

MONITORING COMMITTEE

Operational Programme I

Investing in Competitiveness for a Better Quality of Life

Implementation Update
Thursday, 17th May 2012

Overview

- Overview of Operational Programme I
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- Training and Capacity Building
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Overview of Operational Programme I (without OP changes)

May 2012: Public Eligible Amounts		
Description	ERDF (EUFG + MTF)	CF (EUFG + MTF)
OP Financial Allocation	€522,327,095	€ 334,288,259
Committed Value	€476,690,100	€210,209,515
% of OP Financial Allocation	91%	63%
Contracted Value	€304,524,298	€136,875,031
% of Committed Value	64%	65%
Paid by Treasury	€143,435,995	€93,705,886
% of Contracted Value	47%	68%

Overview of Operational Programme I (with OP changes)

May 2012: Public Eligible Amounts				
Description	ERDF (EUFG + MTF)	Δ	CF (EUFG + MTF)	Δ
OP Financial Allocation	€522,327,095	NIL	€ 334,288,259	NIL
Committed Value	€425,968,010	-11%	€260,931,605	+24%
% of OP Financial Allocation	81%	-10% points	78%	+15% points
Contracted Value	€275,784,160	-9%	€165,633,169	+21%
% of Committed Value	65%	+ 1% points	63%	- 2 % points
Paid by Treasury	€142,122,691	-1%	€95,297,017	+2%
% of Contracted Value	52%	+ 5% points	58%	- 10% points

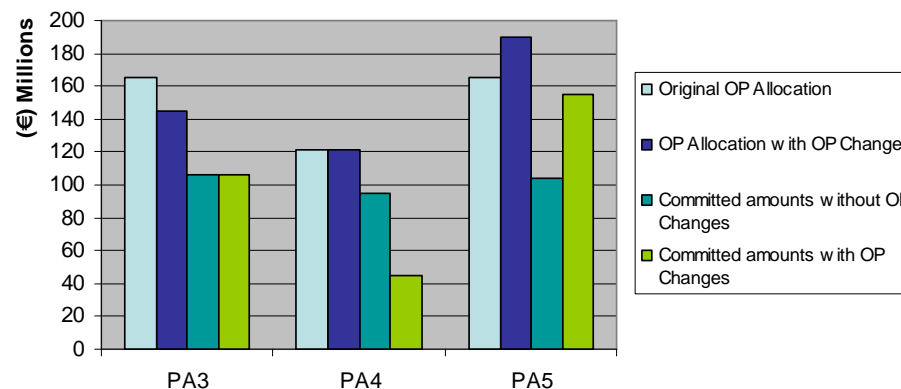
Snapshot: Approved Projects per PA

Priority Axis	No of Projects/Aid Schemes	Amount Committed (€)	OP Allocation (€)	% Committed
1	22	108,277,620	120,000,000	90
2	21	120,000,000	120,000,000	100
3	4	105,899,659	165,250,000	63
4	20	95,244,327	121,000,000	79
5	3	104,309,856	165,250,000	63
6	24	140,841,058	149,000,000	95
7	1	12,327,095	12,327,095	100
Total	95	686,899,615	856,615,354	80

OP Changes: Approved Projects per PA

Priority Axis	No of Projects/Aid Schemes	Amount Committed (€)	OP Allocation (€)	% Committed	Δ
1	22	108,277,620	120,000,000	90	NIL
2	21	120,000,000	120,000,000	100	NIL
3	4	105,899,659	145,000,000	73	+10% points (OP: -20,250,000)
4	19 (-1)	44,522,237	121,000,000	37	-42% points (Comm: -50,722,090)
5	4 (+1)	155,031,946	189,288,259	82	+19% points (Comm: +50,722,090; OP: +24,038,259)
6	24	140,841,058	149,000,000	95	NIL
7	1	12,327,095	12,327,095	100	NIL
Total	95	686,248,182	856,615,354	80	NIL

Shift of Committed Amounts with OP changes



Change in Commitment

	Dec 2011		May 2012	
	ERDF	CF	ERDF	CF
Committed (€)	425,992,565	183,049,515	476,690,100	210,209,515
	609,042,079		686,899,615	

Calls under evaluation

- **Priority Axis 4**
 - Call 13 (Energy)
Final stages of evaluation (indicative budget €5,000,000)

- **Priority Axis 5**
 - Non-Major Call 2
1 project under evaluation (approximately €5,000,000)

Upcoming Calls

- **Priority Axis 1**

- Call 15 (Investment in RTDi and RTDi-related Infrastructure and ICT)
Indicative budget of €12m

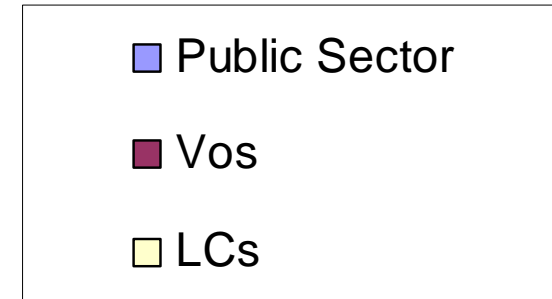
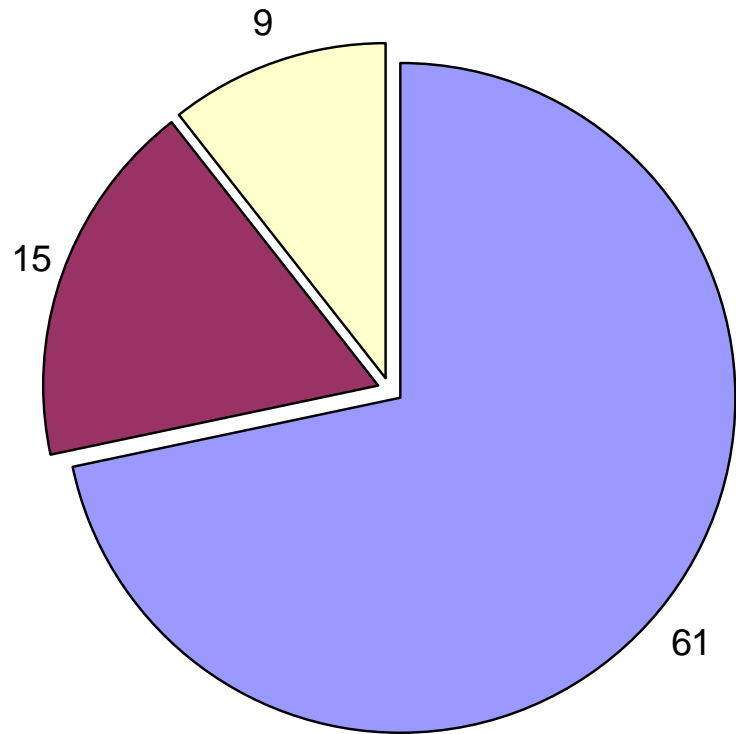
- **Priority Axis 4**

- Call 14 (Energy)
Indicative budget of €70m (Pre-announcement Issued)

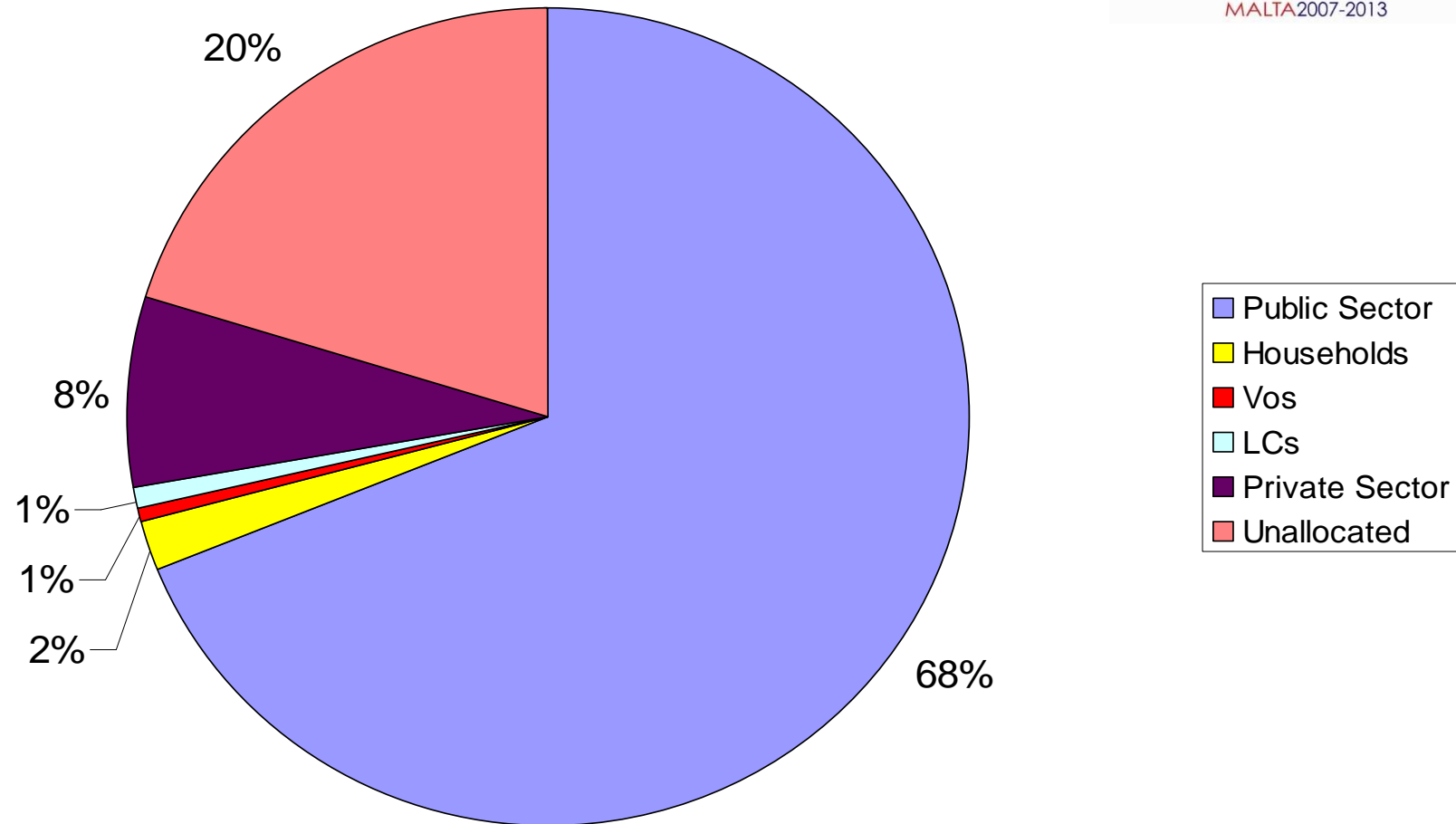
- **Priority Axis 6**

- Call 15 (Education, Health and Social Infrastructure)
Indicative budget of €12m

Snapshot: Types of Beneficiaries



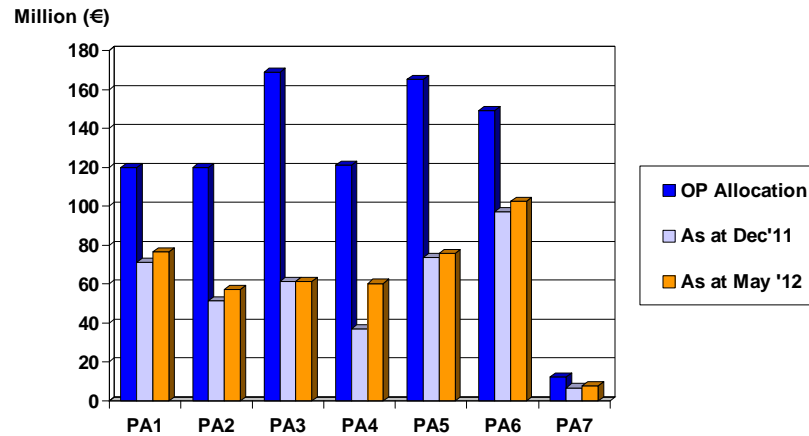
Allocation of Funds by Beneficiary Type



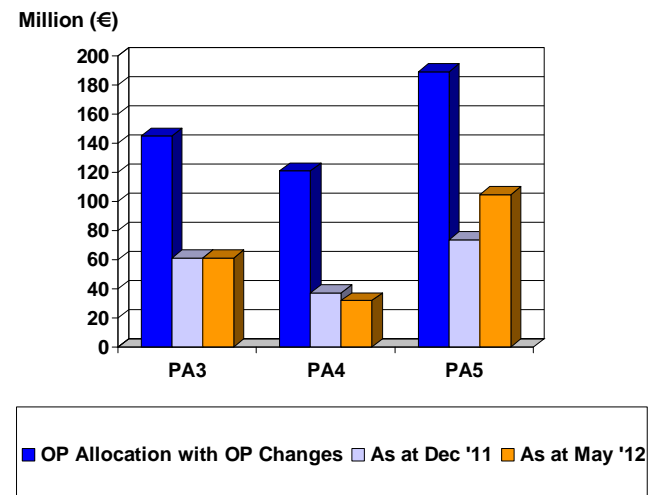
Gozo Commitment

OP Allocation	€856,615,354
10% of OP Allocation: commitment towards Gozo	€85,661,535
Committed (Gozo) as at May 2012	€61,389,310
% of committed values vis-à-vis 10% Allocation	72%

Contracting values in Projects & Aid Schemes – an 11% increase



Contracting values with OP Changes



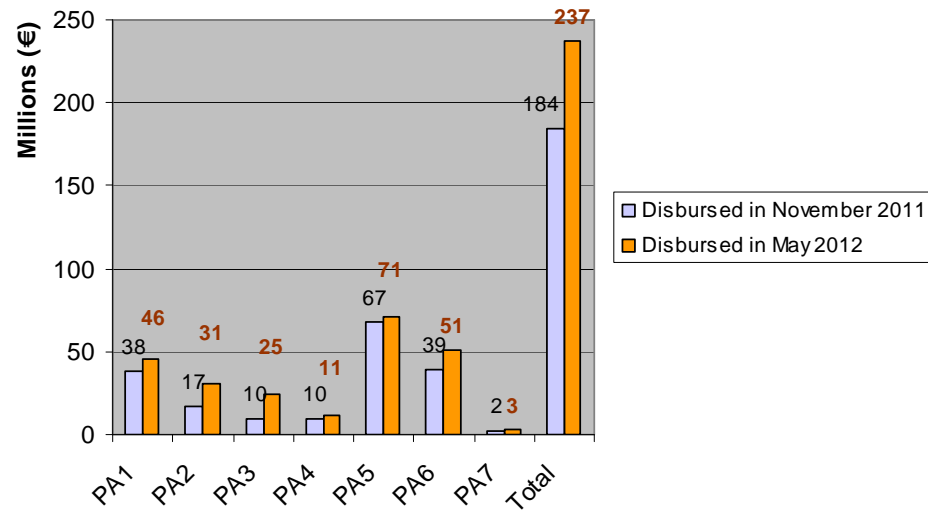
Aid Schemes: Malta Enterprise

MALTA ENTERPRISE	PA1	PA4
Total Grant Amount Allocated	€27,000,000	€18,404,493
Total Amount Contracted	€17,918,508	€14,774,636
% Contracted of Allocation	66%	80%
No of Approved Operations	280	253

Aid Schemes: TSDU & DSWS

	PA2 (TSDU)	PA6(DSWS)
Total Grant Amount Allocated	€8,945,208.71	€590,000
Total Amount Contracted	€6,693,867	€432,816
% Contracted of Allocation	75%	73%
No of Approved Operations	113	17

Payments – per PA



Financial Control: Documentary Checks

MA Documentary Checks carried out between November 2011 and May 2012:

No of Reports finalised	48
Physical	6
Documentary	42
No of Reports Opened & In Progress	28
Physical	2
Documentary	26

Financial Control: Verified and Certified Amounts

May 2012: Public Eligible Amounts		
Description	ERDF (EUFG + MTF)	CF (EUFG + MTF)
Paid by Treasury	€139,162,757	€93,558,389
Verified Amount	€108,036,734	€75,775,727
% of Paid by Treasury	77.63%	80.99%
Certified Amount	€108,036,734	€75,775,727
% of Verified Amount	100%	100%
<i>Planned for verification by the end of May 2012</i>	<i>€ 15,500,000</i>	<i>€9,500,000</i>

Planned Certifications for the rest of the year

- ERDF - €79m (public eligible)
- CF - €39m (public eligible)

Financial Management: Payments from EC

OPI	Financial Allocation (EUF)	Payments made by EC	Value of Payments made by EC as a % of EUF
ERDF	€522,327,095	€131,789,247	25.2%
CF	€334,288,259	€94,244,595	28.2%

Financial Management: Interim and Advance Payments from EC

Advance Payments (Cumulative)		
	<u>ERDF</u>	<u>CF</u>
<i>As at May 2012</i>	€39,958,023	€29,835,227

Interim Payments (Cumulative)		
	<u>ERDF</u>	<u>CF</u>
<i>As at November 2010</i>	€22,689,300	€25,345,525
<i>As at May 2011</i>	€42,328,902	€52,404,708
<i>As at November 2011</i>	€62,235,894	€56,735,545
<i>As at May 2012</i>	€91,831,224	€64,409,368

List of Major Projects

Code	Title	Public Eligible Expenditure
Priority Axis 3		
CF117	Improvement of the TEN-T Road Infrastructure (Phase I)	€ 57,588,381
CF125	Improvement of the TEN-T Road Infrastructure (Phase II)	€69,000,000
Priority Axis 4		
ERDF120	National Flood Relief Project	€ 50,722,090
Priority Axis 5		
CF116	Malta South Sewage Treatment Infrastructure	€ 69,985,474
CF118	Rehabilitation & Restoration of Closed Landfills	€ 26,224,382
CF119	Malta North Mechanical & Biological Treatment Plant	<i>circa</i> €30 million
Priority Axis 6		
ERDF196	Mater Dei Hospital Oncology Centre	€ 48,802,722

Major Projects PA 3 (Cohesion Fund)



(CF 117) Improvement of the TEN-T Road Infrastructure – Phase I (TM):



Public Eligible	Contracts	Payments	Certified
€57,588,381	€42,848,966	€15,726,733	€4,726,620

- All contracts are signed and works have commenced on all sites



Major Projects PA 5 (Cohesion Fund)

*(CF118) Rehabilitation & Restoration of Closed Landfills
(WasteServ Malta Ltd)*



Public Eligible	Contracts	Payments	Certified
€26,224,382	€6,124,194	€1,320,365	€483,781

- Progress registered in terms of contracting and payments.
- Main works tenders are at an advanced stage of procurement. Magtab Phase I and Marsascalea have already been awarded.

Major Projects PA 4 (ERDF)

(ERDF 120) National Flood Relief Project (MRRA):



Public Eligible	Contracts	Payments	Certified
€50,722,090	€28,758,137	€1,605,529	€598,087

Since last MC:

- 5 contracts have been signed
- Last MEPA permit granted

Major Projects PA 5 (Cohesion Fund)



(CF116) Malta South Sewage Treatment Infrastructure (WSC)



Public Eligible	Contracts	Payments	Certified
€69,985,474	€68,494,478	€67,005,152	€64,313,702

- Plant fully operational by June 2011, minor works remaining.
- Indicators started being achieved in particular:
 - the treatment of all wastewater prior to discharge, and
 - the Class 1 status of coastal waters in the South of Malta



Major Projects PA 6 (ERDF)



(ERDF 196) Mater Dei Hospital Oncology Centre (MHEC):



Public Eligible	Contracts	Payments	Certified
€48,802,722	€31,812,584.17	€2,528,742.49	€942,086.25

- Approved by the Commission in April 2012
- *Bulk Excavations Works* tender was completed by the end of April 2011
- *Design, Development and Build* tender awarded November 2011; contract signed January 2012.
- *Medical Equipment* tender awarded in March 2012; contract is expected to be signed shortly.
- On-Going evaluation on two tenders – furniture and ancillary items, and electrical substation.



Major Projects in the Pipeline

Preparations for two major projects

CF 125 : Improvement of the TEN-T Road Infrastructure – Phase II (TM)

- Forecasted value - €69,000,000



CF 119 : Malta North Mechanical & Biological Treatment Plant (WSM)

- Forecasted public eligible value - €33,000,000 (total net cost €49,000,000)



JEREMIE: A Snapshot

the First Loss Portfolio Guarantee (“FLPG”) to the Maltese market.

OP Committed	€10 million
Portfolio Size	€51.04 million
Results achieved so far (as at 30/04/2012)	
Loans Sanctioned	288
No of SMEs involved	265
Loan Amount	€25.2 million
Total Investment	€39.8 million

JASPERS

2007-2013 Programming Period	
Environment & Energy Sector	Status
•WasteServ (Malta North Mechanical and Biological Treatment Plant)	On-going
•MRRA (National Flood Relief Project)	On-going
Transport Sector	Status
•TM (Refurbishment and Upgrading of Existing Ten-T port Infrastructure)	On-going
•TM (Upgrade of Ten T Phase II)	On-going
•TM (Encouraging a Modal Shift in Land Transportation)	On-going

JASPERS

Post-2013 Programming Period	
Environment & Energy Sector	Status
<ul style="list-style-type: none"> •MRRA (Deep Sea Offshore Prototype) •MRRA (Development of Water Re-use Strategy) 	<p>On-going</p> <p>On-going</p>
Transport Sector	Status
<ul style="list-style-type: none"> •TM (Malta-Gozo under sea-link) •TM (Updating of the Feasibility and Environmental Impact Studies for the TEN-T Road Network) •TM (Development of National Transport Master-plan) 	<p>Concluded</p> <p>On-going</p> <p>On-going</p>
Telecommunications Sector	Status
<ul style="list-style-type: none"> • MCA Paving the way for fibre roll-out 	To commence in 2012

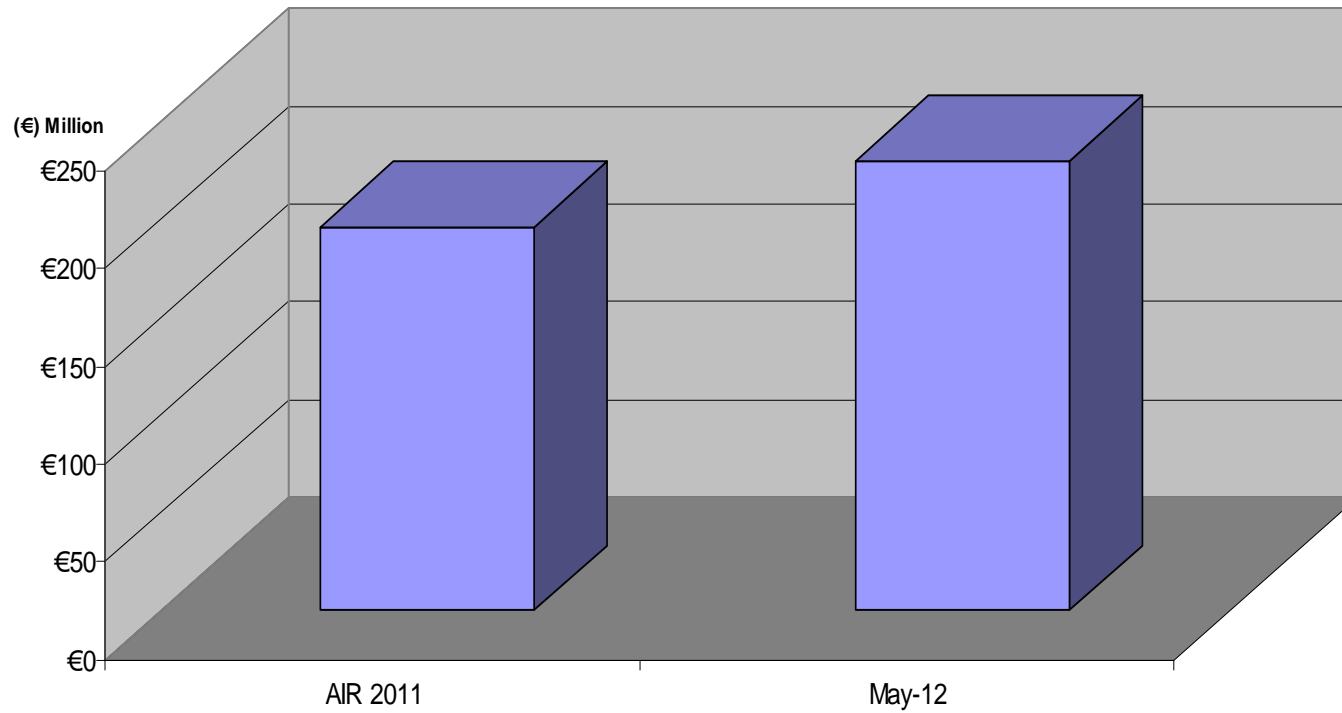
Update on Results (1)

- 24 new/modernised specialised learning facilities constructed/refurbished
- 33 enterprises involved in networking and new collaboration with other businesses and academia.
- 1 New assisted tourism & cultural project & 1 project implemented by a Voluntary Organisation
- 663 operations benefitting under the various aid schemes
- 265 SMEs involved in the JEREMIE Financial Engineering Instrument

Update on Results (2)

- **Over 10,000kWp/annum of RES systems installed**
 - **15,000 MWH/annum** of total annual electricity to be generated from small scale PVs
 - **13,173 Tonnes** of CO2 emissions saved
- **12,718 MWH of total energy savings**
- **2 existing learning facilities refurbished; 805.48m² modernized facilities refurbished**
- **423 students benefitting from upgrade and modernized facilities/services (per annum)**

Lisbon Agenda - Earmarking



- 52 Projects/Schemes (amounting to €230,283,270) under implementation are contributing to the earmarked categories

Monitoring & Reporting Structures



- **High Level Meetings**
 - Project Progress High Level meetings
- **Ministerial Project Steering Committees**
 - 12 Ministerial Project Steering Committee meetings were held since the last MC in November 2011.
- **Intermediate Bodies Steering Committee (IBSC)**
 - 4 Intermediate Bodies Steering Committee meetings were held as follows:
 - 2 meetings held by TSDU
 - 1 meeting held by Malta Enterprise
 - 1 meeting held by DSWS

Monitoring & Reporting Structures



- **Project Progress Reports**

- For the period July to December 2011, 71 Project Progress Reports were received.
- Three informal sessions were held in December 2011, providing guidance for compilation of the PPR document.

- **IB Network Meetings**

- One IB Network Meeting (Implementation of IB Aid Schemes) was held on 2nd April 2012

- **VO's and Local Councils Bi-Lateral Meetings**

- Project Progress Bi-lateral Meetings for Local Councils and VO's will be held by mid Q2 of 2012

Structural Funds Database 2007-2013

- Developments & Enhancements
- MA Circulars
- Upcoming Releases
- Less administrative burden for users

Publicity

- Implementation of Annual Event
- Participation on radio programme
- Distribution of Promotional Material
- Media Campaign
- Projects website

Information & Coordination

- Advertising of future calls of applications
- Holding of Local Informal Information and Publicity (LIIP) Network



Evaluation Activities



Programme Level Evaluations

- Evaluation Steering Group – 27th January 2012
- Thematic Evaluation

External Evaluations being carried out

- Best practices of Information Technologies (IT) and Information Systems (IS) usage for Effective Management of EU Structural Funds (Ministry of Finance – Lithuania)

Training & Capacity Building

Type	Topics	Number of Participants
Internal Training	<ul style="list-style-type: none"> •SFD Training (PPCD) 	14
Stakeholders Training	<ul style="list-style-type: none"> •Claiming of Flat Rate on Indirect Costs 	16
Beneficiaries' Training	<ul style="list-style-type: none"> •Project Progress Report Template Training •SFD Training (beneficiaries) •Workshop on MA's observations from its administrative verifications on VOs 	41 9 36

Training & Capacity Building

- Planned



Type	Topics	Planned Timing
Internal Training	<ul style="list-style-type: none"> •SFD Training (PPCD) •Training on Cost Benefit Analysis 	Ongoing July 2012
Stakeholders Training	<ul style="list-style-type: none"> •Training for new recruits (MA & stakeholders) •Training on Audit & Finance (MA & Stakeholders) 	July 2012 October 2012
Beneficiaries' Training	<ul style="list-style-type: none"> •Training for New Beneficiaries 	September 2012



Concluding Remarks on Implementation in 2012 (1)



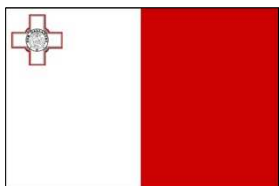
- N+3 for 2012
- Launch of Call 14 (PA4) incorporating the new Focus Area: Resource Efficiency as well as Energy – indicative budget €70M
- Launch of new calls under PA 1 (€12M) and PA6 (€12M)
- Closing of evaluation of Call 13 and the Non-Major CF Calls

Concluding Remarks on Implementation in 2012 (2)



- Submission of the last three (3) Major Projects
- Continue addressing the 10% commitment for Gozo
- Staff Development in line with the training strategy

Thank You



Operational Programme I – Cohesion Policy 2007-2013
Investing in Competitiveness for a Better Quality of Life

Event part-financed by the European Union
European Regional Development Fund
Co-financing rate: 85% EU Funds; 15% National Funds.



Investing in your future.