



Adoption Statement

For the SEA of the ERDF, CF Programmes and the
JTF Plan 2021-2027


Report



ADOPTION STATEMENT
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DISCLAIMER

This report has been prepared by AIS Environment with all reasonable skill, care and diligence, and taking account of the manpower and resources devoted to it by agreement with the client. Information reported herein is based on the interpretation of data collected and has been accepted in good faith as being accurate and valid.

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1 INTRODUCTION

The Strategy & Implementation Division (SID) within the Ministry for the Economy, European Funds and Lands has commissioned AIS Environment Ltd. through the public procurement system (CT3000/2020/2) to carry out a Strategic Environmental Assessment (SEA) of the ESF+, ERDF, CF Operational Programmes and the JTF Plan 2021-2027.

The SEA will be carried out in accordance with local legislation S.L.549.61 (Environment Protection Act), and involves the following tasks as outlined in the TORs:

- Task 1: Kick-off meeting
- Task 2: Inception report
- Task 3: Screening and scoping report
- Task 4: Draft environmental report
- Task 5: Public and stakeholder consultations
- Task 6: Final environmental report
- Task 7: Draft adoption and monitoring report
- Task 8: Final adoption and monitoring report

This report partially achieves the requirements of Task 8 (adoption statement). This document has been prepared in line with the requirements of regulation 10 of the SEA Regulations (S.L. 549.61).

The SEA covers three (3) funds namely the ERDF, CF and JTF. The European Regional Development Fund (ERDF) fund aims to reduce economic, environmental and social disparities and foster a green and sustainable socio-economic growth. The Cohesion Fund (CF) provides support for those Member States, such as Malta, that have a gross national income per capita which is lower than 90% of the EU-27 average with a focus on environment and trans-European networks. The Just Transition Fund (JTF) is one of the three pillars of the Just Transition Mechanism, which aims to ensure a swift transition towards a climate-neutral economy.

2 SUMMARY OF THE SEA PROCESS

The SEA Regulations (S.L. 549.61) and EU Directive 2001/42/EC require that any plans and programmes which are likely to have a significant effect on the environment should be subjected to an SEA. An SEA is required for all plans and projects that “*set the framework for future development consent of projects*” across all sectors, including transport, energy, fisheries, forestry, waste management, water management and land use planning. The SEA was conducted alongside the development of the plan or programme and considered multiple alternative options. The SEA coordinators evaluated likely significant environmental effects of each alternative put forward recommendations. The coordinators also presented the findings during stakeholder and public consultations, and integrated comments from the consultees into the documentation.

The scope of the SEA is identified in the SEA Scoping Report prepared by the SEA coordinators, AIS Environment Ltd. The scoping exercise sets out the context for the assessment, methodology and defines the scope of the SEA. It is one of the most important stages in the process as it identifies the issues for consideration in the duration of the SEA process.

As required by Article 5 (2) and Article 6(2) of S.L. 549.61, the Screening and Scoping Report underwent a stakeholder consultation period that involved the respective designated authorities as required by S.L. 549.61 article 7 (3) including the Environment and Resources Authority, the Regulator for Energy and Water Services, the Ministry for Agriculture, Fisheries, and Animal Rights, Ministry for Health, the Ministry for Health and the Environmental Health Directorate. The consultation period allowed the interested parties to provide feedback on the results of the Screening and Scoping exercises. This first consultation period allowed the Consultants to properly integrate all environmental considerations and viewpoints in the early stages of the SEA. Following a public consultation session, the Scoping Report was finalised taking into account the consultation responses from two stakeholders.

The coordinators drafted and submitted the Environment Report in line with the finalised Scoping Report in April 2022. Following internal reviews, a public consultation draft of the SEA was prepared by July 2022. A three-week public consultation exercise was launched. Considering the possibility of transboundary impacts, in accordance with Article 8 of S.L. 549.61, the Environmental Report was also sent to the relevant Italian SEA Focal Point for feedback. After the expiry of the public consultation, the Environment Report was finalised, taking into consideration the responses received from the consultation process.

The finalised Environment Report, in line with Article 5 of the SEA Directive, includes a description of the reasonable alternatives considered during the drafting of the ERDF, CF Operational Programmes and the JTF Plan 2021-2027, a description of the baseline environment relevant to the measures proposed and links with other policies, plans, programmes, environmental objectives, EU Directives, and national legislation. The report also includes existing environmental issues affecting the

implementation of the Programme. The coordinators highlighted and discussed the likely significant effect of the Programme measures on the environment, including air quality, biodiversity, land uses & landscape, cultural heritage and waste management. A description of possible mitigation measures together with monitoring measures are also described in detail.

3 SEA ADOPTION STATEMENT

Regulation 10(1) of the SEA Regulations (S.L. 549.61) requires that the responsible authority ensures that consultation is undertaken appropriately. Consultation should be carried out with the authorities referred to in regulation 7(3), the competent authority, the public and any Member State consulted under regulation 8 to ensure that these authorities are informed that such a plan has been adopted. The responsible authority is also required to make available the plan and a statement in line with regulation 10(1)(b) and the monitoring plan in line with regulation 10(1)(c).

In line with regulation 10(1)(b) and (c), the Adoption Statement provides a summary of the following information:

- How environmental considerations have been integrated into the plan or programme (vide Section 3.1.1)
- How the environment report prepared pursuant to regulation 6, the options expressed pursuant to regulation 7 the results of consultations entered into pursuant to regulation 8 have been taken into account in accordance with regulation 9 (vide Section 3.1.2)
- The reasons for choosing the plan or programme as adopted, in the light of the other reasonable alternatives dealt, with (vide Section 3.1.3)
- The measures that have been decided concerning the monitoring in accordance with regulation 11 (vide Section 0)

3.1 ADDRESSING REGULATION 10(1)(B) OF S.L. 549.61

3.1.1 Integration of environmental considerations into the plan or programme

The objective of the Programme is to contribute to low carbon, sustainable transport, inclusive education and training, foster economic recovery, and invest in green and digital transition. Moreover, investments will aim to achieve economic sustainability and recovery, fiscal policies, and the resilience of health systems.

The Programme identifies seven (7) thematic priorities, upon which resources shall be focused, to address Malta's challenges and support its opportunities. These priorities have a total budget (EU + MT share) of some EUR 1,018 million and are:

- Priority 1 ERDF: A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity;
- Priority 2 ERDF: Promoting clean and fair energy transition, sustainable wastewater management and green investment;
- Priority 4 ERDF: A more social and inclusive Europe implementing the European Pillar of Social Rights;
- Priority 5 ERDF: A Europe closer to citizens by fostering the sustainable and integrated development of all type of territories and local initiatives;
- Priority 2 CF: Promoting sustainable water management, a circular and resource efficient economy, and sustainable urban mobility;
- Priority 3 CF: A more connected Europe by enhancing mobility;

- Priority 6: Just Transition;
- Priority 7: Technical Assistance

For further information on the measures proposed as part of the public consultation document for the ERDF/CF/JTF, kindly visit the Ministry's website.¹

Regulation 10 of the SEA regulations requires that the environment report identifies, describes and evaluates the likely significant effects on the environment of implementing the plan or programme and examines reasonable alternatives taking into account the objectives and the geographical scope of the plan or programme. The SEA coordinators identified and justified two alternative scenarios for the Programme measures:

- Alternative 0: Zero-option
- Alternative 1: Minimum scenario which satisfies the total financial allocations as per ERDF/CF Regulation and the CPR Regulation
- Alternative 2: As proposed in the ERDF, CF Operational Programmes and the JTF Plan 2021-2027

The zero-option (Alternative 0) represents a theoretical alternative where no funds are allocated under these regulations. This Alternative is purely theoretical since the allocation of funds is required by legislation. This Alternative would mean that there would be no possibility to receive the funds/measures to invest in energy efficient equipment and achieve energy savings through the investments in the interconnector/battery storage to support the electricity grid. Furthermore, in the absence of the ERDF/CF/JTF programme/plan, fewer investments will be made in the environment, such as green infrastructure/Natura 2000 conservation & restoration.

The minimum intervention scenario (Alternative 1) represents a scenario in which the minimum funds are allocated to the environment, as outlined in Table 1.

Alternative 2 assumes full implementation of the policy according to the proposed measures in the draft programme. This Alternative reflects the increased contribution beyond the regulatory requirements and the development of the draft ERDF/CF/JTF Plan. Climate contribution will be 48%, which exceeds the regulatory amount of 37% under for the achievement of climate objectives by 11%.

¹EU Funds for Malta 2021-2027, Public Consultation Document, Cohesion Fund, Just Transition Fund, European Regional Development Fund.
<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/EU%20Territorial%20Programmes/Documets/CF-JTF-ERDF%20Consultation%20Document%20-%20WEB.pdf>

TABLE 1: SEA ALTERNATIVES

TOTAL FINANCIAL ALLOCATIONS AS PER ERDF/CF REGULATION AND THE CPR REGULATION		PERCENTAGE BUDGETARY ALLOCATIONS		
		ALT 0	ALT 1	ALT 2
Priority 1: Fostering competitiveness and an innovative and smart economic transformation	Thematic Concentration as per ERDF Regulation 2021/1058 Article 6 (c): 25 % allocation of resources to PO 1	0%	25%	26%
Priority 2: Promoting clean and fair energy transition, sustainable wastewater management and green investment;	Thematic Concentration as per ERDF Regulation 2021/1058 Article 6 (c): 30 % allocation of resources to PO 2	0%	30%	41%
	Climate Contribution as per the Common Provisions Regulations 2021/1060 Article 6 (1): 30% under ERDF for the achievement of climate objectives.	0%	30%	31%
Priority 4: Fostering Sustainable Urban Development in Gozo	Allocation for Sustainable Urban Development as per ERDF Regulation 2021/1058 Article 11 (2): 8% for the achievement of Sustainable Urban Development	0%	8%	8%
Priority 5: Promoting sustainable water management, a circular and resource-efficient economy, and sustainable urban mobility	Climate Contribution as per the Common Provisions Regulations 2021/1060 Article 6 (1): 37% under Cohesion Funds for the achievement of climate objectives.	0%	37%	48%

The SEA Coordinators assessed the impacts of the Programme measures on the five environmental themes as part of the SEA process. Although the draft Programme was already published and subjected to consultation prior to the start of the SEA, the responsible authority was updating the Programme in parallel with the SEA process. The Programme is therefore being revised on the basis of the environmental considerations and recommendations highlighted as part of the SEA process, as outlined below:

- **Transport upgrades:** The upgrades to the national transport network should be targeted toward encouraging collective transport and promote multi-modality whenever possible. Projects which aim to encourage public transport use, as well as increasing the safety and efficiency of pedestrian infrastructure should be treated favourably. Furthermore, it is recommended that further steps are taken to implement a sustainable modal shift. Promoting and easing the switch to forms of mobility that are energy efficient and respectful to the environment would facilitate the transition to carbon neutrality. Such projects include increasing infrastructure that encourages the take up of EVs (such as charging pillars) as well as shifting towards alternative fuels in a climate-resistant manner. Environmental benefits from facilitating the transition to low-carbon modes of transport include improved air quality and reduced GHG emissions that will have a long-lasting effect on human health and ecosystems. In agreement with ERA's comments during consultation, projects which aim to create public transport corridors, pedestrian pathways, EV charging pillars etc., could create an additional demand for land space. Prioritising proposals which make use of existing urban streets is therefore favourable. Wherever possible, interventions in rural areas should be low-key, limited to existing committed sites and sympathetic to the rural context. Projects with no/minimal land take-up, visual intrusion into the landscape, impacts on the rural character, and damage to topographic/rural features, in line with local guidelines and legislation, should be prioritised.
- **Renewable energy sources:** As part of the draft Environmental report, the consultants put forward a recommendation to support renewable energy generation, such as solar/wind energy. The recommendation for wind energy has been taken on board in the Programme, as provided for under Priority 2 (ERDF). In terms of solar farms, comments made by ERA on the strategic environmental concerns associated with the Solar Farm Policy (2017) should be considered during the proposal adjudication process. Other forms of large-scale renewable energy facilities would require early discussion with ERA for screening of potential environmental impacts. In agreement with ERA's comments during consultation, project proposals for small-scale renewable energy facilities in rural areas located within existing committed sites (such as the rooftops of farm buildings, away from sensitive locations, natural sites, scenic areas and valleys) should be prioritised.
- **Gozo sustainable urban development:** Priority 5 provides one measure which would fund initiatives for sustainable urban development in Gozo. In line with the ERDF/CF Regulations, this measure requires the drafting of a SUD Territorial Strategy Document which outlines proposals for the sustainable urban development of Gozo. Further elaboration on the type of upgrades and/or developments that will be funded through this financial scheme will be presented as part of this Strategy Document. Projects which address environmental issues, increase Gozo's renewable energy generation and protect/rehabilitate its natural and cultural resources should be given

priority. In agreement with ERA's comments during consultation, proposals for sustainable urban development in Gozo are welcomed, provided that Gozo's rural characteristics and traditional villages are not adversely affected.

- **Linking research to benefits:** The Programme provides support for research into sustainability of industry and commerce. Such proposals should be in line with the Malta Smart Specialisation Strategy 2021-2027, which outlines six thematic areas, most of which guide research into low-carbon and sustainable practices.

Three recommendations relate to the way projects to be funded by the Programme should be selected. This responsible authority will be implementing this recommendation during the screening process of the funding applications:

- **Prioritising projects addressing environmental concerns:** During proposal adjudication, proposals/initiatives that address a number of environmental concerns should be given priority over those that do not. Environmental requirements during project selection should be allocated enough weighting potentially through eligibility and selection criteria to ensure that project proponents actively pursue environmental requirements.
- **Locating interventions in a way to avoid significant impacts:** In agreement with ERA's comments during consultation, we recommend that physical interventions are located in areas which avoid significant impacts on natural sites, landscape and seascape, undeveloped rural land, biodiversity, cultural heritage and their context. Preference should therefore be made to proposed developments that are least harmful to the environment, primarily directed towards areas already designated for development and similarly committed sites, away from important environmental areas such as valleys, ridge-edges, cliffs, escarpments, natural habitats and sites, natural coast, important seabed habitats, etc. Furthermore, preference should be given to projects which minimise the generation of waste as much as possible, and implement the waste hierarchy. Suitable abatement measures should also be considered as part of the design of the development and its implementation, in order to minimise noise and air emissions.
- **Integration of conclusions from other SEAs:** In agreement with ERA's comments during consultation, we recommend that conclusions on other SEAs (including comments from all stakeholders) as relevant to this Programme should be considered in the screening of proposals supported by this Programme. Such SEAs include those on the WASTE MANAGEMENT PLAN 2021-2030, amongst others.
- **Prioritising proposals which minimise waste generation:** In agreement with ERA's comments during consultation, preference should be given to projects that reuse and convert existing buildings/spaces and recycle existing building material as much as possible, in order to minimise waste generation

according to the waste hierarchy. This would help to minimise the amount of C&D waste generated as a result of demolition, excavation and/or dredging works, which is expected to have a negative impact in terms of disposal.

3.1.2 Preparation of the Environment Report pursuant to regulations 6, 7, 8 & 9
 Effective consultation is one of the foundations of good governance. Effective consultation gives stakeholders the earliest possible possibility for participation in the decision-making process. A list of relevant stakeholders was drawn up and approved by the SEA Focal Point as part of the Screening Report. The stakeholders listed in Table 2 were continuously approached as part of the SEA process.

TABLE 2: LIST OF STAKEHOLDERS TARGETED DURING THE PROJECT

GROUP	STAKEHOLDER
Governmental bodies	The Environment & Resources Authority
	Transport Malta
	Planning Authority
	Ministry for the Environment, Energy and Enterprise
	Ministry for Finance and Employment
	Department of Fisheries and Aquaculture
	Ministry for Transport, Infrastructure and Capital Projects
	Ministry for Gozo
	Ministry for Agriculture, Fisheries, and Animal Rights
	University of Malta
	Malta Aquaculture Directorate
	Energy and Water Agency
	Ambjent Malta Agency
	Ministry for Health
	Regulator for Energy and Water Services
	Environmental Health Directorate
	Civil Protection Department
Occupational Health & Safety Authority	
Local Councils' Association	
Malta Resources Authority	
NGOs	Ghaqda Koperattiva tas-Sajd (GhKS)
	Koperattiva tas-Sajd Malta (KSM)

GROUP	STAKEHOLDER
	Flimkien Ghal Ambjent Ahjar
	Friends of the Earth Malta
	Biological Conservation Research Foundation
	Fondazzjoni Wirt Artna
	Nature Trust
	Moviment Graffiti
	Birdlife Malta
	Din l-Art Helwa

Stakeholders were continually consulted throughout the process of the SEA in order to ensure their effective participation. The consultations ensured that all affected parties have the opportunity to provide their opinions on the impacts of the proposed measures. These sessions helped to ensure that, as much as possible, the final Programme is effective and specific to the bettering of the Maltese Islands and Maltese society.

The first session of stakeholder consultation was conducted on 6th December 2021, where the SEA coordinators described the SEA process, the ERDF, CF Operational Programmes and the JTF Plan 2021-2027 and the environmental themes, criteria and indicators to be used in the SEA. Attendees were subsequently given the opportunity to ask questions, put forward their opinion and engage in discussions with other stakeholders. The aim of this first consultation session was to ensure that all affected environmental areas have been highlighted and that all viewpoints are considered in the early stages of the SEA process.

Two similar recommendations were put forward by the attendees during the first consultation period. BirdLife Malta and the ERA suggested that the SEA is carried out to identify possible negative impacts from physical interventions, despite acknowledging that the bulk of the measures are non-physical. No comments were raised on the SEA methodology proposed as part of the scoping exercise.

Stakeholder and public consultation continued in the next phase of the project following the presentation of the draft version of the Environmental Report, in line with Regulation 7 of S.L. 549.61. The stakeholders listed in Table 2 were directly contacted via email to ensure their awareness of the public consultation process, and the stakeholders were invited to attend a stakeholder/public consultation session organised on 19th July 2022.

Feedback was received from the Environment & Resources Authority (ERA), the Ministry for Agriculture, Fisheries and Animal Rights (MAFA) and the Western Regional Council. The Environmental Report was subsequently finalised on the basis

of the feedback obtained. The comments that emerged from the consultation stage are summarised in Table 3.

TABLE 3: COMMENTS RECEIVED FROM STAKEHOLDERS AND THE PUBLIC

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
Environment & Resources Authority	Kevin Mercieca	<p>2. General comments</p> <p>2.1 Most of the proposals in this Programme involve physical development, infrastructure and similar interventions. The potential impacts of these proposals on biodiversity, land and the landscape are unknown at this stage since the details of most of the emerging projects (e.g. scale, extent and location) are currently not available. It is acknowledged that investment in particular infrastructure listed below, such as treatment of wastewater, would also be beneficial for the environment. The main relevant proposals consist of:</p> <ul style="list-style-type: none"> • Investment in energy storage and promotional campaigns; • optimising water distribution facilities and ensuring water supply security; • investments in wastewater treatment plants; • sustainable multimodal urban mobility; • investments in TEN-T road network; • enhancing maritime gateways; • investments in education facilities, youth rehabilitation, mental health infrastructure, paediatric services, and specialised care facilities; • protecting and promoting Gozo's characteristics to foster sustainable growth; and • provision of onshore power supply. 	Noted.
		2.2 ERA considers that the choice of location for such proposals is	Noted and included as a

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
		<p>crucial to avoid significant environmental impacts. Therefore, the Environmental Report should clearly recommend that preference should be given to proposed developments, infrastructure and similar interventions which are least harmful to the environment, which are primarily directed towards areas already designated for development and similarly committed sites, away from important environmental areas such as valleys, ridge-edges, cliffs, escarpments, natural habitats and sites, natural coast, important seabed, etc. It is also recommended that suitable abatement measures are considered as part of the design of the development and its implementation, in order to minimise noise and air emissions.</p>	<p>recommendation in Section 8 of the Environmental Report.</p>
		<p>2.3 Moreover, particular proposals are linked to other plans, and/or projects. ERA has already provided comments through the SEA process on some of these plans (such as the Waste Management Plan 2021-2030) and is currently engaged in the environmental screening of other relevant infrastructure. It is important that ERA's environmental input into such processes be duly taken into consideration in future proposals supported by this programme.</p>	<p>Noted and included as a recommendation in Section 8 of the Environmental Report.</p>
		<p>Construction and Demolition waste</p> <p>2.4 Various proposals in the programme will generate additional C&D waste as a result of demolition, excavation and/or dredging works, which is expected to have a negative impact in terms of disposal. The Environment Report should highlight that preference should be given to projects that reuse and convert existing buildings/spaces and recycle existing building material as much as possible, in order to minimise</p>	<p>Noted and included in Section 8 of the Environmental Report.</p>

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
		waste generation according to the waste hierarchy.	
		<p>Appropriate Assessment</p> <p>2.5 Given that the details of the proposals are not available in the programme, it is difficult to determine whether these could have a significant impact on any Special Areas of Conservation (SACs) and/or Special Protected Areas (SPAs) at this stage. The Environment Report should acknowledge such difficulty and that any future projects supported in this programme, that could have significant adverse impact on SACs and SPAs, will also require an Appropriate Assessment study, in order to avoid such impacts.</p>	Noted. This is already included as a requirement in Section 9.2 (monitoring) of the Environmental Report. No changes to the Environmental Report are necessary.
		<p>3. Detailed comments</p> <p>3.1 Other detailed comments on the Environment Report (ER) are highlighted below:</p> <p>Section 7 Impact Assessment</p> <p>3.2 It is unclear how the impact assessment ruled out the possibility of impacts on air quality from 'Investments in education facilities' when (i) details of such proposals are currently not available; and (ii) it is clear that there is a connection between school facilities and traffic generation, with traffic being one of the main sources of air pollution. The ER needs to be amended accordingly.</p>	Noted and amended.
		3.3 The ER highlights that the proposal 'Enhancing and valorising Malta's touristic product' shall have no effect on biodiversity, land use and landscape. ERA positively welcomes this approach, provided that the type of initiatives considered for implementation of this proposal is	Noted. No changes to the Environmental Report are necessary.

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
		<p>focused on the protection and restoration of historic and cultural buildings and spaces, as opposed to continued pressures for additional development in the countryside.</p>	
		<p>3.4 ERA considers that the proposal 'Invest in the wastewater collection network and wastewater treatment plants', could have impacts in terms of land take, landscape, biodiversity, cultural heritage, etc., unless these facilities are clearly directed to existing urban and committed areas. The ER needs to be amended accordingly to include suitable safeguards in this regard.</p>	<p>Considering that there is no technical information on the proposals that will be funded by the Programme at this stage, it is difficult to predict such impacts. A precautionary approach (considering the worst-case scenario) has therefore been taken. Recommendations on the locations of these developments are included in Section 8 of the Environmental Report. No changes to the Environmental Report are necessary.</p>
		<p>3.5 Proposals to 'Shift towards the use of alternative fuels in transport' are noted. It is important to ensure that any infrastructural requirements, such as the setting up of additional EV charging points, are accommodated in existing committed sites.</p>	<p>Recommendations on the locations of such infrastructure are included in Section 8 of the Environmental Report. No changes to the Environmental Report are necessary.</p>
		<p>3.6 It is unclear why the proposal 'Development of an Organic</p>	<p>Noted and amended.</p>

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
		<p>Processing Plant' is classified as having major adverse impacts in terms of take-up of agricultural land. In fact, ERA had already noted from the Waste Management Plan 2021-2030 that such facility will be accommodated within the ECOHIVE Complex In order to reduce further land take-up. The ER needs to be updated accordingly.</p>	
		<p>3.7 'Investing in sustainable multimodal urban mobility' such as new pedestrian bridges, interconnected bicycle lanes, wide and safe pavements, etc. are considered beneficial to the environment, as long as these are contained within the footprint of existing roads/routes or similar committed sites. Any impacts on land should be kept to the barest minimum.</p>	<p>Considering that there is no technical information on the proposals that will be funded by the Programme at this stage, it is difficult to predict such impacts. A precautionary approach (considering the worst-case scenario) has therefore been taken. Recommendations on the locations of such infrastructure are included in Section 8 of the Environmental Report. No changes to the Environmental Report are necessary.</p>
		<p>4. Shortcomings and Recommendations</p> <p>4.1 Whilst it is acknowledged that the recommended transport upgrades are expected to improve air quality and reduce GHG emissions, ERA considers that the creation of public transport corridors, pedestrian pathways, bicycle lanes, infrastructure related to EV's etc., will create an additional demand for land space. ERA suggests that proposals</p>	<p>Noted and amended.</p>

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
		<p>implemented as part of existing urban streets should be given priority. Any required interventions in rural areas should be low-key, limited to existing committed sites and sympathetic to the rural context. The layout, planning and design of these routes, and of any related ancillary facilities, should not take-up further undeveloped land, create visual intrusion into the landscape and result in the formalisation of rural areas. impact on the rural character and damage to topographic/rural features (e.g. rubble walls).</p>	
		<p>4.2 Measures supporting renewable energy sources, such as solar and wind energy are noted. In terms of solar farms, ERA has already advised on the strategic environmental concerns associated with the Solar Farm Policy (2017), including the use of suitable sites for such use. Other forms of large-scale renewable energy facilities would require early discussion with ERA for screening of potential major environmental impacts. Other small-scale renewable energy facilities in rural areas should be directed to existing committed sites, such as the rooftops of farm buildings, away from sensitive locations, such as natural sites, scenic areas and valleys.</p>	Noted and amended.
		<p>4.3 Proposals for sustainable urban development in Gozo are welcomed, provided that Gozo's rural characteristics and traditional villages are not adversely affected.</p>	Noted and amended.
Ministry for Agriculture, Fisheries and Animal	Bernice Bonnici	<p>Kindly note our comments below for your attention please: "MAFA have a query on this statement 'Threats to the Maltese landscape include the increased take-up of open spaces for urban and coastal development, taller buildings on urban fringes which obstruct</p>	Noted and amended.

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
Rights		<p>views of historic centres, modern agricultural practices, and increased vehicular access.’</p> <p>Why are modern agricultural practices perceived as a threat? With all the new regulatory framework enforced and farm upgrades being made, the contrary should be true. I Don’t think this sentence is justified. Rather when talking about modern farming we think of digital and precision farming which should include better sustainable agriculture with lesser inputs.”</p>	
Western Regional Council	Neil Muscat	<p>a. Whether the report recognises the need for policy and legislation that protects the investments of private persons when it comes to renewable energy, more specifically solar energy via photovoltaic panels when exposed to the risk of adjacent properties vertically extending thereby resulting in shading upon the investment.</p> <p>b. Whether the report identifies any plans that may trigger or push for an increase in building height limitations, or on the contrary pushes for a need to limit the growth in this regard.</p>	<p>The Programme serves as funding for certain developments or upgrades, including for photovoltaic panels. However, the Programme does not stipulate technical requirements to limit developments of nearby buildings which could result in shading of the panels. This comment therefore falls outside the scope of the SEA.</p> <p>The Programme serves as funding for certain developments or upgrades, including for photovoltaic panels. However, the Programme does not stipulate</p>

ENTITY	CONTACT PERSON	COMMENT	RESPONSE
			<p>technical requirements to limit developments of nearby buildings which could result in shading of the panels. This comment therefore falls outside the scope of the SEA.</p>
		<p>c. The time by which relevant stakeholders were notified, resulting in limitations in the consultation process.</p>	<p>Consultants were notified of the start of the consultation period (which lasted a total of three weeks, from 5th to 26th July 2022) on 5th July. Stakeholders were also invited to attend a consultation session organised on 19th July 2022.</p>

3.1.3 Justification for the plan or programme as adopted

Comparing the proposed programme with alternative scenarios is a vital part of the SEA process since it allows the identification of potential recommendations and improvements which could mitigate any adverse impacts. This stage in the process focuses on identifying alternative approaches which could give better environmental conditions.

Three alternatives were used in this SEA:

- Alternative 0: Zero-option
- Alternative 1: Minimum scenario which satisfies the total financial allocations as per ERDF/CF Regulation and the CPR Regulation
- Alternative 2: As proposed in the ERDF, CF Programmes and the JTF Plan 2021-2027

The zero-option (Alternative 0) represents a theoretical alternative where no funds are allocated under these regulations. This Alternative is purely theoretical since the allocation of funds is required by legislation. This Alternative would mean that there would be no possibility to receive the funds/measures to invest in energy efficient equipment and achieve energy savings through the investments in the interconnector/battery storage to support the electricity grid. Furthermore, in the absence of the ERDF/CF/JTF programme/plan, fewer investments will be made in the environment, such as green infrastructure/Natura 2000 conservation & restoration. The minimum intervention scenario (Alternative 1) represents a scenario in which the minimum funds are allocated to the environment, as outlined in Table 1. Alternative 2 assumes full implementation of the policy according to the proposed measures in the draft programme. This Alternative reflects the increased contribution beyond the regulatory requirements and the development of the draft ERDF/CF/JTF Plan. Climate contribution will be 48%, which exceeds the regulatory amount of 37% under for the achievement of climate objectives by 11%.

The vast majority of the measures included in the ERDF, CF Programmes and the JTF Plan 2021-2027 have either no effect or a positive effect on the environmental themes studied. The only measures which show an adverse effect on the environment are those which involve construction works (business incubation centre, battery storage facility, electrical interconnector project, juvenile secure unit, acute mental hospital, facility for paediatric services, development of an organic processing plant). The impacts of some measures are labelled as unclassified since they propose upgrades to existing facilities and road networks which may or may not involve construction works. Furthermore, the nature and extent of works of those involving construction are unknown, bringing uncertainty to their impacts. Impacts from construction works should be assessed in detail as part of the EIA process, to identify project-specific impacts and applicable mitigation measures.

Since the majority of the proposed measures yield positive impacts on the environment, the do-nothing scenario (Alternative 0) will have the least beneficial impact on the environment of the three possible scenarios. Both the do-minimum

scenario (Alternative 1) and the as-proposed scenario (Alternative 2) will give rise to positive impacts on the environment. However, Alternative 1 offers less allocated budgets for the environment when compared to Alternative 2, particularly for Priority 2 (Promoting clean and fair energy transition, green and blue investment, the circular economy, and sustainable urban mobility). This would mean that either the funds are obtained from national budgets, or some of the projects may not be implemented to the same extent or at all. In the former case, Alternative 1 and 2 would yield the same environmental effects, while in the latter, the Alternative 1 scenario would yield less beneficial effects on the environment than Alternative 2.

Alternative 2 is the most suited alternative since it will exceed the requirements of the CPR Regulation ERDF/CF Regulation and the CPR Regulation by allocating a significantly higher amount towards climate change prevention measures. Various sectors will benefit from interventions that support better energy efficiency and less harmful practises. In the absence of the ERDF/CF/JTF programme/plan (Alternative 0), these industries may not have the necessary resources for reducing their carbon footprint, improving health, societal and cultural infrastructure, etc.

3.2 ADDRESSING REGULATION 10(1)(C) OF S.L. 549.61

Periodic monitoring and review of the Programme is necessary to enable continued success of the strategy. The monitoring plan is set to reflect the changes in national patterns for all environmental themes, technology development and ongoing discussions at European level relating to the ERDF, CF Operational Programmes and the JTF Plan 2021-2027.

Measurable indicators are necessary to quantitatively assess the strategy's implementation success. In fact, such indicators have been used to predict how the five environmental themes will be affected by the realisation of the measures. Making use of the same indicators to monitor the effectiveness of the Programme would facilitate the interpretation of the results. Additional monitoring parameters have been proposed, particularly in order to monitor operations of the various facilities that may be funded by the programme.

In most cases, the monitoring parameters can be obtained from existing programmes/datasets gathered as a result of environmental permitting, environmental assessments and/or other national monitoring programmes which are associated with the implementation of environmental obligations. In this way, duplication of efforts is avoided. The aim of this monitoring programme is to have a consistent set of data upon which potential adverse environmental impacts can be identified, prevented and/or mitigated.

There are also project-level mechanisms that are in place to protect the environment, such as detailed EIAs in line with the EIA Regulations and environmental/industrial permitting. Such mechanisms should also be considered so as to ensure that the Programme measures are implemented without having, individually or cumulatively, significant adverse environmental impacts.

The following subsections outline the monitoring and measurements recommended for the implementation stage of the ERDF, CF Operational Programmes and the JTF Plan 2021-2027.

3.2.1 Air Quality

Monitoring of air quality during construction works may help to assess the adverse impacts arising from the measures relating to port infrastructure upgrades. The Programme's measures do not include the construction of new facilities which release atmospheric pollutants. In case such facilities are included, these facilities should be monitored through their operational permit conditions.

The chemical parameters considered as part of this SEA are regularly being monitored by the ERA in relation to national monitoring programmes; such data can be made use of for air quality monitoring purposes. Operational monitoring data should be obtained from the annual reporting requirements of the facilities' operational permits, as required on a case-by-case basis, for example in relation to the Organic Processing Plant.

Monitoring parameters and data sources are outlined in Table 4.

TABLE 4: AIR QUALITY MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Air quality	National emissions (tonnage) of pollutants into the air, with regards to Malta's obligations under the NEC Directive 2016/2284	ERA
	Facility emissions (tonnage) of pollutants into the air, in line with the Environment Protection Act (CAP 549), Industrial Emissions (Integrated Pollution Prevention and Control) Regulations (S.L. 549.77), Flora, Fauna and Natural Habitats Protection Regulations (S.L. 549.44), and/or Limitation of emissions of certain pollutants into the air from medium combustion plants regulations (S.L. 549.122) as applicable	Operational permit reporting

3.2.2 Biodiversity

Criteria for biodiversity ensure that the ecological status of Maltese waters is maintained and safeguarded. This is measurable by observing trends of parameters which are already being monitored in line with the MSFD and WFD. In this case, relevant parameters include the good environmental status of Malta's water bodies in terms of biodiversity (Descriptor 1), non-indigenous species (Descriptor 2), commercial fish species (Descriptor 3), food webs (Descriptor 4), seafloor integrity (Descriptor 6), contaminants in seafood (Descriptor 9) and marine litter (Descriptor 10). Parameters include the contaminant levels in seafood and geographical distribution of indicator species such as *Posidonia oceanica*. Since these parameters

are assessed through existing national monitoring programmes, such data is readily available from the ERA.

Any developments which are funded under the Programme that could have a significant adverse impact on Special Areas of Conservation (SACs) and/or Special Protection Areas (SPAs) will also require an Appropriate Assessment in line with the FLORA, FAUNA AND NATURAL HABITATS PROTECTION REGULATIONS, TREES AND WOODLANDS PROTECTION REGULATIONS and CONSERVATION OF WILD BIRDS REGULATIONS. This exercise would help to more specifically identify biodiversity impacts and a monitoring programme at project-level. Such data can be obtained from the respective environmental impact assessments, appropriate assessments, as well as construction and operational monitoring.

Monitoring parameters and data sources are outlined in Table 5.

TABLE 5: BIODIVERSITY MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Biodiversity	Status of protected habitats and species of flora and fauna	ERA
		EIA/AA
		Construction/operational monitoring
	Status of other habitats, including valleys and watercourses	ERA
		EIA/AA
		Construction/operational monitoring
	Status of environmental factors, including coastal water, groundwater, geology and soil	ERA
		EIA/AA
		Construction/operational monitoring

3.2.3 Land Uses and Landscape

The developments being proposed by the Programme (notably the port infrastructural upgrades) are likely to have an adverse effect on the Maltese land use and landscape. Such impacts would arise both due to the presence of machinery during the construction works, and due to permanent structures during the operational phase (particularly when the developments are on undeveloped/agricultural land). Although impacts on landscape are difficult to quantify, indicators such as the extent of Areas of Very High Landscape Sensitivity (AHLVs) can be indirectly used to monitor and measure these impacts; such data is readily available from the ERA. Reduced AHLVs indicate that the landscape has been negatively impacted.

Furthermore, sea uses can be monitored by reviewing complaints to the relevant transport authorities during construction works. All works that temporarily take up marine areas must be appropriately covered by a Notice to Mariners.

Monitoring parameters and data sources are outlined in Table 6.

TABLE 6: LAND USE & LANDSCAPE MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Landscape	Status of landform and topography, landscape, the natural beauty and scenic amenity of the landscape	ERA
	Complaints to relevant transport authorities	TM

3.2.4 Cultural Heritage

Maintaining the conservation status of cultural heritage can be achieved by protecting scheduled and designated areas from various threats such as take-up of virgin land and land reclamation which may damage archaeological features of national importance. Monitoring the success of this criterion involves the assessment of the number of complaints relating to features of cultural heritage affected by the measures, along with the archaeological monitoring of such developments to properly document any discoveries.

Monitoring parameters and data sources are outlined in Table 7.

TABLE 7: CULTURAL HERITAGE MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Cultural heritage	Number of scheduled sites	PA
	Status of scheduled sites	Archaeological monitoring during construction
	Number of complaints relating to cultural heritage damage	PA/SCH

3.2.5 Energy and Water

Energy generation, security of supply and water consumption merit protection from any measures whose construction phase may have temporary but adverse impacts on these utility services. Monitoring datasets that are regularly reported by the NSO is crucial to monitor the adverse and beneficial effects of the programme. Such datasets are readily available from the NSO.

Monitoring parameters and data sources are outlined in Table 8.

TABLE 8: ENERGY AND WATER MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Energy and Water	Energy generation by type	Eurostat/EWA/NSO
	Number of solar panel installations	
	Energy consumption levels by type	
	Security of supply	

3.2.6 Climate Change

The Programme measures aim to, amongst others, increase energy efficiency and facilitate the transition to a lower national carbon footprint. To monitor the success of the Programme, the net atmospheric emissions of greenhouse gases on a national scale should be measured and monitored over time. Such data sets are readily available from the NSO and MRA.

Monitoring parameters and data sources are outlined in Table 9.

TABLE 9: CLIMATE CHANGE MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Climate change	Concentrations of greenhouse gases	ERA/NSO

3.2.7 Transport and Related Infrastructure

Transport and related infrastructure are generally expected to improve through the implementation of the Programme measures. Monitoring of the national traffic situation is required to assess the success of the policy; this can be achieved through measurable parameters such as vehicles by type, bicycle and e-bicycle usage and public transport usage. Such data is readily available from various entities such as the NSO and TM.

Monitoring parameters and data sources are outlined in Table 9.

TABLE 10: TRANSPORT & RELATED INFRASTRUCTURE MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Transport & Related Infrastructure	Number of vehicles by type	EWA/NSO/TM
	Number of bicycles and e-bicycles	
	Number of public transport	

THEME	MONITORING PARAMETERS	DATA SOURCE
	commuters	
	Number of public transport commuters	

3.2.8 Waste Management

Efficient resource management is achieved through the promotion of sustainable waste management by following the waste hierarchy. Measures which are expected to increase waste generation, such as construction works and measures which would generate WEEE, should be monitored. Monitoring parameters to assess the success of waste management include measurement of waste generation of different streams, evaluating the recycling rates for WEEE, the volume of Construction and Demolition waste generated and disposed of (not reused). Such datasets are readily available from MEEE and Wasteserv.

Monitoring parameters and data sources are outlined in Table 11.

TABLE 11: WASTE MANAGEMENT MONITORING PARAMETERS & DATA SOURCES

THEME	MONITORING PARAMETERS	DATA SOURCE
Waste management	Waste generation (tonnage) by type	MEEE/Wasteserv/NSO/Eurostat
	Waste separation and recycling (tonnage)	

4 CONCLUDING REMARKS

The draft ERDF, CF Operational Programmes and the JTF Plan 2021-2027 is available in the public domain. The final version of the Programme, which will incorporate the results from the SEA process, will be published by the beginning of 2023. The SEA included two stakeholder/public consultation periods, which included two stakeholder consultation workshops.

The Consultants put forward seven recommendations to boost the beneficial environmental effects of the Programme. The final version of the Programme will be revised on the basis of the environmental considerations and recommendations highlighted as part of the SEA process.