

Operational Programme II Cohesion Policy 2007-2013

*Empowering People for More Jobs and a Better Quality of
Life*

Annual Implementation Report
2009

Monitoring Committee
27 May 2010

Overview

- **Project Selection**
- **Progress in Programme Implementation**
 - **Aid Schemes implemented under Article 107 of the Treaty**
 - **Indicators**
 - **Territorial Earmarking**
- **Further Guidance on Implementation**
 - **Manual of Procedures 2007-2013**
 - **Report on the Implementation of the ESF Flat Rate Rule**
- **Monitoring and Reporting:**
 - **Structural Funds Database 2007-2013**
- **Strengthening Administrative Capacity**
- **Financial Information**
- **Assistance by target groups: Annex XXIII**
- **OP towards the Lisbon Objectives**

Overview

- **Compliance with Community Law**
- **Problems Encountered and Measures Taken**
- **Changes in the Context of the OP Implementation**
- **Complementarity with other Instruments**
- **Monitoring and Evaluation**
- **Implementation by Priority Axis**
- **Technical Assistance**
- **Information and Publicity**
- **Concluding Remarks**

Project Selection

- There were no call for projects in 2009
- In 2009 the Project Selection Committee met to evaluate the projects submitted under PA 2 and PA 4 of Call 5;
- In total, 45 meetings were held by the PSC in 2009.

Call 5		
Priority Axes	Projects submitted	Projects approved
PA2	14 Projects	Evaluation was still on going as at end 2009
PA4	16 Projects	7 Projects

Project Selection (cont.)

- **Project Selection Outcome:**

- **In total 11 projects were approved in 2009:**

- 7 projects under PA 4 (Call 5). Total amount €8,543,321.46;
 - 3 projects under PA3 (Call4). Total amount €325,310;
 - 1 project under PA3 (Call3), from the reserve list after 2 other projects were withdrawn. Total amount €321,825.

- **Grant Agreements:**

- 24 grant agreements signed for projects approved under Calls 1,2,3 and 4.

- **Covenants:**

- 2 covenants were signed with IBs for Aid Scheme

Progress in Programme Implementation

Aid Schemes implemented under Article 107 of the Treaty

2 Covenants were signed with the Intermediate Body (Employment and Training Corporation)

Scheme	2009			
	Launched	Applications Received	Grant Agreements Signed	Contracted Amounts
Training Aid Framework (TAF)	February	1046	230	€401,363
Employment Aid Programme (EAP)	February	854	438	€1,512,367

Progress in Programme Implementation (cont.)

Territorial Earmarking

- OPII has a territorial commitment to spend 10% for the benefit of socio-economic development in Gozo
- The majority of projects are open to both Maltese and Gozitan participants with forecasted participation of Gozitans varying between 7% and 33%
- As at end of 2009 the EAP had 33% of participants who were Gozitan

Further Guidance on Implementation

Manual of Procedures

- The *Manual of Procedures for Projects Implementation Cohesion Policy 2007-2013* was updated twice.
- The second Manual of Procedures, *Manual of Procedures for Horizontal Stakeholders Cohesion Policy 2007-2013* was published in 2009

Further Guidance on Implementation (cont.)

ESF Flat Rate Rule

- February 2009 - The MA submitted a study to the EC on a sample of projects implemented under the 2004–2006 programming period. This analysis was to determine the appropriate flat rate/s for indirect costs for different categories of operations funded under the ESF Operational Programme for 2007-2013
- July 2009 - Following the report, a meeting was held between the Managing Authority and the EC in Brussels. A number of clarifications were submitted on 31 July.
- End 2009 - Discussions between the MA and the EC were still ongoing.

In the meantime, the MA is registering all requests by Beneficiaries for flat rate cost. Should the outcome be positive, the MA will initiate the implementation on the basis of the final rate as approved.

Monitoring and Reporting

Structural Funds Database 2007-2013

- The new Statement of Expenditure module was launched;
- A browser based interface to the database started being tested;
- A separate application was being tested by Treasury to be utilised for Treasury-based functions;
- Data gathering and reporting functionalities were carried out for the development of the next modules (e.g. Indicators and Annex XXIII); and
- The departmental tender for IT equipment and hardware was signed in November 2009.

Strengthening Administrative Capacity

- The MA increased the capacity of the OPII unit with 4 FTEs.
- 6 FTEs (on both OPI and OPII) were also recruited within the Line Ministries.
- 1 FTE was employed within the Certifying Authority specifically on OPII.
- 1 FTE was employed within the Department of Contracts.
- In line with PPCD Structural Funds Stakeholders' Training Strategy, a number of capacity building measures were undertaken, including:
 - Induction training sessions for new officers;
 - Capacity building training Programme for NGOs;
 - Train-the-Trainer Programme on the SFD 07-13 for stakeholders; and
 - Management Verifications workshop for the MA and the IBs.
- A number of conferences and training seminars were also attended by members of staff of different stakeholders.

Financial Information

Priority Axis	Committed (2009)	Contracted (2009)
PA 1	€27,089,316.50	€11,156,008.30
PA 2	€20,212,088.00	€4,824,924.83
PA 3	€19,130,337.18	€2,402,503.89
PA 4	€8,543,321.42	€0.00
TA	€5,064,705.00	€1,446,470.18
Total	€80,039,768.10	€19,829,907.20

Financial Information

2009	Expenditure paid out by Beneficiaries	Corresponding public contribution	Advance Payments (III & IV installments received in Feb. and April 2009)	Payments received from Commission
PA 1	1,663,922.79	1,659,320.79		0.00
PA 2	162,571.62	162,571.62	2,240,000	0.00
PA 3	292,568.22	291,785.01		0.00
PA 4	0.00	0.00	2,240,000	0.00
PA 5	182,337.87	182,337.87		71,429.46
Total	€2,301,400.50	€2,296,015.29	€4,480,000	€ 71,429.46

Assistance by Target Group - Annex XXIII

Participants Data							
	Description/Categories	2009 reporting period					
		People Entering		People Leaving*		People carried over	
		Total	Women	Total	Women	Total	Women
	Total Number of participants	7729	2597	5207	1729	228	90
Status in the Labour Market	Employed	3212	1252	2122	798	213	89
	Self-employed	65	17	43	10	0	0
	Unemployed	2292	657	1772	472	0	0
	Long-term unemployed	872	233	734	195	0	0
	Inactive Persons	1288	438	536	254	15	1
Age	Young People (15-24 years)	2386	902	1488	628	0	0
	Older Workers (55-64 years)	480	76	386	64	0	0
Vulnerable Groups	Minorities	0	0	0	0	0	0
	Migrants	52	12	37	11	0	0
	Disabled	290	99	149	46	0	0
	Other Disadvantaged People	497	97	319	26	0	0

Assistance by Target Group - Annex XXIII (cont.)

		People Entering		People Leaving*		People carried over	
		Total	Women	Total	Total	Women	Total
Education Attainment	Primary or Lower secondary education (ISCED 1 & 2)	4441	1416	3340	1050	0	0
	Upper Secondary education (ISCED 3)	1572	498	1089	392	15	1
	Post-secondary non-tertiary education (ISCED 3)	466	132	305	81	0	0
	Tertiary Education (ISCED 5 & 6)	1250	551	473	206	213	89

OP contribution towards the Lisbon Objectives



- €92,500,800 are earmarked for Lisbon Agenda related projects.
- €41,422,293 were committed in approved projects as at end 2009.
- If one includes the allocation for Aid Schemes the allocation of projects targeting Lisbon objectives totals to €57,723,295.
- €57,723,295 is equivalent to 58% of the total amount earmarked within the OP.





EUROPEAN SOCIAL FUND
MALTA 2007-2013

OP contribution towards the Lisbon Objectives

Objective	N. of projects contributing	Example of activities
Environmental sustainability	All approved projects have some element of commitment towards environmental sustainability.	<ul style="list-style-type: none">•Including training content which focuses on environmental sustainability;•Waste management - creating crafts out of recyclable materials
Equal opportunities	All approved projects have some element of commitment towards equal opportunities.	<ul style="list-style-type: none">•Selection of appropriate accessible venues;•Childcare as accompanying measures
Partnership	15 projects involving socio-economic partners / civil society groups	Strong collaboration between partners to develop course contents; to refer participants for the specialised training.
Innovative Activities	14 projects implementing innovative activities	E-learning, blend learning and modular accredited courses
Transnational Actions	8 projects involving transnational activities	Collaboration to share best practice and advice in the area of gender related educational/awareness campaigns; transfer of innovation to develop toolkit for adult training ; explore innovative practices in relation to mental health and employment

Planning and Priorities Co-ordination Department

Office of the Prime Minister



OP contribution towards the Lisbon Objectives Art. 10 of Council Regulation (EC) No 1081/2006



Objective	N. of projects contributing	Example of activities
Gender Mainstreaming	5 projects supporting gender mainstreaming	Actions promoting a lifecycle approach to work, actions which support the reduction of the gender gap and combat occupational segregation and the promotion of social inclusion



OP contribution towards the Lisbon Objectives **Art. 10 of Council Regulation (EC) No 1081/2006**

Objective	N. of projects	Target groups	Actions
Disadvantaged groups	18 projects	Youth, disabled persons, illiterate persons, persons with mental health difficulties, ex-convicts, asylum seekers, unemployed, ex-substance abusers, victims of domestic violence	Training, Job placement, Research, Childcare, Information/Awareness Campaigns, Accreditation, Guidance service.

Compliance with Community Law

- Compliance with **state aid regulations** is ensured by the screening of applications by the State Aid Monitoring Board prior to approval by the MA:
 - During 2009, the Board gave its state aid guidance on 30 project proposals and schemes under Article 107 of the Treaty were notified to SAMB
- Quality assurance during **public procurement** is ensured through checks and vetting by DoC:
 - As at end 2009, DoC launched 29 procurement procedures; 7 were successfully awarded, while 13 were still ongoing.
- 157 Departmental Tendering procedures were launched under the supervision of DCS/financial control.
- Environment – any infrastructure under cross-financing is vetted by MEPA for planning/environmental compliance

Problems Encountered and Measures Taken

- Problems in the implementation of the programme at this stage of the cycle relate to the Project Selection and Public Procurement Process.
- Although the **Project Selection** is lengthy, one must note that:
 - Malta is still one of the countries that has high commitments in projects;
 - The MA will discuss the process with the evaluators undertaking the mid-term evaluation with a view to making the process more efficient.
- Within the **Public Procurement Process** delays are due to:
 - Limited amount of experts (both at Beneficiary and DoC level);
 - Unsuccessful procedures leading to re-launching of tender;
 - Appeals procedure, which takes, on average, 3 months.

Changes in the context of the OP implementation

- The challenges due to the international economic crisis caused setbacks and delays in the project implementation process.
- The Maltese Authorities have undertaken a series of measures to mitigate the impact of the crisis
- The Maltese Authorities also continued to provide a pre-financing arrangement for payments (also for NGOs and Local Authorities) in order to mitigate delays arising from cash flow problems.
- Projects selected under PA 4 also addressed administrative capacity issues contributing towards the Public Sector's process of re-organising procedures and operations.

Monitoring by the Managing Authority



- Day-to-Day;
- Project Progress Reporting (102 reports);
- Ministerial Steering Committees (11 meetings);
- Intermediate Bodies Steering Committees (4 meetings);
- Intermediate Bodies Network (5 meetings);
- Inter Ministerial Coordination Committees (2 meetings);
- High Level Meetings (26 projects reviewed); and
- Regular Cabinet updates.



Evaluation



- On 25 August 2009, the Evaluation Steering Group was set up to:
 - Support the MA in executing the Evaluation Plan;
 - Assist the MA in drafting the ToR of evaluation activities and evaluation questions;
 - Support the MA in the selection of evaluators and in the evaluation work; and
 - Give opinion on reports.
- In Quarter 4 2009, the tender for Mid-Term Evaluation targeting both OP I and OP II was launched.



Implementation by Priority Axis

PA 1: Improving Education and Skills

- **Progress in 2009:**

- Out of the total allocation for this PA (€37,400,000):

- €27,089,316 were committed in the 13 projects;

- €11,911,028 were contracted; and

- a total of €1,659,320 were disbursed and €356,213 were certified to the EC.

- **Outcomes in 2009:**

- Approved projects started launching and evaluating tenders with:

- 34 tenders published; 13 contracts signed; and 13 calls for employment contracts were launched (10 signed)

Implementation by Priority Axis (cont.)

PA 1: Improving Education and Skills

Substantial progress on Output Indicators:

- Number of persons participating in further or higher education and training programmes – 129
- Number of persons participating in S&T or ICT in further or higher education and training programmes – 610
- Number of persons participating in S&T or ICT capacity building education and training – 8
- Number of persons trained through capacity building courses – 110
- Number of persons trained through supplementary courses modules or credits for better skills matches – 192

In 2009, 1,049 participants were supported through the approved projects.

Implementation by Priority Axis (cont.)

PA 2: Investing in Employability and Adaptability of the Workforce

- **Progress:**
 - Out of the total allocation for this PA (€30,995,000):
 - €20,212,088 were committed on 4 projects and 1 Aid Scheme;
 - €4,719,722 were contracted through projects; and a total of €185,320.97 were disbursed and €44,227 were certified to the EC.
 - Under the Aid Scheme a total of 230 Grant Agreements were signed between the IB and the Beneficiary enterprises amounting to a total of €401,363.
- **Outcomes:**
 - 77 tenders published; 66 contracts signed; and 8 calls for employment contracts were launched (8 contracted)

Implementation by Priority Axis (cont.)

PA 2: Investing in Employability and Adaptability of the Workforce

- **Substantial progress on Output Indicators:**
 - Number of persons trained/supported – 5101
 - Number of undertakings supported 230

In 2009, 5,101 persons were trained under projects and 230 undertakings were supported through the Aid Scheme.

Implementation by Priority Axis (cont.)

PA 3: Promoting an equal and inclusive labour market

- **Progress:**

- Out of the total allocation for this PA (€36,900,000):

- €19,130,337 were committed on 17 projects and 1 Aid Scheme;
- €3,369,092 were contracted through projects; and
- a total of €295,759.96 were disbursed and €143,66382 were certified to the EC.
- Under the Aid Scheme there were 438 Grant Agreements signed between the IB and the Beneficiary enterprises amounting to a total of €1,512,367

- **Outcomes:**

- 86 tenders published;
- 42 contracts signed; and
- 25 calls for employment contracts were launched.

Implementation by Priority Axis (cont.)

PA 3: Promoting an equal and inclusive labour market

- Number of women trained/supported – 24
- Number of vulnerable persons trained/supported – 660
- Number of persons trained in capacity building courses – 24
- Number of civil society projects – 3

In 2009, 708 persons were trained/supported under the projects including the Aid Scheme.

Implementation by Priority Axis (cont.)

PA 4: Strengthening of institutional and administrative capacity

- **Progress:**

- Out of the total allocation for this PA (€21,405,000):

- €8,543,321.42 were committed on 7 projects;
- 5 of these projects target public administration and 2 target socio-economic partners;
- Areas: financial management, equality in public administration, better regulation, occupational health, ICT as well as general capacity building of partners;
- During the last weeks of 2009 some projects had started designing tenders;
- No disbursement was made in 2009.

Implementation by Priority Axis (cont.)

PA 5: Technical Assistance

Progress:

- Out of the total allocation for this PA (€5,604,705):
 - By the end of 2009 the MA had approved 159 mini operations amounting to €1,511,270 (public eligible)
 - In 2009 alone the MA received 75 requests for the use of TA;
 - Requests mainly related to capacity building, training locally and abroad, publicity and equipment;
 - The development of new modules of the SFD and the upgrading of hardware.

Implementation by Priority Axis (cont.)

- PA 5: Technical Assistance

Indicators in 2009

- Number of persons trained - 127
- Number of publicity measures undertaken - 7
- Number of studies/research activities carried out – 1

ESF programmes: Coherence and Concentration

Links with the NRP – NRP 2005 – 2008 and NRP 2008 - 2010

- All projects selected up to end 2009 are contributing towards the NRP priority themes of *Employment* and *Education and Training*
 - 29 projects and 1 Aid Scheme (out of 43 projects including Aid Schemes) align themselves with the strategic theme of *Education and Training*;
 - The strategic theme of *Employment* is addressed through actions implemented in 29 projects and 2 Aid Schemes;
 - The strategic theme of *Competitiveness* is primarily addressed through operations under PA 1 and 4 through 17 projects and 1 Aid scheme.

ESF programmes: Coherence and Concentration

Links with the CSGs and IEGs

- The objectives addressed by projects approved or under implementation in 2009 are those of the Strategy Guidelines:
 - *Attract and retain more people in employment and modernise social protection systems;*
 - *Increase investment in human capital through better education and skills*
 - *Administrative Capacity*
- These are addressed through approved projects that seek to integrate more females in the labour market and provide training and educational opportunities that are more focused on emerging labour market needs.

ESF programmes: Coherence and Concentration

Links with the European Employment Strategy

- ***Increasing the adaptability of workers and enterprises***
 - This guideline is primarily addressed through the Aid Scheme *Training Aid Framework*.
- ***Attracting more people to the labour market and making work a real option for all***
 - Primarily addressed through operations co-funded under Axes 2 & 3.
- ***Investing more and more effectively in human capital and lifelong learning***
 - Co-funded operations are addressing this guideline by focusing on improving the quality of lifelong learning for all and the upgrading of the skills level of the labour force.

Technical Assistance

- **TA funds has financed costs relating to:**
 - Capacity and equipment for use by staff working on OPs;
 - Information and Publicity, including the Annual Event;
 - Training activities for horizontal stakeholders and beneficiaries; and
 - Development of new modules of the SFD 07-13 and hardware.
- The public eligible amount paid during 2009 amounted to €234,381, equivalent to 4.63% of the amount allocated for Axis 5.

Information and Publicity

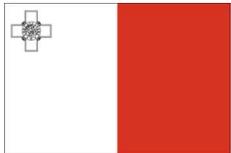
- The MA continued with the implementation of the Communication Plan.
- The MA also monitored the Plan's implementation and gathered data on activities carried out in order to update the Plan in 2010.
- The Annual event for 2009 consisted of two national conferences (one in Malta and another in Gozo) held in December 2009.
- Other information and publicity measures to promote OP II included:
 - Participation of PPCD staff and the IBs on local radio and TV programmes;
 - Networking with the Informal Network of Information Officers (INIO) of DG REGIO;
 - Regular updating of the MA's website www.ppcd.gov.mt and the respective IB websites.

Concluding Remarks

- 2009 was characterised by the:
 - Finalisation of Grant Agreements;
 - Intense monitoring of the projects' implementation and
 - The verification of the April and November SOE resulting in the first claim of interim payments on the Programme.
- As at 2009 there were:
 - 43 projects including 2 Aid schemes under implementation;
 - The Programme's overall commitment rate equivalent to circa 60% of the OP;
 - €2,374,783.05 payments made; and
 - €676,344.68 of eligible public expenditure certified to the Commission.



Thank you!



Operational Programme II – Cohesion Policy 2007-2013
Empowering People for More Jobs and a Better Quality of Life
Event part-financed by the European Union
European Social Fund (ESF)
Co-financing rate: 85% EU Funds; 15% National Funds



Investing in your future

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

