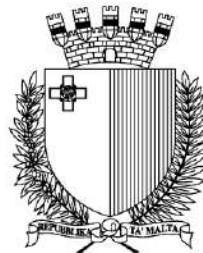




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OFFICE OF THE DEPUTY
PRIME MINISTER
MINISTRY FOR EUROPEAN AFFAIRS

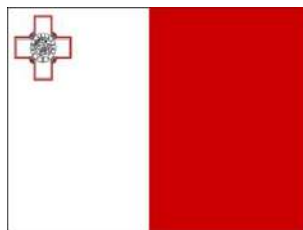
SEGRETARJAT PARLAMENTARI GĦALL-
PRESIDENZA UE 2017 U GĦALL-FONDI
EWROPEJ

PARLIAMENTARY SECRETARIAT FOR
THE EU PRESIDENCY 2017 AND EU
FUNDS

Monitoring Committee European Fisheries Fund 2007-2013

Investing in sustainable fisheries

Part 1: Annual Implementation Report 2013 07 May 2014



Fisheries Operational Programme 2007–2013
Programme part-financed by the European Union
European Fisheries Fund [E.F.F.]
Co-financing rate: 75% E.U. Funds, 25% National Funds



Investing in sustainable fisheries

Overview

Annual Implementation Report 2013

- Qualitative analysis per Priority Axis [P.A.];
 - ❖ P.A. 1: Measures for the adaptation of the Maltese fishing fleet.
 - ❖ P.A. 2: Aquaculture, processing and marketing of fishery and aquaculture products.
 - ❖ P.A. 3: Measures of common interest.
 - ❖ P.A. 5: Technical Assistance.
- Physical progress per Priority Axis.
- Financial information per Priority Axis.
- Monitoring arrangements.
- Problems encountered and mitigating measures.
- Information and publicity.
- Information about compliance with Community law.
- Complementarity with other Instruments.

Qualitative analysis: P.A. 1

Measure 1.1

Public aid for permanent cessation of fishing activities

- A fourth permanent cessation scheme was launched on 27 November 2013 to further reduce the fishing capacity of the Maltese fleet.
- The call was issued by the Intermediary Body [I.B.] via a press release on its ministerial website, then followed by a Government Gazette notice. Online/printed publication of results was accompanied by award/rejection letters.
- I.B. signed a grant agreement with five eligible applicants who owned bottom otter trawlers or lampara crafts. Total public funds contracted reached the €1,193,589.19 mark with €895,191.90 constituting the E.F.F. segment.



Qualitative analysis: P.A. 1 [cont./ii]

- By the end of 2013, five fishing vessels and their owners' trawling/lampara licences had been permanently deleted from respective registers, whilst the contracted sum was fully disbursed on 20 December of the same year.
- The fourth permanent cessation aid scheme resulted in a further reduction of 1,772.90 kW and 273.93 G.T. [Gross Tonnage] from the Malta Fishing Register.
- When the outcome obtained through the four schemes is analysed collectively, it transpires that the local Register has been downsized by a grand total of 4,757.13kW and 635G.T. [from 2010-2013]. Management Plans/Fisheries Effort Adjustment Plans updated and published.



Qualitative analysis: P.A. 1 [cont./iii]

Measure 1.3

Investments on board fishing vessels and selectivity

- The first modernisation call was launched in March 2010 and 33 grant agreements were then signed by the I.B. [in charge of aid schemes] and beneficiaries.
- Checks were carried out regularly throughout 2012 – the Managing Authority [M.A.] was able to pin-point cases of irregular expenditure and recover it till December 2013.
- On 14 September 2013, a second scheme was launched with only one application being submitted. This was later declared as ineligible by the Project Selection Committee [P.S.C.].



Qualitative analysis: P.A. 1 [cont./iv]

Measure 1.4

Socio-economic compensation for the management of the Community fishing fleet

- A complement of 827 fishers were provided with training under an E.F.F.-financed project during 2010-2011.
- €111,853.64 were certified to the Commission under this measure in 2013 adding up to a total of €224,401.04 and a corresponding E.F.F. share of €168,300.78.
- In 2013 the M.A. and the I.B. held meetings with regards to a second training course tackling navigation skills. No applications were submitted in respect of a call launched on 28 June 2013.

Information on the physical progress of P.A. 1

P.A. 1: Measures for the adaptation of the fishing fleet	Achieved in 2013	Achieved to date
<p>Indicator 1 Long Liners to be scrapped by end 2015 B.F.T. - 20 Swordfish - 19</p> <p>[Representing the scrapping of vessels adding up to a capacity of 361.85 G.T. and 2,984.23 kW]</p>	<p>Bottom otter trawlers – 4 lampara – 1</p> <p>1,772.90 kW and 273.93 G.T.</p>	<p>4,757.13 kW and 635 G.T. - a 1.71% overall reduction was achieved for fishing vessel licences</p>
<p>Indicator 2 Vessels to be modernised by end 2015 15</p>	<p>N/A</p>	<p>33 Grant Contracts under the investment on board fishing vessels and selectivity were signed</p>
<p>Indicator 3 Vessels with engines replaced by end 2015 under this Operational Programme 2</p>	<p>N/A</p>	<p>N/A</p>
<p>Indicator 4 Fishers having received training during the period 2007-2013 800</p>	<p>N/A</p>	<p>827 fishers received training between December 2010 and March 2011</p>

P.A. 1: financial information

P.A. 1: Measures for the adaptation of the Maltese fishing fleet	Public eligible 100%	E.F.F. share 75%	National allocation 25%
Paid by the Treasury until 2013	€3,736,493.96	€2,802,370.47	€934,123.49
Verified by the M.A. until 2013	€3,732,782.25	€2,799,586.68	€933,195.56
Certified by the Certifying Authority [C.A]. until 2013	€3,732,782.25	€2,799,586.68	€933,195.56
Net amount received from the European Commission [E.C.] in 2013 [post-I.R.s]		€ 419,742.46	
Total budget allocation P.A .1 [2007-2013]	€3,913,983.00	€2,935,488 .00	€978,495.00

Qualitative analysis: P.A. 2

- Three aid schemes were launched under this P.A. by the I.B. in August 2012, targeting: [i] productive investments in aquaculture; [ii] aqua-environmental measures; and [iii] processing and marketing.
- The available budget amounted to €1.5 million.
- Two applications were lodged under Measure 2.1. A late application under Measure 2.3 was rejected.
- In 2013 the Project Selection Committee duly concluded the process of evaluation - just one beneficiary signed an agreement [under Measure 2.1] in May, for a grant value of €686,295.96.



Qualitative analysis: P.A. 2 [cont./ii]

Measure 2.1

Productive investments in aquaculture

- Project consisted of new aquaculture equipment such as cages and chains. The beneficiary procured all line items as stipulated in grant agreement. I.B. officials conducted on-the-spot checks to verify the delivery of material prior to end of December 2013.
- On 30 October 2013, the I.B. and M.A. jointly conducted an on-the-spot check on the cages present in the area of St. Paul's Islands.
- A total of €195,769.38 [public eligible] was processed via the E.F.F. Database under this measure in 2013.



Qualitative analysis: P.A. 2 [cont./iii]

Measure 2.3

Investments in Processing and Marketing

- A call under this measure had been issued in September 2010. Two grant agreements were agreed upon between the I.B. and beneficiaries in 2011.
- The total public eligible budget amounts to €780,006 and both projects had to reached closure by end of 2013.
- Projects tackle investment in fish processing inclusive of premises modernisation as well as hygiene improvement with a view to support overall quality enhancement.
- Public eligible amount [40%] paid and certified by end of last year reaches €161,060.06.

Information on the physical progress of P.A. 2

P.A. 2: Aquaculture, processing and marketing of fishery and aquaculture products	Achieved in 2013	Achieved to date
Indicator 5 New species cultivated by end of 2015 1	1	1
Indicator 6 Fish farms having been assisted under this O.P. to export closed-cycle species by 2015 2	1	1
Indicator 7 Number of existing processing and packaging facilities, modernised by end of 2015 2	1	1

P.A. 2: financial information

P.A. 2: Aquaculture, processing and marketing of fishery and aquaculture products	Public eligible 100%	E.F.F. share 75%	National allocation 25%
Paid by the Treasury until 2013	€658,122.63	€493,591.97	€164,530.65
Verified by the M.A. until 2013	€357,251.57	€267,938.66	€89,312.89
Certified by the C.A. until 2013	€357,251.57	€267,938.66	€89,312.89
Net amount received from the E.C. in 2013 [post-I.R.s]		-€5,494.43	
Total budget allocation P.A .2 [2007-2013]	€1,213,314.00	€909,986.00	€303,328.00

Qualitative analysis: P.A. 3

Measure 3.1

Fishing ports, landing sites and shelters

- A group of twelve service pillars were financed in 2011 to provide electricity together with fresh water supply to the fishing community of Marsaxlokk. Follow-up checks were eventually pursued so as to verify adherence to publicity obligations and the physical state of the said pillars.
- Four calls were launched under this Axis in 2012 with the M.A. committing most of the allocated budget.
- Restricted call aimed at developing new infrastructure for suitable fish landing and storage in designated ports was issued on 25 May 2012 [call rejected by the M.A.].



Qualitative analysis: P.A. 3 [cont./ii]

- Call was launched again by M.A. [25 June 2012] and the then Fisheries Control Directorate [F.C.D.] presented an application. Conditionality letter issued on 05 September following the Selection Committee's recommendations. A grant agreement was signed on 05 June 2013.
- The Mgarr Gozo landing site project is currently in a well advanced construction/equipping stage.
- The M.A. also launched a restricted call within this same measure in 2013. Three applications were submitted and approvals [through conditionality letters] circulated on 20 December. Grant agreements being finalised. The funds committed sum up to €1,757,883.25. Wide geographical distribution: Marsa, M'Forn, M'Scala, M'Xlokk, St. Paul's.



Qualitative analysis: P.A. 3 [cont./iii]

- A restricted call for the construction of a new fish market was issued back in 16 July 2012. Application submission by F.C.D..
- Grant agreement was signed on 21 November 2012, for a reimbursable amount of €2,935,877.00.
- A contract for the demolition of a former reverse osmosis plant was awarded as well. Project works commenced in September 2012 and had reached an advanced stage of near-completion by December 2013.
- €676,763.08 certified to the Commission in 2013, with a corresponding E.F.F. contribution [75%] of €507,572.31.

Qualitative analysis: P.A. 3 [cont./iv]



Service pillar, Marsaxlokk



Construction works at the new fish market site, Marsa





Qualitative analysis: P.A. 3 [cont./v]

Measure 3.2

Development of new markets/promotional campaigns

- The call for a promotional campaign was released by the M.A. on 08 November 2012.
- The M.A. held an info. session on 20 November and one application from the ex-Ministry for Resources and Rural Affairs [M.R.R.A.] was received.
- Allocated budget reaches €1 million. Conditionality letter was sent to M.R.R.A. on 06 March 2013. The ministerial changes brought about by the 2013 general election had slowed down the procurement process, although by end 2013, tenders were being drafted with the cooperation of the Department of Contracts [D.O.C.].

Information on the physical progress of P.A. 3

P.A. 3: Measures of common interest	Achieved in 2013	Achieved to date
<p style="text-align: center;">Indicator 8</p> <p style="text-align: center;">Ports having the necessary facilities for the landing and storage of fish 4</p>	<p style="text-align: center;">N/A</p>	<p style="text-align: center;">N/A</p>
<p style="text-align: center;">Indicator 9</p> <p style="text-align: center;">The relocation of the fish market by 2015</p>	<p style="text-align: center;">One ongoing project</p>	<p style="text-align: center;">One ongoing project</p>
<p style="text-align: center;">Indicator 10</p> <p style="text-align: center;">A nominal increase in the national per capita consumption of fish from 2006 to 2015</p>	<p style="text-align: center;">Promotional campaign approved</p>	<p style="text-align: center;">N/A</p>

P.A. 3: financial information

P.A. 3: Measures of common interest	Public eligible 100%	E.F.F. share 75%	National allocation 25%
Paid by the Treasury until 2013	€1,758,575.18	€1,318,931.38	€439,643.79
Verified by the M.A. until 2013	€1,758,575.22	€1,318,931.41	€439,643.80
Certified by the C.A. until 2013	€1,758,575.22	€1,318,931.41	€439,643.80
Net amount received from the E.C. in 2013 [post-I.R.s]		€1,106,547.31	
Total budget allocation P.A .3 [2007-2013]	€5,309,806.00	€3,982,355.00	€1,327,451.00

Qualitative analysis: P.A. 5

- Monitoring Committee meetings.
- Publicity and promotional material.
- Administrative capacity.
- Preparation for the future programme.



P.A. 5: financial information

P.A. 5: Technical Assistance	Public eligible 100%	E.F.F. share 75%	National allocation 25%
Paid by the Treasury until 2013	€431,870.74	€323,903.05	€107,967.68
Verified by the M.A. until 2013	€429,860.60	€322,395.45	€107,465.15
Certified by the C.A. until 2013	€429,860.60	€322,395.45	€107,465.15
Received from the E.C. in 2013		€110,119.23	
Total budget allocation P.A .5 [2007-2013]	€726,000.00	€544,500.00	€181,500.00

Monitoring arrangements

Day-to-day management

- Daily monitoring.
- Internal staff meetings.
- E.F.F. database permits all officers to closely monitor the contracting and disbursement progress.

Monitoring Committee

- An M.C. meeting was held on 18 April 2013.
- Approval of Annual Implementation Report [A.I.R.] 2012 and budget shifts among other issues.

On-the-spot checks

- Geared for the purpose of sound financial management.
- Divided in documentary and physical checks.



Monitoring arrangements [cont./ii]

Intermediate Bodies network

- Formal I.B. forum discussing implementation issues and common solutions to common problems.
- The network offers bodies which implement aid schemes the opportunity to impart experiences whilst ameliorating coordination and secure consistency during the measure implementation process.
- The M.A. participated in two meetings on 15 May and 24 October 2013 respectively. Themes like the demarcation between separate programmes, on-the-spot checks and crucial audit findings were openly discussed.



Monitoring arrangements [cont./iii]

Audit reports

- Following four audit on operations reports and also three system audit reports composed by the Internal Audit and Investigations Department [I.A.I.D.] throughout 2013, the Audit Authority ascertained that the management/control systems in place at the M.A. are effective.
- No problems of a systemic character were identified. The issues flagged in 2012 reports were tackled in 2013, with preventive actions employed in order to avoid any similar difficulties in the future.
- Annual Control Report 2013 found no recurring errors.



Problems encountered

- The E.F.F. Unit's Senior Manager within the M.A. moved to another post. However, he still followed and managed the programming for the new 2014-2020 Fund, amongst other tasks.
- Specific technical expertise necessary for the successful execution of on-the-spot checks [for example the service of Fisheries Protection Officers].

Information and publicity

- The M.A. set up a dedicated website for the E.F.F. which is now online since 2012 and includes data ranging from regulations to calls for proposals.

https://secure2.gov.mt/fpd/links_downloads

<http://eufunds.gov.mt/en/Pages/Home.aspx> [new site]

- Detailed Guidance Notes issued with every call.
- E.F.F. Visual Identity Guidelines [V.I.G.] were revised by the M.A., therefore facilitating adherence to publicity and information obligations from the beneficiaries' part;
- Promoting the Operational Programme's achievements:
 - [i] M'Xlokk Fish Fest [14 September 2013];
 - [ii] 'Għall-Kenn tal-Port fil-Menqa tal-Marsa' [13 October 2013].



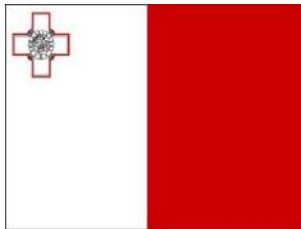
Complementarity with other instruments

- The M.A. has attended the Inter-Ministerial Co-ordination Committee [I.M.C.C.] meetings organised on 15 May and 30 October 2013 respectively.
- Double funding checks were carried out as instructed by the said Committee. No cases were identified.

Monitoring Committee European Fisheries Fund 2007-2013

Investing in sustainable fisheries

Part 2: Implementation Update 07 May 2014



Fisheries Operational Programme 2007–2013
Programme part-financed by the European Union
European Fisheries Fund [E.F.F.]
Co-financing rate: 75% E.U. Funds, 25% National Funds



Investing in sustainable fisheries

Tasks carried out in 2013

- Manual of Procedures and Operational Programme revision.
- Addendum to covenant between M.A. and I.B..
- Annual Implementation Report 2013.
- Regular meetings with the I.B. and stakeholders.
- Attended E.F.F. committees, expert groups as well as training in Brussels and elsewhere.
- Regular on-the-spot checks.
- 2013 disbursement target was reached and exceeded.
- Preparation for the European Maritime and Fisheries Fund for programming period 2014-2020.

Financial overview

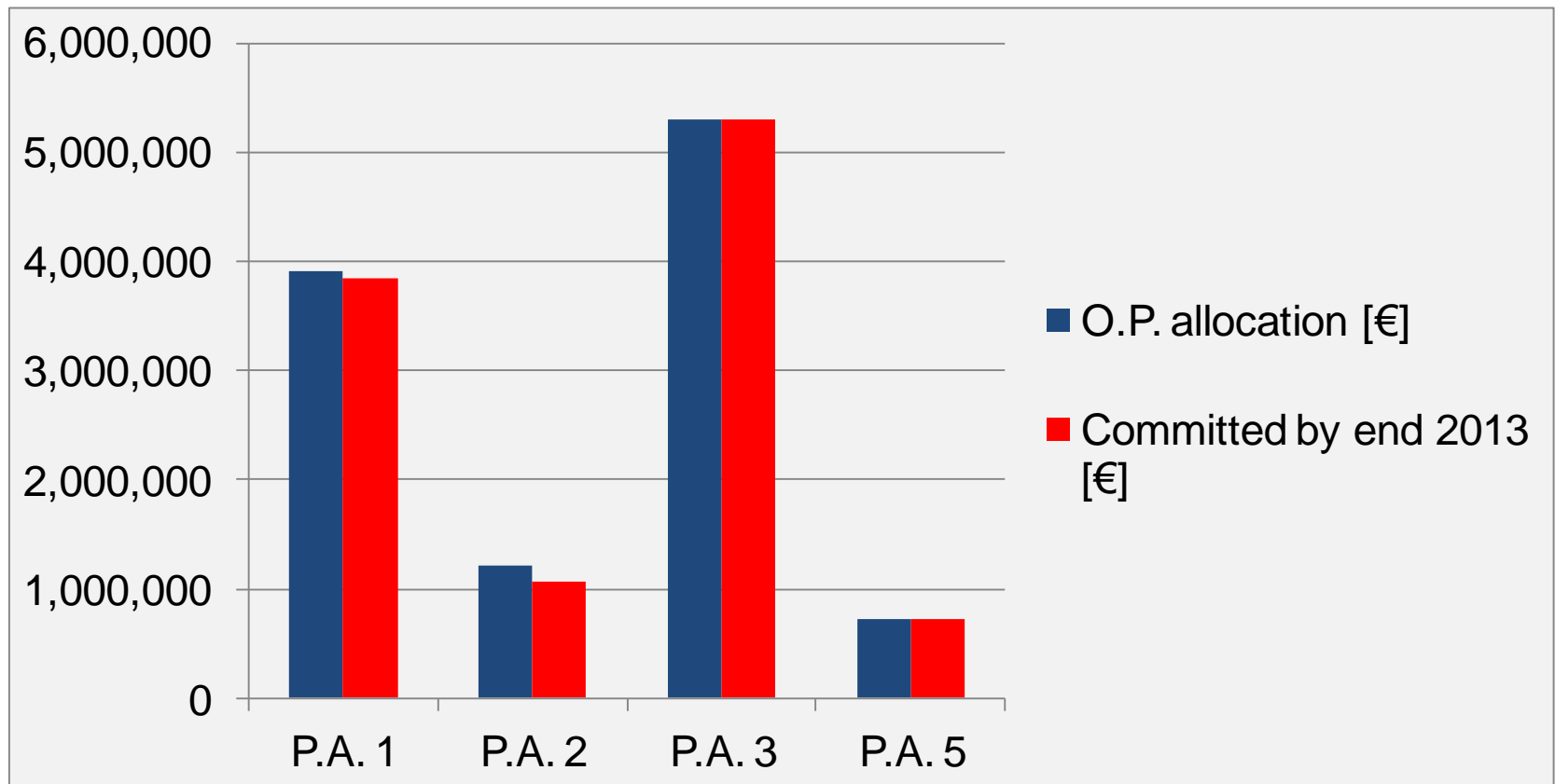
As of December 2013: public eligible amounts

Description	E.F.F. [E.U. funds + Malta funds]
O.P. financial allocation	€11,163,103.00
Committed value	€10,947,699.64
% O.P. financial allocation	98.07%
Paid by Treasury	€6,585,062.51

Approved projects per P.A.

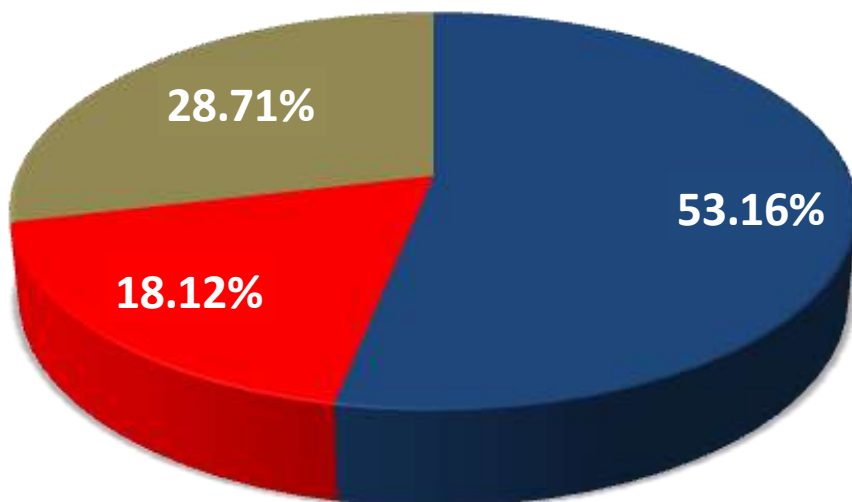
Priority Axis	No. of projects/aid schemes	Amount committed (€)	O.P. allocation (€)	% committed
1	7	€3,847,304.96	€3,913,983.00	98.29%
2	3	€1,064,587.53	€1,213,314.00	87.74%
3	7	€5,309,807.15	€5,309,806.00	100%
5	1	€726,000.00	€726,000.00	100%
Total	18	€10,947,699.64	€11,163,103.00	98.07%

Commitment values in projects and aid schemes



P.A. 1: disbursement in 2013

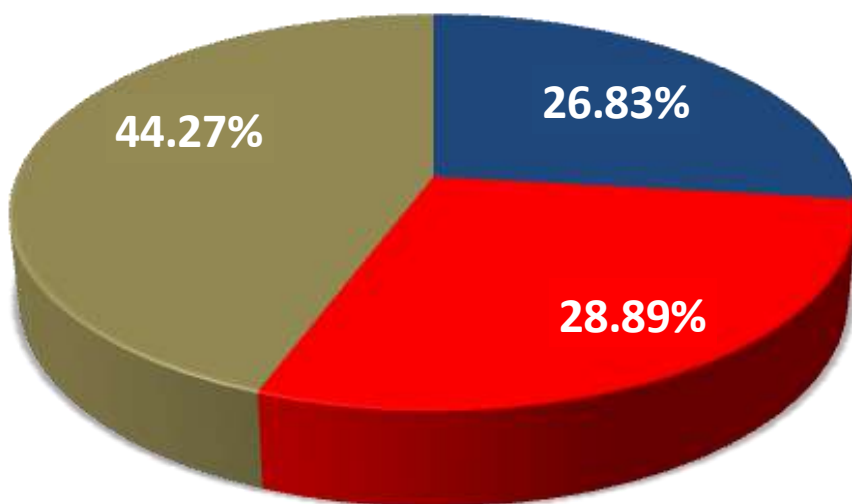
% amounts [Treasury]



- Disbursed 2010-2011
[€1,986,613.42]
- Disbursed 2012
[€677,103.00]
- Disbursed 2013
[€1,072,777.54]

P.A. 2: disbursement in 2013

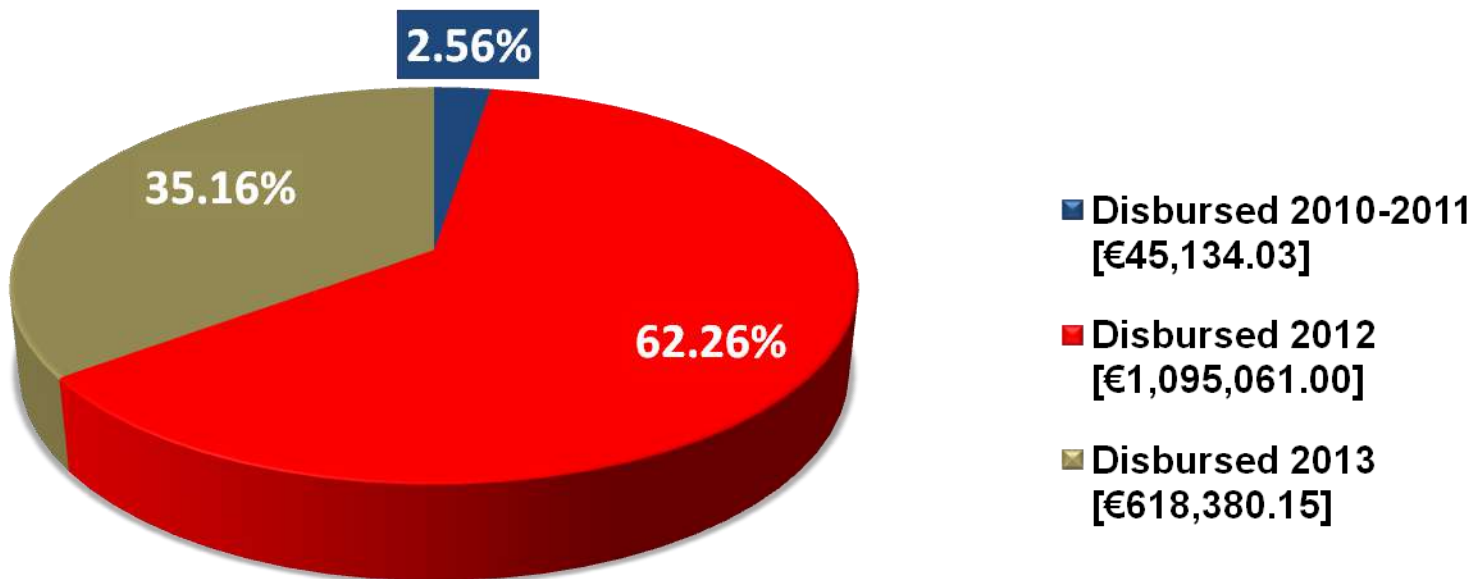
% amounts [Treasury]



- Disbursed 2010-2011
[€176,578.00]
- Disbursed 2012
[€190,137.26]
- Disbursed 2013
[€291,407.63]

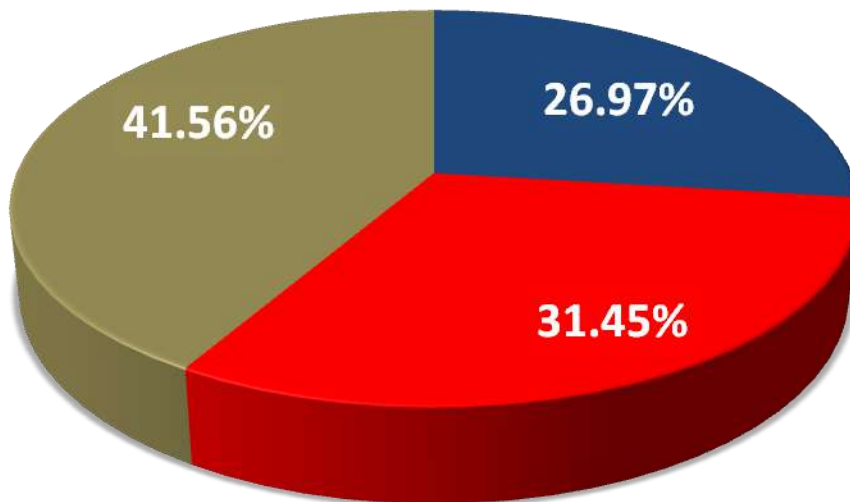
P.A. 3: disbursement in 2013

% amounts [Treasury]



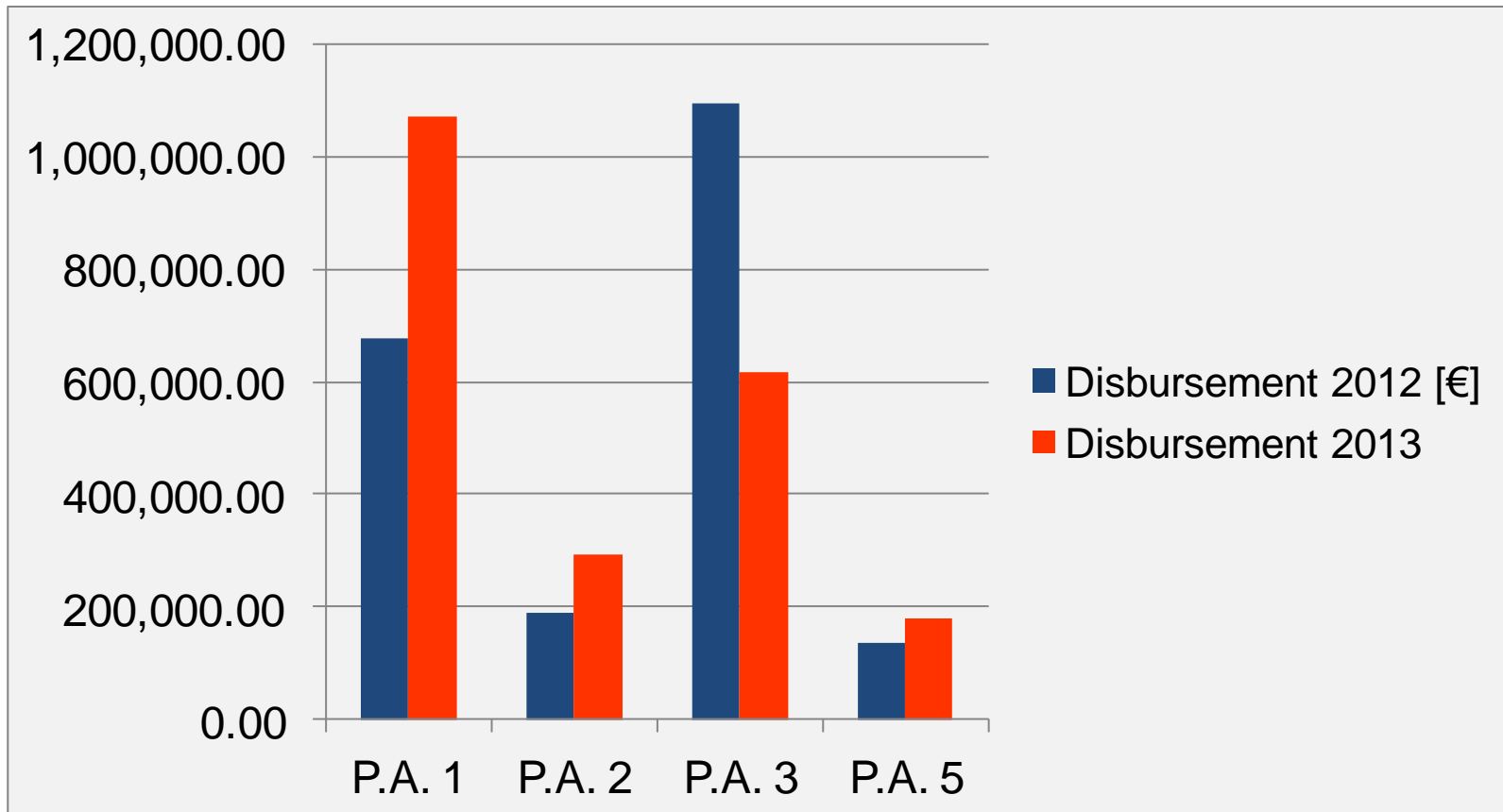
P.A. 5: disbursement in 2013

% amounts [Treasury]



- Disbursed 2010-2011
[€116,515.06]
- Disbursed 2012
[€135,856.00]
- Disbursed 2013
[€179,499.62]

Overall disbursement by the Treasury for 2013



Financial control: verified and certified amounts

January-December 2013: public eligible amounts

Description	E.F.F. [E.U. Funds + Malta Funds]
Verified amount	€2,303,368.84
Certified amount	€2,303.368.84
% of verified amount	100%



THANKS FOR YOUR ATTENTION

European Fisheries Fund Managing Authority

Funds and Programmes Division

Parliamentary Secretariat for the E.U. Presidency 2017 and E.U. Funds

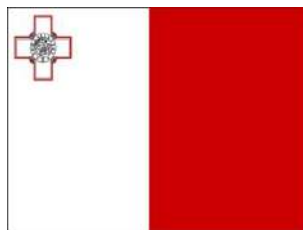
Ministry for European Affairs and Implementation of the Electoral Manifesto [M.E.A.I.M.]

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Fisheries Operational Programme 2007–2013
Programme part-financed by the European Union
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Investing in sustainable fisheries