

FOOD AND/OR BASIC MATERIAL ASSISTANCE OPERATIONAL PROGRAMME

1. IDENTIFICATION

Member State	Malta
CCI	2014MT05FMOP001
Title	Programm Operattiv Tal-ghajnuna Alimentari u/jew Materjali bażika
Version	1.1
First year	2014
Last year	2020
Eligible from	01-Dec-2013
Eligible until	31-Dec-2023
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2. PROGRAMME FORMULATION

2.1 Situation

An identification and a justification of the material deprivation(s) to be addressed.

Identification and justification of the material deprivation to be addressed

Malta faces similar challenges as other Member States when it comes to poverty and social exclusion. In 2013, 24.0% of the population in Malta, equivalent to 99,020 persons[1], were deemed to be at risk of poverty or social exclusion and 29,290 households were receiving non-contributory social security benefits. Malta's national target, as agreed with the European Commission, is to lift around 6,560 persons out of the risk of poverty and social exclusion by 2020[2].

There are a number of vulnerable groups in society that are exposed to greater risk of poverty and social exclusion[3]. The elderly along with children are at greater risk of poverty and social exclusion and therefore have a higher risk of material deprivation. In 2013, 32% of persons under the age of 18 years and 20.8% of the elderly over 65 years of age were at the risk of poverty or social exclusion[4]. Furthermore, there is a notable difference between the at-risk-of-poverty rate of households with and without dependent children. In fact, in 2013, figures stood at 19.7% and 11.3% respectively[5]. Besides, households with two or more dependent children were deemed at a greater risk of poverty when compared to households with one dependent child. As for the elderly cohort, a difference also exists between single and non-single households. In particular, households with two adults, of which one is aged 65 years and over had an at-risk-of-poverty rate of 19.0%, whilst one person households of 65 years and over had a lower rate of 15.7%[6].

Despite the various deprivations that different vulnerable groups generally face, Malta has chosen to focus its FEAD OP exclusively on food deprivation measures. In 2013, around 61,545 persons (14.9%) could not afford to eat a meal with meat, chicken, fish (or vegetarian equivalent) every second day[7]. Government recognises that food deprivation has severe and broad implications across all age groups. The undernourishment of children is not only a medical and a social problem, but also a long-term economic setback, as such children are less likely to achieve the level of education that they may aspire for when compared to children with adequate nourishment. For adults, this implies that food deprivation significantly reduces their long-term potential to attain and/or hold a job that ends their dependency on welfare schemes.

The decision to focus exclusively on food deprivation is also motivated by the fact that the FEAD programme was created to replace the 2005-2013 Food Distribution Programme for the Most Deprived Persons of the Community (MDP), which had a budget of €4.85 million. With a budget which is close to that of the previous programme, the provision of other basic goods in addition to food without impinging on the level of quality and quantities of the food items distributed is difficult under the new programme. Other household deprivations, such as domestic energy costs, are being addressed through specific measures such as the reduction of household energy bills by an average of 25% with effect from March 2014.

Indication of type of Material Deprivation Addressed

The OP will support food deprivation and will target the most deprived households, particularly those having children and the elderly.

[1] NSO, SILC 2013: Salient Indicators, 3 September 2014, available from http://www.nso.gov.mt/statdoc/document_view.aspx?id=3853 [Accessed on 5 September 2014]

[2] Malta's National Reform Programme Under the Europe 2020 Strategy, 2011; Available from http://ec.europa.eu/europe2020/pdf/nrp/nrp_malta_en.pdf [Accessed on 23 July 2014]

[3] Partnership Agreement of Malta 2014-2020, Ministry for European Affairs and Implementation of the Electoral Manifesto, March 2014

[4] NSO, SILC 2013: Salient Indicators, 3 September 2014 available from http://www.nso.gov.mt/statdoc/document_view.aspx?id=3853 [Accessed on 5 September 2014]

[5] Ibid

[6] Ibid

[7] Ibid

Indication of the type of material deprivation(s) retained for the OP.

1 - Food Deprivation

2.2 Material deprivation addressed

Material deprivation type: 1 - Food Deprivation

2.2.1 Description

Items to be provided

This OP aims to provide the most deprived households with periodic distribution of food items to alleviate the risk of poverty prevalent amongst these persons and to help improve their living standards. Food packages will be distributed to deprived households, taking into account the financial situation of such households in accordance with pre-established selection criteria explained in Section 3.1.

As an example, the following food items will be considered:

- Long life milk;
- Assorted dried nuts;
- Tinned fish chunks;
- Baked beans;

- Tinned tomatoes (Polpa);
- Whole wheat cereal;
- Corn flakes;
- Lentil /Pulses soup mix;
- Pasta (dry not fresh);
- Rice;
- Tinned vegetables;
- Tinned fruit;
- Tinned sausages.

The above list is intended to provide an indication of what the food packages will contain. Changes may be considered in the course of the programme duration if the need arises. The mechanism for the implementation of such changes will be elaborated upon in the management and control system document that will be developed for this OP.

Supply chain

Malta is appointing the Ministry responsible for social policy[1] as an Intermediary Body (IB) for FEAD. Amongst other tasks, the IB will also be responsible for the purchase of food supplies to be provided to the partner organisations (POs) through an open call for tenders for the procurement of food under this OP. The selected supplier/s will be responsible for the provision of food packages as well as its delivery to the POs. The POs will then be responsible to store the food packages until the food is disseminated to the target recipients. Therefore, payments to the supplier will cover the costs of purchasing the food packages and the costs incurred in relation to transportation to the POs.

The IB will also have the responsibility to identify the eligible target group in line with the established selection criteria in Section 3.1 prior to every food issue to end recipients. The IB will issue the entitlement slips which identify the recipients as being eligible to receive food assistance under FEAD. The entitlement slips will be distributed to recipients by post. The eligible households are envisaged to indicatively receive the food packages 3 times a year. Food distribution to end recipients falls under the responsibility of the POs and where possible will be carried out at locality level to make it easily accessible for end recipients. End recipients will be able to pick up the food provided from the POs, in the premises of the choice of the POs, upon the presentation of the entitlement slip. Given that the task of food distribution to the target population is entrusted to the POs, the OP will be able to claim the flat rate as defined in Article 26.2.c to cover the administration, transport and storage costs.

Accompanying measures

In order to ensure that the funds available under this Programme are used to address food deprivation directly, accompanying measures as defined in Article 2 (11) will not be funded through this OP. Malta will ensure that POs participating in the programme (directly or in co-operation with other organisations) will carry out accompanying measures. This is included as a qualifying criterion for the selection of POs under Section 3.3. The indicative list of accompanying measures that will be offered together with food assistance includes:

- Provision of information on healthy eating /cooking; and
- Provision of advice on individual/household budget management and/or employment.

The list of accompanying measures may vary depending on the target groups and the role of the partner organizations that will be selected to participate under this OP.

[1] In 2014, this is the Ministry for the Family and Social Solidarity (MFSS)

2.2.2 National schemes

Government is committed to combating poverty and social exclusion and in this regard is undertaking various measures, funded through national and EU funds, to address these issues. FEAD is expected to complement national measures outlined below. Section 2.3 also provides details on other measures aiming towards combating poverty and social exclusion.

Real income and social benefits

Real income and social benefits are provided for under the Social Security Non-Contributory Scheme through the provision of financial assistance to those satisfying the conditions determined through relevant pre-established criteria including means testing. This provides for simultaneous coverage in those cases where the relevant criteria are satisfied. Moreover, this scheme provides additional assistance to specific categories of the population who have limited financial means.

Child Supplement

In March 2014, Government announced the introduction of a Child Supplement scheme to be provided as from September 2014 aimed at addressing poverty among children. Households with children earning less than €11,000 will benefit from the scheme.

2.3 Other

A. Other National Schemes

The Food Distribution Programme for the Most Deprived Persons of the Community 2005-2013

Malta participated in this programme between 2005 and 2013. The objective of the scheme was to supply food from intervention stocks, although more recently, the scheme became increasingly reliant on Community/Union market purchases. Food was supplied to the most deprived persons through organisations engaged in social or charitable activity.

Malta was allocated a total budget of €4.85 million over the 9 year period. On average circa 16,700 persons benefited per annum through the programme. The beneficiaries of this scheme were those persons and their dependants, as well as caring and residential institutions, who fall under one or more of the following:

- Persons who have no possibility of maintaining themselves and/or whose income is below the basic standard of living;
- Persons who reside in non-governmental institutions, etc;
- Persons who receive non-contributory social security assistance including:
 1. elderly persons with insufficient means;
 2. unmarried mothers/single parents;
 3. unemployed persons;
 4. people experiencing poverty, including the homeless;
 5. disabled persons (severely/mentally disabled, blind);
 6. children at risk;
 7. persons qualifying for the pink card[1] through a “means test”.

Other national measures addressing risk of poverty and social exclusion

Malta’s 2014 Budget includes measures that are envisaged to have a positive impact on low income earners comprising:

- the reduction of household energy bills by an average of 25% and household water bills by 5%;
- reduction in income tax for unemployed women over 40 years of age entering the labour market;
- helping the long-term unemployed join the labour market by continuing to receive a percentage of their Social Security benefits for a period of 3 years after taking up paid employment;
- helping single parents find employment by providing tax credits for taking vocational courses and for entering full time education;
- extension of widow’s and widowers’ pension entitlement;
- increase in allowance for children with disability;
- tax-exempt Cost of Living Adjustment payments for minimum wage earners and for pensioners who are currently taxed.

These measures are complementary to the FEAD Programme as they are also expected to contribute towards the fight against poverty and social exclusion.

In addition to these measures, Malta also provides universal free public healthcare and education up to tertiary level which also contributes to the fight against poverty and social exclusion.

B. Policy Documents

Government is committed to continue giving particular attention to vulnerable groups who are at greater risk of poverty and social exclusion. Government is also addressing food nutrition and healthy living through a number of strategies it is implementing. In this regard, a number of policy documents have been taken into consideration in the preparation of this OP including:

- *Green paper – A Framework for Poverty Reduction and for Social Inclusion 2014 – 2024*, Ministry for the Family and Social Solidarity, 2014;
- *A Framework for Poverty Reduction and for Social Inclusion 2014 – 2024. Reflections by Caritas Malta on the Green Paper by the Ministry for the Family and Social Solidarity*, 2014;
- *National Policy on the Rights of Persons with Disability*, Kumitat Azzjoni Lejn Soċjetà Ġusta icw the Parliamentary Secretary For Rights of Persons With Disability And Active Ageing, 2014;
- *National Strategic Policy for Active Ageing*, Malta 2014-2020, National Commission for Active Ageing, 2013;
- *Food and Nutrition Policy and Action Plan 2014 – 2020*, Ministry for Health, 2014;
- *A Healthy weight for life: A national strategy for Malta 2012 – 2020*, Ministry for Health, 2012.

[1] The Second Schedule Part III card (characterised by the issue of a pink card) is mainly provided to entitled patients after an assessment of the total household income level; and is regulated through the Medical Aids grant under the Social Security Act (Cap. 318)

3. IMPLEMENTATION

3.1 Identification of most deprived persons

In identifying the most deprived persons, a working group representing the relevant stakeholders (section 4) was set up. Discussions were held in order to identify the target group, where different vulnerable groups were considered so as to establish objective selection criteria. Households with two or more dependent children together with non-single elderly households were identified as being at greater risk of poverty and social exclusion. Therefore, aid will be directed towards households with the lowest income (who are eligible for certain[1] non-contributory benefits) with 2 or more children or elderly persons. The IB will establish the eligible target group through the Social Security Department (SSD), whereby households that fit into any one of the following categories will be identified:

- i. Households in receipt of non-contributory means tested benefits and having 2 or more children below the age of 16;
- ii. Households having 2 or more children below the age of 16 with an income not exceeding 80% of National Minimum Wage (NMW)[2];
- iii. Households having 2 or more children below the age of 16 with an income not exceeding the NMW[3];
- iv. Non-single households eligible for non-contributory means tested age pension.

Categories i, iii and iv will indicatively receive the same worth of food items per distribution, whilst Category ii and all categories having 3 or more children below the age of 16 in their household will receive a food package of greater value (indicatively of 50% more) given that they are most at risk of poverty.

Any uncollected food may be redistributed to the target group already identified above (categories i to iv) starting with category ii.

[1] Single Unmarried Parent (SUP); Pensjoni tal-Wens (PW); Social Assistance (SA); Social Assistance Board (SAB); Social Assistance Carer (SAF); Special Unemployment Benefit (SUB); Unemployment Assistance (UA); Age Pension (AP).

[2] NMW is defined in Subsidiary Legislation 452.71

[3] Ibid.

3.2 Selection of operations

The following are the types of operations that will be considered as eligible under this OP:

- Purchase of food by the IB and transport to the storage depots of POs. Each operation may cover a period between 12 to 36 months;
- Storage, transport and distribution of food by POs to the most deprived. Food will be provided to end recipients through POs indicatively three (3) times a year.
- Technical Assistance (TA) pursuant to Article 27(4). Selection of TA operations will be organised in a way which covers the whole implementation of the OP.

Common Criteria

The following criteria will be applied to all types of operations:

- The operation respects eligibility rules set in the Art.22(2), (3), (4), Art.23(1), (5), (6), Art.26(2) (except for TA), Art.26(3) (for TA only) and Art.26(4);
- The operation takes into account the principles set out in Art.5(11), (12) and 5(13) including, where relevant, requirements of national public procurement law; and
- The operation falls within the scope of the Fund and the Operational Programme.

Specific criteria

The following specific criteria will be adopted depending on the nature of the operation:

- Purchase of food by the IB – The type and quantity of food products purchased correspond to the identified needs, within the limit of available budget.
- Distribution of food by POs to end recipients - The operation will be carried out by partner organizations selected in accordance with the criteria listed under Section 3.3.
- Technical Assistance - the actions under this type of operation will support and accompany the programme implementation in accordance with Article 27(4) and corresponds to responsibilities of institutions as defined in the OP.

3.3 Selection of partner organisations

The partner organisations will be selected through an open call which may cover a period between 12 to 36 months. The criteria for the selection of partner organisations are described below.

Qualifying criteria

- Organisations have to be either:
 1. A public body; or

2. An organisation enrolled with the Commissioner for Voluntary Organisations (unless the relevant exemption applicable at law is granted in line with national law) and it has been working in the field of charity or social inclusion of vulnerable groups during the last 12 months as of the deadline for submission of application.
- Organisations must have the administrative, financial and operational capacity to provide:
 1. Safe storage of the food and its distribution to the persons who are entitled to receive the assistance concerned;
 2. Accompanying measures (directly or indirectly in cooperation with other organisations), with the aim of alleviating social exclusion and/or tackling social emergencies in a more empowering and sustainable way as defined in section 2.2.1; and
 3. Fulfillment of the requirements relating to information and publicity, management and control, monitoring of the operation.

Ranking criteria

Partner organisations will be ranked in terms of the following criteria:

- Previous experience of the organisation in the field of charity and social inclusion of vulnerable groups that correspond to the target groups of the OP;
- Previous experience of the organisation in the management of public funding (EU or state);
- Scope of the accompanying measures provided directly/indirectly by the PO;
- Geographical coverage of the most deprived areas.

3.4 Complementarity with ESF

Measures supported through FEAD will be complemented by ESF measures. The FEAD OP will ensure that effective emergency interventions are in place to address the basic needs of the most deprived persons, whilst measures identified under the ESF OP will target a wider group of persons and provide support in the form of enhancing employment prospects and of social inclusion interventions.

With respect to the ESF OP for Malta, Priority Axis 2 (Towards a More Inclusive Society) complements this Programme in its aim towards achieving a more inclusive society, through two specific objectives that overall are complementary to the scope of the FEAD programme.

Firstly, a specific objective under Investment Priority 1 of Priority Axis 2 aims to enhance active social inclusion by creating opportunities for all through several measures. Of particular relevance to the FEAD OP is the measure aimed at improving the life chances for disadvantaged children. This measure complements the FEAD OP as children are being targeted as a vulnerable group of society. The ESF measure aimed at reducing the impact of negative social inheritance in children, together with the provision

of food supplies for children through the FEAD OP, will complement each other in working towards greater social inclusion for deprived children.

Another measure, also under Investment Priority 1 of Priority Axis 2, aims at empowering citizens to seize opportunities that will improve their life chances and help them achieve a better quality of life also complements the FEAD OP. In this regard, Government will support actions with a view to ensure that persons who are facing social exclusion are empowered, through the appropriate skills and knowledge, to help them combat vulnerability traps. Emphasis will therefore be placed on the elimination of barriers through training, education and other support measures which socially excluded persons and vulnerable groups might face.

In addition, the planned measure under Investment Priority 1 of Priority Axis 2 relating to the establishment of Social Development Centres (SDCs), may also complement the objectives of FEAD. Within these centres, Government plans to set up Family Resource Centres (FRCs) which are earmarked also to provide professional information, advice, assistance, support and education as a lifelong learning concept especially to those individuals coming from disadvantaged groups. Through ESF measures, focus will also be directed towards stimulating the development of parenting skills and competencies so as to foster the stability of the families whilst also empowering the different target groups to prevent dependency and promote/facilitate independent living as much as possible.

The specific objective of Investment Priority 2 of Priority Axis 2 aimed at reducing health inequalities and addressing health needs, will also seek to complement actions identified under the FEAD OP particularly through actions that promote healthier lifestyles. The selection of food items as supplied under the FEAD OP, are selected with a view to promote a healthy and balanced diet, which in turn supports the aim of promoting healthier lifestyles.

Hence, overall the measures identified in the ESF OP provide complementary measures that will enhance the impact of the FEAD OP.

3.5 Institutional set-up

Managing Authority (MA)

The Planning and Priorities Coordination Division within the Ministry for European Affairs and Implementation of the Electoral Manifesto is entrusted with the management and coordination of the FEAD and will fulfil its functions in terms of Article 32 of the FEAD Regulation.

The Division, designated in line with Article 35 and set up in line with established national procedures of the Government of Malta, established the Ministry responsible for social policy[1] as the Intermediate Body for FEAD, which will be delegated with a number of tasks. The relationship between the MA and the IB will be defined in an agreement. The MA will also ensure that the Partner Organisations will be provided with a document setting out the conditions for support, including the specific requirements concerning the food packages to be delivered under the operation, the financial plan and the time-limit for execution.

Certifying Authority (CA)

The European Union (Paying Authority) Directorate within the Ministry for Finance is the certifying authority of the FEAD OP.

Audit Authority

The Internal Audit and Investigations Department (IAID), within the Office of the Prime Minister, is the Audit Authority of the FEAD OP.

The Body to which payments will be made by the European Commission

The Treasury, within the Ministry for Finance, is the body to which payments will be made by the European Commission.

[1] In 2014, the entrusted Ministry is the Ministry for the Family and Social Solidarity (MFSS)

3.6 Monitoring and evaluation

In line with Article 28 of the FEAD Regulation, the management and control of the programme will provide for a computerized system for accounting, for the storage and transmission of financial data and data in relation to monitoring and reporting purposes. Data will be recorded and stored in line with Commission Delegated Regulation 532/2014[1]. This will be described in the management and control system which will be defined in a separate document.

A reporting system will be established to support the monitoring process of the programme. As a minimum, this will involve the preparation of an annual implementation report for the OP implemented in the previous financial year as required by Article 13 of the FEAD regulation and in line with the procedure established therein. This will be drafted in accordance with Article 2 of the Commission Delegated Regulation of 17.7.2014[2], including information on the implementation of the programme by reference to the input, output and result common indicators set out in the Annex to the Delegated Regulation. Complementary to this, review meetings will be held between the Commission and the Maltese Authorities in line with Article 14 of the FEAD Regulation.

As part of the monitoring procedures, Partner Organisation/s will play an important role in:

- ensuring that only those eligible are provided food items under this programme;
- keeping track of the amount of food delivered to localities, per delivery;
- keeping track of food claimed at localities by eligible households, per delivery.

Such responsibility entrusted to the POs will be further facilitated as the IB will be issuing entitlement slips to the end recipients and food packages will be given upon the presentation of the entitlement slip to the POs.

Furthermore, the IB and the partner organisation/s will be required to comply with monitoring procedures developed for the implementation of this programme. This will be defined further in the management and control system.

An ex-ante evaluation was carried out in line with Article 16 of the FEAD Regulation. In addition, in terms of the structured survey on end recipients (to be carried out in 2017 and 2022) referred to under Article 17 (4), data collection procedures will be developed in accordance with the template to be adopted by the Commission.

[1] Commission Delegated Regulation (EU) No. 532/2014 of 13 March 2014 supplementing Regulation (EU) No 223/2014 of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived.

[2] Commission Delegated Regulation (EU) No.../... of 17.7.2014 supplementing Regulation (EU) No 223/2014 of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived by laying down the content of the annual and final implementation reports, including the list of common indicators.

3.7 Technical assistance

A maximum of 5% of the fund allocation will go towards measures that support technical assistance to finance activities such as programme preparations, management and control related functions, evaluation, and publicity and information activities in accordance with FEAD Regulation Article 27 (4). The specific actions to be financed may include amongst others salaries, the computerised management system, publicity measures such as adverts, the drafting of the Material Assistance Operational Programme for the FEAD, the implementation of a structured survey on end participants, consumables, the entitlement slips to be distributed to the end recipients and other actions that are deemed appropriate for the proper implementation of this operational programme.

4. INVOLVEMENT OF STAKEHOLDERS

Preparation of the OP

In accordance with the FEAD regulation, this OP has been prepared by respecting the partnership principle. In April 2013, MFSS set up a working group to discuss the FEAD OP for 2014-2020. The working group is composed of representatives from various departments and entities within MFSS, including those responsible for policy development, welfare services, social security, programme implementation and EU affairs; Ministry for European Affairs and the Implementation of the Electoral Manifesto; Ministry of Finance; Department of Local Government; Local Council Association; Foundation for Social Welfare Services; Malta Anti-Poverty Forum; and POs responsible for the 2005-2013 Food Programme.

Four meetings were held during which key issues relating to FEAD OP were discussed. Suggestions in relation to the criteria of target recipients and material deprivation to be addressed were provided by stakeholders. Based on the experience of 2005-2013 Programme, suggestions included providing food to the most deprived rather than the most vulnerable. It was also suggested to use the SSD to extract eligible groups. The categories as defined in Section 3.1 were established through discussions which unfolded during working group meetings. The preparation of the OP also considered feedback gathered during the consultation process for the Green Paper on Poverty and Social Exclusion 2014–2024.

Implementation of the OP

This OP is concerned with the provision of food and does not require a Monitoring Committee to be set up. In terms of Article 32(2)(b) of the FEAD Regulation, the MA is to consult with the stakeholders, including amongst others, the IB and the POs, in relation to the annual implementation reports. Where applicable, the relevant stakeholders will be invited to participate in the yearly review meetings to be held between Malta and the Commission in terms of Article 14 of the FEAD Regulation.

5. FINANCIAL PLAN

5.1 Financing plan of the operational programme giving the annual commitment of the Fund and corresponding national co-financing in the operational programme (in €).

Year	Fund (a)	National co- financing (b)	Public expenditure (c)=(a)+(b)	Co-financing rate (d)=(a)/(c)
2014	530,604.00	93,636.00	624,240.00	
2015	541,216.00	95,509.00	636,725.00	
2016	552,040.00	97,419.00	649,459.00	
2017	563,081.00	99,367.00	662,448.00	
2018	574,343.00	101,355.00	675,698.00	
2019	585,830.00	103,382.00	689,212.00	
2020	597,546.00	105,449.00	702,995.00	
Total	3,944,660.00	696,117.00	4,640,777.00	85.00

5.2 Financing plan giving the amount of the total financial appropriations of the support from the operational programme for each type of material deprivation addressed as well as the corresponding accompanying measures (in €).

Type of material assistance	Public expenditure
Technical assistance	232,038.00
1 - Food Deprivation	4,408,739.00
of which, accompanying measures	0.00
Total	4,640,777.00

Documents

Document title	Document type	Document date	Local reference	Commission reference	Files	Sent date	Sent By
Ex-Ante Evaluation of Malta's Material Assistance Operational Programme as defined by the Regulation for the Fund for European Aid to the Most Deprived	Report of the ex-ante evaluation	04-Sep-2014		Ares(2014)38083 27	Ex-Ante Evaluation Report	15-Nov-2014	ncamanth