

Update on Implementation 2014 - 2020

Monitoring Committee

Operational Programme II

*Investing in human capital to create more opportunities
and promote the wellbeing of society*

26th February, 2016



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Overview

- ▶ The Designation Procedure
- ▶ Calls for Proposals
- ▶ Update on Ex-ante conditionalities
- ▶ Aid Schemes
- ▶ SCOs
- ▶ SFD 2014-2020
- ▶ Horizontal Priorities
- ▶ Training Strategy
- ▶ Communication
- ▶ Evaluation

THE DESIGNATION PROCEDURE 2014-2020



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Designation procedure in Malta

The **Planning and Priorities Coordination Division (PPCD)** is the public body entrusted with the management and overall coordination of the European Regional Development Fund (ERDF), European Social Fund (ESF) and the Cohesion Fund (CF). The management of these funds is a common management and control system for all below-mentioned OPs:

- ▶ **Operational Programme I** - Fostering a competitive and sustainable economy to meet our challenges
- ▶ **Operational Programme I** - SME initiative: Stimulate Private Sector Investment for economic growth
- ▶ **Operational Programme II** - Investing in human capital to create more opportunities and promote the wellbeing of society; and
- ▶ **Malta Material Assistance Operational Programme co-financed by the FEAD** during 2014-2020 programming period.

The Intermediate Body

- ▶ The Employment Training Corporation (ETC) has been identified as the Intermediate body responsible for two schemes to be implemented under Operational Programme II:
 - Access to employment
 - Investing in Skills

The Certifying Authority

- ▶ The EU (Paying Authority) Directorate within the Ministry for Finance acts as Certifying Authority (CA) for ESIF 2014-2020.
- ▶ The CA is responsible for certifying declarations of expenditure and applications for payment before they are sent to the European Commission (EC)

The Audit Authority

- ▶ The Internal Audit and Investigations Department is the audit body with respect to the European Structural and Investment Funds (ESIF)

Status

- ▶ Feedback from the Audit Authority on the designation procedure is now being taken into consideration by the MA in the final designation process
- ▶ This will be submitted to IAID who will ensure full impartiality and independence in the designation process (Article 123 CPR).
- ▶ Following the opinion issued by the IAID, the document by which the MA and the CA will be officially designated will be adopted at national level through a Ministerial Decision

Timeline of Work

| Tasks | Competent Authority | Deadline |
|--|--|------------|
| Finalisation of the System Description | Managing Authority with the cooperation of main stakeholders | Mid- March |
| IAB' s Opinion | IAID | End April |
| Formal Designation | MEAIM | End of May |

CALLS FOR PROPOSALS

Call I – Operational Programme II

► Details

- Issued on the 10th May, 2015
- Published on all Sunday's newspapers; PPCD website and DOI
- The deadline for submitting proposals was the **11th September 2015, at noon**

Calls/Selection Procedure

- ▶ The Managing Authority has provided the necessary instructions and guidance to potential Applicants in accordance with the provisions of Article 125(3)(a)(i) CPR, in the form of:
 - **Guidelines**
 - **Information sessions**
 - **Training (SFD) and**
 - **Clarification meetings and e-mails**

Call I (cont.)

▶ Eligible Applicants

- Ministries
- Government Departments
- Central Government Authorities and
- Public Sector Companies/Entities

Call I (cont.)

► Area of Investment

| Priority Axis (PA) | Investment Priority (IP) | Proposals received | Total Est. P.E. |
|--|--|--------------------|-----------------|
| PA 1 – 'Investing in the employability and adaptability of human capital' | <i>IP 8i – Access to employment for job seekers and inactive people, including the long term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility.</i> | 4 | €11,299,237 |
| | <i>IP 8ii – Sustainable integration into the labour market of young people (ESF), in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee</i> | 1 | €6,262,777 |

► Areas of Investment

| Priority Axis (PA) | Investment Priority (IP) | Proposals received | Total Est. P.E. |
|---|---|--------------------|-----------------|
| PA 3 – ‘Investing in people through Education, Training and Life Long Learning’ | IP 10ii – <i>Improving the quality and efficiency of, and access to, tertiary and equivalent education with a view to increasing participation and attainment levels, especially for disadvantaged groups</i> | 2 | €10,773,507.50 |
| | IP 10iii – <i>Enhancing equal access to lifelong learning for all age groups in formal, non formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences</i> | 2 | €6,105,135.00 |

Evaluation Process

- ▶ Appointment of the Members of the Project Selection Committee
- ▶ Setting of the Project Selection Appeals Board
- ▶ Preparation of the necessary structures/documentation
- ▶ Started in: ***January 2016***
- ▶ Envisaged ending date: ***April 2016***

Call II – Operational Programme II

▶ Details

▶ Pre-announcement of Call

- Issued on the 14th June, 2015
- Identification of areas of investments and eligible applicants

▶ Call

- Issued on the 6th December, 2015;
- Deadline for submitting of proposals is the **15th April 2016**

Both were published on all Sunday's newspapers; PPCD website; DOI (*press release*)

Call II (*cont.*)

▶ Eligible Applicants

- Ministries
- Government Departments
- Central Government Authorities
- Public Sector Companies/Entities and
- Local Councils, Voluntary Organisations and Social Partners (PA 2 only)

Call II (cont.)

► Areas of Investment

| Priority Axis (PA) | Investment Priority (IP) |
|--|---|
| PA 2 – ‘Towards a more inclusive society’ | IP 9i – <i>Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability</i> |
| | IP 9iv – <i>Enhancing access to affordable, sustainable and high quality services, including health care and social services of general interest</i> |

Call II (cont.)

► Area of Investment

| Priority Axis (PA) | Investment Priority (IP) |
|--|---|
| PA 3 – ‘Investing in people through Education, Training and Life Long Learning’ | IP 10i – <i>Reducing and preventing early school leaving and promoting equal access to good quality early childhood, primary and secondary education including formal, non-formal and informal learning pathways for reintegrating into education and training</i> |

Pre-announcement of Call III

▶ Details

- Issued on the 13th December, 2015
 - Published on all Sunday's newspapers; PPCD website; DOI (*press release*)
 - Identification of areas of investments and eligible applicants
- ▶ Call III is envisaged to be issued by April 2016

Pre-Announcement Call III (*cont.*)

▶ Eligible Applicants

▶ Priority Axis 3

- Public Administration

▶ Priority Axis 4

- Public Administration, Local Government (IP 11i)
- Social partners and Civil Society Organisations; Public Administration Bodies involved in the delivery of education, lifelong learning, training and employment and social policies (IP 11ii)

Pre-Announcement Call III (cont.)

► Areas of investment

| Priority axis | Investment Priority |
|---|--|
| Priority Axis 3 - 'Investing in people through Education, Training and Life Long Learning' | Investment priority (IP) 10iv – <i>Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality, including through mechanisms for skills anticipation , adaptation of curricula and the establishment and development of work based learning systems, including dual learning systems and apprenticeship schemes.</i> |

► Areas of investment

| Priority axis | Investment Priority |
|---|--|
| Priority Axis 4 – ‘Investing in people through Education, Training and Life Long Learning’ | Investment priority (IP) 11i – <i>Investment in institutional capacity and in the efficiency of public administrations and public services at the national, regional and local levels with a view to reforms, better regulation and good governance.</i> |
| | Investment Priority (IP) 11ii – <i>Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies, including through sectoral and territorial pacts to mobilise reform at the national, regional and local levels.</i> |

UPDATE ON EX-ANTE CONDITIONALITIES (2014-2020)



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General Ex ante Conditionalities

The general ex-ante conditionality G7 is still to be fulfilled. It is related to the establishment of the baselines/targets for the following result indicators:

- ▶ PA 2 - IP 9i “Persons equipped with skills to empower them to move towards deinstitutionalization”
- ▶ PA 2 - IP9iv “Increase in awareness in relation to healthier lifestyle and health and safety at work”
- ▶ PA3 - IP10i “Improved pupils/student performance upon receiving support”
- ▶ PA3 - IP10iii “Second chance participants gaining a qualification/certification upon Leaving”
- ▶ Deadline is **31 December 2016** (*once the respective operations are approved and there is more visibility on the actions to be implemented*)

General Ex ante Conditionalities



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Status of the Calls

| Indicator | Call | Status |
|---|--------|--|
| PA 2 - IP 9i “Persons equipped with skills to empower them to move towards deinstitutionalization” | Call 2 | Closing date 15th April 2016 |
| PA 2 - IP9iv “Increase in awareness in relation to healthier lifestyle and health and safety at work” | Call 2 | Closing date 15th April 2016 |
| PA3 - IP10i “Improved pupils/student performance upon receiving support” | Call 2 | Closing date 15th April 2016 |
| PA3 - IP10iii “Second chance participants gaining a qualification/certification upon Leaving” | Call 1 | <ul style="list-style-type: none">• Closed in September 2015• Evaluation Started January 2016• Envisaged conclusion April 2016 |

AID SCHEMES (2014-2020)



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Overview

- ▶ Access to Employment (A2E)
 - ▶ Priority Axis 1 – Investing in the employability and adaptability of human capital
 - ▶ IP8(i) – Access to employment for job seekers and inactive people, including the long-term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility

- ▶ Investing in Skills
 - ▶ Priority Axis 3 – Investing in people through Education, Training and Life Long Learning
 - ▶ IP10(iii) – Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences

A2E Scheme

- ▶ Access to Employment (A2E) Scheme will provide employment aid to enterprises in Malta and Gozo to promote the recruitment of the more challenged amongst job seekers and inactive people.
- ▶ The scheme is in line with Commission Regulation (EC 651/2014 of the 17th June 2014) declaring certain categories of aid compatible with the internal market in application of Articles 104 and 108 of the Treaty.

Implementation of A2E Scheme

- It was launched on 1st June 2015 for the cohort Disabled Persons and on the 2nd November for the cohort Disadvantaged and Severally Disadvantage Persons
- Applications started being received on 1st June 2015
- Applications will be received up till the end of the programming period or until funds are exhausted
- The authorities continued to look at simplifying the process of the scheme
 - ▶ The MA is currently in a negotiation process with the European Commission to finalise the Delegated Act (Article 14(2) of Reg. 1304/13) to simplify the implementation of the scheme.

Target Groups

▶ ELIGIBILITY OF DISADVANTAGED PERSONS:

1. Any person of age 24 and over and who has been unemployed/inactive for the previous 6 months.
2. Any person of age 24 and over and who has been unemployed for the previous 12 months during which he/she participated in a traineeship with the applicant Undertaking.
3. Any person who is living as a single adult who has one or more dependents and is not in full-time employment.
4. Any person of age 24 and over who has not attained an upper secondary educational or vocational qualification (ISCED 3), who does not have a job.
5. Any person older than 50 years who does not have a job.

Target Groups (*cont.*)

▶ **ELIGIBILITY OF SEVERLY DISADVANTAGED PERSONS:**

6. Any person who has been unemployed/inactive for the previous 12 months during which he/she has not benefited from a traineeship with the applicant Undertaking and who belongs to once of the target groups (3) to (5).
7. Any person who has been unemployed/inactive for the previous 24 months during which he/she has not benefited from a traineeship with the applicant Undertaking.

▶ **ELIGIBILITY OF REGISTERED DISABLED PERSONS:**

8. Any person who is a registered disabled person under national law and is not in full-time employment.

Expected Targets

- ▶ Targets calculated during the planning stage of the A2E Scheme:

| Target Group | No of Participants to be taking part |
|--------------------------------|--------------------------------------|
| Disadvantaged Persons | 1,000 |
| Severely Disadvantaged Persons | 250 |
| Registered Disabled Persons | 500* |

* (national employment target re. quota)

Investing in Skills

- ▶ This initiative is intended to promote access to the training of persons actively participating in the Maltese labour market, with a view to increasing productivity and enhancing adaptability.
- ▶ Eligible Applicants
 - ▶ Entities that have an economic activity and wish to train their employees in line with Commission Regulation (EU) No 651/2014 of 17 June 2014

Investing in Skills

- ▶ The scheme will utilise a standard rate for training similar to TAF2
- ▶ Investing in Skills will be launched in the first half of 2016 and will continue up to Q4 – 2020 or until funds are exhausted

SIMPLIFIED COST OPTIONS (2014-2020)



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Simplification

Flat rate on Indirect Costs

- ▶ Article 68 of (EU) 1303/2013 1(a) a flat rate of up to 25% of eligible direct costs, provided that the rate is calculated on the basis of a fair, equitable and verifiable calculation method or a method applied under schemes for grants funded entirely by the Member State for a similar type of operation and beneficiary



Simplification - Established Rates

- ▶ For the programming period 2014-2020 the MA has established the following rates for indirect costs:

| OPII | Public Entities | Ministries / Departments | NGOs | Public Employment Service (ETC) |
|---|-----------------|--------------------------|------|---------------------------------|
| Large Projects $> / =$ €3,000,000 | 8% | 5% | 8% | 25% |
| Medium Projects $> / =$ €750,000 and $<$ €3,000,000 | 25% | 25% | 25% | 25% |
| Small Projects $<$ €750,000 | 25% | 25% | 25% | 25% |

Simplification

The flat rate for indirect costs will cover the following:

- Project Management
- Child care costs to the training participant
- Publicity costs (e.g Awareness campaigns)
- Consumables

Furthermore, the MA has also produced the Guidance Notes on the use of Simplified Cost Options under the 2014-2020 Programming Period have been published and are available under the Open Calls section on eufunds.gov.mt

SCOs: Article 14 (1) of (EU) 1304/2013 (Delegated Acts)

- ▶ **Access to Employment (A2E):** MT application is currently being processed by the Commission Audit Services and MT should have a reply on its approval or otherwise in the coming months;
- ▶ **Scholarships:** Currently the MA is liaising with NCFHE in order to establish a standard rate for courses at MQF level 7 and 8. The rate will be based on the historical data of ESF 1.25 (STEPS) and ESF 1.225 (Master It)

SCOs: Article 14 (1) of (EU) 1304/2013 (Delegated Acts) (*cont.*)



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- ▶ ***Non–accredited courses:*** A study is currently being carried out by NCFHE in order to establish a training standard rate. The data will be based on the courses undertaken under the ESF 2.65 – Training Aid Framework.
- ▶ ***Accredited courses:*** The MA is also looking at the possibility of undergoing a study in relation to accredited courses.

STRUCTURAL FUNDS DATABASE and ONLINE APPLICATION FORM (2014-2020)



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Structural Funds Database 14-20

- ▶ Meetings held between the various stakeholders, Intermediary Bodies and the developer in order to discuss various aspects allowing the development of the various modules
- ▶ The operational and functional aspects of each developed module were subsequently tested by the Managing Authority and any identified issues were rectified accordingly
- ▶ Data groups and functionality roles were developed and implemented
- ▶ Maintenance Screens were filled in with relevant data and this enabled the system to go live

Online Application Form

- ▶ Development and launch of the online application form:
 - ▶ In May 2015 – Call 1
 - ▶ In December 2015 – Call 2
- ▶ This was the first time in which applicants were required to fill in and submit an online application since previously all applications had to be filled in and submitted manually
- ▶ The online application form was developed as integrated within the system (SFD14-20), simplifying the process for the applicant
- ▶ Training to potential applicants was provided via Information Sessions and training.

HORIZONTAL PRIORITIES (2014-2020)



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Gender Equality, Equal Opportunities, Non-discrimination including accessibility (Article 110 (f) of EU 1303/2013)

- ▶ The application form structure of this section has been strengthened to assist potential beneficiaries in:
 - ▶ identifying the minimum legal obligations
 - ▶ to propose additional measures (beyond the legal requirement)
- ▶ Applicants should discuss their project ideas with the relevant Bodies (NCPE, KNPD) for advice on the legal obligations and on how to best integrate such priorities within their projects.
- ▶ Part of the award criteria
- ▶ Conditionalities/obligations may be imposed at eventual Grant Agreement stage to ensure the implementation of such horizontal priorities.

Sustainable Development

(Article 110 (g) of EU 1303/2013)

- ▶ Applicants should discuss their project ideas with the relevant authority (MSDEC) on how to best address this priority within their project ideas.
- ▶ Part of the award criteria
- ▶ Conditionalities/obligations may be imposed at eventual Grant Agreement stage to ensure the implementation of this horizontal priority.

TRAINING, COMMUNICATION AND EVALUATION 2014-2020



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Training Strategy

- ▶ In 2015, the Managing Authority drafted the ‘Structural and Investment Funds Training Strategy’, which covers both the Managing Authority as well as stakeholders
- ▶ The Training Strategy will support administrative capacity building of the ESIF implementation system in Malta and therefore maximise the benefits derived from the successful implementation of the programme through the strengthening and development of its human resources base within its several structures

Training Strategy

- ▶ Types of training that will be provided during 2016:
 - **Induction training programmes** for new recruits within the horizontal stakeholders as well as beneficiaries
 - **Technical training programmes** to facilitate programme / project management and implementation (e.g. public procurement, cost benefit analysis, indicators)
 - **IT training programmes** in relation to the SFD14-20
 - **Skills development programmes** to providing human resources with the necessary aptitude to grow within the organisation (e.g. project management, ECDL, soft skills, etc.)

Communication Annual Action Plan 2016

- ▶ Uploading the new Visual Identity Guidelines to reflect the 2014-2020 publicity requirements and provide the necessary training to stakeholders
- ▶ Implementation of actions related to the promotion of benefits achieved under the 2007-2013 programming period, as well as paving the way on informing the public on the 2014-2020 programming period
- ▶ Participate in European Networks, mainly INIO
- ▶ Information sessions on the calls for project proposals under Cohesion Policy 2014-2020 will be held throughout the year

Evaluation Plan 2016

- ▶ Issuing a tender on the feasibility study on carrying out a Counterfactual Impact Evaluation in Malta, and a pilot study in the area where there is available data on both the controlled group and the non-controlled group
- ▶ Organise meetings with the National Statistics Office in order to continue with the necessary preparations on the participants' tracking system, taking into consideration lessons learnt and recommendations in view of the Cohort Study as well as the monitoring requirements for the 2014-2020 programming period
- ▶ Issuing of 'Guidance Document on Indicators 2014-2020'
- ▶ Continue enhancing the monitoring system (from application stage to closure-stage) in order to meet the requirements set in the Operational Programme as well the Strategy itself

Evaluation Plan 2016

- ▶ Convening the Evaluation Steering Group to discuss the evaluation questions and recommendations emanating from the studies, as well as reporting on the progress vis-à-vis the Monitoring and Evaluation Strategy
- ▶ Participate in the Evaluation Network Meetings organised by DG EMPL
- ▶ Organise training to Beneficiaries with regard to the collection and verification of indicators
- ▶ Attend training with regard to monitoring and evaluation

Ex Ante Assessment of Financial Instrument

- ▶ In line with Articles 37 and 38 of Regulation (EU) 1303/2013, the MA is currently carrying out an *ex ante* assessment to determine whether Financial Instruments (FI) are feasible instruments in pursuing the objective of OP II, with specific reference to Priority Axis 3
- ▶ The evaluators will be conducting both desk-based and field research involving both the supply-side (financial sector) as well as the demand-side (students / potential students) in order to:
 - Analyse the **market gap** between the available scholarships at undergraduate, graduate and postgraduate level as well as at vocational level and the increased demand currently not being funded
 - Identify the **optimal financial instruments** to address the identified existing market gaps and demand/supply, including its **added value**

Looking forward

- ▶ Finalisation of designation – end of May 2016
- ▶ Finalisation of PSC Call 1 – by April 2016
- ▶ Launch of Call 3 – in April 2016
- ▶ Followed by Evaluation of Call 2 – to be concluded by September 2016
- ▶ Adoption of Delegated Act for A2E expected by mid-2016
- ▶ Ex-ante conditionalities – baselines to be established by end of year
- ▶ SCOs work will continue and discussions with potential beneficiaries
- ▶ Continuation of evaluation work
- ▶ Finalisation of Ex-ante assessment on financial instruments

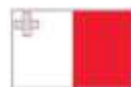
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