

Annex 1: Reporting table on national Europe 2020 targets and key commitments for the next 12 months

National Target	List of measures and their state of play that were implemented in response to the commitment	The estimated impacts of the measures (qualitative and/or quantitative)
<i>National 2020 headline targets</i>		
National 2020 employment target (62.9%)	<p>Community Work Scheme</p> <p>The Community work scheme aims at providing the long-term unemployed with the opportunity to undertake community work, enabling them to obtain further skills. The scheme was introduced in 2009 and extended in 2010. It was extended further during 2012 and subsequent years to eventually include the short term unemployed.</p> <p>As at end of February 2013, the number of participants in the Continuation of Community Work Scheme was 393.</p> <p>Status: Ongoing</p>	<p>Participants will acquire further skills, through which they will improve their employability and increase their chances of finding employment.</p> <p>The scheme will continue to work against undeclared work as participation is mandatory to those entitled to unemployment benefit.</p>
	<p>Child Care Centres</p> <p>To date, there are 12 active Smartkids centres (Vittoriosa, Birkirkara, Qawra, Siggiewi, Pembroke, Cospicua, Santa Venera, Floriana, Marsa, Qormi, Naxxar and San Gwann)..</p> <p>In 2012, a total of 842 individuals benefited from the scheme. Additionally, a total of 270 individuals made use of the Public-Private Partnerships centres. There are also Government-funded centres within the Employment and Training Corporation, the MCAST, the University of Malta and the Water Services Corporation.</p>	<p>It is envisaged that childcare centres will continue creating a continuum of early intervention and educational services and help towards the employability of the parents.</p>

	<p>There are also 39 private/church-run centres</p> <p>Status: On Track</p>	
	<p>Afternoon School Programmes in the Community</p> <p>This after-school service started in 2009. It is currently offering the service from within 16 schools. The total number of children who benefited from the after-school service since October 2009 was 2157.</p> <p>The service is offered daily, from Monday to Friday between 2.30 pm and 6.00 pm during school days; and from 7.15 am and 5.15 pm during school holidays. This is open to everyone who would like to make use of this service – be it parents whose children attend public, private or Church schools.</p> <p>A new website and a Facebook page have been launched with the aim to raise the visibility of such services and to reach out to more families.</p> <p>Status: On Track</p>	<p>The service aims to provide an after-school care service within school structures to bridge the gap between day school and regular working hours of parents in employment, thus, meeting the demands of the labour market and helping to increase the rate of females in employment.</p> <p>Since opening the centres, uptake has been increasing gradually in all centres.</p>
	<p>INT Scheme</p> <p>The ETC organises the INT (Ibda Negotzju Tieghek) scheme aimed to assist individuals interested in starting their own business.</p> <p>This scheme is offered to male and female clients. Between January and December 2012, a total of 33 persons applied to receive training and mentoring in this area, of which 15 were women.</p> <p>As from February 2012, the grant was increased from €2,330 to</p>	<p>The participants who make it to the last phase of the course, should go on to receive a grant . This will contribute to the desired impact of having more entrepreneurs including females.</p>

	<p>€5,000.</p> <p>Status: On Track</p>	
	<p>Publicity campaign to attract more women to the labour market</p> <p>The campaign was targeted at women, men, employers and society in general. The campaign spanned over four phases starting in 2011 and ended in September 2012. Promotion took place through TV, and radio spots and billboards</p> <p>The campaign was meant to create awareness on the benefits of financial independence for women, to decrease poverty and to encourage change in the workplace mentality. Employers were encouraged to consider various work-life reconciliation measures in their organisations.</p> <p>Status: Completed</p>	<p>The campaign was based on media exposure and therefore it is very difficult to estimate impacts.</p> <p>Women were encouraged to consider their re-entry into the labour market through this scheme.</p>
	<p>Encouraging Older Workers to Continue Working</p> <p>Government has introduced a new medical assessment as part of the criteria for qualification to the invalidity pension to ensure that the system will not lead to early exit from the labour market. Malta is currently looking at how this process can be improved in other areas.</p> <p>The reform of the pension system will also contribute to encourage older people to remain active and contribute towards the country's economic and social development. Currently the official retirement age will be 62 years (cohort 1) and in 2019 it will be 63 years (cohort 2).</p> <p>Status: On Track</p>	<p>In 2012, a total of 9,864 pensioners out of a total of 57,443 receiving a retirement pension remained in employment for the whole or part of that year. This represents 17.17% of the total retirement pension population. The male pensioners who remained in employment totalled 8,170 (19.19%) out of 42,568 males receiving retirement pension while the female pensioners accounted for 1,694 (11.39%) out of 14,875 females receiving a retirement pension.</p>

		<p>Pension beneficiaries in 2011 stood at 5,844, a reduction of 677 beneficiaries over 2010. The expenditure on Invalidity Pension in 2011 stood at € 29,454,667, a reduction of €2,762,156 over 2010.</p> <p>The effective retirement age of cohort 1 is expected to increase to a range between 59.2 and 60.3 years, depending on year of birth (1952-1955). Whilst the effective retirement age of cohort 2 is expected to increase to a range between 61.4 and 62.35 years, depending on year of birth (1956-1958). The effective retirement age in 2008 stood at 57.5 years. (<i>Proviso: The quoted expected outcome is provisional and based on the male population</i>)</p>
	<p>Strengthening Employability Prospects</p> <p>The Employment and Training corporation operates the following programmes aimed at Strengthening Employability Prospects:</p> <p>Employment Aid Programme: Following a very successful uptake, on 17th May 2012, the Employment Training Corporation (ETC) had pre-announced that this scheme was temporarily suspended as the budget allocated for this project has been committed.</p>	<p>Employment Aid Programme: Increase job opportunities for disadvantaged groups and disabled persons in the labour market thereby reducing economic inactivity, providing the necessary work</p>

	<p>Due to the referred suspension of this Scheme, new participants were not enrolled in 2013.</p> <p>In December 2012, the Managing Authority approved the additional funding of €4 million which brought the allocated budget of the EAP to €12.2 million. In addition, an extension to this Programme up to December 2014 has been approved by the Managing Authority.</p> <p>Status: On Track</p> <p>Youth Employment Programme: The aim of the Youth Employment Programme (funded by the ESF) was to increase the employability and labour market integration of young people. The programme involved various aspects including guidance, training, and knowledge of their rights and responsibilities at work.</p> <p>The project was brought to a close at the end of December 2012</p> <p>Status: Completed</p> <p>Apprenticeships: As part of its ongoing measures, the National Public Employment Service (ETC) manages two apprenticeship schemes namely; the Extended Skills Training Scheme (ESTS) and the Technician Apprenticeship Scheme (TAS). These schemes are aimed to support youngsters so that they receive adequate training prior to entering the labour market. Two new apprenticeship callings were launched in 2012. These were the apprenticeship for Moulding Technicians and another one for Fish Husbandry Technicians.</p> <p>A new apprenticeship Legal Notice has been drafted. The new legal notice shall be giving ETC, the legal authority and flexibility</p>	<p>experience and enhancing the employability of the target groups concerned.</p> <p>Youth Employment Programme: The number of participants from end of 2009 till the end of December 2012 reached a total of 6,260.</p> <p>Apprenticeships: These schemes will allow for more apprenticeship callings thus increasing the number of apprentices benefiting from this opportunity. Furthermore these schemes will also contribute to increase the number of persons obtaining recognised vocational qualifications following an apprenticeship.</p> <p>Persons with disability will also have</p>
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	<p>to introduce new apprenticeship calls with any approved training institution. The Legal Notice shall be updating existing clauses and including others that regulate the apprenticeship schemes.</p> <p>Status: On Track</p> <p>Employability Programme: The Employability Programme consisted of a number of initiatives that included training and re-training, skills assessment and the provision of financial assistance to individuals (employed in micro enterprises) participating in a vocational training initiative not organised by the PES. The initiative was launched in May 2009, and was completed in December 2012.</p> <p>Status: Completed</p> <p>Training Aid Framework: The Training Aid Framework (TAF) supports undertakings to provide training to their workforce by offering the opportunity of part-refund on training costs.</p> <p>The Training Aid Framework was originally planned to remain</p>	<p>better opportunities to participate in apprenticeships. An average number of 622 candidates were registered as apprentices under both schemes from January till December 2012.</p> <p>Statistics also confirm that in 2012 both employers and apprentices reaped benefits from this scheme since 85% of the apprentices who did not opt to further their studies remained in full-time employment, while another 7% were in part-time employment after successfully completing their apprenticeship.</p> <p>Employability Programme: The number of participants between January and December 2012, in the various initiatives, was as follows:</p> <ul style="list-style-type: none"> - Job Search Assistance (JSA) – 2156 - Training in basic skills and literacy – 509 - Work orientation training initiatives and packages and re-training programmes – 3584 - Training subsidy schemes -50 - Skills assessment system – 524 <p>Training Aid Framework: The TAF is expected to help increase productivity and enhance adaptability. It seeks to increase and/or improve the knowledge and skills of persons</p>
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	<p>active from launch of the scheme in February 2009 till the end of June 2013, however, the funds allocated for TAF, amounting to € 8,851,620, were fully allocated by mid 2012 leading to the closure of the scheme on the 8th June 2012.</p> <p>In view of the closure of scheme and the large volumes of applications submitted, in February 2013 the Employment and Training Corporation requested an extension on the implementation period till the 31st December 2014. In March 2013 the Managing Authority approved ETC's request whereby the extended period will be used for the disbursement of funds</p> <p>Status: On Track</p>	<p>employed with non-public entities that are engaged in a private economic activity regardless of their legal form.</p> <p>3,253 valid grant agreements were signed, out by end of December 2012.</p>
	<p>Measures to Curtail Abuse of the Unemployment Register and Informal Work</p> <p>Initiatives adopted under this measure include the increase of penalty period for persons who fail to participate in an activation measure and the increase in the frequency of registration as a jobseeker's duration of unemployment increases.</p> <p>Furthermore a new finger based registration system will be introduced.</p> <p>These initiatives are coupled by inspections carried out by the Law Compliance Unit within ETC and BFID.</p> <p>Since most of the inspections carried out by ETC are targeted the success rate is high. This <i>should not</i> however be interpreted to mean that undeclared work or abuse is substantial</p> <p>Status: On Track</p>	<p>Between January and December 2012, a total of 3,831 inspections were carried out by ETC during which 2,727 law infringements were identified (a success rate of 71.2%.)</p> <p>During 2012, the Benefit Fraud and Investigation Department conducted through its Inspectorate 846 on-site inspections. Following investigations 942 cases were concluded and resulted in the suspension of a total of 779 social benefits. The estimated annual savings for 2012 totalled to €2,827,459.</p>

	<p>Employment in the Social Economy Project</p> <p>The Employment in the Social Economy Project (ESEP) was officially launched on 16th May 2012. This project promotes an inclusive labour market, through the provision of financial assistance to organisations operating in the social economy and upgrading the skills of those furthest away from the labour market through work experience.</p> <p>This project will encourage employers to recruit persons from disadvantaged categories and persons with disability. Eligible employers will receive a grant provided they retain the persons enrolled in the project for at least one year.</p> <p>In the case of engagement of registered disabled persons and persons who have a recognised physical, mental or psychological impairment, the grant will continue to be provided until March 2014.</p> <p>Status: On Track</p>	<p>This project will enhance the financial independence of disadvantaged persons. Furthermore it will help to prevent social exclusion and marginalisation.</p> <p>As at 31st March 2013, a total of 37 applications were received.</p>
	<p>Employment Support for Persons with Disabilities (ESPD)</p> <p>A call for an expression of interest for Learning Support Assistant, Occupational Therapist and Occupational/Clinical Psychologists was issued in January 2013.</p> <p>Furthermore a call for Job Coaching services was issued on 14th April 2013.</p> <p>Status: On Track</p>	<p>It is envisaged that the project will have approximately 340 participants.</p> <p>The 340 is composed of a total of 256 persons who will undergo training through the support provided by the Learning Support Assistants and a total of 84 persons will be supported during their work exposure or towards the beginning of their transition to actual employment through the job-coaching services. 72% of which (245</p>

		persons) will be in employment or further study 6 months after receiving assistance.
	<p>Pensioners working part-time for the government will pay 15% income tax</p> <p>All the necessary tasks related to this measure are now completed. Legal Notice 320 of 2012 was published on 28 September 2012.</p> <p>Status: Completed</p>	The impact of this measure can only be effectively gauged in the last quarter of 2013 when the relative tax returns for the year 2012 are processed.
	<p>Incentives to Attract More Inactive Women to the Labour Force</p> <p><i>New Income Tax Computation</i></p> <p>This fiscal measure was introduced through Act V of 2012 enacted on 14 May 2012</p> <p><i>Increase in Maternity Leave</i></p> <p>By force of Legal Notice 503 of 2011 entitled 'Protection of Maternity (Employment) (Amendment) (No2) Regulations 2011', the government increased maternity leave for an uninterrupted period of 16 weeks as from 1st January 2012 and to 18 weeks as from 1st January 2013 onwards.</p> <p><i>Increase in Adoption Leave</i></p> <p>In line with Government's commitment towards Family-Friendly Measures, as from 1 January 2012, adoption leave has also been increased from five (5) to sixteen (16) weeks. Entitlement will be extended to eighteen (18) weeks as from 1 January</p>	<p>The effectiveness of this measure can only be effectively gauged in the last quarter of 2013 when the relative tax returns for the year 2012 are processed.</p> <p>The increase in maternity leave and adoption leave will provide a further incentive for women to stay in employment.</p>

	<p>2013.</p> <p>A new concept was also introduced whereby in terms of Legal Notice 503 of 2011, employers cannot force pregnant employees to work overtime. Furthermore, employees shall not be obliged to work overtime for a 12-month period, either from the birth or from the effective date of the adoption of their child.</p> <p>Status: Completed</p>	
	<p>Child Care Centres</p> <p>Five child care centres are <i>being/have been</i> constructed. These are one in Hal Far (not EU funded), San Gwann, Kordin, Mosta & Xewkija. The status of the Hal Far CCC is completed while San Gwann, Kordin & Mosta CCC are being constructed and Xewkija CCC tender is at contract signature stage.</p> <p>Status: Ongoing</p>	<p>These Child Care Centres will accommodate approximately 125 Children in total.</p>
<p>National 2020 R&D target (0.67% of GDP)</p>	<p>The New National Research and Innovation Strategy 2011-2020</p> <p>A draft plan was issued for public consultation in early December 2011. This consultation closed at the end of January 2012. Feedback received is currently being reviewed in order to update and finalise the strategic plan.</p> <p>The original finalisation date had been Q4 2011, however it is envisaged that the document will be finalised in Q3 2013 to take into account developments concerning the preparation of the innovation strategy for smart specialisation (RIS3).</p> <p>Status: Delayed</p>	<p>This measure will set a strategic framework and priorities for investment over the coming years and will thus be guiding investment (human, infrastructural, etc.) in this area. In particular, the different investments are expected to stimulate further the level of R&D investment.</p>
	<p>An Ecosystem Approach to R&I Funding</p>	

	<p>A National R&I Programme Implementation and Extension towards Commercialization</p> <p>This measure was extended. Hence, details on the new R&I Programme 2012 and the Commercialisation Programme can be found below (<i>Malta's National R&I Fund 2012</i>)</p> <p>B Incentives for R&D in Industry</p> <p>Malta Enterprise administers nine R&D incentives that support enterprises in projects related to Industrial Research and Experimental Development. These incentives provide support in the form of cash grants or fiscal benefits. The schemes offered are the following:</p> <ul style="list-style-type: none"> - Loan on Highly Qualified Personnel - Preparatory Technical Feasibility Studies scheme - Grants for Cross Border Collaborative R&D - Industrial Research and Experimental Development - Registration for Intellectual Property Tax Credits for SME's - Royalty Income from Patents - R&D Clusters - ERDF R&D Scheme <p>Cooperation for development of new products, processes and technologies in the agriculture and food sectors</p> <p>The aim of this measure is to increase the competitiveness of the farming sector and agro-food processing industry through the development of new products (goods and services), processes and technologies.</p> <p>Budget allocation for this measure was set at € 1,000,000</p> <p>Status: On Track</p>	<p>B Incentives for R&D in Industry</p> <p>These incentives are expected to contribute to a percentage increase in RTDi expenditure as a percentage of GDP (target increase from 0.3% in 2004 to 0.75% in 2013)</p> <p>Cooperation for development of new products, processes and technologies in the agriculture and food sectors</p> <p>As at end 2012, a total of €35,749.20 was disbursed with an EAFRD contribution of €26,811.90. For the second call which was launched on 24th October 2011, five applications were received, three in</p>
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		<p>Malta and two in Gozo, with a total request for €257,135.16. Until the end of 2012, three applications were selected with a total requested amount of €377,111.17 and total grant amount of €219,953.65.</p>
	<p>Doctoral and Post-Doctoral Scheme</p> <p>The STEPS scheme was launched in January 2009. The funds allocated to the STEPS scheme amounted to €9,948,433.</p> <p>The ESF co-funded STEPS issued 8 calls, the final one was issued in May 2012.</p> <p>The scheme was divided in four focus areas: Capacity Building in Education, Addressing Skills Mismatches, Research and Innovation in Science and Technology and Information and Communications Technology.</p> <p>Status: On Track</p>	<p>To date, a total of 863 (Masters 781 , Doctoral 82) scholarships were awarded under the STEPS scheme</p>
	<p>The Setting Up of a Life Sciences Centre</p> <p>The Life Sciences Centre, also referred to as BioMalta Campus, will seek to attract foreign direct investment into research, technological development and innovation in the bio-technology and life sciences sectors. The centre will also support the development of the local industrial community helping them to grow and internationalise.</p> <p>On 5th September 2011, works started on site with the building expected to be complete in 2014.</p> <p>Project cost is estimated at circa €30M of which around €20M</p>	<p>The Campus is expected to build upon Malta's long-standing tradition in the pharmaceutical industry which has high grown potential.</p> <p>The impact indicators of the project show a 0.44% increase in RTDI expenditure as a percentage of GDP with 138 direct jobs created by the end of the programme period in 2015. Over a 20 year period total</p>

	<p>will be co-financed through ERDF funds.</p> <p>Status: On Track</p>	<p>employment should reach 688.</p>
	<p>Preparation of a Health Research and Innovation Strategy</p> <p>The strategy was approved by Cabinet in December 2012 and launched in January 2013.</p> <p>Status: Completed.</p>	<p>A national plan which provides strategic guidance to enable Malta to better capitalise on its strengths in the sector.</p>
	<p>Malta's National R&I Fund 2012</p> <p>The National R&I Fund includes both the National R&I Programme and the Commercialisation Programme.</p> <p>The R&I Programme for 2012 was launched in December 2011 with a budget of €1.4 million. 46 proposals were received, requesting a total of €8.3M in funding. These were shortlisted and ultimately 8 projects were selected, taking up the full budget allocated for this programme.</p> <p>Status: Completed for 2012, but on-going overall, as the 2013 call was launched again in January 2013 with a budget of €1.4 million.</p> <p>The Commercialisation Programme was launched in early 2012, with the aim of assisting technology owners to study the feasibility of taking the technology to market. Selected programmes will receive between €25,000 and €75,000 in funding.</p> <p>The available budget for the Commercialisation Programme for the year 2012 was €200,000. Of the 8 applications received, 3</p>	<p>The R&I Programme has a direct impact on the national R&I expenditure (GERD) since it funds R&D performed by both the higher education and the business enterprise sector.</p> <p>Assuming that the funding of 2012 projects is spread equally over the three year period of the funded projects, then the €1.4 million budget allocated for the R&I Programme 2012 would generate an expenditure of €466,667 per year between 2011 and 2013.</p> <p>While the commercialisation programme will not contribute directly to Malta's R&D expenditure target, it will seek to capitalise on R&D investments made through the R&I</p>

	<p>have been selected, taking up the full budget allocated for the year.</p> <p>A new call will be launched in 2013 with a budget of €200,000.</p> <p>Status: Ongoing</p>	<p>Programme and help technologists bring their technology closer to the market. This programme has only recently been launched and thus, at present it is very difficult to quantify its impacts. However, it is not excluded that this programme may eventually have a multiplier effect and lead towards further R&D since the revenue generated from successfully commercialised products may be partly invested in new R&D.</p>
	<p>Setting-up and development of the National Interactive Science Centre</p> <p>The National Interactive Science Centre (NISC) will be developed at the Villa Bighi Complex and will encompass an array of diverse hands-on science exhibits in an engaging setting. The buildings and the outdoor areas will become a hub for science communication and a means to entice students to take-up science subjects at school as well as bring science closer to the general public.</p> <p>The NISC will also serve as a research infrastructure by offering a research base, set up as a live lab, where research could be carried out in the fields of Social Science and Humanities</p> <p>The total budget for the whole project amounts to €25,850,000 (incl. VAT) and is co-financed by the ERDF.</p> <p>Status: On track.</p>	<p>The National Interactive Science Centre will aspire to cultivate a culture of scientific curiosity and creativity by igniting a passion for questioning, investigation and discovery through encouraging our staff and visitors to explore, think, imagine and appreciate</p> <p>It will act as a medium to instil an active interest in science, research and innovation in youth and encourage them to pursue a career in science and technology.</p>
<p><i>Malta's Targets for Energy Efficiency, Renewable Energy and</i></p>	<p>Interconnection to the European Energy Grid</p>	

<p>Greenhouse Gas Emission Reduction:</p> <ul style="list-style-type: none"> - A maximum increase of greenhouse gas emissions not falling within the scope of the EU Emissions Trading Scheme of 5% by 2020 (compared to 2005 levels particularly emissions from transport, mainly road transport, waste, agriculture and fuel combustion in industry and commercial and residential buildings). - A commitment to achieve by 2020 a share of energy from renewable sources in gross final energy consumption of 10%. - A commitment to achieve by 2020 a target of 10% of energy consumed in all forms of transport from renewable sources. - A commitment to achieve a 22% energy or 235,254toe savings target by 2020 with an intermediate target for 2014 of 15% or 144,876toe. 	<p>The Authorisation Decree for the Malta – Sicily 220 MW HVAC Interconnector was issued in Rome on the 28 March 2013, by the Ministry for Economic Development and the Ministry for the Environment and the Protection of Land and Sea. This is 12 months later than was expected. Moreover, the Authorisation Decree contains a number of conditions (in total 40) imposed on Enemalta and approximately one third of these, are ‘conditions precedent’ (preconditions) which must be met prior to the commencement of works on Italian territory (land and sea).</p> <p>The delays caused by the un-expected imposition of pre-conditions (studies) and the re-alignment of the cable route and hence the consequential delays in obtaining the necessary permits are most likely to be reflected in a delay of several months to the completion of the project</p> <p>Enemalta will be able to map out a clearer picture of the programme of works when the ongoing discussions with its contractor are concluded.</p> <p>The interconnection project has a budget value of €182 million. Malta has secured €20 million EU funds for this project through the European Energy Programme for Recovery (EEPR) together with an additional €5 million for an associated project to upgrade a 1342kV distribution centre.</p> <p>Status: Delayed</p>	<p>The capacity of the interconnector (200MW) will gradually reduce the output from inefficient generating capacity at Marsa Power Station</p> <p>The capacity of the inefficient plant at Marsa Power Station would be replaced partly by the new 144MW plant at DPS and partly from the submarine interconnection.</p> <p>Once the project is completed Malta will be able to import and export 200MW+ of electrical power from Sicily and Europe when it is advantageous. Malta will also be able to source electricity from lower cost suppliers and/or sources that cause less emissions.</p>
	<p>Extension of the Delimara Power Station</p> <p>The availability of a maximum of 144MW of Electrical Power to the Maltese Electricity Grid by May 2012 was delayed essentially due to delays in granting of the IPPC permit. Nonetheless following the issue of the IPPC permit in December, the project is now completed and is delivering the expected 144MW electrical output power to the Maltese</p>	<p>The new generating plant is modular and has a total net efficiency of 47.6% at maximum continuous rating and CO2 emissions at 0.59kg/kWhe making it the most efficient and flexible generating plant in Malta. The</p>

	<p>electrical grid.</p> <p>Status: Completed</p>	<p>increase in conversion efficiency will imply lower costs of electricity generation, lower emissions and will contribute to increasing Malta's primary energy use efficiency.</p>
	<p>Energy End-Use Efficiency</p> <p>Malta submitted its second NEEAP¹ in line with Directive 2006/32/EC. The measures proposed in the first NEEAP were, or are in the process of being, implemented in the majority of cases.</p> <p>The main tangible efforts made during the past three years have focused on promoting energy efficiency in the domestic sector, tourism and industry. A number of schemes have been issued targeting these sectors and the uptake was very successful.</p> <p>The carbon footprint of all building categories still has to be established by means of expert studies This will allow Malta to re-define real energy savings targets more precisely. Furthermore the refurbishment and transformation of existing buildings will be encouraged.</p> <p>Refer to CSR 5 (NRP Document) for further details on this measure</p> <p>Status: On Track</p>	<p>The energy efficiency target of 3% for 2010 has been achieved, and marginally exceeded – the target was 126GWh and the achievement was 153GWh.</p> <p>It is envisaged that by the end of 2018 all new buildings being constructed for the use of public authorities will qualify as nearly-zero energy buildings.</p>
	<p>Energy Efficiency in Transport</p> <p>The number of buses that were used pre July 2011 was 586, with an average of 300-330 in circulation on any given day.</p>	<p>The new Bus fleet is contributing to a reduction in emissions through less</p>

¹ National Energy Efficiency Action Plan

	<p>Today, the service operates 284, with approximately 260 on the road. While physical number of buses has fallen, the increased vehicle capacity. Year-on-year increase in passenger numbers carried in Malta and Gozo of 3.7% to 34.0m in 2012 (2011: 32.8m).</p> <p>The new fleet, including 10 hybrid diesel-electric buses, has 98% of the buses at Euro V level or higher. In the previous fleet only 131 buses where Euro III or better.</p> <p>In addition, Government will be evaluating and analysing the potential for other complementary passenger transport systems aimed at reducing reliance on the private car.</p> <p>Furthermore a holistic strategy that includes both fiscal incentives and investment in infrastructure shall be drawn up to accelerate the uptake of electromobility.</p> <p>Status: On track</p>	<p>polluting engines but also through higher capacity vehicles which reduce the number of trips required.</p> <p>The introduction of complementary transport and incentives for the take up of electric cars should also contribute to an increase in transport energy efficiency.</p>
	<p>Implementation of Malta's National Strategy for Policy and Abatement Measures relating to the Reduction of Greenhouse Gas Emissions</p> <p>Progress has been made on a number of fronts with regard to the implementation of this measure. These include the organisational and institutional framework relative to climate change, as well as to the abatement measures themselves.</p> <p>With regard to the abatement measures, local electricity production is moving towards a lower emissions/kWh produced with the extension of the Delimara Power Station, while an increasingly efficient supply in terms of emissions will be ensured by means of the installation of new efficient generation capacity and interconnection with the European grid.</p>	<p>The various initiatives under this measure will result in a reduction in greenhouse gas emission. Saving in Ghg CO2-eq estimate for 2020 is as follows</p> <ul style="list-style-type: none"> - Delimara Power Station + Interconnector (1288.18) - Promotion of the use of Biodiesel (23.57) - Transport Reform (5.83) - Modernisation of agriculture

	<p>With regard to reverse osmosis plants, the Water Services Corporation has decreased the carbon footprint of each m³ of water delivered by 42GWh/year (i.e. circa 36.8GgCO₂ equivalent).</p> <p>The Strategy also earmarked the public transport reform as a key contributor to reduce emissions. This process led to an overhaul in the bus fleet which has increased vehicle efficiency. Action is now focused to instil an effective modal shift which should bring about a perceptible contribution to the reduction of greenhouse gas emissions from passenger transport.</p> <p>Projects related to Waste and Agriculture (capping and extraction of gases from Magħtab and other landfills, Sant'Antnin Waste Treatment plant and the implementation of the Nitrates Action Plan) are also contributing to a reduction of emissions from this sector. Energy generation at SAWTP and Magħtab has improved considerably over 2011.</p> <p>Action is also being taken in order to increase awareness of RES and the need for mitigation action. This is being done via the uptake of renewable energy infrastructure in government buildings, coupled with incentives to finance the installation of renewable energy infrastructure within the domestic sphere and advantageous feed-in tariff schemes. Biofuels have also been given a boost via the substitution obligation as required by the Strategy.</p> <p>Status: On Track</p>	<p>holdings + Nitrates Action Programme (20.80)</p> <p>- Gas Management at Non-hazardous Landfills (65.12)</p>
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	<p>Implementation of the National Renewable Energy Action Plan</p> <p>Malta plans to achieve its 2020 renewable energy targets through a number of identified major projects of solar, wind and waste to energy CHP plants.</p> <p>Government is taking the second NER300 call very seriously and encouraging project proponents to see Malta as the ideal site for ocean energy investment. Malta could tend itself as a platform for new technology and innovative projects, such as floating wind farms. Other innovative technologies, such as wave and other sea energy technologies are also being studied.</p> <p>Measures are being taken to facilitate the uptake of renewable energy resources, in particular for solar technology. These include financial incentives through grant schemes launched by Government from time to time. Other incentives to address financial barriers include the introduction of a feed-in tariff for solar photovoltaic system in September 2010 through the Feed-in Tariffs Regulations</p> <p>A number of other measures were introduced to reduce administrative burdens related to planning permits for solar applications and wind turbines. Furthermore, exemption and fast track procedures related to the authorisation and licensing of new generation capacity regulated under the Electricity Market Regulations were also adopted.</p> <p>Status: On Track</p>	<p>These measures will contribute towards the achievement of Malta's 2020 renewable energy targets</p> <p>It is pertinent to point out that a relatively great share of renewable energy will be generated from a relatively higher number but smaller capacities of renewable energy sources distributed across all the Maltese Islands mainly integrated in existing building infrastructures, due to Malta's limited space and the conflicting use by other activities.</p> <p>Government grants were key and lead to the installation of 4,826 Photo Voltaic systems and 7,575 solar water heaters that benefited from the rebates.</p>
	<p>Motor Vehicles Registration Tax</p> <p>In 2009 a major reform was implemented in order to introduce a more environmentally friendly tax that encourages the use of cleaner and smaller vehicles, without discriminating between local and foreign used vehicles. The new registration tax became a function of CO2 emissions (and particulate matter for</p>	<p>Average CO2 emissions emitted by motor vehicles have decreased drastically, whilst the registration of Euro 5 has increased significantly.</p>

	<p>diesel engines), vehicle length and registration value. Moreover, annual licence fees are determined on the basis of vehicles' CO2 emissions and age. Other changes were also applied to this legislation, also regulating commercial vehicles, in 2010; where as a result, the registration tax began to be calculated according to the weight and engine capacity of the vehicle.</p> <p>The amendments to the legislation that were enacted from 1st January 2012 further refine the environmental concepts put forward in 2009. The introduction of the Euro Standard as a component in the computation of the registration tax for private vehicles and the higher tax rates on vehicles that are Euro 3 or older reaffirms the drive towards encouraging newer, more efficient and less polluting vehicles. It is the Government's aim of reducing the number of pre-Euro 4 vehicles being registered and reducing the average age of Malta vehicle fleet, which is one of the highest in the European Union.</p> <p>Status: On Track</p>	
	<p>Scrappage Scheme</p> <p>The aim of this scheme is to encourage first time buyers of vehicles or owners of aged cars to shift to new vehicles that meet preset criteria with regards to environmental considerations.</p> <p>Status : On Track</p>	<p>During 2012 the number of beneficiaries amounted to 2,422, including 183 first-time buyers.</p>
	<p>Energy Efficiency Measures for the Hospitality Sector</p> <p>The scheme has been launched by ME in May 2011.</p> <p>4 applicants have been transferred from MTA and 7 applicants have been approved by ME since May 2011.</p>	<p>Reduction of the dependency on fossil fuels</p> <p>Reduction of the carbon footprint</p>

	<p>No Applications have been approved in 2012</p> <p>Status: On Going</p>	<p>arising from the operation of a licensed hotel, guesthouse, hostel, farmhouse, snack bar, or restaurant.</p>
	<p>Promotion of uptake of RES and building envelope insulation</p> <p>This measure aims to promote the uptake of solar water heaters and roof insulation and double glazing by issuing financial grants to households to encourage the purchase of new solar water heaters (maximum €400 per system installed) and the purchase of roof insulation and double glazing (maximum €1000 per dwelling).</p> <p>This measure was launched in the Budget for 2012 and as announced in the budget for 2013, it is now being extended.</p> <p>Status: Ongoing</p>	<p>During the last 15 months, a total of 883 SWH were installed. This resulted in 883MWh saved.</p> <p>The number of applications authorised for roof insulation and double glazing as on 31st March 2013 was 367 grants.</p> <p>Also, during the last 15 months, a total of 2975 PV systems were installed. The total capacity of these systems adds up to 6130.66 KWp.</p>
<p>National early school leaving target (Reducing school drop-out rates to 29% by 2020)</p> <p>National target for tertiary education (Increasing the share of 30-34 years old having completed tertiary or equivalent education to 33% by 2020)</p>	<p>Tackling Absenteeism by Strengthening Student Services</p> <p>a) By strengthening the Education Psycho-Social student services at the grass-roots level within schools</p> <p>Recruitment of various professionals continued during 2012. Continuous professional development and professional supervision is also another task which is being undertaken under this initiative.</p> <p>To ensure that all schools report absenteeism on time, hence ensuring early intervention, a set of guidelines on reporting such absenteeism was also drawn up. The set of guidelines will be</p>	<p>a) By strengthening the Education Psycho-Social student services at the grass-roots level within schools</p> <p>These programmes are aiming to offer support, skills acquisition and formation to youths thus preventing future absenteeism.</p>

	<p>presented to schools during scholastic year 2012-2013, following consultation with the Education Leadership Committee and approval from the Director General DES.</p> <p>Trainee counsellors and guidance teachers started offering their services at primary level so that the detection of problems including school absenteeism is tackled as early as possible. In fact, as from the scholastic year 2012-2013, 160 guidance teachers are giving their services at both primary and secondary level in all colleges.</p> <p><i>Direct initiatives to prevent school drop outs</i></p> <p>As from scholastic year 2010-2011 to date the social workers and the trainee career advisors worked jointly on a project targeting Fifth Formers who are habitual absentees. The aim of the project was to initiate rapport with these youths whilst providing them with guidance regarding their future job and career prospects. Each College developed a tailor made approach to the needs of their respective students. In most instances letters were sent to the individual students inviting them to attend a session at the College.</p> <p><i>Walk-In Service related to CAREER GUIDANCE</i></p> <p>An additional service which is also being offered to 5th Formers during the summer months is the Walk in Service. Preparation and promotion of the service started before the summer recess: talks were held with 5th Formers before they finished school. The students' response to this service was very encouraging. In fact, during Summer 2012, Career Advisors held one-to-one sessions with 370 students across the Colleges of Malta. For the first time, a walk-in service was also offered during the summer at the Giovanni Curmi Higher Secondary School (GCHSS). The number of students who sought this service was 283.</p>	<p>The major impact is expected to be on primary education since these are given priority by the social workers however, the measure is also expected to further affect absenteeism in secondary school in the coming years</p>
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Walk-In Service related to Personal Counselling & Support

For the third consecutive year, an event which marked the end of scholastic year 2011/2012 was the *Walk-In Service*. This service was offered to Form 5 students whereby the Career Advisor held a one-to-one session with the students, during which they discussed his/her post-secondary career path.

Social Work intervention including Summer Initiatives, co-working with the Local Tribunal System and processing applications for School Exemptions

During summer 2012, social workers conducted office and/or home visits with parents of 343 primary school children who were absent from school for more than 30 unauthorised days during the previous scholastic year. Social workers are also following cases of 151 secondary school students, giving priority to those in Forms 1 and 2 who were absent from school for the same number of days.

Learning Expo 2012

The Learning Expo 2012 was held between from 13th March and to 16th March 2012. It enabled all those who wished to pursue their education, from 5th Form students to graduates, as well as adults considering a return to continue their studies, to learn more about studying and take stock of the available learning opportunities. The total number of students who participated in the Learning Expo 2012 was 3600.

Job Exposure Initiatives for Fourth Formers - National and College Level

Job-Exposure Initiative 2012 in the Financial Services sector.

	<p>For the third year running, a Job-Exposure initiative for Form 4 students was held in conjunction with MFSA and the Independent Schools Association. The distribution of participating students was as follows: 73 students from State Schools and 26 students from Independent Schools. This process provided students with a 'real-life' learning experience in interviewing.</p> <p><i>Job-Exposure Initiative 2012 in the Health Sector:</i> Concurrently, with the job-exposure initiative in the financial services sector, the Career Guidance Services carried out a Job-Exposure initiative in conjunction with the HR & Administration Department of Mater Dei Hospital and other authorities within the health sector. About 183 Form 4 students participated in this initiative.</p> <p><i>Job-Exposure Initiative 2012 in the Information and Communication Technology sector:</i> This initiative was carried out within the Information and Communication Technology Sector in collaboration with the e-skill Alliance and saw the participation of 42 Form 4 students.</p> <p><i>b) Multi-disciplinary teams will monitor families in which there is a high tendency of children's absenteeism from schools in order to provide the support needed to socially address such problems</i></p> <p>The final version of the National Referral System was approved. This System will first be introduced as a pilot project within three schools. It is envisaged that the System within these schools will be applied as from next scholastic year.</p> <p>Multi-disciplinary teams will monitor families in which there is a high tendency of children's absenteeism from schools, in order to provide the support needed to socially address such</p>	<p><i>b) Multi-disciplinary teams will monitor families in which there is a high tendency of children's absenteeism from schools in order to provide the support needed to socially address such problems</i></p> <p>In summer 2012, 46 students were seen by the College Prefects of Discipline, 653 students by the College and trainee Career Advisors and 500 students by the College and trainee Counsellors.</p>
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	<p>problems</p> <p>Status: On Track</p>	
	<p>Offering more Opportunities for Participation in Vocational Education</p> <p><i>Introduction of vocational subjects in secondary schools</i></p> <p>During the current scholastic year 2012-2013, the BTEC vocational project has started its second year of implementation. The first Quality Review and Development visits to all participating schools were carried out in October 2012. Two Edexcel reviewers were shadowed by Personnel from the Directorate for Quality and Standards in Education (DQSE) to become familiar with the quality assurance processes involved and draw up recommendations.</p> <p>The Options Exercise for Form 2 Students whereby recruiting the third cohort of students opting to take on one of the four BTEC vocational subjects being piloted in state and non-state schools - will be completed in Q2 2013. Furthermore INSET training by subject for teachers participating in the pilot project, led by UK trainers, are scheduled to be held in Q3 2013.</p> <p>Status: On Track</p> <p><i>Extension of vocational subjects at post-secondary level of education in institutions which are dedicated to vocational education and training</i></p> <p>MCAST</p>	<p><i>Introduction of vocational subjects in secondary schools</i></p> <p>This measure will set the basis toward reaching the long term objective, namely, the development of a VET qualification delivery model, suitable for Malta.</p> <p><i>Extension of vocational subjects at post-secondary level of education in institutions which are dedicated to vocational education and training</i></p> <p>MCAST</p>

	<p>The principal aims of ESF 1.36 project were those of enhancing the professional development of academic and administrative staff at MCAST and of introducing 19 Vocational Degrees. The latter objective has already been fully accomplished with the last batch of eleven degrees being offered as from September 2011. In September 2011, Engineering students had the opportunity to choose between completing their vocational degree studies after their top-up year by June 2012, and be awarded a general BSc (Hons) or extending their vocational degree studies by an additional year (till June 2013) and be awarded a B.Eng (Hons) Degree.</p> <p>As a result of enhancing MCAST's capacity, MCAST lecturers are delivering the Vocational Degree Programmes.</p> <p>Furthermore, an additional number of short courses for MCAST staff have been implemented.</p> <p>Status: On Track</p> <p><i>ITS</i> In 2007, the Pre-Employment Scheme was introduced and in October 2011 the Foundation Certificate Hospitality Trades Course was launched.</p> <p>This scheme, now in its third year is intended to increase either the number of students joining ITS or the number of employees in the food service and/or housekeeping operations sections.</p>	<p>The embedded learning system provided students with the possibility to gain the skills necessary to continue their studies. Results obtained were significant with a retention rate of 70% for scholastic year 2010-2012 coupled with excellent results in the key skills</p> <p>As a result of these training opportunities, project participants have enhanced their employability. This activity has ultimately assisted MCAST in the creation of a better prepared workforce that meets Malta's needs, particularly in the VET sector. This project is in its concluding phase and as a result of its activities more than 1972 qualifications or certificates have been obtained by students and staff members (includes repeats since many staff members have obtained more than one qualification or certificate).</p> <p><i>ITS</i> The Pre-Employment Scheme and the Foundation Certificate Hospitality Trades Course were introduced to further provide quality learning that leads to excellence in the tourism industry, with a view to enable more individuals to participate in tourism studies, including the low-skilled and</p>
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	<p>To further promote such scheme, ITS conducts various awareness talks re vocational education and career opportunities in the tourism and the hospitality sector</p> <p>Status: On Track</p> <p><i>The introduction of embedded learning for Foundation (first level) students,</i></p> <p>The aim of this initiative is to support Level 1 and Level 2 students' mastery of key skills through vocational subjects.</p> <p>Status: On Track</p>	<p>unskilled. Both initiatives are being implemented from national funds.</p> <p><i>The introduction of embedded learning for Foundation (first level) students,</i></p> <p>The aim of this initiative was that of supporting students' master key skills through vocational subjects. Updates on this project are also being reported under the Measure Inclusion for Employment</p>
	<p>Introducing Lifelong Learning into the Community through a Pilot Out-Reach Programme</p> <p>The Directorate for Lifelong learning (DLL) introduced the Lifelong learning programme in the Community with the financial support of the Department for Local Government (DLG).</p> <p>In 2011-12, 42 Local Councils participated in this scheme, and delivered classes in various subjects, including amongst others; language, numeracy and ICT classes.</p> <p>1,063 adult learners registered for lifelong learning courses showing a four times increase over 2008. All these courses lead to a MQF Level 1 qualification. During 2010-2011, 356 adult learners achieved a school leaving certificate level qualification or MQF Level 1.</p> <p>During 2011, 3,610 individuals aged over 25 attended ICT</p>	<p>This measure will continue to provide:</p> <ul style="list-style-type: none"> - A different experience to previous learning paths in the education of particular adult learners. - The adequate level and type of learning (whether general or vocational). - The appropriate style of learning (tailor-made to the needs and strengths of individual adult learners). - The most convenient place for learning, close to one's place of residence.

	<p>related courses. In 2012, the amount was 458. In 2013, more people will continue to be trained.</p> <p>During 2012-13, the DLL and the DLG continued to collaborate together on the scheme called 'Lifelong Learning in the Community'. Twenty four local councils participated in this scheme</p> <p>At community level, apart of the courses offered at the Local Councils, the DLL offers lifelong learning courses to a number of organisations and NGOs.76 adult educators are rendering their services in the community, of which 58 are directly involved with Local councils</p> <p>The rate of participants as well as the number of Local Councils participating in this initiative increased over the years. Main reason being that finances were available for this measure through the Financial Scheme for Lifelong Learning Courses offered at Local Councils.</p> <p>Status: On Track</p>	
	<p>Setting up of a National System for Accreditation and Licensing of Further and Higher Education Programmes and Providers and of Recognition of Non-Formal and Informal Prior Learning</p> <p>In 2012, the National Commission for Higher Education (NCHE) and the Malta Qualifications Council (MQC) merged into the National Commission for Further and Higher Education (NCFHE)</p> <p>The NCFHE has been designated as the competent authority for licensing, accreditation and quality assurance of providers and programmes, including cross-border provision from Malta or in Malta.</p>	<p>The validation of informal and non-formal learning is expected to help a considerable number of people, with no formal certificates, to have their knowledge, skills and competences recognised.</p>

	<p>According to the 2012 regulations, providers of further and higher education are required to apply for a licence to be able to operate in Malta, which licence is issued by the NCFHE</p> <p>Status: On Track</p>	
	<p>Introducing New Possibilities and Modalities of Learning in Higher Education</p> <p>In May 2012, the final report compiled by the Student Affairs and Further and Higher Education Ad Hoc Working Group was presented to and approved by the stakeholders. Following approval, the report was presented to the Ministry of Education and Employment in August 2012.</p> <p>Status: Completed</p>	<p>The increased flexibility in studying should have encouraged more prospective learners to obtain a qualification. However, it is still early to predict any numerical outcomes of this measure.</p>
	<p>Extension of the Malta Government Scholarship Scheme (MGSS)</p> <p>The MGSS scheme, which was first launched in 2006, continued to be offered during 2012, supporting applicants who wished to pursue studies at Doctoral and Masters Level. As from the year 2010, in order to avoid double applications and at the same time ensure the full exhaustion of funds available under STEPS, a decision was taken to limit MGSS for Masters with duration of over two years since courses shorter than 2 years were covered under STEPS</p> <p>To support the MGSS, Government has introduced four other schemes namely :</p> <p><i>-Malta Arts Scholarship Scheme</i> <i>-Malta Sports Scholarships Scheme</i></p>	<p>Since 2006, 148 scholarships were awarded leading to PhD and 169 scholarships were awarded leading to Masters. The MGSS was also extended to Undergraduate courses. Since its launch in 2007, 622 students were supported under this scheme.</p> <p>This scheme is expected to increase research and development activity in Malta and develop junior academics in new fields of study. It will also contribute to the increase of the number of highly skilled workforce in</p>

	<p>-Malta Science Scholarship Scheme -Scholarship to Achieve Results Scheme (STAR)</p> <p>Status: On Track</p>	<p>Malta.</p>
	<p>Increasing Accessibility, Flexibility and Innovation to MCAST Lifelong Learning Course Offer</p> <p>The principal tender of this project is related to the introduction of blended learning and e-APEL. The said Service Tender (CT 3052/2012) was published on 31st July 2012 having a closing date of 25th September 2012. Three offers were received and are currently being evaluated.</p> <p>The Expression of Interest for the engagement of Local VET Experts for this scheme was published in February 2013. An Information Session has been held to provide information in relation to the call's aims and address queries raised by prospective applicants. The first cut-off date for the submission of applications is mid March 2013.</p> <p>Status: On Track</p>	<p>The aim of this project is that of increasing the attractiveness, accessibility and flexibility of the MCAST lifelong learning offer and thus contribute to the consolidation of the workforce's skill base.</p> <p>As a result, it aims to increase the participation rate in education and thus increasing the knowledge and skills levels of the labour force. It is envisaged that 365 persons will be trained during the lifetime of this project.</p>
	<p>Making VET Education More Relevant and Attractive</p> <p>The aim of this project is that of conducting a substantial upgrading exercise within the context of vocational education between Levels 4 and 5. While these courses have very often fulfilled an important <i>ad hoc</i> role they are no longer sufficient to meet the increased need for learning</p> <p>The principal project milestones are:</p> <ul style="list-style-type: none"> - The launching and management of the Training Subsidy Scheme MCAST (TSSM). 	<p>MCAST's offerings will become more attractive to a larger cohort. As a result, the project will improve the quality of VET to make it more economically relevant and attract more students into further and higher education. It is envisaged that 465 persons will be trained during the lifetime of this project.</p>

	<ul style="list-style-type: none"> - A number of scholarships have been awarded and their implementation is well underway. - The re-design and re-formulation for accreditation purposes of existing courses. - The tender in relation this milestone has been awarded and its implementation has been initiated. Moreover, the Expression of Interest for the engagement of Local VET Experts for this scheme was published in February 2013. - The design of new courses and accreditation of the same. - The tender in relation to this milestone has been awarded and its implementation has been initiated. Moreover, the Expression of Interest for the engagement of Local VET Experts for this scheme was published in February 2013. - The implementation of training. - The implementation of a tracer study. <p>Status: On Track</p>	
	<p>Inclusion for Employment</p> <p>The aim of this project is that of reviewing the curricula, conducting a review of the Pathway To Independent Living Programme and 48 courses at Level 1-3 to facilitate the progression of vulnerable students to higher level vocational programmes and ultimately employment.</p> <p>The progress on the implementation of this project may be summed up as follows:</p> <ul style="list-style-type: none"> - Auditing/reviewing of the current system – completed. - Design of learning resources and packs - The tender has been awarded and its implementation is underway. Moreover, the Expression of Interest for the engagement of Local VET Experts for this scheme was published in February 2013. 	<p>The overall objective of this project is that of enhancing the employability of vulnerable groups. For this reason, a total of 49 courses will be designed/re-designed and 320 staff members shall benefit from training during the lifetime of the project.</p>

	<ul style="list-style-type: none"> - Piloting of the teaching and learning resources - The tender in relation to this milestone has been awarded and its implementation has been initiated. - Training of lecturing staff - Various academic staff members have already benefitted from training opportunities. <p>This measure is co-financed through the ESF.</p> <p>Status: On Track</p>	
	<p>The introduction of new courses and the building of the new campus of the Malta College of Arts, Science and Technology</p> <p>The objective of this project is that of extending the provision of vocational subjects particularly science related courses and improving the educational infrastructure of MCAST through the construction of two new educational blocks and equipping same with modern teaching resources.</p> <p>The principal project milestones are:</p> <ul style="list-style-type: none"> - The setting up of the Institute of Applied Science. - The milestone has been completed. - The completion of the Institute of Applied Science and the Institute of Business and Commerce. - The construction works in relation to these two blocks have been completed and contracts related to building services, finishes as well as the supply of equipment are being implemented. - The completion of Students House building. - Construction works in relation to this milestone are currently ongoing. <p>Status: On Track</p>	<p>Through this physical investment and the setting up of the new Institute of Applied Science, the College shall be in a position to provide access to high quality education, increase the number of courses offered and increase the number of students in future intakes. It is envisaged that more students will gain relevant qualifications and skills. Thus, this will enhance their ability to potentially find employment within but not limited to the financial, health, social care, environmental, engineering, sciences or pharmaceuticals sectors.</p>

	<p>Foundation Certificate Hospitality Trades Course</p> <p>This course is being offered again for the academic year 2012/2013 in order to increase the number of students who continue their studies following their compulsory education. This year, 53 applications were received for the said course out of which 39 were accepted.</p> <p>Status: On Track</p>	<p>The aim is to build on the results of the last scholastic year and in doing so, increase the number of students who continue their studies post compulsory education as well up to certificate level.</p>
	<p>Get Qualified</p> <p>Between 2006 and 2012, through this initiative, Malta Enterprise has assisted 3,558 individuals with the value of tax credits amounting to € 14,165,882.</p> <p>In 2013 to date, 96 beneficiaries have benefitted from such a scheme with the value of tax credits amounting to € 491,427.</p> <p>Status: On Track</p>	<p>It is estimated that, through these initiatives circa 500 beneficiaries will be assisted yearly</p>
<p>National poverty target (To lift around 6,560 people out of risk of poverty and exclusion)</p>	<p>Combating Child Poverty</p> <p>The Employment and Training Corporation (ETC) is taking an active part in this measure through various projects, including the Employability Programme. The Department of Social Security (DSS) is also contributing through the review of social security entitlements from time to time.</p> <p>A research proposal has been drafted by the Centre for Family Studies at the University of Malta. The Centre for Family Studies is now awaiting ethics approval from the University Research Ethics Committee as per normal procedure. The actual research is expected to be finalised by March 2014 .</p> <p>Status: On Track</p>	<p>Research will give a better understanding of the challenges faced by these households and enable policy makers to devise the appropriate strategies to deal with such challenges. The resulting future policies will aim to reduce the percentage of lone parents households that are at risk of poverty which in 2010 stood at 56%</p>

	<p>Pensions Reform</p> <p>This measure is covered in detail under CSR 2 (NRP Document)</p>	
	<p>Supplementary Allowance</p> <p>Proposals to improve the system in order to assist pensioners aged over 65 years, and who are at risk of poverty were drawn up and submitted for political and financial approval.</p> <p>In the Budget for 2013, Government has proposed that persons over 65 years of age and whose household income falls under the national at-risk-of-poverty level, will be given an increase of €100 per annum in their Supplementary Allowance rate.</p> <p>Status: On Track</p>	<p>22% of the 65+ cohort of the population are considered at risk of poverty, providing for additional financial assistance should contribute in reducing this percentage.</p>
	<p>Incentives and Support to Persons with a Disability to Actively Participate in the Labour Market</p> <p><i>a) To analyse, revise and propose the necessary parametric or fundamental changes required with respect to the benefits enjoyed by disabled persons</i></p> <p>Two separate measures came into effect from January 2012. These two measures are provide that: i) Severely disabled persons who get married will not forfeit their pension, regardless of the spouse's income ii) Severely disabled persons who are entitled to a severe-disability pension will be able to work for a salary up to the national minimum wage and still receive their full pension.</p>	<p><i>a) To analyse, revise and propose the necessary parametric or fundamental changes required with respect to the benefits enjoyed by disabled persons</i></p> <p>At the end of 2011, there were 2510 persons receiving the Disability Pension. All these can potentially benefit from these measures however the actual impact can only be measured at the end of current year.</p>

	<p>In September 2012, a reform document was drawn up which document includes a road map for further initiatives with respect to benefits and services for disabled persons.</p> <p>In the 2013 budget speech, Government announced the reform of the Disability Pension system in which the definition of disability would be widened so that more persons would qualify for such a pension.</p> <p>Furthermore it was announced that a single disability assessment would be introduced to determine the eligibility of disability benefits and services across Government.</p> <p>Status: On Track</p> <p><i>b) Bridging the Gap Scheme for Persons with a Disability</i></p> <p>The Bridging the Gap offers disadvantaged jobseekers (registered disabled persons, ex-substance abusers, ex-convicts & social cases clients) a period of work exposure with an employer to enable him/her to demonstrate the skills needed for a particular job.</p> <p>Status: On Track</p>	<p>The widening of the definition of disability would also result in more persons qualifying for such a pension.</p> <p><i>b) Bridging the Gap Scheme for Persons with a Disability</i></p> <p>In the year 2012, 69 clients were placed on the BTG scheme</p>
	<p>Strengthening Support Services to Jobless Households</p> <p>In October 2011, a proposal for re-structuring APPOGG was submitted and approved by Management. This re-structuring has been implemented. Efforts to streamline practices wherever possible are also being carried out. In addition, a number of projects are currently being explored, in particular those relating to young people. During 2011, APPOGG, continued to expand fostering services.</p>	<p>The various projects and initiatives offered by APPOGG will result in better quality of life for those who receive their services. In delivering such services, APPOGG managed to reach and surpass one of its main targets, that is; to offer social work services to an average of 100 service</p>

	<p>Through Commonwealth funding, three training programmes related to Child Protection and Children and the Courts were delivered to various front line workers and managers within and outside the agency.</p> <p>A report was drawn up to assist in the setting up of a National Child Protection Policy. A draft proposal of amendments of the Children and Young Person's Care Orders Act was also worked upon and completed</p> <p>Furthermore projects such as 'Klabb Sajf', 'Tlett Kwarti Spazju Ghalik', Pre-adolescent programmes, Parental skills training and women at work were carried out. These were all aimed at addressing the various identified needs pertaining to specific communities.</p> <p>Status: On Track</p>	<p>users per community team.</p> <p>The organisation of parental skills by Sedqa in a number of workplaces result in a value added activity whereby women who work are also provided with the opportunity of acquiring parental skills whilst at the workplace.</p>
	<p>Training Programme for Employees Earning the Minimum Wage</p> <p>Minimum wage earners are receiving an allowance of €25 per week when participating in a training programme. Mail shots were also sent to prospective applicants. Between January and December 2012, 41 applications have been received and processed. The said initiative will be on-going until the budget available is used. The measure was available to all those earning €160 per week or less. In the budget 2013, it was announced that this grant will be extended to employees earning below the minimum wage of €300.</p> <p>Status: Ongoing</p>	<p>Encouraging low wage earners to engage in training and improve their skills can contribute to a better trained workforce and allow such persons to seek better employment.</p>
	<p>Providing an Independent Living Service to Persons with Disability at the Sonia Tanti Independent Living Centre at Hal Far</p>	

	<p>The aim of Sonia Tanti Independent Living Centre (STILC) is to provide advice, information and training in aspects of independent living such as mobility and assistive technology to persons with disability and their families.</p> <p>Throughout 2012, which was the first year, there has been ongoing publicity and media exposure of the Sonia Tanti Independent Living Centre. KNPD is envisaging that with time more and more people will become aware of the services which are being offered and more individuals will start using these services.</p> <p>During 2012, the STILC received various media exposure and ongoing publicity. The main targets for this measure are :</p> <ul style="list-style-type: none"> a) Customers served through Helpline (Target: 3900/year) b) Initial Assessments (Target: 720/year) c) Further assessment at ILC (Target: 440/year) d) Referral to ETC (Target: 12 work placements/year) <p>Status: Target A & B: On Track Targets C & D: Delayed</p>	<p>The following are the main targets and the actual figures achieved between January and December 2012 and January and February 2013.</p> <p>a) Customers served through Helpline – Between January 2012 and December 2012, 3239 calls were received (1443 females and 1796 males).</p> <p>Between January 2013 and February 2013, 596 calls were received (314 Females and 282 Males).</p> <p>b) Initial Assessments– Between January 2012 and December 2012, 643 clients were assessed (355 males and 288 females).</p> <p>Between January 2013 and February 2013, 77 clients were assessed (44 males and 33 females).</p> <p>c) Further assessment at ILC – Between January 2012 and December 2012, 256 persons (118 females, 138 males) were provided with further in depth assessments at the STILC. Between January 2013 and February 2013, 83 persons (45 females, 38 males) were provided with further in depth assessments at</p>
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		<p>the STILC.</p> <p>d) Referral to ETC: Between January and December 2012, a total of 20 clients have been referred to the ETC, out of which 4 clients found a work placement during 2012. Between January and February 2013, there were 2 referrals to the ETC.</p>
	<p>€300 Grant per annum to pensioners over 80 who live independently in their own home</p> <p>In the 2012 Budget, Government announced a senior citizen grant which is payable to all elderly persons 80 years and over who are still living in the community. Those persons who were 80 years and older in March 2012 received the full payment of €300 whilst those persons reaching 80 years of age after March 2012 received a pro-rata payment which covers a payment for the period between their 80th birthday and the end of the year.</p> <p>The payment of this grant will also be paid in 2013 where it will also be extended to persons aged 78 and 79 years.</p> <p>Status: Ongoing</p>	<p>The first payments of this grant were issued in March 2012. During 2012, a total of 13,385 persons benefitted from this grant.</p>
	<p>Private Property Rental Scheme (Skema Kiri)</p> <p>The Housing Authority invites owners to lease their vacant residential property to the authority for a minimum period of ten years. These properties will be in turn sublet to applicants on the Authority's priority list. This will also help in giving a number of families a better quality of life.</p> <p>The scheme was launched on 24th January 2012. During the</p>	<p>By end-January 2013, 238 properties were leased, of which 124 were already occupied by social tenants. A further 57 applications were scheduled to be leased and 29 were approved subject to a number of conditions. 70 applications were</p>

	<p>first call, 397 applications were received, while through the second call, which was launched with a wider scope, a further 255 applications were received.</p> <p>This ongoing measure was reactivated in January 2013. The budget for this scheme is €1,170,000 for 2013.</p> <p>Status: Ongoing</p>	<p>rejected or withdrawn.</p>
<p><i>Euro-plus pact commitments</i></p>		
<p>Euro Plus Pact commitments</p>	<p>Strengthening the Fiscal Framework</p> <p>Government acknowledges the important role that national fiscal frameworks may play in sustaining budgetary retrenchment. The newly reformed EU fiscal framework provides a good guideline for reforming the Maltese fiscal framework. It is to be noted that there is consensus from both Government and Opposition to ratify the fiscal compact.</p> <p>The Ministry for Finance has finalised the necessary research on fiscal frameworks and fiscal councils. Work on the legislation has reached an advanced stage.</p> <p>Various rules have been assessed. Although no single rule was deemed to be optimal for Malta, a combination of the Stability and Growth Pact rule coupled with the application of an expenditure rule in good times which is interrupted in bad times through escape clauses, appear to be most promising for Malta. This would make possible compliance with the new clause that will be introduced in the Constitution regarding a balanced budget, as well as with the Stability and Growth Pact. However, definite positions in this regard are still to be taken. In addition, an independent Fiscal Council will be set up with the aim of</p>	<p>Amending the Constitution in line with the Fiscal Compact would complement other measures introduced by Government in recent years aimed at strengthening Fiscal Institutions in Malta. In qualitative terms, the measure is expected to contribute to the strengthening of the sustainability of public finances in Malta.</p>

	<p>evaluating the Government's fiscal projections and to guarantee more transparency in the budgetary process and prudence in the macroeconomic forecasts.</p> <p>Status: On Track</p>	
	<p>Introduction of Electronic Procurement Procedures and Simplification of Public Procurement</p> <p>The introduction and transition to electronic procurement which kick started during 2011 continued to make progress during 2012. In fact, the target set by the Department of Contracts to issue all tenders with an estimated value of €120,000 or above as e-tenders by the start of this year was achieved. In fact, as from January 2013, all tenders being referred for vetting and publishing by the Department of Contracts are electronic tenders. The challenge now is to consolidate this achievement while at the same time continue to work with other Contracting Authorities so that even Departmental tenders below €120,000 will start to be issued as e-tenders.</p> <p>Status: Completed</p>	<p>Standardisation of tender documents and forms between contracting authorities, simplification of tender forms, data sharing with other Government entities and online submission have resulted in an annual savings of €2,234,000.</p> <p>E-procurement is also helping to increase the visibility and transparency of public procurement, thus encouraging more economic operators to participate and in the process increasing competition which in turn could lead to better procurement outcomes.</p>
	<p>Setting up a Sector Skills Committee</p> <p>The main objective of the Sector Skills Committee will be that of advising the NCFHE on matters related to the validation process. It will also indicate the way forward to the Sector Skills Units in developing the necessary occupational standards.</p> <p>By the second quarter of 2013 a Sector Skills Committee will be established. This will include representatives from industry and</p>	<p>Sector Skills Units will be established to advise the Sector Skills Committee on the reduction of skills gaps and shortages, improve productivity, boost the skills of the sectors' workforce, improve learning supply, and also develop occupational standards for all</p>

	<p>education and training institutions.</p> <p>It is foreseen that the first Sector Skills Units will be set up by the second quarter of 2013.</p> <p>Status: On Track</p>	<p>occupations within the sectors.</p>
	<p>Culture and Creative Industries</p> <p>Promoting the Film Industry</p> <p>The Malta Film Commission continues with its programme to implement the Malta Film Fund. The Malta Film Commission will also be initiating a certified training programme encouraging individuals of all ages to further their studies, as well as develop their skills in order to increase their opportunities for employment in the film servicing industry.</p> <p>The Malta Film Commission has been awarded €500,000 as part of the European Social Fund Cohesion Policy Operational Programme II 2007-2013.</p> <p>Furthermore in budget 2013, it was announced that tax rebates for the eligible costs of the filming industry will increase from 20% to 23%. This rebate will increase by a further 2% if the filming location (i.e. Malta) is featured as Malta in the actual film.</p> <p>Status: On Track</p>	<p>A total of 13 projects totalling €239,000 have been granted funding from the latest call of the Malta Film Fund.</p>

	<p>Promoting Intellectual Property</p> <p>Budget 2012 launched new incentives to increase Malta's competitiveness in the cultural and creative sectors, both on a national as well as on an international level.</p> <p>In Q2 2013, a Legal Notice will be published to implement a budgetary measure that provides for an exemption on income derived from copyright and trademarks.</p> <p>€ 25,000 has been allocated for a Public Lending Rights for authors and translators of books in Maltese to receive appropriate remuneration when their publications are borrowed from public libraries. A number of IP related initiatives were also included in the Creative Economy Strategy which was presented to cabinet in July and launched for public consultation in August 2012 (http://www.creativemalta.gov.mt/internationalisation/intellectual-property-rights).</p> <p>Status: On track.</p>	<p>The implementation of the measure requires the publication of guidelines. The focus, whilst remaining on encouraging Maltese businesses to register their IPRs, now turns to the successful recognition and commercialisation of IP.</p> <p>Competitiveness will increase through benefits related to copyright and trademarks.</p>
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	<p>Fiscal Incentives for the culture and creativity sector</p> <p>In order to provide this sector with an incentive to better organise itself, there will be an exemption from the payment of registration fees for new companies in this sector as well as on their annual payments to the MFSA for three years. Coordination with MFSA to start the implementation of this measure is still underway.</p> <p>Furthermore, parents of children under 16 who attend cultural or creative courses can apply for a tax deduction scheme of up to €100 for each child.</p> <p>In February 2013, a Creativity Trust was set up by Government to leverage public and private funds for further investment in the cultural and creative industries.</p> <p>If a donation by an individual or corporate body of not less than one hundred fifty euro (€150) up to a maximum of one hundred thousand euro (€100,000), is made in a monetary amount or in the form of any other asset to the Creativity Trust, such a donation may be claimed as a deduction against income for the year of assessment in which it is made, provided that a relevant signed certificate in respect of such a donation has been issued to the donor by the trustees of the Creativity Trust.</p> <p>Status: on track</p>	<p>These financial incentives will further help this sector obtain a professional status.</p>
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	<p>3.6.4.4: Promoting the development of Digital Games</p> <p>Malta's first Digital Games Fund was launched in Q4 2012 with five game projects funded for development. Work on the fiscal schemes and incentives continued through work coordinated between the relevant entities. More specifically, in relation to the tax credit scheme, work has been finalised on the scheme and is currently managed by Malta Enterprise. The 15% flat income tax rate for qualifying employment in innovation and creativity was launched in March 2013.</p> <p>Status: On Track</p>	<p>These measures will promote further investment and attract more workers in the sector. Together these initiatives will contribute to stimulate support and expand the games industry in Malta.</p>
	<p>Next Generation e-Government framework</p> <p>MITA has embarked on a government-wide project to launch the next generation e-Government framework to broaden the range of e-Government services offered. The project shall allow government services to be accessed by citizens across other EU Member States and also reduces the inconvenience by accessing all government services from a single place.</p> <p>Status: On Track</p>	<p>The project will bring about gains from internal efficiency and effectiveness in government services workflows due to changes in administrative processes within the effected Government entities.</p> <p>It is envisaged that by end-2013, no fewer than 280 new Government services will be deployed.</p>
	<p>CREATE Scheme</p> <p>This scheme started on 1st January 2010 and in the budget of 2012, it was extended having a planned end date of 31st December 2012. So far €16,000 were disbursed under this scheme.</p>	<p>This incentive which is in the form of a tax credit aims to support creative businesses and help the development of creative communities in artistic</p>

	Status: On-Track	zones
	<p>MicroInvest</p> <p>In 2012, 1059 have benefitted from the scheme, amounting to € 8.2 million in tax credits.</p> <p>This measure has been further extended for another 2 years.</p> <p>Status: On Track</p>	<p>The scope of this fiscal incentive is to encourage micro enterprises and the self-employed to invest in their business, to innovate, to expand, to implement compliance directives and/or develop their operations. 300 Microenterprises/self-employed are expected to benefit from this scheme each year.</p>
	<p>Setting up of an Expert Group to draw up a report and recommend measures to reduce sick leave in the public sector</p> <p>Even though the Expert Group was only set up in the first quarter of 2013, preliminary work had already been carried out on the subject during 2012. In fact, sick leave data of public service employees for the year 2011 was analysed for its impact on public finances, to identify any possible trends and patterns. Furthermore, work has already started in the preparation of the full-scale exercise that will ultimately help in identifying those areas that are prone to higher levels of sick leave, especially when this is seasonal or restricted to particular grades of service.</p> <p>Status: Despite missing the end of 2012 commitment, the Expert Group has been set up as described above, and hence this measure is now</p> <p>Status: On Track</p>	<p>This measure is expected to contribute to a significant reduction in sick leave utilisation and abuse in the public service.</p>
	<p>Launching of the ‘Greening our National Economy’ document</p>	

	<p>The Government's commitment to launch this document was an initial step for 'green' measures to be taken on board. In fact, this document provided practical policy recommendations and implemented measures as ways and means to green Malta's Economy.</p> <p>The newly elected Government has furthermore committed itself to the creation of green jobs, indicating its intention to upscale efforts undertaken so far through a revised strategy.</p> <p>Status: On Track</p>	<p>Greening Malta's Economy and creating green jobs.</p>
<p>Other measures</p>		
<p>Other key bottlenecks identified in the NRP</p>	<p>Public Capital Expenditure</p> <p>Government capital expenditure constitute an essential element in the productive capacity of any economy and changes in public investment have implications on both short-term and long-term economic growth.</p> <p>Indeed, the increase in expenditure on gross fixed capital formation recorded in 2012 will be sustained in 2013, such that gross fixed capital formation is forecast to increase by 0.5 per cent in 2013 and to remain relatively stable over the medium term.</p>	<p>Investment is an important determinant of economic growth because it increases aggregate demand in the short-term and expands the economy's capital stock in the long run.</p>
	<p>Developing Quality Management in the Public Administration through CAF</p> <p>An ESF Project of €325,000 is currently being implemented with the aim of institutionalising the CAF methodology as the basis for continuous improvements in Departments and Entities.</p>	<p>The estimated impact of this measure is that the CAF methodology will be introduced in the public administration</p>

	<p>To date a number of achievements have been made, including:</p> <ul style="list-style-type: none"> - The forging of a strategic partnership with the European Institute of Public Administration, Maastricht and the Dipartimento della Funzione Pubblica, Rome - The training of 96 public officials in CAF methodology - 14 MEU personnel followed a train-the-trainer course - The publication of two manuals, the first manual was a CAF 2013 manual while the second publication was an External Feedback manual for use during certification audits - The registration of 3 CAF user organisations in Malta and Gozo. These organisations are carrying out the second self-assessment which will lead to these organisations achieving the CAF Label Certification - Creation of a website dedicated to the Common Assessment Framework - Presently five organisations have started the process to carry out the first self-assessment <p>Status: On Track</p>	<p>enabling team based self assessment and continuous improvement interventions.</p> <p>A total of 100 public officials will be trained in the CAF methodology</p> <p>There will be a total of 10 CAF registered users</p> <p>Out of these registered users, 2 will be certified Effective CAF users (CAF Label Certification)</p>
	<p>Quality+</p> <p>The fiscal support that will be available through this scheme should facilitate businesses to carry out investments that lead to superior products, services of higher value or more efficient processes.</p> <p>Status: On Track</p>	<p>10 beneficiaries per year are expected to make use of this scheme</p>
	<p>Gateway to Export</p> <p>By the end of 2012, 27 companies have benefitted from this assistance benefitting from € 10,800 worth of advisory services.</p>	<p>Assisting circa 15 – 20 SMEs annually.</p>

	The current scheme is expected to be revamped.	
	<p>Social Economy</p> <p>Work is in hand to prepare a draft Social Enterprise Act and a first draft should be finalised in the second quarter of 2013, following which it will be submitted to the other Ministries for their input and then to Cabinet for general approval. Following this, it will be included in the White Paper for public consultation.</p> <p>Status: On Track</p>	<p>This measure is meant to facilitate the growth of the social economic sector by putting in place a legal framework which will allow this sector to develop and grow as well as facilitate the putting in place of schemes to assist operators in the sector.</p> <p>The impact of this measure will be in the medium to long term and will be measurable once the legislation is in place and operators are active in the sector.</p>
	<p>Smart Fiscal Consolidation</p> <p>The new Government is committed to continue controlling the deficit in public finances with the aim of keeping it at a sustainable level within the framework of the fiscal pact.</p> <p>Government spending will be reviewed to ensure the achievement of improved efficiency in public spending, reduce waste and ensure value for money, thus ensuring greater financial discipline and fiscal accountability in the public sector in particular public entities and Local Councils. Moreover, Government is strengthening and stepping up its efforts towards curbing fiscal abuse and to increase efficiency in revenue collection.</p> <p>Government acknowledges the important role that national fiscal frameworks may play in sustaining budgetary retrenchment. In particular, a new revised national fiscal</p>	<p>During 2012, the deficit-to-GDP ratio increased by 0.5 percentage points to 3.3 per cent of GDP. Although above 3 per cent of GDP, the ratio remains close to the reference value. Moreover, the increase in the general Government balance above the 3 per cent of GDP reference value is expected to be temporary and exceptional. Over the medium term, the general Government deficit is expected to decline further as Government's fiscal policy objective remains that of ensuring a sustainable fiscal position by gradually but consistently reducing the fiscal</p>

	<p>framework will be adopted, which will see the introduction of a new clause in the Constitution regarding a balanced budget. Government also aims to reach a balanced budget in the realistically shortest time possible. In addition, an independent Fiscal Council will be set up with the aim of evaluating the Government's fiscal projections and to guarantee more transparency in the budgetary process and prudence in the macroeconomic forecasts.</p> <p>Status: On Track</p>	<p>imbalance. Indeed, the decline in the ratio of general Government deficit-to-GDP is expected to be sustained and the fiscal imbalance is expected to be reduced further, primarily aided by a strong macroeconomic environment and a strengthened national fiscal framework, as well as through improved efficiency in public spending and in tax collection.</p>
	<p>Pensions Reform</p> <p>Kindly refer to CSR 2 (NRP Document)</p>	
	<p>Public Infrastructural Projects</p> <p>Between 1999 and end of Q1 2013, 22.4km of the TEN-T road network across the islands of Malta and Gozo have been reconstructed and upgraded.</p> <p>Access network upgrading for two of Malta's sea ports as well as the upgrading and refurbishing of international port infrastructures is planned with a view to improve cargo and passenger capacity. Furthermore the Commission accepted an extension to its present 51km TEN-T road network which has been more than doubled.</p> <p>Government shall be undertaking to prepare and implement a national traffic management plan aimed at alleviating road traffic bottlenecks on the TEN-T and other strategic roads.</p> <p>Maritime infrastructure upgrades designed to maximise both capacity and safety within the current constraints of the Mgarr harbour and Ċirkewwa terminal .</p>	<p>Development of the TEN-T network and external links are crucial for Malta's tourism and export oriented economy as well as to ensure the mobility of persons. In this respect, the continued development and completion of the TEN-T network, the development of maritime links and ports (freight) and aviation links and ports (tourism/business) continue to be crucial for Malta.</p> <p>The terminal upgrades will provide modern facilities for the current 4 million passenger and 2 million vehicle annual movements and their expected increase in the coming year.</p>

	<p>Refurbishment of the Valletta breakwater was completed and the Marsaxlokk breakwater refurbishment is at an advanced stage of completion.</p> <p>Other planned maritime infrastructure measures shall include the improvement of existing facilities for cruise liners and the development of new cruise liner facilities in Gozo.</p> <p>Planning for the longer term, Malta is seeking TEN-T funding to support a full-scale feasibility study of options to further improve the links between Malta and Gozo.</p> <p>Status: On track</p>	
	<p>Private Investment Incentives <i>Tax Credit Schemes</i></p> <p>Micro enterprises and self-employed are supported through the Micro INVEST tax credit representing a percentage of the eligible expenditure and wages of newly recruited employees and/or apprentices.</p> <p>The scheme was launched in January 2010 and following its success, it has been extended. In 2012, 1059 have benefitted from the scheme, amounting to € 8.2 million in tax credits.</p> <p>Status: On Track</p> <p><i>Industrial Parks</i></p> <p>With an investment of €16 million, Malta Industrial Parks has started an extensive programme of upgrading works in a number of industrial zones.</p>	<p><i>Tax Credit Schemes</i></p> <p>300 beneficiaries per year</p> <p><i>Industrial Parks</i></p> <p>The upgrading of these industrial zones will enhance Malta's competitiveness as an industrial location thus contributing to the</p>

	<p>Status: Ongoing</p> <p>Business First</p> <p>Malta Enterprise launched the “Business First” (Malta’s one stop shop for business) on the 23rd January 2012. Apart from the schemes and services offered by Malta Enterprise, more than 50 services from various Government departments and entities are being provided through Business First, with the aim of facilitating the day to day operations of local enterprises.</p> <p>Between January 2012 and January 2013, Business First has received over 3600 queries. In total, Business First received and processed 485 applications for the various services offered.</p> <p>Status: On Track</p> <p>Kordin Business Incubation Centre (KBIC)</p> <p>Malta Enterprise is currently working on new policies and procedures for the operations of KBIC on 3 levels: a) the management of the facilities; b) new services offered to tenants, and; c) the relationship with other stakeholders including educational institutes.</p> <p>Status: On track</p> <p>ERDF funded grant schemes</p> <p>Applications under the 3rd call of the ERDF R&D Grant Scheme and the 4th Call of the ERDF Start-Up Grant Scheme, ERDF International Competitiveness Scheme, and the ERDF</p>	<p>sustaining of Malta’s growing knowledge based economy and promoting and safeguarding jobs in this key strategic sector.</p> <p>Business First</p> <p>The services offered by Business First will affect in particular SMEs and even more so start-up companies by providing authoritative information and assistance on various business services offered under one roof. As a result, businesses will spend less time dealing with such formalities whilst prospective new businesses will not be discouraged from entering the business due to their lack of familiarity with the business environment.</p> <p>Kordin Business Incubation Centre (KBIC)</p> <p>Local entrepreneurs were supported to be better equipped to lead their business ventures. In recent years, over 50 companies have started their operations from KBIC.</p> <p>ERDF funded grant schemes</p> <p>These schemes have contributed to: business growth by assisting start-ups; Enhance innovation by assisting</p>
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	<p>Innovation Actions Grant Scheme have been processed during 2012 and resulted in an allocation of over €4.5 million in aid. In the coming weeks ME will be issuing a new scheme supporting investments in photovoltaic panels. The budget for this scheme is envisaged to be in the region of €4 million.</p> <p>Status: On Track</p> <p>Online government Services</p> <p>In June 2011, the Government launched a solution for online procurement. The e-Procurement solution enables tender bids to be submitted electronically to contracting authorities within Government.</p> <p>In November 2011, the next generation e-Government platform was launched. This is considered to be an evolution of the Government's electronic services.</p> <p>Status: On Track</p> <p>Culture and Creative Industries</p> <p>The national strategy for the cultural and creative industries was launched for public consultation in August 2012. In addition, a document, entitled 'Our shared objectives' was finalised in early March 2013 to serve as an overarching strategic document for the period 2013-2020 that bridges cultural policy programmes, the programme for the implementation of the European Capital of Culture and the creative economy strategy.</p>	<p>businesses in launching new or improved products; Increases ICT usage in businesses and Increase in the adoption of environmentally sensitive technologies by providing aid to SMEs.</p> <p>Currently there are 43 projects in Gozo and 464 projects in Malta that are complete or ongoing with a total of over €31 Million allocated.</p> <p>Online government Services</p> <p>The online procurement facilitates the submission of tenders and reduces paperwork burdens.</p> <p>The next generation e-Government platform is providing citizens with a truly citizen-centric service which will fundamentally transform customer experience whilst also delivering seamless, cross border and pan-European services.</p> <p>Culture and Creative Industries</p> <p>17 actions from the 42 actions identified have been implemented or ongoing.</p>
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	<p>On track.</p> <p>Rural Development Programme</p> <p>The Rural Development Programme amongst others include three programmes aimed at improving the competitiveness and sustainability of the agricultural sector. These are namely:</p> <ul style="list-style-type: none"> - <i>Training, information and diffusion of knowledge</i> This Measure seeks to improve the competitiveness and sustainability of the agricultural sector by investing in human potential. Through this measure, service providers will be engaged to provide training to key potential stakeholders, mainly those operating in the agricultural sector or processing. - <i>Modernisation of agricultural holdings</i> This Measure seeks to support farm investment to assist agricultural holdings to improve their economic performance. - <i>Adding value to agricultural products</i> This Measure aims at rendering agro-processing enterprises more competitive. <p>Status: On Track</p>	<p>Rural Development Programme</p> <p><i>-Training, information and diffusion of knowledge:</i> Training started in the third quarter of 2011 and as at end 2012, 2540 farmers were trained out of which 2361 were successful.</p> <p>As at end 2012, three beneficiaries were contracted. The total Public Expenditure disbursed as at 2012 amounted to €276,207.36, with an EAFRD contribution of €207,155.52.</p> <p><i>-Modernisation of agricultural holdings (Measure 121 of the Rural Development Programme)</i> After the 2008 call, 344 eligible applications were received and 280 applicants were contracted as at end September 2012 for a total public expenditure of €15,318,668.10. As at end 2012, €13,684,960.06 was disbursed, with an EAFRD contribution of €10,263,720.05.</p> <p>With respect to the 2nd call, a total of 509 applications were received: 402</p>
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		<p>in Malta and 107 in Gozo. The applications are foreseen to be contracted in Q2 2013.</p> <p>As at end of 2012, 35 applicants were selected for funding. Moreover, there are still 304 eligible applicants on the reserve list with a total requested amount of €34.4 million.</p> <p><i>Adding value to agricultural products</i> For the first call, 25 beneficiaries were contracted for a total of €2,238,903. During the first quarter of 2012, one of the contracts was withdrawn, leading to 24 beneficiaries currently being contracted for a total amount of €2,088,903.</p> <p>For the second call a total of 38 applications were received: 30 in Malta and 8 in Gozo. As at end 2012, 22 beneficiaries were selected for funding with a total requested amount of €8,674,430.14 and an eligible grant amount of €4,046,209.15. None of these applicants had been contracted as at the end of the period under review but the contracting process is foreseen for Q2 2013.</p>
	<p>Better Regulation</p> <p>As part of an ESF funded project, Malta carried out all the measurement of the administrative burden costs in the chosen</p>	<p>The ESF Project of €1.2 million was completed and as a result the following were achieved:</p>

	<p>priority areas, resulting in a total administrative burden cost of € 116 million p.a.</p> <p>In addition to the proposals referred to above, further proposed measures aimed at reducing administrative burden on both businesses and citizens from the non-priority areas were identified.</p> <p>Also, as part of an ESF funded project, a number of public officials were trained in Better Regulation and the Standard Cost Model.</p> <p>This training was aimed at changing the perspective of how the Maltese Public Administration looks at regulatory regimes and how it delivers its services to both businesses and citizens. 411 public officials received training in better regulation principles, the Standard Cost Model, consultation, simplification and better policy making processes.</p> <p>Government also developed Code of Practice for Regulatory Institutions so as to improve the regulatory framework and ensure more consistency and collaboration between different regulators.</p> <p>This Code of Practice for Regulatory Institutions was developed in consultation with the Maltese regulatory bodies so that they have a basis for continual improvement. This will contribute to strengthen regulatory policy and governance in Malta.</p> <p>As a deliverable of the project, all Ministries have a Ministry Better Regulation Plan.</p> <p>Status: Completed</p>	<ul style="list-style-type: none"> - The target of reducing administrative burden on businesses by 15% in select priority areas (as committed by Malta in the NRP 2008) was surpassed and infact 15.6% administrative cost savings were registered by December 2012 - Together the simplification initiatives implemented resulted in a decrease in burden of €18,202,000 and a release in man hours of 641,402 hours for businesses to pursue in productive work - Further initiatives in other non-priority areas, targeted at both the business and citizens were undertaken. These resulted in a reduction in administrative burden of €1,368,821.
Strengthening Financial Stability		

	<p>In response to the global financial crisis, a Framework for the Management of Financial Crisis Situations was established under a Domestic Standing Group (DSG) composed of participants from the then Ministry of Finance the Economy and Investment (MFEI), the Malta Financial Services Authority (MFSA) and the Central Bank of Malta (CBM). A sub-group to the DSG, a Joint Task Force to Assess and Review the Bank Resolution and Insolvency Regime II (JTFBR) was also established with close cooperation of participants from the MFSA, CBM, MFEI, and the Office of the Attorney General (AG).</p> <p>Following recommendations from the European Systemic Risk Board (ESRB) on the macro-prudential mandate of national authorities, on 25 January 2013, the Malta Financial Services Authority (MFSA) and the Central Bank of Malta (CBM) signed a Memorandum of Understanding (MoU) agreeing on the setting up of a Joint Financial Stability Board which would be composed of representatives from the MFSA and CBM as well as possible participation by the Ministry for Finance (MFIN) upon invitation.</p> <p>Malta is also represented on the Task Force on Coordinated Action (TFCA) where discussions take place, in conjunction with the Eurogroup Working Group (EWG), relating to the finalization of the framework for the direct recapitalization function of the European Stability Mechanism (ESM) including a definition of legacy assets.</p> <p>Work is also ongoing with respect to the negotiations for the agreement on the legislative package of the Capital Requirements Directive IV (CRDIV) and the Capital Requirements Regulation (CRR) with further rounds of negotiations taking place on technical aspects of the legislative</p>	<p>Given the degree of interdependence for the functioning of such initiatives, Malta continues to strive towards a timely adoption, providing the relevant input as required and remaining ready to make the necessary additions to national legislation for the safeguarding and strengthening of financial stability.</p>
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	<p>package before a fully agreed compromise is reached.</p> <p>Together, the aforementioned initiatives also form part of a wider context which includes the implementation of a full Banking Union within the European Union with direct supervision by the ECB (together with National Authorities) of all banks in the Union applying a Single Rulebook, a Single Supervisory Mechanism (SSM), a Single Resolution Mechanism (SRM) and with a common system of Deposit Guarantee Schemes (DGS).</p> <p>Status: On Track</p>	
	<p>Improving the Regulatory Environment for Small Businesses</p> <p>Through Legal Notice 410 and Legal Notice 429, parts of the Small Business Act already came into force. The legislation to bring into force the remaining provisions of the Act is awaiting Cabinet approval. These provisions are expected to come into force in the second quarter 2013.</p> <p>The implementation of the SME Test required the setting up of a central entity. This entity has now been set up as the SBA Implementation Unit. This Unit which comprises of a Senior Manager and two Managers, is now operating and is already vetting proposals for legislation to ensure compliance with the Small Business Act (Cap 512)'s requirements currently in force.</p> <p>Status: Delayed</p>	<p>The systematic screening of legislation through the SME Test will ensure that the interests of small and micro business are safeguarded and that the possible impact of legislative proposals on the sector is fully evaluated and corrective action taken as necessary.</p> <p>Other measures ensure that businesses are aware of legislation and also informed of what is required for compliance, and have sufficient time to take necessary action. The impact of this measure, once it is fully implemented, cannot be quantified since it is meant to facilitate business operation.</p>

	<p>Eco Gozo Strategy</p> <p>The Eco Gozo Strategy consists of a number of projects that are being implemented these include:</p> <p><i>The transformation of the Gozo experimental farm into a centre for research, development and innovation in agriculture:</i> During 2012 the work on the erection of the new greenhouses and the installation of the computerised fertigation system were completed and are in use. A trial on biofumigation started in 2012 and will be completed in 2013.</p> <p>This project has been selected as a Best Practice/Pilot Project for the EU Med Project AGRISLES</p> <p>Status: On Track</p> <p><i>Handson farming:</i> This measure included visits to the Xewkija Experimental Farm and other activities organised for school children</p> <p>Status: On Track</p> <p><i>Research on Local/Mediterranean Species:</i> Research has been carried out on the Maltese breed of chicken and the characterisation of the local carob tree and holm oaks.</p> <p>Status: On Track</p> <p><i>Creation of a genetic reserve of fig varieties:</i> Different species of figs were identified and 100 fig varieties were procured by the Ministry to form part of a genetic reserve</p> <p>Status: On Track</p>	<p>These new facilities will enable further developments in the agricultural area through research and innovation.</p> <p>These measures will also result in more appreciation of the Maltese local products and better understanding of Maltese species.</p> <p>The upgrading of tourism infrastructures and promotion of niche markets will attract more tourists to the island of Gozo and therefore contribute to its economy.</p>
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	<p>Water Policy</p> <p>The Environmental Report was finalised in January 2012 and an eight-week public consultation on the Environmental Report was launched by MRRA on 28th February 2012. The Water Policy was officially launched on the 5th June 2012.</p> <p>The Water Policy Document presents a framework of action in the water sector which includes: Malta's Water Catchment District Management Plan; The Climate Change Adaptation Strategy; The Nitrates Action Plan; Management Plans of the Water Services Corporation; and The National Flood Relief Programme.</p>	<p>Implementation of the water policy will ensure, amongst other benefits, a supply of good quality water to meet the needs of the population, protection of water resources and their sustainable use.</p>

	<p>As regards to sewage treatment, the Water Services Corporation has identified the processes, plant locations and infrastructure necessary to treat waste water beyond the basic tertiary level. The plants will cater for all the wastewater treated at the North and Gozo Sewage Treatment Plants and for 12,000 m³/day at the South Sewage Treatment Plant. Financing is envisaged to be through the ERDF for secondary uses. The Corporation has presented the Water Re-use project for EU funding under the ERDF 07-13 on the 30th August 2012 and application was approved on the 3rd April 2013. MEPA permits are still pending.</p> <p>Status: On Track</p>	
New/updated Euro Plus Pact commitments		
Main (new or updated) commitments in the NRP for the next 12 months	Foreseen main measures	The estimated impacts of the measures (qualitative and/or quantitative)
Euro Plus Pact	<p>Justice Reform</p> <p>On the 24th March 2013 the Maltese government announced that it was initiating a judicial reform. A Commission has been appointed to look into the judicial system and is expected to submit a review report within 3 months. This will be followed by a consultation process.</p> <p>It is envisaged that the main reforms suggested by the report and the consultation process will start being implemented by the end of the year 2013.</p>	The implementation of this reform should result in a sound legal system that caters for today's needs.
	Green Economy Action Plan	

	<p>The preparation of a Green Economy Action Plan and its timely delivery are eminent to 'green the national economy, steering it away from environmentally-polluting and resource-intensive economic sectors'. It is expected that this Action Plan will be launched by the end of 2013.</p>	<p>A policy framework with the aim to reduce Malta's environmental footprint.</p>
	<p>Enhancing Institutional Capacity and Efficient Public Administration</p> <p>Malta's eligibility for structural funds in the next programming period depends, amongst other things, on the design and implementation of an HR Strategy, coupled with a Skills Development Plan. To that effect, the launch event of the HR and Skills Development Strategy was held on 11 December 2012, with the aim of such a strategy being the enhancement of institutional capacity and efficient Public Administration.</p> <p>The Strategy is planned to be finalised by end 2013.</p>	<p>This strategy is a requirement to ensure eligibility for structural funds.</p>
	<p>The full transition from traditional to electronic procurement across Government</p> <p>Following the introduction of e-procurement, the challenge now is to consolidate this achievement while at the same time continue to work with other Contracting Authorities (Government Departments and Organisations) so that all public procurement across Government and not only those tenders published by the Department of Contracts, are carried out via the e-procurement platform.</p> <p>In this regard, it is our commitment to complete the transition to e-procurement in respect of tenders published by the Department of Contracts by the end of June 2013. Besides, another commitment is that to complete the transition to e-procurement in respect of public tenders published by all other</p>	<p>The impact of this measure is not necessarily easily measured at least in the short term. However, one can safely state that through the full transition to e-procurement we will have streamlined the procurement processes adopted across Government. It will also serve to continue to reduce administrative burdens on economic operators where information already available to Government is no longer requested. The procurement cycle, and</p>

	<p>Contracting Authorities (Government Departments and Organisations) by the end of 2013.</p>	<p>particularly, the pre-publishing and the evaluation stages will become less taxing on Contracting Authorities and therefore the process becomes leaner. Potentially e-procurement will help increase the visibility and transparency of public procurement, thus encouraging more economic operators to participate and in the process increasing competition which in turn could lead to better procurement outcomes. It will also enable the Department of Contracts to have, for the first time, access to first hand information on the volume of procurement being carried out across Government which may become very useful in order to make better informed policy decisions.</p>
	<p>Enabling Innovation through legislative and regulatory development</p> <p>Malta will continue working to create a legislative and regulatory framework that will nurture innovative products in this sector, while ensuring consumers are not exposed to unwarranted risks. Research and consultation with the industry is ongoing.</p> <p>A number of improvements to Legislation have also been identified and legislative changes will be implemented throughout 2013. Other proposed changes are currently under evaluation. Changes to legislation will be followed up in various seminars, workshops and also the publication of electronic and printed material to ensure adequate awareness on the changes.</p>	<p>Innovation is essential if licensed firms are to thrive in today's highly competitive and connected global markets.</p> <p>A determination on the side of the industry to compete and innovate will ensure a successful future and provide customers with more choice.</p>

	<p>A Strategy and Action Plan for the Promotion and Support of the Social Enterprise sector</p> <p>This strategy will complement the Social Enterprise Act through the identification of the best tools to promote the development of social enterprises</p> <p>This measure is planned to start in the second quarter of 2013 after the enactment of the Social Enterprise Act and to end in the second quarter of 2014.</p>	<p>This measure will be conducive to the creation and support of social enterprises in Malta</p>
<p>New/updated commitments in relation to the 2020 targets (per target)</p>		
<p>Employment Target</p>	<p>Enhancing Employability through training</p> <p>This programme will be sub-divided into four main components: Training Design, Short Courses, Traineeships, and a Training Subsidy Scheme. The programme will provide the opportunity for men and women who have been absent from the formal economy for a relatively long period of time to regain their confidence and brush up on their skills through a series of training programmes that will ultimately facilitate their reintegration to employment.</p> <p>The ESF-funded measure, with a budget of €3,374,779.85 will run from Q3 2012 up to Q4 2014.</p>	<p>The overall objective of the programme is the reintegration of job seekers and inactive persons into the labour market while also providing assistance to those in employment to secure and advance their position within the labour market.</p> <p>Reintegration of active persons will contribute to increase the participation rate in employment. The EET Programme is aimed at training approximately 8,080 persons</p>
	<p>Child Development Centre</p> <p>The aim of this measure is to develop a regional public child development centre in Gozo. The proposed Child Development Centre shall serve three main functions:</p>	<p>This proposed project is very much in line with Government's policy to introduce family-friendly measures</p>

	<ul style="list-style-type: none"> - to act as a regional Child Day Care Centre; - concentrate all the outpatients services related to child development in one area; and - promote healthy living practices among children. <p>This will act as a one stop shop for childcare services and will further contribute to facilitate access to the labour market by women.</p> <p>The construction of this child development centre is planned to start in May 2013 and is expected to be completed by May 2014. The total budgetary allocation for this project is of €1,500,000.</p>	<p>and practices to support and facilitate female participation in the labour market as well as to help young families in their various forms to achieve the much lauded balance between work and family life.</p>
	<p>National Apprenticeship Scheme</p> <p>Gradual replacement of the current two apprenticeship schemes, namely the Technician Apprenticeship Scheme (TAS) and Extended Skill Training Scheme (ESTS) by the National Apprenticeship Scheme over a process of three years starting in 2013. All apprenticeship callings under the National Apprenticeship Scheme will be pegged to the level descriptors as specified in the Malta Qualifications Framework (MQF).</p> <p>The idea is to introduce new apprenticeship levels for occupations which are already on offer and also in other occupations at different levels, according to the needs of the labour market and the ability of the apprentice.</p> <p>Measures will include the provision of off-the-job training (including theoretical tuition) to training providers licensed by the National Commission for Further and Higher Education (NCFHE).</p>	<p>The new scheme should manage to attract more young persons to go for an apprenticeship by offering more varied training opportunities and a higher maintenance grant. The scheme will be encouraging employers to take on more apprentices as Government will pay the employers' share of NI contributions in respect of apprentices to enrol under the new system. This will result in the reduction of employers' cost per apprentice. It is also envisaged that the number of apprentices in the system will increase by 100 in 2013</p>

	Employers will be encouraged to take on more apprentices by government making good for the employers' share of NI contributions of apprentices.	
	<p>Active Youth for Employment Programme</p> <p>Main measures of the Active Youth for Employment Programme include:</p> <ul style="list-style-type: none"> - A Job Search Seminar - Meeting with an Employment Advisor - Personal Action Plan - New Activation courses - Job Skills Course - Work Trial Scheme. <p>This measure has been allocated a budget of €601,265 Malta funds. The training initiatives will be incorporated within the ESF-funded 'Enhancing Employability through Training' Programme, which is an approved project.</p>	<p>The Active Youth for Employment Programme increases the employability of young people and facilitates labour market integration of youth.</p> <p>It helps youth make informed choices through personalized jobseeker services, increased access to information about services available, training courses and the labour market. Most importantly it equips youth with the motivation and skills needed to enter, retain and progress within work.</p>
	<p>Support for youth voluntary work</p> <p>Through a partnership between Agenzija Zghazagh and University of Malta, a stipend will be introduced for young people (aged up to 25 or for those up to three years after graduating from tertiary education) to spend a year doing voluntary work.</p> <p>€600,000 was allocated to this measure in Budget 2013. It is planned that this measure runs until end 2015.</p>	Participants will acquire experience from engaging in voluntary work and at the same time the voluntary organization will benefit from the services of such volunteers.
	<p>ETC Scheme to promote Youth Entrepreneurship</p> <p>Through this scheme, Employment and Training Corporation will</p>	The Employment and Training

	<p>be training and supporting youth in preparation for entrepreneurship or setting up of cooperatives. This will be achieved through the provision of specialised training aimed at passing on the relevant skills and information required for them to be fully prepared to embark on setting up their enterprise or cooperative. This scheme will also provide additional support in the form of mentoring services and monetary grants.</p> <p>There will be two annual intakes/calls for the Youth Entrepreneurship Scheme with a target of 25 young persons every intake.</p> <p>This measure is budgeted at €317,900, local funds. Once started, the scheme will be ongoing since it will form part of the core operations of Employment and Training Corporation.</p>	<p>Corporation administrative data shows that only 1073 out of 31,443 employed youth are self-employed. This barely represents 3% of the total youth workforce.</p> <p>The target of the scheme is to have 15 prospective entrepreneurs per intake (30 per year) who complete the programme and take on the final Grant thus contributing to increase the number of self-employed in Malta.</p>
	<p>JOB BRIDGE Programme</p> <p><i>JOB BRIDGE</i> Programme is intended to train disabled adults who need further pre-employment training and on-the-job training with a view of integrating them in employment.</p> <p>The <i>JOB BRIDGE</i> Programme aims to :</p> <ul style="list-style-type: none"> - Provide pre-employment training. - Develop and implement individual transition plans. - Coordinate on-the-job training experience. - Provide a training allowance for the period of the training placement; and - Assist in promoting an inclusive employment culture. <p>The first intake took place in February 2013, after the trainees participated in an induction session in December 2012. This intake will keep going till January 2014. Thus, it is envisaged that in February 2014 another intake will take place. In 2003 an allocation of €262,375 was reserved for this measure.</p>	<p>By the end of the programme the trainees will be able to demonstrate levels of independence, social skills and employability skills compatible with employment in open work settings on individual or group engagements.</p>

	<p>Embark for Life Programme</p> <p>This measure aims to empower young persons in acquiring skills, which would enable them to get into mainstream education and/or employment, with the ultimate aim to live independently and lead a more quality life in the community.</p>	<p>This programme envisages the integration of young people into the labour market.</p>
	<p>Development of a Youth Entrepreneurship Strategy including an Action Plan for Malta 2013-2018</p> <p>The objective of this measure is to develop a strategy for the promotion and support of entrepreneurship in the younger generation by enabling the development of entrepreneurial qualities and competences through the education system at all levels as well as the bringing together and enhancing the initiatives being taken or planned to be taken by Government entities and private institutions meant to engage, empower and equip young people to create and grow businesses.</p> <p>This measure is planned to start in the second quarter of 2013 and is expected to be fully implemented by the second quarter of 2015.</p>	<p>This measure should contribute to increase (a) the number of young people actively considering starting their own business and (b) the number of start ups by young people including university graduates.</p>
	<p>Local Employment Development (LED) Framework</p> <p>This measure will formalise the joint efforts of the Ministry for Gozo, the Employment and Training Corporation and Malta Enterprise to implement local employment development initiatives in Gozo with the main objectives to:</p> <ul style="list-style-type: none"> - Sustain the performance of present Gozo-based operators. - Encourage Maltese counterparts to consider opportunities of relocating and expanding their business in Gozo. - Attract foreigners to invest in Gozo through measures and incentives specifically formulated to optimise Gozo's potential. 	<p>This measure envisages the establishment of a framework that will ensure a common approach and a shared strategy amongst Government entities targeted towards employment and investment generation in Gozo.</p>

	<p>Parenting credits</p> <p>Parenting credits (for parents born in 1962 or after) have been introduced in Malta following the pension reform changes of 2007. In 2013, this measure has been extended to parents born from 1952 to 1961 with such parents benefitting from 50% of the contribution credits awarded to parents born in 1962 or after.</p>	<p>Parents, mainly women, who had career breaks, are encouraged to resume work.</p>
Research and Development	<p>Preparation of an Innovation Strategy for Smart Specialisation</p> <p>The scope of this measure is the identification of niche areas in the Maltese economy with the greatest potential for growth through innovation.</p> <p>Work on the strategy started in December 2012 and it is expected to be completed by the third quarter of 2013.</p>	<p>The identification of these areas within the national economy with greatest potential for innovation-based growth will better direct funding and efforts towards building critical mass in these areas.</p>
	<p>Centre to Strengthen Research on Business and the Self-employed</p> <p>This measure will help to introduce the concept of entrepreneurship at the University of Malta and also provide the necessary teaching programmes.</p> <p>This project kicked off in 2012 and will end in 2014. The budget allocated is of €1,331,530.</p>	<p>Creating a culture of entrepreneurship at the UOM and also provide the necessary teaching programmes through which the University infrastructure can support start up businesses.</p>
	<p>Internationalisation scoping exercise</p> <p>This measure aims to identify opportunities for Maltese researchers to be engaged in international cooperation opportunities.</p> <p>The exercise started in October 2012 and is expected to be</p>	<p>Research activities are intrinsically international in nature, leveraging on collaboration between different knowledge centres, common issues of concern and the need to avoid</p>

	<p>completed by end 2013. The budget allocated for this measure is €150,000.</p>	<p>duplication of efforts. Given the small size of Malta's research community and its limited resources, the importance of international cooperation is even more pronounced.</p>
<p>Energy</p>	<p>Switching of fuel from liquid fuel oils to natural gas</p> <p>The Ministry for Energy and the Conservation of Water is to promote independent investment in Malta's energy infrastructure in the form of new facilities, favouring the import, storage and re-gasification of liquefied natural gas and combined-cycle gas turbine power plant at the site of Enemalta's Delimara power station.</p> <p>Enemalta, the state-owned energy utility responsible for providing electricity to the Maltese Islands, shall therefore seek to enter into new energy contracts for the procurement of electricity and gas on this basis, consistent with its strategy of meeting the Islands' energy demands at lowest long-term cost, taking full account of safety, environmental and all related responsibilities as follows:</p> <ul style="list-style-type: none"> a) Supply and deliver natural gas to Enemalta under the terms of a long-term gas supply agreement to fuel Enemalta's own gas-fired power plant. b) Supply and deliver electricity to Enemalta under the terms of a long-term power purchase agreement. <p>The energy for the above mentioned gas and electricity agreements shall be sourced from new facilities that the independent operator would build, own, operate and maintain at Enemalta's Delimara Power Plant site by the 31st March 2015 comprising (a) a new Liquefied Natural Gas (LNG) delivery,</p>	<p>This measure will reduce Malta's dependence on electricity produced from oil, and will result in corresponding reductions in both electricity costs and environmental emissions, in line with the European Union roadmap. Consequently reductions in electricity costs will reflect in reduced tariffs to the end consumer thus channelling more money into the economy.</p>

	<p>storage, re-gasification and natural gas supply facility; and (b) a new natural gas fired combined cycle gas turbine electricity generation plant together with all necessary connections to Enemalta's electricity distribution network and to the relevant site services.</p> <p>Eventually the generators at the newly extended Delimara Power Station, currently operating on liquid fossil fuels (HFO and Gasoil), will also be converted to Gas.</p> <p>For further details please refer to CSR 5 (NRP Document).</p>	
	<p>Feed in Tariffs for PVs not supported through other funding</p> <p>The new feed in tariffs are intended to increase the amount of electricity derived from renewable sources by encouraging an increase in the take-up of PVs.</p> <p>The budgetary value for this measure is expected to be EUR 5 million.</p>	<p>It is expected that Malta's dependency on fossil fuels will be reduced. The indirect effects will be a healthier local population due to cleaner air (therefore less expenditure on pollution-related ailments) and less CO2 emissions hence enabling Malta to reach its climate change targets. As a result of this measure approximately 21 Gg of CO2 emissions will be saved.</p>
	<p>Encouraging Smaller and Cleaner Modes of Transportation</p> <p>The following measures have been introduced to further encourage the use of less polluting vehicles:</p> <ul style="list-style-type: none"> - Decrease in registration tax for Euro 5/6 passenger vehicles by an average of 25% depending on the vehicles' CO2 emissions. - Increase in registration tax for Euro 4 passenger vehicles by 10%. 	<p>The Maltese Government is continuously pursuing its aim of encouraging smaller and cleaner modes of transportation. This measure will undoubtedly make these cleaner vehicles more attractive, especially since technological</p>

	<ul style="list-style-type: none"> - Decrease in registration tax for motorcycles. - Decrease in registration tax for light Euro 5/6 commercial vehicles. 	<p>advancement is leading to CO₂ emissions to constantly fall. This scenario will result in the reduction of total CO₂ emissions from motor vehicles and thus for an improvement in air quality all round.</p>
	<p>Scrappage Scheme</p> <p>Under this scheme a €500 grant will be given on the purchase of a new Euro 5/6 vehicles upon scrappage of older vehicles.</p> <p>This scheme is open to a maximum of 1000 vehicles and includes also commercial vehicles</p> <p>A budget of €500,000 has been allocated for this measure</p>	<p>Encourage the replacement of old vehicles with new and less polluting vehicles will contribute to the reduction in CO₂ emissions.</p>
	<p>European Regional Development Fund (ERDF) Scheme for the purchasing of solar panels for enterprises</p> <p>The scheme will be focusing on the purchasing of solar panels for enterprises. The pre-allocated budget will be initially addressed towards enterprises in Gozo with the remaining balance available for Maltese enterprises at a later stage.</p> <p>This measure is co-financed by the EU and has a budget allocation of €3.4million.</p>	<p>This scheme will encourage further the use of renewable energy sources and contribute in the reduction of CO₂ emissions.</p>
	<p>Autogas conversion scheme</p> <p>The aim of this scheme is to convert around 1000 cars currently running on petrol/diesel to autogas by means of a EUR 200 rebate per car.</p> <p>EUR 200,000 were allocated for this scheme.</p>	<p>This should make it more attractive to owners to convert their cars to autogas.</p> <p>It is also expected to reduce Malta's</p>

	<p>This budget will be allocated from national funds.</p> <p>It is likely that the budgetary allocation will not be completely spent in 2013 since the necessary infrastructure still needs to be scaled up.</p>	<p>reliance on oil, as requested by CSR 5.</p>
	<p>Autogas Scheme</p> <p>Scientific proof shows that the use of autogas together with conventional fuels helps to reduce the total emissions produced by motor vehicles. This has led the Government to introduce a registration tax amendment on newly registered passenger cars (M1 vehicles) that are able to run on autogas (at the point of registration) to take into consideration the lower emissions. These vehicles will be registered using the reduced CO2 emissions as stated on documentation which is acceptable to the Transport Authority. If such documentation is unavailable and a vehicle has been certified to have been converted to autogas then its CO2 emissions will automatically be reduced by 10 per cent.</p> <p>Status: On Track</p>	<p>Lower CO2 emitting motor vehicles in circulation</p>
	<p>New Scheme for PV Panel Installations in Households</p> <p>The primary aim of this project is to promote the utilisation of RES which are expected to increase with the introduction of this scheme.</p> <p>The RES support scheme provides financial support to cover part of the costs of PV systems installed for domestic use. The scheme is open to all energy consumers in the domestic sector and available funds will be allocated on a first come first served basis. The eligible costs shall be capped to €3029 per kWp, so that the maximum grant shall be €1515/kWp up to a maximum</p>	<p>This scheme is expected to reduce the electrical and fuel consumption.</p> <p>The project will also give a tangible contribution to the island to reach an increased independence from fossil fuels.</p>

	<p>of €2,500.</p> <p>The budget allocated to this measure is in the region of €21,000,000 with 8,400 expected to benefit from the scheme.</p> <p>This budget will be completely allocated from ERDF funds.</p>	
	<p>Biofuels Substitution Obligation</p> <p>Petroleum for the Inland (wholesale) Fuel Market, Bottling of LPG and Primary Storage Facilities Regulations (S.L.423.28), places an obligation on importers and wholesalers of fuel for the transport sector (EN590 and EN228) to place on the market, as a minimum, an increasing share of sustainable biofuel as a percentage of the total energy content of petrol and diesel. The obligatory share for 2012 was equal to 2.5% and that for 2013 is equal to 3.5%.</p> <p>This measure has no budgetary implications.</p>	<p>The introduction of the biofuel substitution obligation (described above) has proved to be a valuable tool in the promotion of sustainable biofuel, decreasing lifecycle greenhouse gas emissions from fuels used in the transport sector</p> <p>In 2012, the RES share in road transport was 3.3% (pending auditing).</p>
<p>Education</p>	<p>New Scholarship Scheme</p> <p>This scheme improves the framework conditions and access to finance for research and innovation so as to ensure that innovative ideas learnt can be turned into products and services that create growth and jobs.</p> <p>To benefit from the scheme applicants have to commit themselves to focus their research in these areas: High-End Manufacturing; Life Sciences; Educational Services; Financial Services; Transportation & Advanced Logistics; Higher Quality Tourism; Creative Industries; Environment and ICT.</p> <p>It is envisaged that a fund of two million euro (€2,000,000) is</p>	<p>The new scholarship scheme shall aim to provide more opportunities to promote further specialisation at higher levels of education at a Masters level. The ultimate goal is to ensure an ever more highly skilled workforce in the relevant sectors.</p> <p>As a result of this scheme, it is also expected that Malta achieves an increase in Research and Development activity</p>

	invested in this scheme over a period of two years.	
	<p>Support for Youth Organisations</p> <p>For the first time direct financial assistance will be given to youth NGOs and other youth organisations to help them in developing and expanding both their capacity and delivery of programmes and initiatives for young people.</p> <p>EUR80,000 have been allocated for this measure</p>	<p>The non-formal and informal learning opportunities provided by such projects and initiatives not only complement formal learning but also enhance young people's self confidence and their inter-personal skills and competencies.</p>
	<p>Career Awareness</p> <p>The scope of this measure is increase the pool of qualified people within the financial services sector through increased awareness on the career opportunities available in the sector.</p> <p>The Malta Financial Services Authority will continue to build upon the current career familiarisation programmes that are being offered by the Malta Financial Services Authority to students at Forms 4 and 5 in various schools.</p> <p>The career awareness campaign will also target students at higher levels namely students at higher secondary schools, MCAST and also university students.</p>	<p>These awareness initiatives will encourage more students to take a career in the financial sector and ultimately provide the specialised workforce required for such sector to function properly.</p>
	<p>Training and Continuous Development</p> <p>Initiatives undertaken by the Malta Financial Services Authority will continue to build on strategies that have the aim of raising employment and skills levels.</p> <p>New training programmes together with those that were already being offered would contribute towards the filling of the training</p>	<p>Malta has to ensure that the environment in which the financial services industry operates continues to be an expansive one, attracting an adequate supply of skilled workers is required to meet the needs of the</p>

	<p>gaps within the sector. These programmes will be supported by expertise drawn from the industry, the Malta Financial Services Authority, academic institutions and specialist organisations. This view is further strengthened since these new initiatives complement the training and tuition that is or will be made available both at the University of Malta and in other private institutes that offer academic courses in Malta on behalf of foreign universities. These training programmes include foundation courses and courses leading to award of certificates, diplomas and also degrees.</p> <p>Furthermore the Education Consultative Council (ECC) members with the support of the Malta Financial Services Authority organise continuous development training programmes. These training initiatives are aimed at updating employees within the financial services sector with regulatory developments particularly in the European Union.</p> <p>Most of these programmes will also offer opportunities for re-training and continuous professional development.</p>	<p>industry.</p> <p>It is hoped that these initiatives will result in the maintenance and, where necessary, the improvement in the professional levels of current employees in financial services and in the expansion of the pool of labour that will be available to the sector, particularly at the technical level.</p>
	<p>Youth cafés and Youth Centres (Hubs)</p> <p>This measure aims to provide youth cafés and other centres where young people can meet and learn in a safe and friendly environment and access services overseen by qualified youth workers. Two youth cafés have already been opened by Aġenzija Żgħażaġħ and are operating twice a week in the evening at local community level.</p> <p>This measure will not only provide for additional youth cafés and youth hubs but will also cater for enhanced facilities.</p>	<p>This initiative will further build on existing capacity in providing a safe and friendly environment at local level where young people can meet, learn and access services overseen by qualified youth workers.</p>
<p>POVERTY</p>	<p>Income tax deduction for fees paid in respect of residency services in private community homes for the disabled or</p>	

	<p>respite centres</p> <p>The measure come into force as of 1 January 2013 and involves a deduction from income of up to a maximum of €2,500 in the equivalent of fees paid by persons with disability to reside in private homes or respite centres.</p>	<p>It is expected that via this tax reduction, respite care and community support services will become more affordable for disabled persons and their families, thus reducing the likelihood of becoming dependent on state services.</p>
	<p>Subsidised Rental Schemes – Rent Subsidy in Private Rented Residences</p> <p>This scheme will provide subsidies to tenants on rents paid for their ordinary residence leased from the private sector. This scheme, which is means tested, will target those who are not in a good financial position, by easing the burden related to rent, thus reducing the risks of homelessness.</p> <p>The budget for this scheme is € 800,000 per annum</p>	<p>This measure will target around 1300 beneficiaries depending on the take-up.</p>
	<p>Service Pensions</p> <p>This measure will waive off €200 of the ‘service pension’ from the calculation of the social security pension.</p> <p>€1.5 million Malta funds are allocated to this measure</p>	<p>The target population is about 13,500 pensioners.</p>
	<p>Gender Balance in Decision-Making</p> <p>A research on gender based representation in decision making and gender quotas will be carried out. Furthermore a mentoring programme for women aspiring to hold decision-making positions will be held.</p> <p>€ 595,847.00 EU Funds</p>	<p>This project aims at increasing the number of women in decision-making positions, by empowering them to take up these positions and providing advice to policy makers on gender-</p>

		balance in decision-making.
	<p>Measure to assist the Spouses of Residents in State Financed Residential Services</p> <p>Where a resident of a State Financed Residential Service is a married person whose spouse remains at home and is not in receipt of a pension, assistance or allowance in her own right, a 60% deduction of the rate of benefit, pension, bonus, assistance or allowance from the entitlement to such resident is directly paid to the spouse who remains at home.</p> <p>In 2013, the deduction will be increased from 60% to 70% or to the equivalent rate of the Old-Age Non-Contributory Pension, whichever is the most beneficial to the spouse that remains at home.</p>	Spouses who decide to stay at home will have a higher disposable income.
	<p>Regeneration and Maintenance of Housing Estates</p> <p>This measure is made up of 2 schemes. The first scheme is intended to regenerate Government blocks and surrounding areas while the second scheme includes a number of courses related to the maintenance of common parts of such blocks. This ongoing measure started in January 2013 and will be allocated the following budget for 2013:</p> <p>Scheme 1: €500,000 (for the surrounding areas) Scheme 2: €400,000 (for maintenance & training)</p>	<p>These schemes will ensure a better standard of living for those living in government Housing states.</p> <p>10 different localities will benefit from the first scheme yearly. The second scheme will cover 1000 house holds across 52 localities.</p>
	<p>Out of Home Care programme</p> <p>The Government has embarked upon a programme to help children living outside their maternal home. It is not only working to boost this sector, but the country is looking ahead in order to try and provide ways and means to meet with this social</p>	The Government considers children as the future of our country therefore it is of utmost importance that they grow up in a stable and healthy

	<p>demand of alternative child caring. The necessary services and support provided to children under Care Order will be extended to children Out-of-Home Care, irrespective of their legal status.</p> <p>The budget allocation for this initiative is €550,000.</p>	<p>environment.</p>
	<p>Schemes to support home adaptation works - (A) Schemes for Persons with Disability</p> <p>This scheme shall provide financial aid and technical assistance to persons with disability to carry out the necessary adaptations to their place of residence.</p> <p>€170,000 Malta funds</p>	<p>This measure aspires to improve the social inclusion prospects for disabled persons.</p> <p>This measure will target around 40-50 households.</p>
	<p>Schemes to support home adaptation works - (B) Schemes for Repairs and Improvements</p> <p>This scheme will provide subsidy for adaptations in residencies which are either owned by the resident, privately rented or government rented. Landlords who rent out residencies can apply for assistance on just one property to eliminate dangerous structures.</p> <p>This ongoing measure started in March 2012 and has a budget of € 500,000 Malta funds</p>	<p>This measure will target around 200 applicants over a period of two years. It will ensure a better standard of living for such residents.</p>
	<p>Residential Home for Youth</p> <p>Government will be embarking on a programme to support youths who come out of residential care so that they will be provided not only with temporary residential homes but also with a permanent residential home.</p>	<p>This measure will address the problems faced by youths who come out from residential care and end up without a shelter.</p>

	The budget allocation for this initiative is €150,000.	
	<p>Independent Living</p> <p>The main aim of this measure is to provide for an independent environment for vulnerable groups. It will sustain a person's ability to live as independently as possible, either in their own home or in accommodation with carers on site. €60,000 Malta funds</p>	Improving the chances of around 30-40 households, from amongst the most vulnerable, to better integrate in society.
	<p>Expansion of Fostering Services to Gozo</p> <p>This measure will enable children in foster care in Gozo to have their Supervised Access Visits (SAV's) in Gozo.</p> <p>This measure has a budget of €36,959 and was introduced in February 2013.</p>	The fostering services will be more accessible for the benefit of foster carers and children in foster care in Gozo.
	<p>Therapeutic Facility</p> <p>The Government will establish a therapeutic facility with a budget allocation of €150,000.</p>	Offer security to children with behavioural problems.
New/Updated Measures to address growth bottlenecks and economic imbalances		
	<p>Revision of Tax Bands</p> <p>In this year's Budget, Government announced that as from this year the maximum rate of income tax will be reduced from 35 per cent to 25 per cent, for income below €60,000.</p> <p>Persons whose income tax is computed on the single rate and whose only income throughout the year is the minimum wage and the statutory bonus, will not be taxable. This will come</p>	<p>Persons within the said tax bands will benefit from a higher disposable income.</p> <p>This will be done in a way that ensures that the financial targets of Government are not prejudiced.</p>

<p>about through a specific adjustment whereby persons whose income derived solely from employment, including the bonus, does not exceed €8950 during 2013 will not be liable to income tax. These changes will come into effect retrospectively from 1st January 2013.</p>	
<p>MicroGuarantee Scheme</p> <p>Malta Enterprise can provide businesses employing up to 20 people with a guarantee on a loan of up to €100,000.</p>	<p>These funds can be used to facilitate new investments and business development or as the short-term working capital required to kick-start these projects.</p>
<p>B.Start</p> <p>Malta Enterprise will be introducing a scheme B.START, through which established business concerns will be given a reduction in tax up to a maximum of €30,000 on capital investment in new enterprise approved by Malta Enterprise.</p> <p>This scheme, to be implemented in 2013, will create an opportunity for what is called <i>crowd funding</i>.</p>	<p>The aim of this scheme is to further encourage <i>start-ups</i> and to incentivise established businesses concerns to invest in seed capital in new companies.</p>
<p>Tax Incentives for licensed hotels</p> <p>This year, Malta Enterprise will be reviewing the Incentive Guidelines so that licensed hotels may benefit from investment aid of 15 per cent of the capital expenditure in the form of tax credits.</p> <p>This benefit will apply from the basis year 2013.</p>	<p>This should give direct support to hoteliers in a bid to make this industry more sustainable in the long term.</p>
<p>Clusters and Networks</p>	

<p>This scheme will kick start in 2013 with the aim of promoting clusters and network infrastructures. It will cover the initial expenses for the setting up of the group, such as renting of buildings, and development of e-tools.</p>	<p>This scheme should put local businesses in a better position to take up opportunities and face the challenges of being part of the single market.</p>
<p>Grant Scheme for Sustainable Tourism Projects by Enterprises</p> <p>Projects to be co-financed through this scheme include :</p> <ul style="list-style-type: none"> - product upgrade and investment in equipment - investment in environmentally friendly measures - investment in information and communication technology - investment in entrepreneurship - investment in marketing <p>This scheme had a total budget of €10 million, €8.9million were allocated over three calls which are now closed off . For these calls there were 104 beneficiaries.</p> <p>Due to an amount of savings carried forward from all three calls, a fourth call was launched in January 2013 with the indicative amount of €1,029,699.30. The call closed on 18 March 2013 and 88 applications were submitted. These will be evaluated in line with the set evaluation procedure. The successful projects will be implemented by September 2014.</p> <p>For more information: www.tourismschemes.gov.mt</p>	<p>This scheme directs funds towards the economic development of the tourism sector. The scheme aims to strengthen the competitive advantage of Malta's tourism offer through investments carried out by the enterprises and co-financed through this scheme.</p>
<p>Palazzini – Luxury Heritage Tourism Accommodation - Pilot Project</p> <p>This initiative aims at catalysing the conservation and rehabilitation of historic properties by encouraging their adaptive reuse as luxury heritage accommodation.</p> <p>Entrepreneurs may encounter issues and obstacles in setting up such unique accommodation establishments. This pilot</p>	<p>Through this pilot project, a new accommodation niche will be created in Malta.</p> <p>The conversion of these historic buildings will safeguard Malta's</p>

<p>project seeks to assist interested entrepreneurs through personalised and tailor-made guidance with respect to financial incentives and non-financial incentives (including administrative processes).</p> <p>Start date: Expression of interest was issued in 2012 and applications were received by 11 January 2013.</p> <p>For more information: http://www.mta.com.mt/palazzini</p>	<p>cultural heritage and at the same time make use of its unique beauty to the country's economic advantage</p>
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