Hon Aaron Farrugia addressing the guests at the Auberge d'Aragon before the signing of the Programme Agreement

On 12 September 2018, the NFP and NFP as PO officially launched the Programme of the EEA and Norway Grants 2014-2021. Present at this ceremony were H.E. Margit F. Tveiten, Norwegian Ambassador for Malta, Ms Marianne Krey-Jacobsen, case officer in charge of Malta at the Norwegian Embassy in Rome, Hon Aaron Farrugia, Parliamentary Secretary for EU Funds and Social Dialogue, and Mr Raphael Scerri, the NFP and NFP as PO.



Following the Programme Launch, Hon Aaron Farrugia held a bilateral meeting with H.E. Ms Tveiten to discuss various political issues including Brexit.



Figure 13: Programme Launch

PHOTO: DOI - Clodagh Farrugia O'Neill

Donor project partnerships have, to date, been accomplished on PDP1, 2 and 3, as follows:

- PDP 1: Reduction in social inequalities in health and the burden of disease has initiated partnerships with the Norwegian Occupational Therapy Association, two members of whom shall be trained in SIT together with Maltese professionals; and Oslo University Hospital, which shall be supporting MFH in the implementation of PKU screening;
- PDP 2: Opportunity Knocks (OK) have received commitment of support from the Norwegian Directorate for Children, Youth and Family Affairs in implementing the OK project;
- PDP 3: Training of Local Staff in Principles of Good Governance, Transparency and Accountability have once again teamed up with the Norwegian Association of Local and Regional Authorities (KS) of Norway, who had also partnered with LGD during the previous programming period.

Regrettably, notwithstanding the efforts made by the NFP as PO, in collaboration with FMO, none of the several maritime museums in Norway, which were approached for this aim, has committed itself as donor project partner on PDP 4: The Malta Maritime Museum: local development through cultural heritage.

2.3 Pre-defined projects

The four pre-defined projects under the EEA and Norway Grants 2014-2021 shall all focus on Local Development and Poverty Reduction whilst strengthening social and economic cohesion. A positive appraisal of the four projects was sent by the NFP to the FMO on 19 September 2018. All four contracts between the NFP and the project promoters were signed by the end of the year 2018.

2.3.1 PDP 1 – Reduction in social inequalities in health and the burden of disease

This project involves three main activities in one project. These activities are the setting up of the SIT centre in an area, part of which houses a mainstream school; the investment in hardware and capacity building in order to enable Maltese Pathology Services to follow up on persons diagnosed with PKU and the investment in hardware and capacity building for NAT.

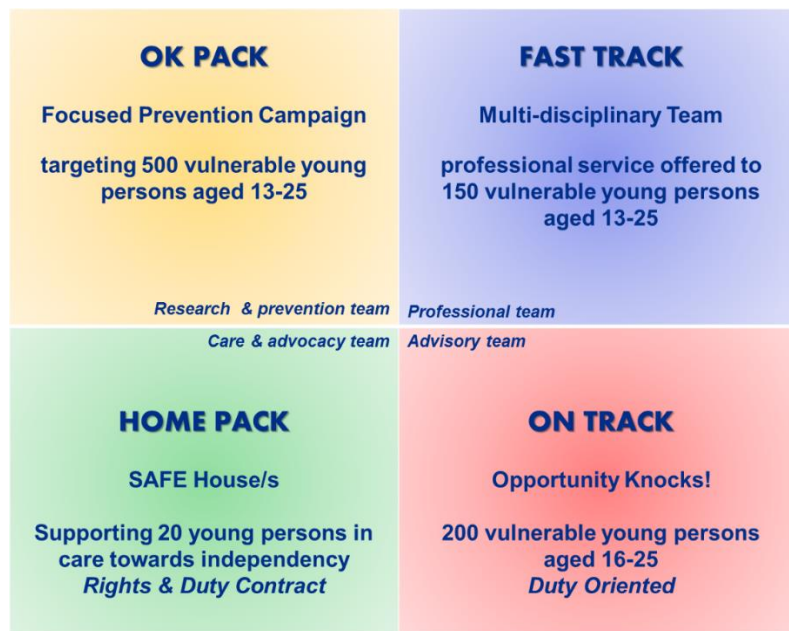
In this respect, the Directorate for Health Information and Research (DHIR) within the Ministry for Health, referred to as the project leader, issued a number of tenders on the open market prior to the appraisal phase, after obtaining approval from the FMO. In this manner, the PP could save precious time from future project implementation by avoiding the risks of delays, normally experienced in procurement. Below is an update of the status of the tenders under this project.

- The *Tender for the structural and finishing works for the setting up of a Sensory Integration Therapy (SIT) Unit at the Marsa Primary School for the Project "Reduction in Social inequalities in Health and the Burden of Disease* is, until the end of the period under review, being evaluated;
- The *Tender on Mechanical and Electrical Works including Energy Efficient IT Equipment and Environmentally Sound Thermal Insulation Products for the setting up of the Sensory Integration Therapy (SIT)* is also in its evaluation stages;
- A tender related to the supply, installation and commissioning of vertical transportation system (lifts) has been awarded and the fully-signed contract was sent to the bidder on 4 December 2018;
- The Tender for the provision of training in SIT encountered some issues since it had to be published three times. For the first call, there were no bidders, while in the second, one American company had submitted their bid but during the clarification they quoted in dollars rather than in euros. In the third call, the same American company submitted again. However, this time they found difficulty with providing a bank performance guarantee from either an American or a Maltese bank due to the size of the company. MFH might have to recur to the Minister for Finance's acknowledgement and approval of this situation, bearing in mind the specialized area of expertise, for which only this American company seems to be the sole provider of such specialized training;
- The tender for standardised assessment tools was awarded and the bidder signed the contract.
- Evaluation on the tender related to SIT equipment was finalised for two lots and the contract for services has been drafted and sent to bidders.
- The Contract related to training services for Psychologists is being drafted.
- The tender for the supply and fitting of floor and wall matting for the SIT centre was awarded and the bidder was asked to delay the delivery of goods, due to lack of storage;
- The tender related to PKU equipment has been awarded and project promoter is awaiting the signed contract and the performance guarantee from bidder.
- The tender on consumables for NAT was awarded to the bidder. The contract was drafted and sent to the bidder. Project promoter is awaiting signed contract from supplier and the performance guarantee.

The project promoter intends to issue another three tenders in 2019: one related to furniture, another to mentoring for SIT training and the third one for the feeding equipment.

[2.3.2 PDP 2 – Opportunity Knocks \(OK\)](#)

The Ok project pivots round the below four pillars:



Recruitment calls for the engagement of a multi-disciplinary team were issued in May 2018 in preparation for the successful implementation of the project. Following the eligibility procedure and interview process, two new employees were engaged through this round of calls: a social worker and a project coordinator. Commencement date of employment was 8 October 2018. Another set of calls for recruitment was re-issued in October 2018 to engage the remaining personnel so as to reach the full complement of the multi-disciplinary team of professionals as per project application.

Research has been undertaken on the pack to be developed for children and youth at risk and meetings with other social entities/stakeholders were also planned in order to start compiling the OK Pack.

The Project Promoter is planning a bilateral initiative with the Norwegian Directorate for Children, Youth and Family Affairs in order to enhance its knowledge base in order to better implement the OK project. This initiative will serve as a stepping stone for future collaboration between the project promoter and the Donor States.

2.3.3 PDP 3 – Training of Local Staff in Principles of Good Governance, Transparency and Accountability

The Local Government Division (LGD) visited Norway in September 2018 to meet bilaterally with the Norwegian Local Councils Association (KS) in preparation for this PDP. During this visit, the project promoter and KS finalised the Memorandum of Understanding between them outlining the roles and responsibilities of both parties on the pre-defined project. They also confirmed that all the logistics necessary to guarantee the smooth running of the officers’ placements during the planned study visits are in place and that the Norwegian Local Authorities are fully aware of their support and mentoring role to the officials benefitting from these opportunities.

The LGD shall be issuing two tenders by the end of 2018, namely for Project Management Services and Publicity Services.

2.3.4 PDP 4 — *The Malta Maritime Museum: local development through cultural heritage*

The works tender, for which planning permits are already at hand, and aimed at consolidating and rendering the building structurally sound/safe, is being finalised and will be sent to the Department of Contracts for vetting and publication in due course. Preparations are underway for the project launch, planned to be held on 16 January 2019. The Parliamentary Secretary for EU Funds and Social Dialogue and the Minister for Justice, Culture and Local Government shall be officially opening this launch. The media shall also be invited to such event.

PDP 4 is the only project, out of the four PDPs, that to date, does not have a donor project partner, even though, as already stated above, the project promoter contacted quite a number of potential donor partners in Norway, requesting to collaborate with them on a bilateral initiative in preparation for the implementation of the pre-defined project. To date, the only forthcoming reply was from the Norwegian Maritime Museum, stating that the museum does not have the necessary capacity to engage itself in a bilateral initiative. In the meantime, HM is still awaiting a reply from Stavanger Museum.

2.4 Active Citizens Fund

The objective of the Active Citizens Fund is: “*Civil society and active citizenship strengthened and vulnerable groups empowered*”. The fund shall seek to develop the long-term sustainability and capacity of the civil society sector, strengthening its role in promoting democratic participation, active citizenship and human rights.

The allocation to the Active Citizens Fund, Malta is EUR 700,000. SOS Malta was, once again, awarded the role of fund operator for this Fund on 4 October 2017, as a result of an open and competitive tender process. The organisation will be responsible for the development and implementation of the fund. A stakeholder’s consultation meeting, to which the NFP was invited as observer, was held on 11 December 2017.

Till the end of this reporting period, SOS Malta were still in the process of compiling and providing all the required documentation to FMO, which will eventually lead to the signing of the Programme Implementation Agreement.

2.5 Social Dialogue Decent Work Programme

The main objective of this programme is to strengthen tripartite cooperation between employer organisations, trade unions and public authorities and the promotion of decent work. This Fund was launched in October 2018 with a budget of €36,000 for Malta. On 3 December 2018, the NFP in conjunction with Malta EU Steering and Action Committee (MEUSAC) organised a meeting with the Malta Council for Economic and Social Development (MCESD) in order to promote the Social Dialogue Decent Work Programme with potential stakeholders. The deadline for the submission of project proposals is 7 February 2019.

3. IMPLEMENTATION

3.1 Financial status

On 19 September 2018, the NFP made a positive appraisal of all four pre-defined projects namely PDP1 – Reduction in Social inequalities in health and the burden of disease, PDP2- Opportunity Knocks (OK), PDP 3 – Training of Local Staff in Principles of Good Governance, Transparency and Accountability and PDP 4 – The Malta Maritime Museum: local development through cultural heritage. The table below shows the amounts committed under each Pre-Defined Project and the Small Grant Scheme.

PDP number	Project Title	EEA Grants	Norway Grants	Total Grant	Project co-financing	Project eligible expenditure
PDP 1	Reduction in social inequalities in health and the burden of disease	€2,046,000	0	€2,046,000	€361,059	€2,407,059
PDP 2	Opportunity Knocks (OK)	€800,000	0	€800,000	€141,176	€941,176
PDP 3	Training of Local Staff in Principles of Good Governance, Transparency and Accountability	0	€170,000	€170,000	€30,000	€200,000
PDP 4	The Malta Maritime Museum: local development through cultural heritage	0	€1,713,200	€1,713,200	€302,329	€2,015,529
SGS	Small Grant Scheme – Improved quality of life of deprived communities in urban localities	0	€850,000	€850,000	€150,000	€1,000,000

At the stage the NFP has no disbursement to report and no problems related to absorption, since all the projects are in their initial stages of implementation.

3.2 Progress by the Joint Committee on Bilateral Funds

The second Joint Committee for Bilateral Funds (JCBF) meeting was held on 21 March 2018 at the Citadel in Victoria, Gozo. The meeting was attended by Ms Margot Igland Skarpeteig, Counsellor from the Norwegian

Embassy in Rome; Ms Deborah Borg, First Secretary at the Ministry for Foreign Affairs and Trade Promotion (MFTP) and Mr Raphael Scerri, Head of the National Focal Point as voting members while the latter acted also as chairperson of the JCBF Committee. Observers during the meeting were Ms. Henriette C Gulbrandsen, Senior Adviser from the Norwegian Ministry of Foreign Affairs; Mr. Thorsteinn Bjornsson, Country Officer for Malta, and Ms Carmen Dalli, Ms Angele Azzopardi and Ms Alison Grech, NFP and POs for Malta.

The meeting was divided into two parts, namely a discussion on the work plan followed by a discussion on the Application pack. Concerning the work plan, *Section 1 – Major fields of cooperation of Chapter 1 – Background*, was to be left unchanged, whereas *Section 2 - Bilateral Funds at Programme and National Level*, should include more bilateral initiatives with focus on priorities and results. It was also emphasized that the proposals to be highlighted in *Section 3 – Other and Potential Future Initiatives* should be those of a high political level only.

It was agreed that the Fund for Bilateral Relations shall be divided into three main parts namely:

- Strategically important priorities with a budget of €185 000;
- Seed money/travel support for all promoters of pre-defined projects with a maximum of €6 000 for each pre-defined project and the SGS with a total budget of €30 000;
- and after 2019, consider publishing an open call to give the opportunity to entities governing different other strategic areas for Malta, which still offer possible bilateral cooperation with the remaining budget of €125 000.

The two strategic areas agreed upon for 2018 were *Our Oceans International Conference* and *Istanbul Convention*.

Update on 'Our Oceans'

On 16 November 2017, Ms Margot Skarpeteig from the Norwegian Embassy in Rome suggested Clean Oceans as a bilateral fund initiative. A possible activity suggested was a side event at the next *'Our Oceans'* conference in Oslo in 2019, on clean oceans, with focus on plastic and ghost fishing. This initiative was further discussed between the Norwegian Ministry for Foreign Affairs and the MFTP in Malta. The NFP followed updates regarding this initiative but no concrete decisions were taken.

On 12 September 2018, Ambassador Tveiten and Ms Marianne Krey-Jacobsen, the new consul replacing Ms Skarpeteig, met Ms Annabelle Shawish Mifsud from the MFTP in Malta in order to develop further the initiative on *'Our Oceans'*. Ms Krey-Jacobsen suggested a more technical approach on the initiative rather than a political event. Ms Krey-Jacobson also asked whether there were opportunities in areas such as marine litter, waste management, green shipping and fisheries crime. She also suggested a follow up on the oil spill project funded through the 2009-2014 programme. To this extent, the MFTP in Malta did not develop any further initiatives since the Ministry shall not cover a technical event. To this affect, the NFP started making contact with the Ministry for the Environment, Sustainable Development and Climate Change (MESDC) and is awaiting a proposal based on the areas mentioned above. The NFP also made contact with Captain Richard Gabriele, project leader of the Oil Spill project under the 2009-2014 programme in order to discuss marine pollution and a possible follow up on the Oil Spill project.

Update on 'Istanbul Convention'

On 16 November 2017, Ms Skarpeteig also suggested prevention of domestic violence as a priority area for bilateral initiative through concrete work on the implementation of the Council of Europe Convention (Istanbul Convention) on preventing and combating violence against women and domestic violence. This came also as a follow up of the bilateral meeting held between Malta's President and Norway's Prime Minister on 1 February 2017. The possible activities suggested by Ms Skarpeteig were the collection of best practices documentation regarding prevention of domestic violence and a side event on prevention of domestic violence at a relevant conference, at either European or international level.

The NFP made contact with stakeholders in this field of expertise and all showed interest to collaborate on projects with Donor State partners. However, regrettably, the problem of lack of human resources persists! A meeting with the Human Rights and Integration Department within the MEAE proposed three project ideas, namely one dealing with Gender based violence, a second project on human trafficking and a third project on equal pay for work of equal value.

Another meeting was also organised by the NFP as PO with the Victims Support Unit within the Police Department. The activities discussed included the creation of an interactive website for the Victim Support Unit, the setting up of a risk assessment tool for use by the Malta Police for the implementation of the Istanbul Convention ratification and capacity building for the Malta Police Force with an international conference in Malta or Norway.

Till the end of the period under review, there were no further developments regarding any of the activities listed above.

Other initiatives

Concurrently, the NFP was approached by the MFH with another three bilateral initiatives, which are all of strategic importance to Malta with regards to quality of life and healthy living. The initiatives are the following:

- Observation of the operations at and learning from the experience of Department of Genetics and Molecular Medicine at Landspítali University Hospital, Reykjavik with a budget of €6,309;
- Transgender Healthcare in Malta with a budget of €6,724;
- Switching from Originators to Biosimilars in Malta with a budget of €4,860.

The NFP as PO sent complete application forms, fully signed by both Malta and Donor partners, to the JCBF members, showing the importance of these initiatives for the Maltese health care system. The most urgent need for the health services on a strategic level, is the initiative concerning Biosimilars, which, bearing in mind the urgency of the initiative, was considered as being risky to await assessment in the next JCBF meeting of the 20 March 2019. In this respect, the NFP asked whether JCBF members would agree to assess the Biosimilars application through a written procedure. Till the end of the period under review, only Malta's MFTP representative had replied in the affirmative.

The NFP also received two application forms from the Planning Authority (PA) and the Ministry for the Family, Children's Rights and Social Solidarity (MFCSS).

The initiative from the Planning Authority involves improving the knowledge and understanding on cultural heritage management and strengthening the professional development of the human resources within both entities, and enhancing organisational development. The project would consist of two study visits during

which exchange of experience between the Heritage Planning Unit within the PA and the Cultural Heritage Directorate in Norway would take place. The aim of the project is to strengthen bilateral relations and strategic cooperation and networking, between Malta and Norway in the field of cultural heritage management.

The initiative from the MFCSS focuses on aiming high for an inclusive society by tackling discrimination on the basis of disability. The idea is for the Commissioner for the Rights of Persons with Disabilities and his personnel to meet personnel working within the Human Rights Institution in Norway, who are responsible for tackling discrimination on the basis of disability. There is also interest to learn of the procedures available on how cases are tackled by the HR Institution as a regulatory body.

These two initiatives shall be discussed in the next JCBF meeting on 20 March 2019.

3.3 Conformity with specific requirements

The Programme Agreement stipulates four (4) general conditions attributed to the implementation of the programme.

1. The first condition stipulates that *"the NFP shall ensure that for the outcome 3 indicator "Percentage of residents 'very satisfied' or 'satisfied' with their local council's performance in targeted localities", where the baseline value is "to be determined" (TBD), the PO shall submit to the FMO for approval the baseline value together with a description of the data collection method used"*. This has to be submitted no later than six months after the finalisation of the selection of projects under the Small Grants Scheme. Until the end of 2018 (the year under review) the LGD had drafted the Service Tender for a Project Manager, with the aim of launching it by the end of the year-beginning of 2019. Once this project manager is selected, he/she will start working on the first call of the Small Grant Scheme. To date, the LGD has been provided with the draft Covenant to be signed between the NFP and the LGD. Once it is reviewed and agreed upon, the LGD shall kick start by summoning the first Project Stakeholders Committee meeting. The NFP shall participate in this committee as observer. The NFP shall continuously be monitoring this process and ensure that LGD will carry out all preparatory work so as to be able to provide the baseline value not later than six (6) months after the projects under the scheme are selected and launched.
2. The 2nd condition regards PDP4 wherein the NFP is obliged to ensure that, for Outcome 4 indicator, the PO shall submit to the FMO for approval the baseline value, together with a description of the data collection method used, no later than six months after the signing of the Project Contract with HM, related to the *"Average audience experience rating (on a scale of 1 to 5), where the baseline is still to be determined"*. Now that the Contract with HM was signed by end December 2018, HM should submit the requested data by end of June 2019. The PO shall be monitoring the progress by HM on PDP4 through regular monitoring/bilateral meetings in order to ensure having the latest updates and adherence to this general conditions agreed upon in the Programme Agreement.
3. As a 3rd condition, the NFP is to ensure that no more than 50% of the total eligible expenditure of the programme is allocated to hard measures i.e. infrastructure. According to the estimates presented in the Application Forms submitted by the PPs, the financial situation at present is as follows:

PDP ref no	Description of Hard Measure	Estimated amount according to AF	Total Eligible Budget	% of hard measures/eligible expenditure
PDP 1	Structural and M&E works	€1,075,000	€2,407,059	45%
PDP 2	No hard measures	0	€941,176	0%
PDP 3	No hard measures	0	€200,000	0%
PDP 4	Structural and M&E works	€1,095,529	€2,015,529	54%
	TOTALS	€2,170,529	€5,563,764	39%ⁱ

Once all tenders involving infrastructure are published and committed, the PO will be in a better position to calculate the total expenditure of these tenders and present the actual percentages to the FMO.

- The NFP shall ensure that refugees and migrants are included in the programme as important target groups, especially in the small grant scheme under the outcome "*Improved quality of life of deprived communities in urban localities*" (4th condition). The NFP shall participate as observer in the Project Stakeholders Committee for projects' selection under the SGS and hence would be in a position to ensure that this target group is given its due importance in the projects. As for the other PDPs, the NFP will monitor the requirement of this condition through the bilateral meetings held with PPs.

With regards to the specific concerns stipulated in Annex B to the MOU, the PDPs awarded funds under the EEA and Norway Grants 2014-2021 are being implemented in conjunction with the programme Local Development and Poverty Reduction. Bilateral relations between the Donor States and Malta shall be strengthened with the aim of stimulating and developing long-term cooperation within all PDPs. In this respect, three (3) PDPs have already commitment from a donor project partner to collaborate with them on their projects. As for the remaining PDP, i.e. PDP 4 – The Malta Maritime Museum: local development through cultural heritage, the NFP as PO, in liaison with the MMM curator and the Norwegian Embassy for Malta in Rome, shall continue in its efforts to find suitable Donor State partners, who are willing to share their knowledge with HM through the Fund for Bilateral Relations.

3.4 Management and control system

The document entitled "Management and Control System Description" (MCSD) was initiated by the NFP, immediately after the signing of the MOUs and by August 2017, the NFP had presented the first draft of the MCSD for the new programme to FMO for their review. The AA opinion was presented to the NFP on 9 November 2018.

The Manual of Procedures compiled by the NFP, was finalised and uploaded on the eufunds.gov.mt website in October 2018. As also pointed in the MCSD, the Manual of Procedures includes a chapter on eligible costs, non-eligible costs and the period of eligibility. This will serve as guidance to both the PPs and the NFP as PO when performing the verification of expenditure.

The NFP appraised the four pre-defined projects on 19 September 2018 after verifying the quality of their presented project description and the project's contribution to the objectives of the programme as well as compliance with EU and national legislation. The project contract was then prepared by the NFP and

ⁱ This excludes equipment which is not considered as hard measure that is infrastructure

forwarded to the project leaders for verification and signing. Signing by both parties to the contracts for the four pre-defined projects were finalised by the end of 2018.

The Computerised Accounting Records System, CARS 1421, went live in March 2018. By the end of the year under review, payments were pending at Treasury level, due to the fact that EEA and Norway Grants accounts for the new programming period were still in the process of being created by the Central Bank. The NFP is liaising with the Treasury Department in order to start recording expenditure at the earliest possible.

In order to ensure that the administrative verifications are robust, as part of the first level of control, the NFP shall carry out physical on-the-spot checks on specific projects. The physical on-the-spot checks shall be starting in January 2019, after the award of contracts on some of the published tenders.

Designation of all bodies concerned was concluded by late October 2018, establishing the management and control systems of the NFP, the AA and the new re-structured CA. The AA presented its opinion in this regard on 9 November 2018. Based on the open observations presented in the designation report dated 31 July 2017 (before the re-structuring of the CA), and the emphasis of matter reported in the previous audit opinion, the AA confirmed its satisfaction that all observations, including the operation of CARS 1421, had been implemented.

C. LEARNING

1. MONITORING

As part of its ongoing monitoring exercise, the PO is envisaging to hold the first bilateral meetings under this programme on the 24-25 January 2019, inviting in the project leaders and the line ministries concerned. These first bilateral meetings with all 4 PDPs shall also be attended by Mr Peder Lund, Country Officer for Malta, and Mr Thorsteinn Bjornsson, former country officer for Malta from FMO, a new practice introduced in this programming period. The bilateral meetings shall thus give the opportunity for the PPs to meet the FMO *in persona* and discuss with them the developments, problems and risks associated with their projects. These bilateral meetings shall be held bi-monthly or according to exigencies.

Complementing these bilateral meetings, the PO shall also conduct desk-based checks once project tenders are contracted, in order to verify that procurement was carried out according to public procurement procedures.

The programme's IT monitoring tool, CARS 1421, is a modern version of the previous IT system used during the previous programming period. Among various enhancements made between one system and another, the main feature of the new one is that it is now web-based and hence has been rendered easily accessible to its users without the need of installing the application. The system is very user-friendly. It shall be offering help screens in order to facilitate document uploading and payment processing for its users especially the project leaders. Training sessions on the system and its functionalities are planned for 2019 by the PO, either on a one to one basis or in groups. The PO is already processing payments related to PO Costs and Technical Assistance through the system.

The monitoring plan for the next reporting period is provided as Annex 5 to this programme report.

2. EVALUATION

The NFP shall be issuing a call for tenders in 2022 for a final ex-post evaluation to be concluded by March 2023. Results of this evaluation exercise will be presented in the Final Combined Strategic and Annual Report.

The Evaluation Plan is provided as Annex 6 to this programme report.

3. LESSONS LEARNED

Taking decisions and carrying out actions based on previous experience on implementation of the programme, the NFP took immediate steps to mitigate and avoid, as much as possible, delays in project implementation due to lengthy procurement procedures. In this respect, MFH started drafting the tender documents, immediately after the signing of the Programme Agreement, in order to make sure that the project will reach its targeted deadlines. In this manner, many preliminary tasks on most of the tenders were actually finalised by the end of the year.

As for the ex-post evaluation tender, the NFP shall plan quite ahead and work on the tender document during 2022, in order to publish the tender at the earliest possible, thus mitigating any risks related to submission and award and thus, allowing ample time for the contractor to work on appropriately collecting data and recording of results.

D. WORK PLAN

The following table is a list of the work plan for 2019.

Period	Activity	Responsibility
January	21-23 January – National Focal Points' Workshop	NFP
	24-25 January – Bilateral meetings	NFP/PO - FMO
February	7-8 February – Training in Financial matter and evaluation and results	NFP-FMO
	20 February – Forecast of likely payments	NFP-CA
	On the spot checks	NFP/PO
March	15 March – IFR	NFP-CA
	20 March – JCBF meeting	JCBF committee
	21 March – Annual meeting	NFP/PO
	Bilateral meetings	NFP/PO
April	20 April – Forecast of likely payments	NFP-CA
	22 April – internal meeting to plan the mid-term communication activity	NFP/PO
May	Bilateral meetings	NFP/PO
July	Bilateral meetings	NFP/PO

September	15 September - IFR 20 September – Forecast of likely payments 30 September – launch drawing competition in secondary schools Bilateral meetings	NFP-CA NFP-CA NFP/PO NFP/PO
October	Communications Workshop	PO
November	JCBF meeting Bilateral meetings Drafting of the Combined Strategic and Annual Report	JCBF Committee NFP/PO NFP/PO
December	17 December – award ceremony to participants of drawing competition	NFP/PO

E. ANNEXES

1. **UPDATED RESULTS (INDICATOR ACHIEVEMENTS)**
2. **COMMUNICATION**
3. **OVERVIEW OF CONTRACTED PROJECTS**
4. **RISK MANAGEMENT**
5. **MONITORING PLAN**
6. **EVALUATION PLAN**

Annex 1: Updated results (indicator achievements)

	Expected programme results	Indicators	Baseline values	Achievements previously reported	Achievements until end December 2018	Target values
	Strengthened social and economic cohesion					
Outcome 1	Improved access to and quality of health services in Malta	Level of satisfaction (by parents) with SI services (on a scale of 1 to 5)	N/A	Nil	0	4
		Number of children and adolescents receiving Sensory Integration (SI) therapy in Malta	0	Nil	0	800
		Number of children and adolescents seeking Sensory Integration (SI) services abroad through the Malta Community Chest Fund or other NGO funding	7	Nil	7	0
		Percentage of blood donations undergoing testing for West Nile Virus	0%	Nil	0%	100%
		Percentage of neonates born in Malta screened for phenylketonuria (PKU) by 2021	0	Nil	0	95%

Output 1.1	Professionals trained in Sensory Integration (SI) Therapy	Number of Occupational Therapists certified in SI (by gender)	0	Nil	0	12
		Number of Physiotherapists trained in SI (by gender)	0	Nil	0	2
		Number of Speech Language Pathologists trained in SI (by gender)	0	Nil	0	2
Output 1.2	Sensory Integration Clinic set up and operational	Number of Sensory Integration Clinics set up	0	Nil	0	1
Output 1.3	PKU screening service developed	Number of Clinical Chemists trained in PKU screening (by gender)	0	Nil	0	1
		Number of Medical Lab Scientists trained in PKU screening (by gender)	0	Nil	0	2
		PKU screening service added to the existing congenital hypothyroidism screening as part of blood spot testing	No	Nil	0	Yes
Output 1.4	Nucleic Acid Amplification (NAT) testing developed	Number of NBTS staff trained in NAT testing (by gender)	0	Nil	0	2
		System and governance for NAT blood testing services in Malta set up	No	Nil	0	Yes

Outcome 2	Improved well-being of vulnerable children and youths	Annual number of children and/ or youth staying at the residential safe house	0	Nil	0	10
		Number of children and youths at risk accessing integrated services (disaggregated by gender, and age)	0	Nil	0	500
		Number of youths (16 -25) in education, employment or training 12 months after having received services	0	Nil	0	50
Output 2.1	Opportunity Knocks (OK) pack developed for children and youth at risk	Number of OK pack copies distributed	0	Nil	0	2000
Output 2.2	A residential safe house for young people (under 18 years of age) set up	Capacity of the residential safe house of youths (in number of beds)	0	Nil	0	20
Output 2.3	Integrated services for children and youths at risk provided	Integrated services (employment facilitation; business start-up skills, confidence building) related to independent living provided	No	Nil	0	Yes
Outcome 3	Improved quality of life of deprived communities in urban localities	Number of vulnerable individuals benefitting from services provided through the Small	0	Nil	0	1000

		Grant Scheme (disaggregated by gender, age)				
		Percentage of residents 'very satisfied' or 'satisfied' with their local council's performance in targeted localities	TBD	Nil	0%	Baseline + 11%
Output 3.1	Public administration staff in targeted localities trained in good governance principles	Number of local councils covered by the training on good governance	0	Nil	0	20
		Number of public administration staff trained in good governance principles (disaggregated by gender)	0	Nil	0	20
Output 3.2	Pilot initiatives under the Small Grant Scheme implemented	Number of pilot initiatives implemented under the Small Grant Scheme by urban local councils	0	Nil	0	6
Outcome 4	Cultural Heritage Management enhanced	Annual number of unique digital visitors to the Malta Maritime Museum	16000	Nil	0	21000
		Annual number of visitors to the Malta Maritime Museum	20281	Nil	0	25351
		Average audience experience rating (on a scale of 1 to 5)	TBD	Nil	0	(+1)
		Number of jobs created at the Malta	0	Nil	0	4

		Maritime Museum (disaggregated by gender, age)				
Output 4.1	Malta Maritime Museum restored and upgraded	Number of Malta Maritime Museum assets digitised	0	Nil	0	2600
		Structural upgrade of the Malta Maritime Museum completed	No	Nil	0	Yes
		Total area of visitor facilities, museum and exhibition space added to the Maritime Museum (in m ²)	1086m ²	Nil	0	1629m ²
Output 4.2	Innovation presentation of the Malta Maritime Museum's collection supported	Number of events targeting audience development	0	Nil	0	6
		Number of new temporary exhibitions displaying Malta Maritime Museum objects	0	Nil	0	3
Bilateral outcome	Enhanced collaboration between Malta and the Donor State entities involved in the programme	Level of satisfaction with the partnership (disaggregated by state type)	TBD	Nil	0	≥4.5, and an increase on the baseline value
		Level of trust between cooperating entities in Beneficiary States and Donor States (disaggregated by state type)	TBD	Nil	0	≥4.5, and an increase on the baseline value
		Share of cooperating organisations that	N/A	Nil	0	≥50%

		apply knowledge acquired from bilateral partnerships (disaggregated by State type)				
Bilateral output 1	Exchange of knowledge and experience between Maltese and Donor State entities facilitated	Number of projects involving cooperation with a donor project partner (disaggregated by Donor State)	0	Nil	0	3
		Number of staff from Donor States in exchanges (disaggregated by gender, Donor State)	0	Nil	0	6
		Number of staff from Malta in exchanges (disaggregated by gender, Donor State)	0	Nil	1	6

Annex 2: Communication summary

a. Visibility of the Grants and the donors

As part of the Programme closure of the EEA and Norway Grants 2009-2014, in January and February 2018, the NFP/PO promoted the EEA and Norway Grants on the local buses, thus reaching an average of 400 passengers travelling by bus per day and a total of 100,000 car drivers on the road during the rush hour traffic.



Figure 14: Local bus with advert of the EEA and Norway Grants

Also as part of this closure exercise, the NFP and NFP as PO advertised the successful stories of its 5 predefined projects by means of a 35" video aired on the national TV station - Public Broadcasting Services (PBS) during the Eurovision Song Contest held in May 2018 and during the World Cup held in June and July 2018, with a view to inform a wide audience about these grants, hence promoting the new programming period 2014-2021.

A booklet highlighting the successful stories of the projects and other bilateral initiatives undertaken under the EEA and Norway Grants 2009 – 2014, was published on 27 August 2018.

On 5 June 2018, the NFP and NFP as PO signed the Programme Agreement for the EEA and Norway Grants 2014-2021 together with the Donor States. This event was given high prominence and coverage on the local media, especially during the evening news. A short video promoting the SIT Therapy was also prepared for the occasion and also given extensive coverage on the national TV station.

The Programme launch was then held on 12 September 2018. The Press was also present for this occasion. This time, a short video related to the outcomes of PDP 2 - Opportunity Knocks was prepared and showed during the event. This event was also mentioned in the evening news of that day on the national TV station.

The NFP and NFP as PO procured a roll-up banner which was, and will be, used in various activities such as the Programme Signing, the Programme Launch, Annual meetings and the JCBF meetings.



Figure 15: Roll-up banner

PDP 1 - *Reduction in social inequalities in health and the burden of disease* was also given high importance during a morning television talk show. During this TV show, Ms Ruth Cutajar, an Occupational Therapist, gave information to the general public regarding what is autism and the plan for the establishment of a clinic to provide screening services for children with autism and Sensory Integration Therapy for all those who might need it. She also explained that these services were not provided before to autistic children and children suffering from sensory integration and it is thanks to the EEA and Norway Grants that our children shall now be benefitting from such therapeutic services.

b. Website and social media

Continuing on the web strategy followed during the programming period 2009-2014, on 1 September 2017, the NFP/PO started to provide general information about the EEA and Norway Grants on the dedicated joint webpage: eeanorway2014-2021.gov.mt under the general website created for the Funds and Programmes Division (acting as the NFP) namely eufunds.gov.mt. The webpage 2009-14 has been kept for information and record purposes, while the new dedicated joint webpage was developed for the new programming period 2014-2021. The NFP continued promoting the EEA and Norway grants on the dedicated page of the Ministry's website providing up-to-date information on all projects.

A new responsive website <http://www.eufundsmalta.gov.mt/>, which is also more user friendly, was created in mid-April 2018. This website offers information to the public on every project under every Fund being EU and Bilateral.

FUNDS AND PROGRAMMES DIVISION

The Funds and Programmes Division (FPD) was set up in July 2011 as part of an administrative structure required to handle the management of EU Funds (with the exception of Structural Funds and the Cohesion Fund) and other Funds allocated to Malta and to provide guidance and support to the focal points of the EU and other Programmes that are managed directly by the European Commission or other EU institutions.

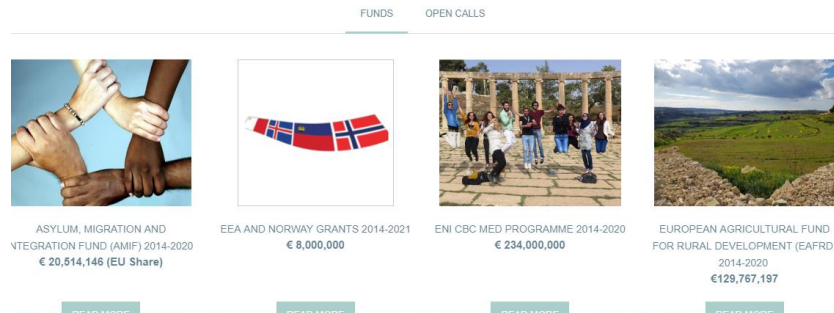


Figure 16: Screen shot of the eufundsmalta.gov.mt website

c. Best practice examples

As already mentioned above, two projects under the EEA and Norway Grants 2014-2021 were already mentioned during two important events, namely during the signing of the Programme Agreement and the Programme Launch. PDP1 – *Reduction in social inequalities in health and the burden of disease* was given the limelight during the signing of the Programme Agreement with a short video on SIT therapy. In this video, a parent explained the positive affect that the new SIT clinic will have on her autistic child. This short video was also published on YouTube. The second video promoting project PDP 2 – *Opportunity Knocks (OK)* was given the limelight during the Programme Launch. This video was also published on YouTube. Both videos were also uploaded on the eufundmalta.gov.mt website.

d. Multimedia

The following links refer to media coverage during the signing of the Programme Agreement.

https://www.youtube.com/watch?time_continue=9&v=haMLrAD30BE

<http://www.one.com.mt/news/2018/06/05/e8-miljun-biex-jghinu-l-inkluzjoni-socjali-u-jiprotegu-l-wirt-kulturali-malti/>

<https://www.tvm.com.mt/mt/news/skola-primarja-se-tigi-attrezata-ghat-tfal-bl-awtizmu/>

<https://www.timesofmalta.com/articles/view/20180605/local/malta-to-benefit-from-8-million-for-the-reduction-of-social.680976>

<https://www.gov.mt/en/Government/Press%20Releases/Pages/2018/June/05/PR181277.aspx>

The following links refer to media coverage for the Programme Launch event.

<https://youtu.be/loFDBIcRFRM>

<https://www.youtube.com/watch?v=nylqtJvjgxA>

http://uploads.maltatoday.com.mt/news/national/89442/transparency_training_for_local_councils_among_projects_to_be_implemented_under_norwegian_funds#.W5ovsZMzZmA

<https://www.timesofmalta.com/articles/view/20180912/local/8-million-in-grants-for-urban-development-and-poverty-reduction.688986>

<https://www.tvn.com.mt/en/news/funds-from-norway-to-be-used-in-malta-to-detect-rare-disease-found-in-newborns/>

<http://www.one.com.mt/news/2018/09/12/ihabbar-bi-8-miljun-ewro-fprogetti-socjali-ffinanzjati-minn-norvegia/>

Link to live programme during which Ms Ruth Cutajar spoke about Sensory Integration Therapy and Autism.

[http://dropdl-us.affixa.com/b0xRwR/tvam-235-video_Trim+\(2\)_Trim.mp4](http://dropdl-us.affixa.com/b0xRwR/tvam-235-video_Trim+(2)_Trim.mp4)

Annex 3: Overview of contracted projects

	Projects	#	# of donor project partners	Amount contracted ^j (in €)	% of outcome budget contracted
Outcome 1: Improved access to and quality of health services in Malta	Pre-defined	PDP 1	1	2,407,059	100
	Total outcome 1			2,407,059	
Outcome 2: Improved well-being of vulnerable children and youths	Pre-defined	PDP2	1	941,176	100
	Total outcome 2			941,176	
Outcome 3: Improved quality of life of deprived communities in urban localities (grant schemes and training in good governance)	Pre-defined	PDP 3	1	200,000	50
	Contracted through small grant scheme	SGS	1	1,123,764	0
	Total outcome 3			1,323,764	
Outcome 4: Cultural heritage management enhanced	Pre-defined	PDP4	0	2,015,529	100
	Total outcome 4			2,015,529	
Programme	Total			6,687,528	

^j The total maximum amount committed to projects

Annex 4: Risk management

Programmatic risks									
Risk description	Risk related to	Likelihood	Consequence	Risk score	Response type	Description of planned response	Description of actual response	Comments	Risk N/A?
Inadequate programme/project strategy or processes of the whole programme	Both objectives	1		2.00	Avoid/terminate	The NFP/PO will be monitoring closely the implementation of all pre-defined projects through on the spot checks, bilateral meetings as well as risk assessment exercises, in order to identify and address any problems emerging from the implementation in real time and solve at the earliest possible so as to avoid stalling of any activities.	No action taken to date since implementation of projects has not started yet.		delete
Inadequate programme/project strategy or processes of the Small Grants Scheme (SGS)	Reducing social and economic disparities	2	4	2.83	Transfer/share	The NFP shall be entrusting the management of the Schemes to the LDG, being the only government entity in charge of the Local Government/Councils and acknowledging their experience in schemes issued to local councils.	The NFP entrusted the management of the schemes to LGD and has drafted the covenant which is being reviewed by the LGD		delete
Technological issues related to CARSII	Both objectives	2	3	2.45	Mitigate	IT Support contract is ongoing with the government IT agency. Training on the system will be given to all end-users, especially responsible personnel from the project promoters, line Ministries, CA and AA. A Manual/Guideline on the use of this system will be made	CARS II is now at operation stage and payments are already being processed through the system. Training shall		delete

						available during the training sessions and for future reference.	be given to the project leaders in January 2019.		
Obtaining permits	Reducing social and economic disparities	2	2	2.0	Accept	Planning and building permits are out of the control of both PO and PP. Most of the basic permits are already in hand and hence the risk is limited. Yet contingency changes to these permits might be required in specific cases like for example the Maritime Museum, being so structurally old (1800's) and with the possibility of revealing new archaeological findings	The NFP/PO shall be monitoring planning permits through bilateral meetings with the PPs		
Lack of time for proper implementation	Both objectives	2	2	2.45	Mitigate	The NFP/PO will endeavour to mitigate this risk by making sure that the PPs submit a realistic and achievable milestone plan before the signing of the Programme Agreement. During implementation, the NFP/PO will follow up closely on the project activities and timelines to ensure adherence to this time plan as accurately as possible.	The milestone plan was submitted to the NFP/PO. NFP/PO will follow up with PPs when implementation starts		
Operational risks									
Risk description	Risk related to	Likelihood	Consequence	Risk score	Response type	Description of planned response	Description of actual response	Comments	Risk N/A?
Possible delays in procurement	Reducing social and economic disparities	2	2	2.00	Mitigate	Regular contact between NFP/PO and PP and timely necessary action taken by the Head of NFP/PO through contacts with the Department of Contracts.	This shall be followed through bilateral meetings with the PPS and communicated		delete

								to the Department of Contracts accordingly	
Tender offers exceeding available budget	Reducing social and economic disparities	2	2	2.00	Mitigate	Detailed Market Research will be conducted before the publication by the PP. But in case of fluctuations in prices, consultations between NFP/PO and Ministry for Finance will be carried out in order to cover the increased outlay of costs.			delete
Tender offers found technically non compliant during the evaluation process	Reducing social and economic disparities	3	3	3.00	Accept	PPs will be encouraged to organise clarification meetings/site visits during the procurement procedure in order to avoid such occurrences. Regular contact between NFP/PO and PP in order to allow sufficient time in the issuance of tenders, where possible.			delete
Eventuality of appeals lodged following publication of further results	Reducing social and economic disparities	2	4	2.83	Accept	Encourage PPs to conduct adequate market research and include all the necessary information in the tender dossier. Regular contact will be kept between NFP/PO and PP in order to allow sufficient time in the issuance of tenders, where possible.			
Retain the right staff in adequate numbers	Both objectives	2	2	2.00	Mitigate	Higher financial packages will be offered to the staff. Better communication between senior management and officers.	At the moment the only missing staff complement is the Senior Manager. Efforts are being done to		

									recruit new officers		
	<u>Likelihood</u>	<u>Consequence</u>	Risk score								
OVERALL RISK OF THE PROGRAMME	2	3	2.71								

Annex 5: Monitoring plan

Project #	Project name	Monitoring action	Planning timing: Q1, Q2, Q3, Q4	Criteria for monitoring (especially for site visits)	Risk issue with the project (if applicable)	Comments
All	All	Computerised Accounting Records System (CARS 1421)	Ongoing	Financial management, monitoring of expenditure and project implementation, verifications	Not related to any specific risk.	
All	All	Regular contact with Project Promoter	Day by day	Continuous monitoring through phone calls and emails	Not related to any specific risk	Ongoing monitoring which shall augment in January 2019 with the start of project implementation
All	All	Bilateral meetings	Bi-monthly starting from Q1 of 2019	Periodical reporting	Not related to any specific risk	
PDP1	Reduction in social inequalities in health and the burden of disease	SIT meetings	Every month starting from Q4 of 2018	General progress related to SIT project. Discussion relate mainly to procurement i.e. tender statuses	Not related to any specific risk	
PDP3	Training of Local Staff in Principles of Good	Project Selection Committee	Expected to start in Q1 of 2019	The NFP shall assist as observer in the whole	Not related to any specific risk	

	Governance, Transparency and Accountability			process of the Small Grant scheme being the establishment of the Terms of reference to the call to be published		
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Annex 6: Evaluation plan

Programme Information				Evaluation Information							
Programme # and title	Sector	Duration (Start/End)	Budget (EUR)	Type of Evaluation Formative/ Summative Impact/ Implementation	Evaluation Objectives Reason and learning goals	Timing Mid-term or Final Evaluation (ex post) Year	Data needs and collection methods Reports; interviews; surveys; other	Evaluation Start/End Date	Evaluation Budget (EUR)	Past Evaluations (if any): Type and Completion Date	Learning and Knowledge Sharing Who will benefit from the evaluation? How will findings be shared?
PA 10 – Local Development and Poverty Reduction		5 June 2018/ 31 December 2024	20,000	Both formative and summative	The final ex-post evaluation shall assess the objective of the EEA and Norway Grants 2014-2021 Programme i.e. Local Development and Poverty Reduction through the four pre-defined projects and the small grant scheme. The evaluator shall	Final ex post evaluation 2023-2024	Reports, statistics, interviews	2023-2024	20,000	Formative and Summative ex-post evaluation of EEA & Norway FMs 2009-2014 – Completion date 2018	The National Focal Point. The evaluation document shall be uploaded on the website.

					assess the results achieved, their impact and the problems encountered during implementation						
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