

MONITORING COMMITTEE

for Operational Programme II

Empowering People for More Jobs and a Better Quality of Life
Cohesion Policy (2007-2013)

Proposed Changes to Operational Programme II
8th March 2012

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



Overview of Proposed Changes

- Transfer of funds from PA 4 to PA 1 and PA 5;
- Revision of text within the OP so as to take into consideration clarifications, updates and editorial corrections;
- Adoption of changes proposed and adopted during the Monitoring Committee held on the 5th December 2007

Context

- To date, 60 ESF co-funded projects;
- 81.7% of OP committed in projects and schemes;
- Mid-Term Evaluation documented progress towards key objectives & likely achievement of OP targets;
- Implementation Period is nearing its last trimester (with effectively 2.5 years remaining years for actual implementation).

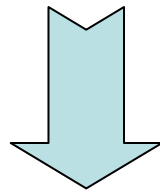
- MTE Recommendation to issue tailored calls and shift funds from under-achieving areas to more successful ones;
- MA's Objective – to commit all the OP by end 2012 to allow sufficient time to implement, pay and close the projects by the end of the eligibility period.

Financial Progress per PA

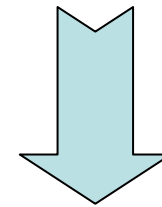
<i>Axis</i>	<i>Available</i>	<i>Committed</i>	<i>%</i>	<i>Contracted</i>	<i>%</i>	<i>Paid*</i>	<i>%</i>
PA I	37,4	36,6	97.9	21,3	58.3	13,7	64.3
PA II	30,9	27,1	87.5	15,4	57.1	5,5	35.7
PA III	36,9	29,9	81.3	18,2	60.8	5,3	29.5
PA IV	21,4	8,9	41.6	3,2	36.2	1,4	46.5
TA	5,0	5,0	100	2,8	56.4	1,1	38.6
Total	131,7	107,6	81.7	61,1	56.8	27,2	44.5

Identified over/under-achieving areas

Internal review to identify under- and over-achieving pockets in the Axes and different Focus Areas;



Tailored pre announcement
(Dec 2011 and Call in Jan 2012)



Proposal of shift of Funds from Axis 4 to Axis 1 of EUR4m

Tailored Pre-Announcement/Calls

Priority Axis 2

- Continuous training and education [environment/green skills; RTDi-related skills; employability and adaptability of older workers (40-55yrs)]

Priority Axis 3

- Female participation in the labour market
- Addressing labour market distortions and ensuring that work pays

Priority Axis 4

- Strengthening public sector reform
- Lifelong learning for the Public Sector
- Strengthening the quality of employment services
- Lifelong learning for the Public Sector
- Promoting a more effective social and civil dialogue in Malta

Shift of Funds from Axis 4...

Scenario:

- 41.6% commitment;
- Consistently attracted low level of proposals;
- Small number of successful operations.

Reason:

- Exponential increase in commitments;
- Economic crisis with obvious repercussions on public spending;
- *Innovative* ways of capacity building;
- Proposals are not focused and properly justified (often with very little value added and commitment towards results).

...to Axis 1 (EUR 4m)

Scenario:

- 97.9% commitment;
- Regular over-subscription for projects within Axis 1;
- A number of successful projects not funded due to lack of available funds.

Spurred by:

- Medium/longer term foresight of reforms and skills needed;
- Good timing: Capacity building for educational structures within the context of various ongoing reforms;

...and to Axis 5 (EUR0.2m)*

- Increased fragmentation leading to increased pressures on resources of horizontal stakeholders;
- Expenditure of IBs being incurred horizontally by TA rather than the vertical axes;
- Widening of scope of Axis to include programming activities in relation to the 2014-2020 Programme.

*(within parameters of Art 46 1083/2006)

In a nutshell...

- Decrease €4.2m from Axis 4;
- Increase €4m in Axis 1;
- Increase €200,000 in Axis 5

Remaining balance within Axis 4: € 8.3m.

LIST OF CHANGES (per section)

Chapter 3

Changes to Table 3.3

Code Category	% Code Category	% Code Category
	Original	Revised
72	16.96%	18.75%
74	6.25%	7.59%
81	11.57%	7.89%
85	1.84%	2%

Chapter 4: Axis 1

Amendments in text

- Clarify the demarcation between Axis 1 and 4 in relation to capacity building of teachers, trainers and educational administrative staff;
- Allow more flexibility in which economic sectors to be addressed while continued demarcation between the European Social Fund and the Fisheries and Agricultural Sectors is retained;
- More inclusive text of relevant institutions to address R&I capacity

Chapter 4: Axis 1 Financial Allocation

Increase in the financial allocation of the Axis:

	Original	Revised
<i>Financial allocation</i>	€ 37,400,000, of which € 31,790,000 represent the Community Funding	€ 41,400,000, of which € 35,190,000 represent the Community Funding

Chapter 4: Axis 1

Revision to Output Indicators

Output Indicators	Original Target	Revised Target
Number of persons participating in further or higher education & training programmes:	2,000	600
Number of persons participating in S&T or ICT in further or higher education & training programmes	600	3,000

An addition of **Footnote 107: Targets include repeat participants, where applicable**, will be included to clarify the parameters of this indicators in line with the other output indicators (across the axes)

Chapter 4: Axis 4 Financial Allocation

	Original	Revised
<i>Financial allocation</i>	€ 21,405,000, of which € 18,194,250 represent the Community Funding	€ 17,199,177, of which € 14,619,250 represent the Community Funding

Chapter 4: Axis 4

Revision to Output Indicators

Original Output indicator	Original Target	Revised Output indicator	Revised Target
Number of persons participating in training a year	4000	Number of persons participating in training	9,000*

*30% of the public administration

Chapter 4: Axis 5

Amendments in text

To widen the scope of the Technical Assistance axis and widen the eligible actions that can be co-financed, the following text is being added:

...sustain those actions related to the implementation of Cohesion Policy related activities, in particular to those activities related to national co-ordination and monitoring of 2014-2020 regulatory package and future Cohesion Policy issues (including Territorial Cohesion and MFF issues)

...Capacity building actions, including training, networking (with other Member States' authorities), meetings, conferences and exchange of experience and dissemination of results and best practices will be co-financed under this Axis.

Chapter 4: Axis 5 Financial Allocation

	Original	Revised
<i>Financial allocation</i>	€ 5,064,705, of which € 4,305,000 represent the Community Funding	€ 5,270,588, of which € 4,480,000 represent the Community Funding

Chapter 4: Overview of Indicators (2)

To clarify and further define the indicators, in line with other similar indicators with other OP axes, the additional footnotes (**122; 132; 133 and 134**) have been inputted so as to denote possible repeat participants.

Chapter 5

Changes in text to reflect...

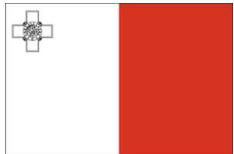
- **Change in Ministerial portfolio;**
- **Proposed and adopted changes during the Monitoring Committee held on the 5th December 2007;**
- **Provisions for subsequent amendments to the Public Procurement Regulations**

Chapter 6: Financial Provisions

Original				Revised		
PA	EU Funds	MT Funds	Total Funds	EU Funds	MT Funds	Total Funds
1	31,790,000	5,610,000	37,400,000	35,190,000	6,210,000	41,400,000
2	26,345,750	4,649,250	30,995,000	26,345,750	4,649,250	30,995,000
3	31,365,000	5,535,000	36,900,000	31,365,000	5,535,000	36,900,000
4	18,194,250	3,210,750	21,405,000	14,619,250	2,579,867	17,199,117
5	4,305,000	759,705	5,064,705	4,480,000	790,588	5,270,588
Tot	112,000,000	19,764,705	131,764,705	112,000,000	19,764,705	131,764,705



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



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

