

# EMFF OPERATIONAL PROGRAMME

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## 1. PREPARATION OF THE OPERATIONAL PROGRAMME AND INVOLVEMENT OF PARTNERS

### 1.1 Preparation of the Operational Programme and involvement of partners

The authority which coordinated the preparation of the EMFF OP is the FPD, within the MEAE.

The call for tenders for the drafting of Malta's Fisheries OP for the EMFF (2014 – 2020), was issued by the FPD on 30/11/2012, following which a contractor was engaged to assist in the drafting of Malta's Fisheries OP for the EMFF.

The process commenced with a kick-off meeting to determine the methodology to adopt. Consequently, the contracted entity carried out secondary research & undertook consultative meetings with the MEAE, the MESDC, especially with the DFA, & the MEIB.

In line with Malta's commitment to ensuring that the principles of equality, non-discrimination & accessibility as set out in Article 7 of the CPR are taken into account & promoted in the implementation of the OP, the relevant entities responsible for promoting equality, non-discrimination & accessibility were involved in the consultation process. Likewise environmental/climate authorities & experts were also consulted.

The 3rd phase of the study comprised the drafting of the SWOT analysis which involved a number of consultation meetings with the sector participants & key stakeholders identified in liaison with the DFA, as well as the main government bodies involved in regulating the sector & the maritime space as a whole (**Table 2**). This preliminary SWOT analysis was followed by a public workshop where the results of the preliminary SWOT were presented & amply discussed.

The SWOT analysis was also discussed during consultation meetings that were held during sectorial sub-committee meetings that were specifically set up as part of a consultation structure for the 2014-2020 programming period, in order to enable key stakeholders across Maltese constituted bodies & civil society to actively participate in the consultative process. This process was concluded by means of a nationwide public consultation exercise involving the MCESD, NGOs, civil society & general public. **Annex 1** illustrates the list of partners involved in the public consultations.

Another round of consultation meetings followed with the private & public sector (**Table 2**) to further delve into the priority areas identified through the sectorial sub-committee meetings & consequently ascertain those project ideas deemed of essence to form part of the upcoming OP.

The final part of the process consisted of a workshop among the various stakeholders in/directly related to the industry with the objectives being two-fold:

1. Attain further feedback on the draft measures of the OP; &
2. Raise awareness of the likely contents of the OP.

Furthermore, the draft OP was also discussed within the FAB, as per the procedure established in Article 5 of the Fisheries Management & Conservation Act.

**Table 1: Entities that formed part of the Fisheries Sub-Committee (sectorial sub-committee referred to above)**

- Ministry responsible for Fisheries & Aquaculture
- Ministry responsible for the Environment
- Ministry responsible for Resources
- NSO
- Federation for Recreational Fishing
- Malta Chamber of Commerce, Enterprise & Industry
- Għaqda Koperattiva tas-Sajd Ltd
- National Fishing Co-operative
- Ministry for Gozo
- Ministry responsible for the Economy
- Ministry responsible for Finance
- OPM
- Political Parties - Partit Laburista, Partit Nazzjonalista'
- Local Councils' Association
- Malta Hotels & Restaurants Association
- Heritage Malta
- Nature Trust
- Forum of Maltese Unions
- MTA
- Confederation of Malta Trade Unions
- GRTU
- Malta Employers' Association
- MEPA
- GWU
- SAMB
- The Federation of Maltese Aquaculture Producers
- MARC
- FAB

The preparation of the OP followed a multi-level governance approach where all key stakeholders were involved throughout the whole process of the drafting of the document with **Tables 1 & 2** denoting the involvement of the following entities:

- Competent regional, local, urban & other public authorities
- Economic and social partners; &

- Bodies representing civil society, including environmental/climate authorities/partners, entities/experts responsible for promoting equality, non-discrimination & NGOs.

Consequently, the partners were actively involved in the whole process of the preparation of the OP that comprised the drafting of the SWOT analysis that invariably assisted in the identification of the sector's needs. This in turn resulted in a number of discussions with the parties concerned that enabled the identification & selection of priorities & related specific objectives, & was invariably instrumental in the allocation of funding. In this regard the allocation of funding was determined, bearing in mind the programmes' specific indicators. All this was conducted through a series of one-to-one consultation meetings, workshops & sub-committee meetings.

The SWOT analysis was drafted through a series of stakeholder consultations with sector participants taken from a wide range of areas, including fishers (full & part-time fishers), aquaculture, research, wholesale & retail markets, as well as the main government bodies involved in the regulation of fisheries in particular & the maritime space as a whole (**Table 2**).

Such meetings enabled the identification of the internal & external factors of influence to the industry with such analysis sub-divided into various sectors that comprised: the sustainable development of fisheries, aquaculture as well as marketing & processing related measures.

**Table 2: List of meetings with local stakeholders**

- Koperattiva Nazzjonali tas-Sajd
- Trawlers Owners Association
- Federazzjoni ta l-Għaqdiet tas-Sajjieda Dilettanti Malta
- MARC
- South Key Fishermen
- Closed-cycle Aquaculture Operator
- Fish Processor (North of Malta)
- Office of the Permanent Secretary of the Ministry responsible for fisheries & aquaculture
- Fish Processor (South of Malta)
- Inland-based Aquaculture Operator
- Għaqda Sajjieda Dilettanti Gnejna
- Sharklab Malta
- Gozitan full-time fishermen (various meetings)
- Processing company – Gozo
- Fish for Tomorrow – OCEANS2012
- Din l-Art Helwa
- Ministry responsible for the Fisheries & Aquaculture
- Ministries responsible for Tourism, Culture & the Environment
- TM

- MEPA
- OPM
- Fishers from the North of Malta[1]
- Workshop with all the industry stakeholders

Upon completion of the preliminary SWOT analysis the public was brought in to discuss the results of the analysis. This was done through a public workshop where the results of the preliminary SWOT were presented & discussed & aided identify the priorities & consequently the related specific objectives that invariably formed the basis for the allocation of funding.

To further ensure an extensive consultative approach, these findings underwent further verification during a number of sub-committee meetings that were held for the PA relating specifically to the fisheries (including relevant maritime policy issues) sector whereby the findings of the SWOT exercise & the identified priorities were used as the basis for discussion. Such a stance further consolidated those areas deemed of essence for the allocation of funding. Sub-committee members' involvement took place through their formal appointment with **Table 1** evidencing the extensive list of members that constituted this sub-committee.

The OP integrates the principles of gender equality, non-discrimination, accessibility & sustainable development which were mainstreamed into the preparation phase through the involvement of the relative partners in the consultation process including the relevant public authorities/regulators & civil society & NGOs.

The above approach combined a bottom-up & top-down approach thereby ensuring a multi-level governance, all-inclusive structure that comprised relevant entities responsible for promoting equality, non-discrimination & accessibility. Such entities will continue to be consulted during the implementation of the programme.

Extensive discussions were also held with various Government entities during the allocation of funding & consequent definition of the programme's specific indicators where due consideration was also given to other aspects of importance in the drafting of the OP, namely Malta's commitment towards achieving a sustainable & healthy environment as well as the aspect of climate change.

The final part of the process comprised a workshop among the various stakeholders in/directly related to the industry with the objectives being two-fold: 1) Attain further feedback on the draft measures of the OP & 2) raise awareness of the likely contents of the OP along with the priorities of the upcoming EMFF.

The consultation process clearly showed that Maltese fisheries are of a typically Mediterranean artisanal type, which are not species selective & are frequently described as multi-species & multi-gear fisheries, with fishers switching from one gear to another several times throughout the year. From discussions with the various Ministries it was highlighted

how the social & cultural importance of the Maltese fishing industry far outweighs its minimal direct economic contribution, with average value of catches equivalent to around 0.1% of Malta's GDP[2]. Moreover, the livelihood of most of the local fishers depends on the sale of highly prized species. In this regard, the demand for fish is predominantly reliant on 3 main species, these being, 'lampuki', BFT & swordfish.

It transpired that the fishing industry contributes significantly to the Maltese tourism industry, both in terms of provision of quality fish for consumption by tourists as well as the allure of the colourful traditional fishing vessels that have proved to be an important tourist attraction *'per se'*.

It further transpired from the consultation process that the small size & lack of resources of the Maltese economy have resulted in under-investment in a number of sectors, of which the fishing industry is a prime example. Moreover, the small size of the industry has been an obstacle to the accumulation of significant amounts of capital for investment in technology, which could lead to economies of scale.

Consequently, the OP seeks to address a number of issues of concern pertaining to the sector, with particular focus on the need to ensure the survival of this industry & its long term sustainability.

Below are the salient points drawn up from the consultation process & an explanation of how these points have been tackled through this OP:

1. The need to ensure that the fisher attains enough income for an adequate quality of life

A major concern raised throughout the various discussions held was that the fisher's income was barely enabling him/her to make ends meet. In this regard the fisher's vulnerability was all the more increasing due to the decline in catches & the quotas being imposed on certain species that happen to be the main source of income.

In this regard, a number of initiatives are envisaged to tackle the above & comprise initiatives:

- To assist fishers to shift to more sustainable fisheries;
- To assist fishers to diversify thereby enabling them to attain income from other activities;
- Aimed specifically at enabling fishers to attain income from currently underutilised species that are currently not in demand through processing.

1. Strengthening the whole value chain

Another major issue highlighted from the discussions revolved around the fragile value chain.



A number of concerns related to the fish market & the lack of information provided to the fisher were voiced.

Consequently, a number of initiatives have been identified to address the above-mentioned issues:

- Launching promotional campaigns aimed at the local consumer. Such campaign/s are aimed at increasing per capita fish consumption & enticing the consumption of currently under-utilised fish species while seeking to improve the image of the fisheries & aquaculture;
- Initiatives aimed at increasing the planning & business capacity of the Maltese fishing industry.

#### 1. Infrastructure investment

It emerged that fishers deem further infrastructural investment as very important for the sector. In view of this, the OP covers investments aimed specifically at upgrading the fishing ports infrastructure in Malta & Gozo as well as investments towards fish shelters in designated ports.

#### 1. Further investment in the aquaculture sector

The importance of the aquaculture sector, & its relevance to the sustainability of the industry was also highlighted. The discussions stressed the need to intensify existing research on the farming of BFT, with the long-term goal being a successful closed-cycle aquaculture process as opposed to the capture-based aquaculture presently employed for the lucrative species, whose numbers have dwindled rapidly in recent years.

To this end the OP includes investments which can facilitate aquaculture research. Such investments are in line with the Aquaculture Strategy for the Maltese Islands [3], which identified the need for increased research and development.

Various studies & reports were referred to in the compilation of this document, mainly:

- Studies compiled by the NSO pertaining specifically to the fisheries & aquaculture sector throughout 2010 - 2013;
- The Draft Aquaculture Strategy for Malta – Preparatory study & recommendations prepared for the MRRA;[4]
- Malta’s National Strategic Plan for Fisheries (2007 – 2013);
- Summary of the 2012 AER on the EU Fishing Fleet. Ed. by John Anderson & Natacha Carvalho Report – STECF (2012).

[1] Fishers were notified that a meeting would be held at the St Paul's Bay LC to discuss specifically the issues pertaining to fishers from the northern part of the island where all fishers were invited to attend.

[2] Malta's National Strategic Plan for Fisheries 2007 – 2013.

[3] Aquaculture Strategy for the Maltese Islands: Towards Sustainability 2014 - 2025, MSDEC, June 2014

[4] Stirling Aquaculture (2012). An aquaculture strategy for Malta. Preparatory study & recommendations prepared for the MRRA, Government of Malta, March 2012.

## 1.2 Outcome of the ex-ante evaluation

### 1.2.1 Description of the ex-ante evaluation process

The ex-ante evaluation sought to determine the extent to which the SWOT analysis along with the needs assessment truly addresses the issues of the fisheries & aquaculture sectors in Malta. Such evaluation comprised among others, discussions with public sector officials who were directly responsible for the drafting of the OP.

In this regard the evaluators took a 3 step approach that sought to assess the completeness & relevance of the needs identified in the Draft EMFF OP, namely:

1. A cross-referencing exercise with key, strategic documents that focus on the fisheries & aquaculture sectors in Malta. The main documents referenced being:
  - Malta's NSPF 2007-2013
  - An aquaculture strategy for Malta – Draft, Mar. 2012
  - Mid-term evaluation of the EFF

Other strategic documents & supporting national statistics were also reviewed for the purpose of this exercise. These included the:

- SPED – Public Consultation Draft, Feb. 2012
- Malta's NRP 2013
- Draft PA 2014-2020 – Draft version dated 23 Jul. 2013
- Council Regulation (EC) 302/2009
- Fisheries OP for Malta 2007-2013 – V.4, Jul. 2013
- Fisheries Mgt. Plans for Bottom otter trawl, *lampuki* & *lampara* fishery (2013)

- FEAPs for BFT, lampara & bottom otter trawl fisheries (2013)

1. An analysis of the sector's current performance, illustrated by key parameters in the context indicators included in the Draft OP, & how such performance was reflected in the SWOT analysis of the same OP. Statistics published by the NSO & Eurostat were also utilised to support this assessment; &
2. A mapping between the needs identified & the issues highlighted in the SWOT.

The ex-ante evaluator, (Sections 2.10.1, 2.10.2, & 3.1) analysed & evaluated the output & result indicators in terms of relevance, clarity & measurability, whilst also assessing if they are realistic, achievable, & balanced. Such appraisal evidenced that the MA had applied most of the result indicators associated with each SO as proposed by the Commission's guidance (2014) with most being clear, of relevance & measurable (as they make use of existing data sources). Furthermore, the ex-ante indicated that *"The output indicators associated with each UP & type of intervention, as proposed in the Commission's guidance (2014), have been selected appropriately in the OP"*.

With respect to data collection, the ex-ante evaluator stated that *"The benefits of data collection are of high strategic value as they provide a better understanding of the sector's operations & practices & can help identify ways to mitigate environmental impacts on the marine environment. Such data enable more informed decision making & can help regulators manage & guide the sector more effectively for the benefit of the producers themselves & the end consumers (greater transparency). Cognisant of the significant expenditure required to finance data collection & meet regulatory requirements in this regard, this allocation is deemed fair"*. In view of this, the OP does not envisage further action in addition to the proposed measures.

### 1.2.2 Overview of the recommendations of the ex-ante evaluators and brief description of how they have been addressed

Topic	Recommendation	How was the recommendation addressed, or why was it not taken into account
1 - SWOT analysis, needs assessment	The promotion of further awareness raising initiatives focusing on sustainable practices & the implications of over-exploitation should be reflected in the needs assessment in order to help address the issue of over-exploitation & to foster the transition to sustainable fishing to make the sector more competitive, viable and	The below has been included in the needs assessment for UP1.  "Increased fisher involvement in sector planning, fisheries research, control & management, especially in the advent of a move towards results-base management"

<b>Topic</b>	<b>Recommendation</b>	<b>How was the recommendation addressed, or why was it not taken into account</b>
<p>2 - Construction of the intervention logic, including the contribution to the EU 2020, the internal coherence of the proposed programme and its relationship with other relevant instruments, the establishment of quantified targets and milestones and the distribution of budgetary resources</p>	<p>resilient.</p> <p>The measure proposed under UP2 is expected to deliver stronger &amp; more viable aquaculture operations which are less dependent on imported feed &amp; reliant on wild stock. This measure will contribute to the protection &amp; restoration of aquatic biodiversity &amp; enhancement of ecosystems related to aquaculture. This SO could be addressed more holistically if a degree of support were provided to reduce the environmental impact &amp; improve waste management practices of existing aquaculture operations. This could be provided through funds which may be freed up during programme implementation.</p> <p>While the scientific studies under UP6 are considered as a very positive &amp; much needed action, support should also be provided to the actual implementation which will be required based on the findings of such studies. Given the budget allocation afforded to UP6, the identification of additional measures is required under this priority in order to deliver the desired outcomes.</p>	<p>The budget allocation imposes restrictions; therefore the EMFF MA shall be in a position to consider the recommendations of the evaluators for UP2 &amp; UP6 only if funds become available, through savings, during the actual programme implementation.</p> <p>However, given the measures being proposed &amp; the allocations available, possibility of savings is very low, &amp; therefore if such a scenario materialises, the MA would request an amendment of the OP as part of the periodical amendments required in terms of the data collection &amp; control programmes.</p>
<p>3 - Consistency with the CSF, the Partnership Agreement, the relevant country specific recommendations adopted in accordance with Article</p>	<p>The Draft OP is considered consistent with the CSF, the PA &amp; the relevant country specific recommendations adopted in accordance with Article 121(2) TFEU.</p>	<p>No action required.</p>

<b>Topic</b>	<b>Recommendation</b>	<b>How was the recommendation addressed, or why was it not taken into account</b>
121(2) TFEU and where appropriate at national level, the National Reform Programme		
4 - Rationale for the forms of support proposed in the programme (Article 66 CPR)	<p>The Draft OP does not specify the forms of support being proposed for the various actions. Under the 2007 – 2013 EFF programme, support was provided through grants, that were awarded following calls for proposals at regular intervals throughout the programming period, &amp; by means of ‘traditional’ projects. While this could be an appropriate approach for the 2014 – 2020, the choice of this method is not specified in the OP.</p> <p>The CPR requires the MA to specify the forms of support for the different interventions proposed in the OP. It is recommended that this is included in the OP.</p>	<p>The EMFF shall be used to provide support in the form of grants as no financial instruments are planned through this Programme. Resort to financial instruments is not justified considering the funds available under the EMFF, &amp; the small size of the market &amp; the sector, which do not allow the attainment of the critical mass required. Moreover, the needs identified &amp; prioritised for the OP through the partnership approach &amp; the consultation process translated into specific measures for the most part shall be implemented by the public sector &amp; therefore do not lend themselves to support from financial instruments. The measures directly targeting fishers (Art 30 &amp; Art 41.2) are limited in number &amp; the funds allocated &amp; therefore do not justify the use of financial instruments. Consideration of the administrative burden required in the management of financial instruments for EMFF would also not be proportional.</p>
5 - Human resources and administrative capacity and the management of the programme	<p>The OP does not provide details with regards to the headcount &amp; human resource complement of the MA, Certification Body &amp; AA. Therefore, the ex-ante evaluation couldn’t assess</p>	<p>The Management &amp; Control Systems (MCS) including the human resources &amp; administrative structure designed for the new EMFF will be based on the systems being adopted for the</p>

<b>Topic</b>	<b>Recommendation</b>	<b>How was the recommendation addressed, or why was it not taken into account</b>
	whether the resources described will be sufficient to support the effective delivery of the programme as required in Art. 55(3)(i) of the CPR.	management of the EFF. These systems have been tried & tested through audits & monitoring visits by both the Maltese AA & also by the Commission services. The steep learning curve for the 2007 - 2013 programming period is taken into consideration in the adoption of the systems for the 2014-2020 programming period.
6 - Procedures for monitoring the programme and collecting the data necessary to carry out evaluations	The arrangements being proposed in the Draft OP for monitoring & data collection, recording & reporting are considered appropriate to ensure sufficient & timely information for monitoring & for evaluation purposes. The additional functionality & IT systems being proposed to be established by end 2015 should provide a good platform for monitoring & evaluation which should also reduce the administrative burden, the MA, the beneficiaries & other users.	No action required.
7 - Measures to promote equal opportunities between men and women, prevent discrimination and promote sustainable development	<p>The relevant entities responsible for promoting equality, non-discrimination &amp; accessibility were involved in the OP consultation process &amp; the MA commits itself to the continuation of such involvement &amp; consultation during programme implementation.</p> <p>In terms of the expected contribution of the OP in respect of the promotion of equality between men &amp; women &amp; non-discrimination, given the nature of the EMFF</p>	No action required.

<b>Topic</b>	<b>Recommendation</b>	<b>How was the recommendation addressed, or why was it not taken into account</b>
	<p>OP one does not expect to find specific actions planned to address equality &amp; accessibility. The OP makes no direct reference in its proposed measures to address equality. However, the training initiatives proposed are open to both males &amp; females therefore promoting equality in this respect. Other planned measures in the OP, are similarly non-discriminatory.</p> <p>The OP includes a number of specific actions contributing to sustainable development under all 5 UPs. This implies a good coverage of such considerations in the programme.</p>	
8 - Measures taken to reduce the administrative burden on beneficiaries	<p>Appropriate measures are provided by the MA to reduce the administrative burden for beneficiaries. Most of these measures should be operational by 2014, with other measures e.g. the information exchange system being planned for 2015. Proposed actions in relation to simplification are concrete &amp; will certainly allow a more agile management of funds allocated for both the MA &amp; the recipient.</p>	No action required.
9 - Requirements for the Strategic Environmental Assessment	<p>Major positive impacts have been identified in relation to biodiversity whilst minor negative impacts may potentially result from investments in infrastructure.</p> <p>Project-level environmental studies, which may be</p>	No action required.

<b>Topic</b>	<b>Recommendation</b>	<b>How was the recommendation addressed, or why was it not taken into account</b>
	<p>required for the proposed investments in infrastructure, &amp; the permitting process itself, should mitigate any potential negative impacts during construction. Projects on new sites may negatively affect biodiversity due to a loss of seabed species. However, the construction of &amp; repair of infrastructure is needed to provide shelter for fishing vessels &amp; may lead to a more stable marine environment on the protected side.</p> <p>The marine hatchery is expected to contribute to the prevention of depletion of wild stocks through the production of species specifically bred as substitute stock.</p> <p>Measures related to research with fishers, on the selectivity of gear, &amp; the diversification of activities for fishers, are expected to have significant positive environmental impacts.</p>	



## 2. SWOT AND IDENTIFICATION OF NEEDS

### 2.1 Swot analysis and identification of needs

<b>Union priority</b>	<b>1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries</b>
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#### Strengths

##### *Context:*

There are 3 significant seasonal fisheries: BFT, swordfish & *lampuki*, with a mixed demersal fishery supplementing these throughout the yr.

**BFT:** Between April & July each yr., trade is dominated by landings of BFT, representing only 8% by vol., but is much higher in terms of overall value. BFT catches are currently limited by a very small quota (c. 150t of the EU's 5,756t allocation), which is caught in less than a month, thereafter requiring incidental BFT catches to be discarded. 67 vessels were licenced for tuna in 2011, but in 2012 only 30 were allocated quota.

**Lampuki (dolphin fish):** In terms of vol., catches have declined over the last 2 seasons from 530t in 2010 to 181t in 2012. This major fishing activity occurs between Aug. & Dec. but, if poor weather affords limited fishing opportunities, the season can extend into Jan. Other major species associated with the *lampuki* fishery are pilot fish, amberjack & small BFT, which are caught as secondary species. A max. of 130 vessels are allocated licences for deploying & catching *lampuki* at FADs.

**Swordfish:** Swordfish is currently the primary landed species in terms of weight & value, & is the only species with landings of more than 1t/month (503t in 2012). There is a min. landing size of 10kg. 624 & 52 vessels are licensed for swordfish/swordfish ormeggios respectively using set longlines.

It is important to note that these 3 important species are shared with other EU & non-EU countries, both in the Med. as well as the eastern Atlantic Ocean. They are a common resource & thus potentially vulnerable to fishing effort over a wide geographic area. With BFT & swordfish, joint mgt. is largely the responsibility of ICCAT, with the former undergoing a long-term stock rebuilding process. With regards *lampuki* there is a clearly decreasing CPUE over 2006–2011 (DFA, 2013) & Malta is committed to limiting effort to 130 vessels within their waters. Malta will also continue to work on regional efforts such as participation in the MedSudMed & CopeMedII workshop & fisheries appraisal of *C.hippurus* in the Med.

Landings of small pelagic & demersal species are generally not seasonal except for chub mackerel. Species in these groups are landed in qty's of less than 5t/month. However landings have grown significantly in recent yrs. A freezer trawler fleet of around 12 vessels having an overall tonnage of 1,056GT, a total main engine power of 3,700kW & providing 59 jobs

operates from Malta targeting shrimp, but with significant by-catch of demersal species.

Whilst the majority of Maltese fisheries are small-scale & broadly selective, there is still a need to recognise the contribution of less selective fishing methods to stock depletion, habitat destruction & the deterioration of longer-term socio-economic potential of fishing. Therefore the transfer over to 'smart, green fishing' will require the application of innovative solutions which will have to be stimulated by increased fisher awareness of the issues involved, & development of the knowledge to address these issues.

The Maltese fishing fleet, currently managed by segment can be grouped into the following techniques:

- DTS - demersal trawlers
- FPO - vessels using pots & traps
- HOK - vessels using hooks & lines
- MGO - vessels using other active gears
- PGP - vessels using polyvalent passive gears only
- PMP - vessels using active & passive gears
- PS - purse seiners
- TM - pelagic trawlers

A fleet segment is defined as a group of vessels with the same length class & predominant fishing technique used during the year (i.e. >50% fishing activity) according to Appx. III of Council Regulation (EC) No. 93/2010.

For a given fishing gear, vessels are divided by vessel length (0-6m, 6-12m, 12-18m, 18-24m, 24-40m, 40+m). The Maltese fleet has no vessels that fall into the last length category.

Although the Maltese fishing fleet is composed of several different gears, an aggregation based on the licence type (MFA & MFB) was found to be the most appropriate for Malta. The MFA vessels are f/t fishers who generally go out fishing when the opportunity arises irrespective of the gear used. MFB vessels refer to p/t fishers who fish to supplement their main income. The gear is usually changed depending on the season, but this will not affect the ability of the vessels to fish.

Both MFAs & MFBs are regulated through a limit on the total no. of licenses issued. In order to retain a license, fishers must demonstrate they are active by achieving a min. annual landing vol. For reporting purposes, an active fisher (or rather, an active fishing vessel) is defined as a vessel that was engaged in any fishing operation (> 0 days) during a calendar yr.

Non-commercial fishing effort is substantial (around 64% of fishing boats licensed are MFC), with possible consequences for both stock condition as well as market economics.

The no. of active vessels varies according to season, with minor ports having practically no active vessels during the winter months & as little as 1/4 of registered vessels landing fish in major ports during this period. Malta has no POs, but there are 2 fishers' cooperatives & all Maltese & Gozitan professional fishers are affiliated to one or the other. There is also an active & well-organised federation of recreational fisher associations.

In 2012 the Maltese fishing fleet consisted of 1,060 registered vessels, with a combined GT of 8.1k GT, a total power of 77.9k kW & an avg. age of 26 yrs (AER, 2013). The size of the Maltese fishing fleet decreased between 2008 & 2012, with the no. of vessels decreasing by 20% (256 vessels). The decrease between 2010 & 2011 was only 2%. GT increased by 8% from 2008 to 2012, however GT decreased by 2% between 2010 & 2011. Overall engine power (kW) decreased by 11% from 2008 to 2012, but the decrease from 2010 to 2011 was 2%. A large proportion of the fleet consists of small-scale vessels under 12m & all the National fleet operates in the Med. Sea. The major factors causing the no. of vessels to decrease were a) compensations given to vessel owners for decommissioning, b) vessels that had low landing declarations (below national thresholds) were removed from the f/t or p/t register & given recreational licences c) new vessels entered the fleet & these had varying GT & power which finally contributed to an overall decrease in power but an increase in GT.

The small-scale fleet decreased in terms of vessel nos, tonnage & power by 30%, 25% & 29% respectively between 2010 & 2011; however the overall trend from 2008 to 2012 is an increase in capacity - the no. of vessels, tonnage & power increased by 14%, 7% & 12% respectively.

In 2012 the Maltese fleet spent a total of around 34,000 days at sea. The total no. of days at sea decreased around 28% between 2008 & 2012. Between 2010 & 2011, days at sea decreased by 37%, mainly due to there being fewer active vessels in 2011.

The qty of fuel consumed in 2011 totalled around 2.59mn. litres, 26% lower than in 2008 & a decrease of 51% from the previous yr. The major factors causing the decrease in fuel consumption are mainly attributed to the decreased no. of vessels.

The total amt. of income generated by the Maltese national fleet in 2011 was €11.6mn., an increase of around 24% from 2010. Total operating costs incurred by the Maltese national fleet in 2011 equated to €12.9mn., over 100% of total income. Crew & fuel costs, the 2 major fishing expenses, were €7.6 & €2.2mn. respectively. Between 2010 & 2011, total operating costs decreased 28%, mainly due to the decreased no. of vessels & fishing effort registered in 2011 compared to the previous yr.

In terms of economic performance, the total amount of GVA, gross profit & net profit generated by the Maltese national fleet in 2012 were €8mn., €3mn. & €19mn., respectively. GVA increased 69% while gross profit & net profit decreased drastically between 2008-2012. According to the data collected, capital costs increased significantly from 2010 onwards (€13.6mn. in 2010, €20.8mn. in 2011 as opposed to around €5mn. in previous yrs). The change in the capital value of the fleet is most likely related to the change

in the calculation methodology of the capital value & depreciation costs as the Perpetual Inventory Method (PIM) which Malta started to use in 2010. Profits have however not increased & the net profit has consistently been negative between 2008 & 2012.

**Assessment & Future Trends:** overall at the Maltese national fleet level, the increases in landings vol. & higher avg. prices resulted in a 10.3% increase in the value of landings, from €11.3mn. in 2011 to €12.6mn. in 2012. Total operational costs & energy consumption for the yr. 2012 are expected to decline, consistent with the decrease in effort (days at sea) which decreased by 18.5% between 2011 & 2012.

Fleet profitability in 2011 was weak in nearly all fleet segments & this is expected to continue in future yrs. when considering current trends but the economic development trend may improve in some sectors. From the socio-economic performance trends observed in the latest yrs. (2010 & 2011) for the 14 segments analysed, over a 1/3 of the segments (5 segments) have improved but these are mainly small-scale fleet segments & the 18–24m demersal trawlers. The trend of improvement for the small-scale fleet segments is expected to continue to improve into the future. For the demersal trawl fleet segment, the situation is not expected to improve due to several reasons. One reason is increased fuel prices in recent yrs., which form a considerable percentage of variable costs. Also, there has been a restriction of the areas that may be trawled around Malta, which greatly affects the trawlers targeting demersal & deep-water shrimps. Therefore, economic performance is expected to remain low & potentially deteriorate further. Most other economic variables for the year 2013 are not expected to change drastically; however fuel costs are expected to increase due to the substantial rise of fuel prices. Consequently, profitability from this point of view is expected to be negatively affected.

#### **Strengths:**

- Wide variety of species available to fishers including 3 major shared Med. fisheries, swordfish (21% by volume), *lampuki* (18%) & BFT (8%).
- Good location for capture of migratory species in the Med. Sea.
- Some existing spatial mgt. of trawler & FAD fisheries.
- Active small-scale fisheries pursuing a no. of seasonal fisheries over the yr.
- Considerable use of low-impact static gear for high value species.

#### **Weaknesses**

- Key commercial species (BFT, swordfish & dolphin fish) are shared stocks so vulnerable to local & external fishing pressure.
- Lack of robust regional fisheries management plan for dolphin fish (*lampuki*).
- Limited quota of BFT available to Maltese fishers (circa 150t of the EU's 5,756t allocation).
- Aging, uneconomical trawler fleet, using heavy gear with low levels of selectivity, with the potential to damage/continue damaging, sensitive benthic habitats.
- Lack of investment in new engines & fuel management systems to reduce emissions.

- Limited environmental awareness & instances of localised impacts (e.g., trawling & discarded fishing gear e.g., old *lampuki* FAD mooring lines). The need for further reviews & assessments of the adverse impacts derived from the above (alien species, intrusion & destruction of native species) is also highlighted in Malta's - National Climate Change Adaptation Strategy (May, 2012)[1]
- Persistent lack of profitability in Maltese commercial fisheries.

[1] National Climate Change Adaptation Strategy (May, 2012). MRRA - (Section 01.1, pg. 3)

## Opportunities

- Recovery of BFT stocks & associated fishing opportunities.
- Lowered operational costs through greater fuel efficiency, leading to improving profitability for some fleet segments especially small-scale.
- Prospect of results-based management, allowing Malta to promote specific approaches to conservation that suit local conditions.
- Positive view of artisanal fisheries in CFP Reform.
- Can count as 'smart, green fisheries' through environmentally responsible, sustainable fishing practises & supply chain linkages.
- Better linkages & cooperation with marine MPAs & their management.
- Greater integration with the tourism sector.
- Specific promotion of artisanal catch.

## Threats

- Rising fuel prices, & likely declining profitability of the demersal trawlers.
- Recruitment over-fishing of dolphin fish.
- Competition from recreational & sports fishermen for sea space.
- Sea space competition with other non-fisheries users e.g., shipping, recreation & bunkering.
- More lucrative alternative career options for young people.
- Loss of traditional skills & knowledge.
- Traditional attitudes resisting the regulation of recreational & sports fishing.
- Climate Change e.g., rising water temperatures & its effect on fisheries productivity & species distribution.

## Identification of needs on basis of the SWOT analysis

1. Promote the competitiveness & viability of low impact, 'green' small-scale fisheries that is seasonally flexible in terms of gear & fishing practices, & so targets non-pressure but market-sought fish products. Such a stance is aimed at tackling the aging uneconomical trawler fleet issue evidenced above along with the persistent lack of

profitability in Maltese commercial fisheries while also tapping a no. of the above highlighted threats.

2. Reduction on the capture of unwanted species through greater gear specificity & targeted fishing practices, thereby reducing the instances of localised impacts & conversely adopting a 'smart' 'green' fisheries approach through environmentally responsible, sustainable fishing practices.
3. Improved on-board handling & preservation of catches to maintain value thereby aiding in addressing the issue of persistent lack of profitability for the sector with such a stance to alleviate the loss of knowledge & skills with individuals seeking more lucrative alternative careers.
4. Greater knowledge & preparedness for the prevention of accidents, especially at sea & in harbour. This too is sought to alleviate local fishers' safety & the costs caused by accidents - issues which adversely affect such individual's profits.
5. Improved business & operational planning for SMEs & larger businesses all to the benefit of the sector's profitability & sustainability of the sector.
6. Increased fisher involvement in sector planning, fisheries research, control & management, especially in the advent of a move towards results-based management.
7. Better integration of small-scale fisheries in local development planning in order to maximise opportunities for linkages with tourism & other coastal activities.

### **SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture**

*applicable to Union priority number 2*

### **SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD**

- Industrial trawler fleet lacks investment in measures to reduce habitat impact & increased selectivity of catch.
- Some fisheries e.g., dolphin fish is poorly managed at a regional level.
- The high value & reputation of Malta's wild seafood catch is commensurate with understanding both the current status of inshore & coastal waters, as well as potential risks to their well-being.
- Improved infrastructure will reduce the risk of land & sea-base pollution.
- The fisheries sector has a variety of potential effects on the marine environment ranging from:
  - local damage to the seabed
  - to effects such as possible declines in populations of marine species
  - some species &/or seabirds may decline since they could be caught as by catches due to incidental entanglement in fishing gears
  - certain species compete with fishermen for fish
  - certain species are used as bait & may be also endangered by over-fishing
  - fishing activities impact on the seabed by causing perturbations which change the sediment texture & increase the amount of suspended matter, thus disrupting benthic communities

- the impact of the Maltese fishing fleet is not predicted to increase in the future since no major changes in the industry are expected.

### **Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation**

1. Increased uptake of low-impact (reduced bottom habitat interactions, greater selectivity, etc., reduced waste e.g., from lost FAD anchor twine) fishing gear, & the adoption of measures to reduce the overall environmental impacts of fishing. This measure is not solely targeted towards bottom trawls & will be addressed through the research project with fishers (UP1 – Art. 39) & the MSFD Project (UP 6 – Art. 80.1.c).
2. Adopting more fuel-efficient vessels, engines & practices, including the adoption of renewable energy resources, to reduce fuel consumption & emissions.

<b>Union priority</b>	<b>2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture</b>
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### **Strengths**

#### ***Context:***

The aquaculture industry in Malta started in the late 1980s, with culture of marine finfish in offshore cages. Production built up to a maximum of about 2,000t/yr in the late 1990s, but fell to about 1,000t/yr by 2000, with most farms switching to tuna penning operations. In 2010 Malta produced around 3,490t of BFT worth some €46 million. Production of sea bream has increased steadily over the last 5 years & at 955t in 2010 (worth around €3.8 million) is the mainstay of Maltese farmed fish production. Other species such as sea bass (72t), amberjack (20t) & meagre (48t) are also produced. Maltese aquaculture produce is almost entirely exported to European & Asian markets.

#### ***Strengths:***

1. Well established tuna penning operations, with solid value chain.
2. Stakeholder-driven, detailed recent strategy available.
3. Good water quality & temperature regime.
4. Well flushed offshore sites, with little environmental impact.
5. Profitable operations not overburdened by debt.
6. Leader in development of new species such as amberjack & meagre.

7. Well established international research links.
8. Available & experienced workforce in fishing industry.
9. Proximity & trading relations with emerging markets.

### **Weaknesses**

1. Very limited coastal space for expansion of aquaculture & strong competition from other users.
2. Dependence on imported feed & fingerlings.
3. Price takers due to small scale (compared to price-setters Greece/Turkey).
4. Dependence on non-Maltese quota for tuna stocking.
5. Poor public perception of aquaculture.
6. Current aquaculture strategy does not cover climate change threats.

### **Opportunities**

1. MSP for aquaculture, especially in areas of nature conservation, tourism & other coastal development.
2. Offshore aquaculture (for tuna & other species).
3. Non-food aquaculture development.
4. Hatchery development & juvenile supply to Malta & southern countries.
5. Closed cycle tuna farming.
6. Potential for land-based Recirculating Aquaculture Systems (RAS).
7. Monitoring & 3rd party certification improves good practice.
8. Partnership in research on new species.
9. Permitting could support improved practices.

### **Threats**

1. High cost of coastal land & limited marine space.
2. Space competition with non-fisheries users e.g., shipping, recreation & bunkering.
3. Bureaucratic barriers to expansion.
4. Competing countries developing greater economies of scale, so that Maltese operators become less competitive.
5. Future access to new markets limited by insufficient QMS & certification
6. Limited tuna available for ranching.
7. Climate change, with high water temperatures possibly leading to localised impacts such as algal blooms & reduced growth/stock stress.



## Identification of needs on basis of the SWOT analysis

1. Improved access to – & if economically viable, local production – of competitively priced inputs such as juveniles, feed, equipment & other materials thereby alleviating reliance on imported feed & fingerlings, whilst tapping a number of opportunities as highlighted above with such a stance to also aid the local industry's competitiveness.
2. Developing offshore aquaculture technology & techniques in low-use, deep-water areas.
3. Strong sector support in pioneering new & innovative culture species (both for food & non-food) & systems that allows Malta to remain proactive & competitive.
4. Development of RAS for niche high value species with local demand e.g., sea bass, sea bream, meagre, amberjack etc.
5. Greater interaction & coordination with coastal tourism & other key coastal users to improve the image of aquaculture & consolidate its place in maritime growth planning e.g., using MSP as a key tool. Such a stance taps into the current weakness presented by the very limited coastal space & strong competition from other users, & current publics' poor perception of aquaculture.
6. Developing eco-labelling & associated branding of Maltese aquaculture production to increase competitiveness with larger EU/non-EU producers.
7. Promote Malta as a centre for aquaculture expertise & as a 'knowledge bridge' between the EU & MENA countries. Such a stance will invariably strengthen the local sector's competitiveness.

## SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture

This SWOT is in line with the Aquaculture Strategy for the Maltese Islands – Towards Sustainability 2014 – 2025 which focuses on seven important areas:

1. Promotion of aquaculture as a key maritime sector.
2. Aquaculture development & growth. Government's policy is based on the following targeted scenario:
  - Production target for closed cycle species of 5,000t yearly.
  - Maintain current levels of capture based species (dependent on blue fin tuna quotas).
  - Development of a hatchery needed for present closed-cycle species & research driven closed cycle production of blue fin tuna.
  - Ensure a stronger emphasis on research.
3. Strengthening the aquaculture administrative framework.
4. Appropriate locations for Aquaculture Zones.
5. Sustainable growth of aquaculture that limits user conflict on land & at sea.
6. Aquaculture operations to maintain the good quality of the coastal environment.
7. Promoting innovation in the aquaculture industry in Malta.

## SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD

1. There is a need for a comprehensive marine spatial plan for aquaculture built upon current zoning initiatives that incorporate both carrying capacity modelling of cumulative farm development to ensure no significant impacts on benthic community status or water quality indicators.
2. The high value & reputation of Malta's farmed seafood catch is commensurate with understanding both the current status of inshore & coastal waters, as well as potential risks to their well-being.
3. Aquaculture could be of environmental concern to the marine environment due to:
  - risk of accumulation of waste generated from fish & feed, with negative effects on benthic habitats, water quality & biodiversity as well as inshore waters;
  - growth in pathogens & associated diseases & in the case of offshore cages with added infection potential of sea flora & fauna
  - accumulation of pharmaceuticals with lateral effects on biodiversity in the vicinity;
  - over-fishing of wild fish as a feed source;
  - introduction of alien species;
  - detracting impact on tourism & recreation due to close proximity.

## Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation

1. Actions to reduce the environmental impact of cage farming, in particular by promoting the use of lower-waste diets, better feeding practices & improved environmental monitoring practices.
2. Approaches to ensure that cage aquaculture does not exceed coastal carrying capacity e.g., zoning, carrying capacity studies & industry codes of practise.
3. Strengthening of biosecurity to maintain Malta's disease free status.
4. Adopting more fuel-efficient vessels, engines & practices, including the adoption of renewable energy resources, to reduce fuel consumption & emissions.

Union priority

3 - Fostering the implementation of the CFP

### Strengths

#### *Context:*

The Department of Fisheries & Aquaculture (DFA) is headed by a Director-General, who is responsible for the entire Directorate whilst being aided by an officer & a personal secretary. The same officer is in charge of the administration, legal office, human resources & finance. The DFA is further divided into the following four sections:

- The Fisheries Compliance Unit: This unit incorporates within it the fishing fleet & market surveillance, the farming & coastal surveillance, the catch surveillance, the monitoring surveillance (VMS) & is made up of 28 personnel including 4 SFPO, 6 FPOS & 18 TFPO.
- The Fisheries Resource Management Unit: This unit is composed of a Senior manager who together with 11 scientific officers is responsible for data analysis & advice, management & recovery plans, projects & initiatives, data capture, biological, economic & social information. This section also is responsible for laboratory services.
- The Fisheries Services Unit: This a unit made up of the sub-section of Fishing Vessel Register & Licences & Fish Sales Data Unit. A total of 8 officers work in this unit.
- The Fisheries Policy Management Unit. This unit is responsible for the implementation of the control regulations, policies such as the Common Fisheries Policy (CFP) the EMFF & external relations, as well as regional & international obligations. This section also caters for aquaculture operations. A total of 5 officers' work within this unit.

**Control:** In order to prepare & implement national control financing program for 2014-2020, the Senior Manager (Fisheries Management) from the policy unit together with the officer from the unit in charge of the Council Regulation (1224/2009) (the Control Regulation) & the senior officers from the compliance unit are tasked with identifying the necessary control means required in order for the DFA to fully implement the CFP & the obligations set out in the Control Regulation. Once these needs have been identified & costs established, the project manager together with the Manager (Fisheries Control Programme) will ensure the timely development of the necessary tenders to purchase the required products & services. Once the products/services have been awarded & purchased, the Compliance unit complemented by the Armed Forces of Malta (AFM) & the Administrative Law Enforcement (ALE) are the bodies which are responsible for the control inspection & enforcement relating to fisheries.

**Data collection:** the Fisheries Resource Unit (FRU) within the DFA is responsible for the collection, management & use of data in the fisheries sector & to provide support for scientific advice regarding the Common Fisheries Policy. The FRU is responsible for drafting Malta's multi-annual programme for the collection, management & use of fisheries data, which is then made available to the Commission & other end users (including GFCM & ICCAT). Whilst the FRU currently has the administrative capacity in order to develop the multi-annual programme, the recreational fishing vessels are subject to a specific licensing system, however it is not subject to the same control regime & it thus presents challenges for representative sampling. Work is under way by the DFA in order to enhance local legislation governing this type of fishing to achieve better data collection. Furthermore, the Commission is still to provide more details on which type of recreational fishing is to be included in the

DC-MAP.

***Strengths:***

1. Dedicated units within DFA tasked with fisheries control & data collection responsibilities.
2. Memorandum of Understanding with the Armed Forces of Malta for fisheries enforcement.
3. Management plans prepared for key bluefin tuna, lampara & bottom otter trawl fisheries.
4. Regular cooperation on control & data collection with other EU Member States.
5. Strong, in-country IT expertise for VMS development, etc.

**Weaknesses**

1. Lack of experience in handling funds under shared management.

**Opportunities**

1. Prioritisation of FRU activities to maximise efficient use of limited resources.
2. Development of indicators, especially for ecosystem monitoring.

**Threats**

1. Competition from recreational & sports fishermen for sea space.

**Identification of needs on basis of the SWOT analysis**

1. Inclusion of indicators & calculation methodologies to assess the effects of the fisheries sector on the marine ecosystem. Such indicators are a national obligation (from the Commission) & will enable ecosystem monitoring & aid maximise efficient use of limited resources. Reference is made to Section 12 & 13 of the EMFF OP on control & data collection. Moreover, the MSFD project under Union priority 6 will also address this need.

## SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture

*applicable to Union priority number 2*

## SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD

1. Development of means & methodologies to assess the effects of the fisheries sector on the marine ecosystem.

## Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation

1. Investigate the impact of climate change on the environmental status of coastal waters.

**Union priority**

**5 - Fostering marketing and processing**

### Strengths

#### *Context:*

The prices obtained for the key species landed in Malta in general increased between 2008 & 2012. Giant red shrimp achieved the highest average price per kilo in 2012 (€18.78/kg), followed Atlantic bluefin tuna (€9.86/kg). First sales prices increased for a number of key species due to higher expert demand & generally higher prices achieved through the auction markets.

The fish processing industry in Malta is very limited as the local catch mainly consists of high-value fish that is exported or consumed fresh. There is aquaculture harvesting & packing, but with little or no value added. There is also some limited processing activity by merchants in cutting, filleting, portioning, rewrapping & smoking for retail & hotel/restaurant customers.

Whilst much is made to promote the products of small-scale fisheries in particular, to date there has been less recognition of the contribution of farmed fish such as sea bass & sea bream. This maybe because of a perceived preference for 'natural 'wild' fish, but given that the main prospect for increased fish landings is mainly through aquaculture, this perception needs to be dispelled. Therefore there is a need to improve the public understanding of the quality & freshness of farmed products, & to capitalise on the clean waters in which they are reared. This should be through information to restaurants & hotels, as well as the domestic

consumer.

For wild fish landings, there is a need to encourage the purchase & consumption of marketable by-catch specimen, especially as the discard regulations take hold. Many of these are equally nutritious & well tasting, but may require more preparation. Therefore further work, possibly with additional international expertise & experience, should be undertaken to increase the acceptability & demand for these species. This could also be combined with marketing & other events to exploit the seasonal appearance of these fish in the markets.

The introduction of producer organisations in Malta has been explored since 2007 notably through a twinning light project between Malta & Spain, through which members of the fisheries cooperatives & associations were trained in the management of a PO. A series of seminars were delivered in Malta by Spanish fisheries experts. However, the fisheries sector was not responsive to this initiative. Moreover, due to Malta's specificities & lack of critical mass the introduction of producer organisations in Malta is deemed not feasible at this stage. Moreover, even in the agricultural sector, which in Malta is substantially larger than the fishing sector, producer organisations were not successful & only one PO exists.

In the absence of producer organisations, the concerns identified may be addressed through other initiatives, either financed through EMFF (diversification, marketing campaign) or financed through national funds.

***Strengths:***

1. Short trips by most vessels.
2. Good use of ice & care of catch by many vessels.
3. Fish goes straight to the market & over short distances by road.
4. Large variety of Maltese fish to suit different markets in Malta & overseas.
5. Interest in locally caught fish from Maltese & tourists alike.
6. Reputation for good quality, fresh fish, with generally increasing prices.
7. Iconic species from Malta such as *lampuki*.

**Weaknesses**

1. Harbour infrastructure could be improved.
2. Berthing capacity is limited, congested & squeezed by other users.
3. Lack of ice & chilled storage in the supply chain.
4. Road congestion.
5. Limited volume & availability of landings.
6. Price volatility due to seasonal & weather factors.
7. The small number of buyers on the local market.
8. Lack of knowledge/awareness of different fish species & products by consumers.
9. Current focus on a few species (swordfish, *lampuki*, bream/bass), & the loss of some traditional choices.

10. Lack of marketing support to fishers.

### **Opportunities**

1. Improved ice availability & chilling facilities in supply chain.
2. Training in food hygiene & Quality Control.
3. Co-ordination & co-operation on transport to market.
4. Switch to less known, more plentiful species.
5. Seasonal fish promotion such as link supply & TV food programmes.
6. Co-ops provide market information & support.
7. Improved information for consumers.
8. Branding & promotion of Maltese fish products (both capture fisheries & aquaculture).
9. Processing & value-adding (to tap into demand for greater convenience).

### **Threats**

1. Deteriorating infrastructure can lead to inefficiency, food hygiene issues & health & safety issues.
2. Unintended consequences of new EU food safety regulations.
3. Lack of investment.
4. Low priced imported fish outcompeting local landings.
5. Lack of traceability & control, especially in the recreational & sports fisheries.
6. Declining availability of popular species (*lampuki*, swordfish, tuna, etc.).

### **Identification of needs on basis of the SWOT analysis**

1. Improve & expand key landing infrastructure in order to improve efficiency, health & safety as well as product quality. Such a stance is to tap a number of current weaknesses identified pertaining to current harbour infrastructure & limited berthing capacity (amongst others).
2. Provide mechanisms to improve the coordination of landings & market requirements through a combination of information systems, cooperative mechanisms & strategic management. Such a stance alleviates the current weaknesses pertaining to price volatility, limited buyers at the local market, lack of knowledge/awareness & the current focus on limited species.
3. Increase consumer awareness of Maltese fish, their diversity & seasonality thereby shifting local consumer purchases of fish species that is currently very limited through increased knowledge/awareness & current limited marketing support for fishers.

## SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture

*applicable to Union priority number 2*

## SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD

1. Reduced wastage throughout the supply chain, i.e. less spoilage, improved processing yields, less wastage by consumers (e.g. better presented products, more is eaten & less is thrown away)

## Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation

1. Provide capacity-building for fisheries-related businesses to add value to products & market the said products.

<b>Union priority</b>	<b>6 - Fostering the implementation of the Integrated Maritime Policy</b>
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### Strengths

#### *Context:*

Land on the coastal, as well as inshore sea space, is at a premium in Malta, & thus development of both are strictly controlled. The recent (MEPA 2013) Strategic Plan for the Environment & Development (SPED) provides a number of objectives for development of the coastal zone & marine area, including identifying & designating predominantly 'urban' & 'rural' coastlines, seeking to maintain identified locations as strategic harbours for fisheries. It is essential to integrate future land use development associated with fisheries & aquaculture (e.g., such as a new hatchery) into local planning approaches.

Potentially community-led local development (CLLD) as foreseen in the EMFF could assist with ensuring the acceptability & robustness of this process. However, in practical terms this is not deemed applicable for a number of reasons including: the allocation provided for EMFF; the priorities identified & interventions planned; the characteristics of the sector which does not have the critical mass required to justify such an approach; the administrative requirements would not be in proportion to the implementation of the measures planned & support provided.

Management of the marine environment should be geared towards the sustainable use of marine resources. Effective management can only be achieved on the basis of sound



knowledge on the marine environment & its anthropogenic use. Current limitations in knowledge are limiting the extent to which Malta can define & apply sound management regimes in the marine environment.

The Armed Forces of Malta (AFM) is the lead entity responsible for integrated maritime surveillance (IMS).

From a practical perspective, Malta is already preparing to ensure that the required players identified in the Common Information Sharing Environment (CISE) coordinate & provide the necessary data that is required to ensure the completion of this project in 2020. The AFM's OPSCEN already receives the required data feeds from the tracking systems that control movements of merchant shipping & fishing vessels. In terms of border control, this is operational on a 24/7 basis. In December 2013, the EUROSUR National Coordination Centre was established as requested in the appropriate Regulation with the required assets & technological equipment fully functional.

***Strengths:***

1. Some existing spatial management of trawler & FAD fisheries.

**Weaknesses**

1. Key commercial species (BFT, swordfish & dolphin fish) are shared stocks so vulnerable to local & external fishing pressure.
2. Limited quota of BFT available to Maltese fishers.
3. Limited environmental awareness & instances of localised impacts (e.g., trawling & discarded fishing gear e.g., old *lampuki* FAD mooring lines).
4. Limited space for expanding fisheries & aquaculture operations in Maltese waters.

**Opportunities**

1. Recovery of BFT stocks & associated fishing opportunities.
2. Identifying locations as strategic harbours for fisheries.
3. Prospect of results-based management, allowing Malta to promote specific approaches to conservation that suit local conditions.
4. Can count as 'smart, green fisheries'.
5. Greater integration with the tourism sector in particular & land use development in general.
6. Maritime spatial planning & land/sea interactions in the delivering the preservation of good marine environmental conditions so that present & future generations can make use of marine goods & services.
7. The achievement of Good Environmental Status (GES) of the EU's marine waters by

2020 through the MSFD.

### **Threats**

1. Competition from recreational & sports fishermen for sea space.
2. Sea space competition with other non-fisheries users e.g., shipping, recreation & bunkering.

### **Identification of needs on basis of the SWOT analysis**

1. Increased fisher involvement in sector planning, fisheries research, control & management, especially in the advent of a move towards results-based management. Such a stance is to aid tackle the current limited environmental awareness of fishers.
2. The need to achieve good environmental status of the marine environment for the use of present & future generations in line with MSFD & SPED.
3. The need to address the current barriers to effective management of the marine environment & enabling the definition of measurable targets & management approaches which can be applied in Malta.

### **SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture**

*applicable to Union priority number 2*

### **SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD**

1. Fisher participation in environmental data collection.

### **Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation**

1. Increased uptake of low-impact gear, & the adoption of measures to reduce the overall environmental impacts of fishing.
2. Adopting more fuel-efficient vessels, engines & practices, including the adoption of renewable energy resources, to reduce fuel consumption & emissions.

## 2.2 Context indicators presenting the initial situation

<b>Union priority</b>	<b>1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries</b>
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<b>Context indicator presenting the initial situation</b>	<b>Baseline year</b>	<b>Value</b>	<b>Measurement unit</b>	<b>Source of information</b>	<b>Comment / Justification</b>
1.1.a - Fishing fleet (number of vessels)	2013	1,040.00	number of vessels	The 2014 Annual Economic Report on the EU Fishing Fleet (STECF 14-16)	Refer to Table 5.15.1 - 2014
1.1.b - Fishing fleet (kW)	2013	76,000.00	kW	The 2014 Annual Economic Report on the EU Fishing Fleet (STECF 14-16)	Refer to Table 5.15.1 - 2014
1.1.c - Fishing fleet (GT)	2013	8,000.00	GT	The 2014 Annual Economic Report on the EU Fishing Fleet (STECF 14-16)	Refer to Table 5.15.1 - 2014
1.2 - Gross value added per FTE employee	2013	19.40	thousand Euros per FTE employee	The 2014 Annual Economic Report on the EU Fishing Fleet (STECF 14-16)	Refer to Table 5.15.2 - projects for 2013
1.3 - Net profit	2013	36,200.00	thousand Euros	The 2014 Annual Economic Report on the EU Fishing Fleet (STECF 14-16)	Refer to Table 5.15.2 - projections for 2013
1.4 - Return on investment of fixed tangible assets	2013	-87.60	%	The 2014 Annual Economic Report on the EU Fishing Fleet (STECF 14-16)	Refer to Table 5.15.2 - projections for 2013
1.5.a - Indicators of biological sustainability - sustainable harvest indicator	2014	0.00	number	Annual Report on efforts to achieve a sustainable balance between fishing capacity and fishing opportunities for the year 2013	The sustainable harvest calculate the indicator, commission relevant to every year, more than 4 of F and FMsy or F0.1
1.5.b - Indicators of biolog	2014	0.00	number	Scientific, Technical and Economic Committee for Fisheries (STECF) - Balance Indicators (STECF 14-09)	Refer to <a href="http://+Balance+indicators_al">http://+Balance+indicators_al</a>

Context indicator presenting the initial situation	Baseline year	Value	Measurement unit	Source of information	Comment / Justification
ical sustainability - stocks -at-risk indicator					
1.6 - Fuel efficiency of fish capture	2014	1,500.00	litres fuel/tonnes landed catch	The 2016 Annual Economic Report on the EU Fishing Fleet (STECF 16-11)	Refer to Table 5.14.3b -
1.7.a - Extent of the seabed significantly affected by human activities for the different substrate types	2013	5.00	%	<a href="http://cdr.eionet.europa.eu/Converters/run_conversion?file=mt/eu/msfd8910/micmt/envunjn6a/MSFD8bPressures_20131105_121526.xml&amp;conv=336&amp;source=remote#4">http://cdr.eionet.europa.eu/Converters/run_conversion?file=mt/eu/msfd8910/micmt/envunjn6a/MSFD8bPressures_20131105_121526.xml&amp;conv=336&amp;source=remote#4</a>	The actual reported data there is limited knowledge substrate types being affected to the Reporting of the Strategy Framework Directive <a href="http://cdr.eionet.europa.eu/MSFD8bPressures_20131105_121526.xml">http://cdr.eionet.europa.eu/MSFD8bPressures_20131105_121526.xml</a>
1.7.b - Rates of incidental catches of cetaceans in fisheries	2014	0.00	by-catch per unit effort	Department of Fisheries and Aquaculture; Ministry for Sustainable Development and Climate Change	Malta does not have a fishing fleet.
1.8.a - Number of employed (FTE) including male and female	2013	263.00	FTE	The 2014 Annual Economic Report on the EU Fishing Fleet (STECF 14-16)	Refer to Table 5.15.1 - 2014
1.8.b - Number of employed (FTE)	2010	13.00	FTE	Eurostat	

Context indicator presenting the initial situation	Baseline year	Value	Measurement unit	Source of information	Comment / Justification
female					
1.9.a - Number of work-related injuries and accidents	2011	17.00	number	Eurostat	The number of work-related injuries and accidents in the sector.
1.9.b - % of work-related injuries and accidents to total fishers	2011	10.96	%	Eurostat & Joint Research Centre	
1.10.a - Coverage of Natura 2000 areas designated under the Birds and Habitats directives	2014	190.79	Km <sup>2</sup>	Government Notice 851 of 2010 and Government Notice 112 of 2007	
1.10.b - Coverage of other spatial protection measures under Art. 13.4 of the Directive 2008/56/EC	2014	0.00	Km <sup>2</sup>	N/A	To date, no spatial protection measures under Art. 13.4 of the Directive 2008/56/EC have been implemented. The Marine Strategy Framework Programme of Measures is currently being developed by the Marine Expert Group on spatial protection.

<b>Union priority</b>	<b>2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture</b>
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Context indicator presenting the initial situation	Baseline year	Value	Measurement unit	Source of information	Comment / Justification
2.1 - Volume of aquaculture production	2011	3,796.00	tonnes	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change	
2.2 - Value of aquaculture production	2011	50,514.00	thousand Euros	Department of Fisheries and Aquaculture; Ministry for Sustainable Development and Climate Change	
2.3 - Net profit	2011	10,500.00	thousand Euros	Joint Research Centre	
2.4 - Volume of production organic aquaculture	2010	0.00	tonnes	Department of Fisheries and Aquaculture; Ministry for Sustainable Development and Climate Change	
2.5 - Volume of production recirculation system	2010	0.00	tonnes	Department of Fisheries and Aquaculture; Ministry for Sustainable Development and Climate Change	
2.6.a - Number of employed (FTE) including male and female	2011	165.11	FTE	Joint Research Centre	
2.6.b - Number of employed (FTE) female	2011	6.86	FTE	Joint Research Centre	

<b>Union priority</b>	<b>3 - Fostering the implementation of the CFP</b>
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Context indicator presenting the initial situation	Baseline year	Value	Measurement unit	Source of information	Comment / Justification
3.A.1 - Total number of serious infringements in the MS in the last 7 years	2013	85.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change	
3.A.2 - Landings that are subject to physical control	2013	100.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change	100% of landings of controlled species are subject to physical control
3.A.3.a - Existing resources available for control - Control vessels and aircrafts available	2013	3.00	number	Armed Forces of Malta	
3.A.3.b - Existing resources available for control - Number of employed (FTE)	2013	53.00	FTE	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change	
3.A.3.c - Existing resources available for control - Budgetary allocation (evolution last 5 years)	2013	800.00	thousand Euros	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change	(including Human Resources, patrol vessels, aircraft and Vessel Monitoring Systems)
3.A.3.d - Existing resources available for control - Vessels equipped with ERS and/or VMS	2013	127.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change	
3.B.1 - Data Collection Measures - Fulfilment of data calls under DCF	2013	95.00	%	Scientific, Technical and Economic Committee for Fisheries (STECF) – Evaluation of 2013 MS DCF Annual Reports and Data Transmission (STECF 14-13)	

<b>Union priority</b>	<b>5 - Fostering marketing and processing</b>
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Context indicator presenting the initial situation	Baseline year	Value	Measurement unit	Source of information	Comment / Justification
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<b>Context indicator presenting the initial situation</b>	<b>Baseline year</b>	<b>Value</b>	<b>Measurement unit</b>	<b>Source information</b>	<b>of</b>	<b>Comment / Justification</b>
5.1.a - N° of Pos	2014	0.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.b - N° of associations of POs	2014	0.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.c - N° of IBOs	2014	0.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.d - N° of producers or operators per PO	2014	0.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.e - N° of producers or operators per association of POs	2014	0.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.f - N° of producers or operators per IBO	2014	0.00	number	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.g - % of producers or operators member of PO	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.h - % of producers or operators member of association of POs	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.1.i - % of producers or operators member of IBO	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.2.a - Annual value of turnover of EU marketed production	2014	99,559.00	thousand Euros	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.2.b - % of production placed on the market (value) by POs	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.2.c - % of production placed on the market (value) by association of POs	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		

Context indicator presenting the initial situation	Baseline year	Value	Measurement unit	Source information	of	Comment / Justification
				Environment and Climate Change		
5.2.d - % of production placed on the market (value) by IBOs	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.2.e - % of production placed on the market (volume) by POs	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.2.f - % of production placed on the market (volume) by association of POs	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.2.g - % of production placed on the market (volume) by IBOs	2014	0.00	%	Department of Fisheries and Aquaculture; Ministry for Sustainable Development, the Environment and Climate Change		
5.3 - Estimated per capita fish consumption	2013	35.82	Kgs	National Statistics Office		The total population of Malta at the end of 2013 stood at 425,384.00
5.4 - Number of full time employment in the fishing and aquaculture sector (male and female)	2013	525.00	number	National Statistics Office		Gainfully Occupied Population: June 2014 (News release 212/2014) - numbers refer to fisheries and aquaculture economic activity as defined under NACE.
5.5 - Number of part-time employment in the fishing and aquaculture sector (male and female)	2013	713.00	number	National Statistics Office		Gainfully Occupied Population: June 2014 (News release 212/2014) – numbers refer to fisheries and aquaculture economic activity as defined under NACE

<b>Union priority</b>	<b>6 - Fostering the implementation of the Integrated Maritime Policy</b>
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Context indicator presenting the initial situation	Baseline year	Value	Measurement unit	Source information	of	Comment / Justification
6.2.a - Coverage of Natura 2000 areas designated under the Birds and Habitats directives	2014	190.79	Km <sup>2</sup>	Government Notice 851 of 2010 and Government Notice 112 of 2007.		
6.2.b - Coverage of other spatial protection measures under Art. 13.4 of the Directive 2008/56/EC	2014	0.00	Km <sup>2</sup>	N/a		To date, no spatial protection measures have been established in terms of Article 13.4 of the EU Marine Strategy Framework Directive. Such measures will be contemplated through the MSFD Programme of Measures, also on the basis of a common understanding on coherence and representativeness of MPAs in support of Good Environmental Status to be developed by the Marine Expert Group under the Habitats Directive.



<b>Context indicator presenting the initial situation</b>	<b>Baseline year</b>	<b>Value</b>	<b>Measurement unit</b>	<b>Source of information</b>	<b>Comment / Justification</b>
6.3 - Comprehensive and integrated database on the marine environment	2014	0.00	number	Malta Environment and Planning Authority	

### 3. DESCRIPTION OF THE STRATEGY

#### 3.1 Description of the strategy of the Operational Programme

##### Strategic Framework

This strategy is designed to operate within an over-arching framework, respond to a combination of the **Europe 2020 strategy** for smart, sustainable and inclusive growth (and thus the objectives of the **Common Strategic Framework, CSF**), the policy intentions of the reformed **Common Fisheries Policy**, the **national development priorities** as defined by the Maltese Government and finally **sectorial ambitions** as voiced by industry participants and other key stakeholders and the Barcelona Convention. These are briefly reviewed below to provide the context and intent of this strategy.

##### **Europe 2020 Strategy, the Common Strategic Framework and the Partnership**

**Agreement** - Following the adoption of the Europe 2020 Strategy in 2010, Malta is required to deliver ‘smart, sustainable and inclusive growth’ for the fisheries and aquaculture sectors. The CSF will translate the objectives and priorities of the Europe 2020 Strategy into priorities for the EMFF, together with the ERDF, ESF, Cohesion Fund and EAFRD, which will ensure an integrated use of the funds to deliver common objectives.

**Common Fisheries Policy** - A new Common Fisheries Policy (CFP) has been agreed by Council and Parliament with a fully updated set of policy guidance for the period 2013 – 2022 and is effective from 1 January 2014. The key elements that have been reflected in this particular strategy include:

- A move to **multi-annual plans**, with a greater emphasis on ecosystem-based management and adhering to the precautionary principle.
- **Improving scientific knowledge** through the collecting, maintaining and sharing of fisheries and related environmental information.
- **Reduction in discards and better utilisation of unwanted catches.**
- **Decentralised governance**, with Member States implementing local management and regional cooperation.
- **Making fishing more profitable**, both for larger vessels, and the more polyvalent small-scale sector.
- **Support for small-scale fisheries**, including better spatial management and particular assistance from financial instruments such as the EMFF.
- **Developing sustainable aquaculture**, in particular to reduce dependence upon imported fish.
- **Empowerment of the sector**, with a move to results-based management via greater industry involvement in achieving agreed outcomes.
- **Better informed consumers**, allowing them to support sustainable fisheries.

**National fisheries development priorities** - Malta elected a new administration in March 2013 and is currently in the process of transferring its electoral manifesto into national policy.

This includes an emphasis on more responsible fishing, the promotion of high quality local seafood products, greater coherence with tourism and the development of a ‘consultative council’ for fishers to facilitate dialogue between government and industry. The above are amongst the Governmental priorities for the sector (PL Party, 2013).

Malta strongly supports measures that ensure that fish stocks are fished at Maximum Sustainable Yield (MSY) through reliable data and scientific advice, as well as targeted conservation measures[1]. In Malta’s negotiations on the EMFF in Brussels[2], particular priority has been focused on (i) small-scale fishers being the main priority, (ii) the importance of aquaculture development and (iii) the need to focus on stock sustainability. In general, Malta aims “to ensure that resources are channelled to areas that generate employment, guarantee the required growth and at the same time the increased sustainability of the Union’s fishery, especially through the prioritisation of the small scale artisanal sector”.

The Maltese Government launched an *Integrated Maritime National Strategy Committee* on 22 July 2013, with the main aim of setting up a sustainable strategy for the Government to be able to manage marine and maritime related activities by adopting an integrated approach across marine and maritime related policies and governance structures. An integrated approach will help instigate the potential of Malta’s marine and maritime sector by creating maritime quality jobs and economic growth.

*Box 1: Thematic Objectives translated into EMFF Union Priorities*

1. Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries by pursuing the following specific objectives:
  1. the reduction of the impact of fisheries on the marine environment, including the avoidance and reduction, as far as possible, of unwanted catches;
  2. the protection and restoration of aquatic biodiversity and ecosystems;
  3. the ensuring of a balance between fishing capacity and available fishing opportunities;
  4. the enhancement of the competitiveness and viability of fisheries enterprises, including of small-scale coastal fleet, and the improvement of safety and working conditions;
  5. the provision of support to strengthen technological development and innovation, including increasing energy efficiency, and knowledge transfer;
  6. the development of professional training, new professional skills and lifelong learning.
2. Fostering environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based aquaculture by pursuing the following specific objectives:
  1. the provision of support to strengthen technological development, innovation and knowledge transfer;
  2. the enhancement of the competitiveness and viability of aquaculture enterprises, including the improvement of safety and working conditions, in particular of SMEs;

3. the protection and restoration of aquatic biodiversity and the enhancement of ecosystems related to aquaculture and the promotion of resource-efficient aquaculture;
  4. the promotion of aquaculture having a high level of environmental protection and the promotion of animal health and welfare and of public health and safety;
  5. the development of professional training, new professional skills and lifelong learning.
3. Fostering the implementation of the CFP by pursuing the following specific objectives:
    1. the improvement and supply of scientific knowledge as well as the improvement of the collection and management of data;
    2. the provision of support to monitoring, control and enforcement, thereby enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden.
  4. Increasing employment and territorial cohesion by pursuing the following specific objective: the promotion of economic growth, social inclusion and job creation, and providing support to employability and labour mobility in coastal and inland communities which depend on fishing and aquaculture, including the diversification of activities within fisheries and into other sectors of maritime economy.
  5. Fostering marketing and processing by pursuing the following specific objectives:
    1. the improvement of market organisation for fishery and aquaculture products;
    2. the encouragement of investment in the processing and marketing sectors.
  6. Fostering the implementation of the IMP.

*Source: OJ L 149, 20.5.2014, p. 1–66 i.e. the EMFF REgulation 508/2014*

**Sectorial ambitions** - The strategy reflects the ambitions of the capture fisheries and aquaculture sector participants as stated in the comprehensive SWOT analysis conducted by the Ministry responsible for fisheries and aquaculture in late 2012 (Poseidon and EMCS, 2012) following meetings held in preparation of the Partnership Agreement and recent discussions with sector actors in the finalisation of the SWOT for the EMFF OP in 2013. In addition, this overall sector strategy encompasses the key elements of the draft aquaculture-specific strategy (University of Stirling, 2012) as formalised in the Aquaculture Strategy for the Maltese Islands (MSDEC, 2014).

The Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean, 1976 (the **Barcelona Convention**) ratified by Malta in 1977. The relevance for the EMFF OP includes:

- introducing a system of cooperation and information to reduce or eliminate pollution resulting from a critical situation in the Mediterranean;
- establishing a continuous pollution monitoring system;
- cooperating in the fields of science and technology;
- working out appropriate procedures for the determination of liability and compensation for damage resulting from pollution deriving from violations of the provisions of the Convention;

- drafting procedures enabling them to monitor application of the Convention.

### **Description of the programme's contribution to the EU2020 strategy**

There are three flagship initiatives under the EMFF OP that will contribute to achieving the objectives of the Europe 2020 strategy, these being:

I.Resource Efficient Europe;

II.Innovation Union; and

III.An agenda for new skills and jobs.

I.Resource Efficient Europe

The OP places particular attention on the sustainability of the fisheries sector with a number of initiatives focusing specifically on this objective thereby seeking to eliminate discards and the reduction of the impact of fisheries on the marine environment. These comprise:

- Research with fishers to study the transition to sustainable fisheries through change in gear;
- Temporary Cessation of large scale fishing, particularly focusing on trawlers;
- Investments aimed at assisting fishers convert to resource-efficient plant and equipment;
- Investments related to aquaculture, more specifically towards the facilitation of public and private research initiative/s;
- Support eco-innovation through initiatives that comprise investments directed at assisting the fisher to install new engines on small-scale vessels to mitigate climate change.

Climate change is recognised as a cross cutting theme and therefore all actions will require the beneficiary to take into consideration sustainable development issues at all stages of the design and implementation of the project, as further delved into in Section 9 of the EMFF OP.

II.Innovation Union

The EMFF will contribute to “Innovation Union” through:

- The support for product and process innovation across the value chain of the fisheries and aquaculture sectors. With regard to the aquaculture sector, the OP will support innovation in this sector, through the facilitation of research and development;
- The marketing of the industry (both fisheries and aquaculture) will also contribute to “Innovation Union” through the support of product and process innovation by focusing also on increasing the range of local seafood products and add value to Maltese aquaculture production through new and diverse processing and versatile dishes;

### III. An agenda for new skills and jobs

- The OP also seeks to address the issue of diversification, having identified the need to assist the fisher in diversifying operations, in particular towards other sectors of the maritime economy, so as to ensure an adequate quality of life for him/her and his/her family. Such a stance is envisaged to contribute towards the creation of new jobs and growth opportunities in coastal areas. Currently, local fisher’s income is reliant on the sale of three particular species that are either over-exploited or threatened, these being blue fin tuna, ‘lampuki’ and swordfish. Furthermore the local population does not assist in this regard with demand for fish species being predominantly related to these three species (and salmon that is imported). Such a stance places considerable strain on both the fisher in his/her endeavours to make ends meet and attain a decent living and on the sustainability of the sector and also narrows the scope for job creation both at sea and on land. To mitigate such adversity, the OP incorporates investment in promotional campaigns to educate on the importance of the consumption of fish for a healthy diet, with particular emphasis on the consumption of currently under-utilised species. Furthermore, to minimise fishers’ reliance on over-exploited species, endeavours aimed at the retrofitting of small-scale coastal fishing vessels for activities complementary to fishing have been proposed, thus increasing the potential for ancillary employment opportunities on land.

### **Vision and Specific Objectives**

This strategy’s objectives have been organised according to the four pillars for EMFF funding.

**Vision 1 - Smart, Green Fisheries:** to foster the transition to sustainable fishing, which is more selective, produces less unwanted catch, and does less damage to marine ecosystems. The support will focus on innovation and added value that can make the fisheries sector economically viable and resilient to external shocks and to competition from third countries. In particular, it is intended to:

- *Promote the competitiveness and economic viability of small-scale fisheries in*

particular, with their high socio-economic contribution and adaptability to the Maltese maritime culture and way of life – UP1 SO4; UP1 SO5; UP1 SO6; UP5 SO1.

- **Promoting the use of low impact fishing gear** and otherwise reducing the environmental impact of fishing and its ancillary industries, both at sea (e.g., lighter and more selective gear, spatial and temporal avoidance of non-target species and communities) and on land - UP1 SO1; UP1 SO5; UP1 SO6.
- **Greater utilisation of less popular and unwanted catches** through a combination of greater consumer awareness and supporting innovative technological solutions both at sea and on land - UP5 SO1.
- **Support the development of a more adaptable, intelligent and inclusive local market** for wild seafood products with a greater emphasis on sustainability, traceability and versatility - UP5 SO1.
- **Reducing the long-term costs of seafood production** through greater energy efficiency, adoption of renewable power generation solutions and reduced emissions - UP1 SO5.
- **Enhance the organisation of the Maltese fishing industry** - at individual, company and sector levels - to plan and manage their activities through a combination of skills development, improved institutional coordination mechanisms and better sectorial organisation - UP1 SO6.
- **Improved management and regulation** of full/ part-time, recreational and sports fishing effort through the data collection and control, inspection and enforcement programmes, in order to allow Malta to contribute to fish stock management and achieving MSY - UP3 SO1 & SO2.
- **Facilitate the move to ecosystem-based fisheries** through greater environmental awareness on behalf of fisheries and consumers alike, encouraging investment in lower impact, more selective gear and fuel-efficient catching and downstream activities.
- **Greater involvement of fishers** in environmental monitoring, including detecting climate change influences, and water quality changes, as well as in MPA designation and management.

**Vision 2 - Smart, Green Aquaculture:** to make this industry economically viable, competitive, green and able to face global competition, while providing Maltese and other EU consumers with healthy and highly nutritional products. In particular, it is intended to:

- **Increase investment in aquaculture** through a combination of streamlined licensing and administrative procedures, enhanced business support and providing existing and future operators with the business skills to ensure sustainable and viable businesses.
- **Address the key technical constraints to aquaculture**, including juvenile availability, spatial management of aquaculture zones and addressing environmental concerns – UP2 SO3.
- **Ensure that further development in the industry works within the limits of the environmental carrying capacity of the coastal zone and marine areas** - – UP2 SO3.
- **Support innovation in aquaculture**, including new species development, opportunities for non-food aquaculture, reducing the costs and input requirements to grow-out and improving overall resource efficiency, including the potential for offshore, land-based and saline ground water aquaculture - UP2 SO3.
- Develop codes of conduct, promote **the highest possible best practice** and exploring

opportunities to promote the image and uniqueness of Maltese aquaculture to regional and international markets - UP2 SO3.

- Integrate aquaculture with *Maltese coastal tourism* to improve the image of fish farming and highlight its contribution to coastal livelihoods and seafood supply.
- ***Increase the range of local seafood products and add value*** to Maltese aquaculture production through new and diverse processing and versatile dishes - UP2 SO3.
- ***Promote Malta as a centre for aquaculture expertise*** and as a ‘knowledge bridge’ between the EU and MENA countries - UP2 SO3.

**Vision 3 - Sustainable and Inclusive Territorial Development:** to reverse the decline of many coastal communities dependent on fishing, by adding more value to fishing-related activities, and by diversifying to other sectors of the maritime economy. In particular, it is intended to:

- ***Improve stakeholder participation*** in fishery and related local development through a more equitable representation of the different fisheries and aquaculture segments and geographical areas around Malta and Gozo.
- Promote the greater ***integration of fisheries and aquaculture planning*** with other local development initiatives.
- Encourage and enable ***diversification of traditional fishing activities*** to encompass new opportunities such as maritime industry support, marine tourism and conservation. In particular measures that encourage family and community involvement will be promoted - UP1 SO4.

Although Malta will not be implementing any projects under Union Priority 4 and/or adopting the CLLD approach for fisheries due to the characteristics of the fishing industry in the Maltese Islands, diversification measures will be nonetheless implemented through calls issued by the Managing Authority.

**Vision 4 - Integrated Maritime Policy[3]:** to support priorities which generate savings and economic growth, such as marine knowledge, maritime spatial planning, integrated coastal zone management, integrated maritime surveillance, the protection of the marine environment and of biodiversity, and the adaptation to the adverse effects of climate change on coastal areas. In particular, it is intended to:

- Promote the ***greater partnership*** between fishers, scientists and managers, with a particular focus on trialling new low impact fishing gear; collecting fisheries and non-fisheries marine data in order to target the management both fisheries resources and the wider marine environment on the basis of the principles enshrined in the EU Marine Strategy Framework Directive (2008/56/EC), the EU Habitats Directive (92/43/EEC) and Birds Directive (2009/147/EC) (the Nature Directives) and the Marine Spatial Planning Directive (2014/89/EU) and the Barcelona Convention; strengthening maritime control regulations and otherwise promoting stewardship of Malta’s coastal and marine waters - UP1 SO1; UP6 SO1.
- Develop greater ***spatial zoning of fishing and aquaculture activities*** in order to reduce the potential for gear and other conflicts between different fishing segments,



aquaculture and part-time/recreational fishermen.

- **Increase recognition of the critical importance of locally-derived data in fisheries management, and to integrate the data collection and control regulations** into wider fisheries and maritime space management - UP3 SO1; UP6 SO1.
- **Join-up spatial planning and management** through the integration of sectorial development planning and associated technology platforms - UP3 SO1.
- Encourage both governmental and private **sector multi-annual strategic planning** to improve consistency and reduce the administrative burden.

[1] <http://gov.mt/en/Government/Press%20Releases/Pages/2013/April/22/pr0747.aspx>

[2] <http://gov.mt/en/Government/Press%20Releases/Pages/2012/October/24/pr2331.aspx>

[3] Apart from interventions under the EMFF, actions contributing to the aims of the IMP may also be addressed through other ESI Funds or EU Funding instruments as applicable.

### 3.2 Specific objectives and result indicators

<b>Union priority</b>	<b>1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries</b>
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<b>Specific objective</b>	<b>1 - Reduction of the impact of fisheries on the marine environment, including the avoidance and reduction, as far as possible, of unwanted catches</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
1.4.a - Change in unwanted catches (tonnes)	-0.69000	tonnes	
1.4.b - Change in unwanted catches (%)	-10.00000	%	
1.5 - Change in fuel efficiency of fish capture		litres fuel/ tonnes landed catch	✓

<b>Specific objective</b>	<b>4 - Enhancement of the competitiveness and viability of fisheries enterprises, including of small scale coastal fleet, and the improvement of safety or working conditions</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
1.1 - Change in the value of production		thousand Euros	✓
1.2 - Change in the volume of production		tonnes	✓
1.3 - Change in net profits		thousand Euros	✓
1.5 - Change in fuel efficiency		litres fuel/ tonnes landed catch	✓

<b>Specific objective</b>	<b>4 - Enhancement of the competitiveness and viability of fisheries enterprises, including of small scale coastal fleet, and the improvement of safety or working conditions</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
of fish capture			
1.7 - Employment created (FTE) in the fisheries sector or complementary activities	2.00000	FTE	
1.8 - Employment maintained (FTE) in the fisheries sector or complementary activities	260.00000	FTE	
1.9.a - Change in the number of work-related injuries and accidents		number	✓
1.9.b - Change in the % of work-related injuries and accidents in relation to total fishers		%	✓

<b>Specific objective</b>	<b>5 - Provision of support to strengthen technological development and innovation, including increasing energy efficiency, and knowledge transfer</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
1.1 - Change in the value of production		thousand Euros	✓
1.2 - Change in the volume of production		tonnes	✓
1.3 - Change in net profits	2.00000	thousand Euros	
1.5 - Change in fuel efficiency of fish capture		litres fuel/ tonnes landed catch	✓

<b>Specific objective</b>	<b>6 - Development of professional training, new professional skills and lifelong learning</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
1.7 - Employment created (FTE) in the fisheries sector or complementary activities		FTE	✓
1.8 - Employment maintained (FTE) in the fisheries sector or complementary activities	260.00000	FTE	
1.9.a - Change in the number of work-related injuries and accidents		number	✓
1.9.b - Change in the % of work-related injuries and accidents in relation to total fishers		%	✓

<b>Union priority</b>	<b>2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture</b>
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<b>Specific objective</b>	<b>1 - Provision of support to strengthen technological development, innovation and knowledge transfer</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
2.1 - Change in volume of aquaculture production		tonnes	✓
2.2 - Change in value of		thousand Euros	✓

<b>Specific objective</b>	<b>1 - Provision of support to strengthen technological development, innovation and knowledge transfer</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
aquaculture production			
2.3 - Change in net profit		thousand Euros	✓
2.9 - Employment maintained	153.00000	FTE	

<b>Specific objective</b>	<b>2 - Enhancement of the competitiveness and viability of aquaculture enterprises, including improvement of safety or working conditions, in particular of SMEs</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
2.1 - Change in volume of aquaculture production		tonnes	✓
2.2 - Change in value of aquaculture production		thousand Euros	✓
2.3 - Change in net profit		thousand Euros	✓
2.8 - Employment created		FTE	✓
2.9 - Employment maintained	153.00000	FTE	

<b>Specific objective</b>	<b>3 - Protection and restoration of aquatic biodiversity and enhancement of ecosystems related to aquaculture and promotion of resource efficient aquaculture</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
2.4 - Change in the volume of production organic aquaculture		tonnes	✓
2.5 - Change in the volume of production recirculation system		tonnes	✓
2.6 - Change in the volume of aquaculture production certified under voluntary sustainability schemes		tonnes	✓
2.7 - Aquaculture farms providing environmental services		number	✓
2.8 - Employment created		FTE	✓
2.9 - Employment maintained	153.00000	FTE	

<b>Union priority</b>	<b>3 - Fostering the implementation of the CFP</b>
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<b>Specific objective</b>	<b>1 - Improvement and supply of scientific knowledge and collection and management of data</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
3.B.1 - Increase in the percentage of fulfilment of data calls	100.00000	%	

<b>Specific objective</b>	<b>2 - Provision of support to monitoring, control and enforcement, enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
3.A.1 - Number of	150.00000	number	

<b>Specific objective</b>	<b>2 - Provision of support to monitoring, control and enforcement, enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
serious infringements detected			
3.A.2 - Landings that have been the subject to physical control	100.00000	%	

<b>Union priority</b>	<b>5 - Fostering marketing and processing</b>
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<b>Specific objective</b>	<b>1 - Improvement of market organisation for fishery and aquaculture products</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
5.1.a - Change in value of first sales in POs		thousand Euros	✓
5.1.b - Change in volume of first sales in POs		tonnes	✓
5.1.c - Change in value of first sales in non-POs	1,000.00000	thousand Euros	
5.1.d - Change in volume of first sales in non-POs	200.00000	tonnes	
5.1.e - Increase in the estimated per capita fish consumption	0.50000	Kgs	

<b>Union priority</b>	<b>6 - Fostering the implementation of the Integrated Maritime Policy</b>
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<b>Specific objective</b>	<b>1 - Development and implementation of the Integrated Maritime Policy</b>		
<b>Result indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Not applicable</b>
6.1 - Increase in the Common Information Sharing Environment (CISE) for the surveillance of the EU maritime domain		%	✓
6.2.a - Change in the coverage of Natura 2000 areas designated under the Birds and Habitats directives		Km <sup>2</sup>	✓
6.2.b - Change in the coverage of other spatial protection measures under Art. 13.4 of the Directive 2008/56/EC		Km <sup>2</sup>	✓
6.3 - Development of a database on the marine environment	1.00000	number	

### 3.3 Relevant measures and output indicators

<b>Union priority</b>	<b>1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries</b>
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<b>Specific objective</b>	<b>1 - Reduction of the impact of fisheries on the marine environment, including the avoidance and reduction, as far as possible, of unwanted catches</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
03 - Article 39 Innovation linked to the conservation	1.4 - N° of projects on conservation measures, reduction of the fishing	1.00	Number	✓

<b>Specific objective</b>	<b>1 - Reduction of the impact of fisheries on the marine environment, including the avoidance and reduction, as far as possible, of unwanted catches</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
of marine biological resources (+ art. 44.1.c Inland fishing)	impact on the marine environment and fishing adaptation to the protection of species			

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

Small-scale fishers should be enabled to change fishing gear and operational practices to become smarter and greener.

<b>Specific objective</b>	<b>4 - Enhancement of the competitiveness and viability of fisheries enterprises, including of small scale coastal fleet, and the improvement of safety or working conditions</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
02 - Article 30 Diversification and new forms of income (+ art. 44.4 Inland fishing)	1.9 - N° of projects on promotion of human capital and social dialogue, diversification and new forms of income, start-ups for fishermen and health/safety	3.00	Number	
05 - Article 33 Temporary cessation of fishing activities	1.10 - N° of projects on temporary cessation	2.00	Number	
09 - Article 43.1 + 3 Fishing ports, landing sites, auction halls and shelters - investments improving fishing port and auctions halls infrastructure or landing sites and shelters; construction of shelters to improve safety of fishermen (+ art. 44.1.f Inland fishing)	1.3 - N° of projects on added value, quality, use of unwanted catches and fishing ports, landing sites, actions halls and shelters	5.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

- Greater integration with the tourism sector will create new income-generating opportunities for fishers as well as reduce pressure on inshore stock.
- Possible localised environment impacts from some fleets justify temporary cessation measures in certain circumstances. Whilst Malta's Annual Report on its Fishing Fleet for 2013 indicates that a balance between fishing capacity and fishing opportunities has been reached, measures for the temporary cessation of fishing activities have been nonetheless included in the EMFF OP in case an imbalance is reported in the future.
- Will improve fish quality and therefore price, reduce food safety risks and potentially

augment use of unwanted catches. This measure includes five projects, four of which target investments in improving fishing ports infrastructure and landing sites and one proposing the construction of a new breakwater in the port of Marsaxlokk. The public expenditure forecasted for these interventions amounts to circa € 10Million

<b>Specific objective</b>	<b>5 - Provision of support to strengthen technological development and innovation, including increasing energy efficiency, and knowledge transfer</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
03 - Article 41.1.a, b, c Energy efficiency and mitigation of climate change – on board investments; energy efficiency audits and schemes; studies to assess the contribution of alternative propulsion systems and hull designs (+ art. 44.1.d Inland fishing)	1.7 - N° of projects on energy efficiency, mitigation of climate change	3.00	Number	✓
04 - Article 41.2 Energy efficiency and mitigation of climate change - Replacement or modernisation of main or ancillary engines (+ art. 44.1.d Inland fishing)	1.8 - N° of projects on replacement or modernisation of engines	1.00	Number	

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

A number of older vessels have inefficient engines that utilise high volumes of fuel and have high levels of emissions. Only vessels from balanced segments are eligible for support under this measure in line with the EMFF Regulation.

Only vessels from balanced segments are eligible for support under this measure in line with the EMFF Regulation.

<b>Specific objective</b>	<b>6 - Development of professional training, new professional skills and lifelong learning</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
01 - Article 29.1 + 29.2 Promoting human capital and social dialogue - training, networking, social dialogue; support to spouses and life partners (+ art. 44.1.a Inland fishing)	1.9 - N° of projects on promotion of human capital and social dialogue, diversification and new forms of income, start-ups for fishermen and health/safety	1.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

Will improve their technique which together with Health and Safety will improve catch quality. The training will also cover issues of climate change mitigation and adaptation.

<b>Union priority</b>	<b>2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture</b>
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<b>Specific objective</b>	<b>1 - Provision of support to strengthen technological development, innovation and knowledge transfer</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
01 - Article 47 Innovation	2.1 - N° of projects on innovation, advisory services	1.00	Number	

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

Aquaculture investment in innovation under Article 47 is in line with the Aquaculture Strategy for the Maltese Islands whereby funding of research and the promotion of innovation in the aquaculture industry in Malta were identified as desirable. In this regard, through this measure and in line with the identification of UP2 needs on basis of the SWOT analysis, Malta will develop stronger sector support in pioneering new and innovative culture species and systems that allows Malta to remain proactive and competitive whilst also promoting Malta as a centre for aquaculture expertise.

The planned operation is to be implemented by the Malta Aquaculture Research Centre as the competent public body with the aim of developing or introducing in the market new aquaculture species with good market potential, new or substantially improved products, new or improved processes, or new or improved management and organisation systems.

<b>Specific objective</b>	<b>2 - Enhancement of the competitiveness and viability of aquaculture enterprises, including improvement of safety or working conditions, in particular of SMEs</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
01 - Article 48.1.a-d, f-h Productive investments in aquaculture	2.2 - N° of projects on productive investments in aquaculture	1.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

Productive investments in aquaculture under Article 48.1.a-d, f-h are in line with the Aquaculture Strategy for the Maltese Islands whereby the funding of research by the Public and Private sectors in areas related to aquaculture such as species diversification, improvements in feeds and animal health was identified as desirable.

<b>Specific objective</b>	<b>3 - Protection and restoration of aquatic biodiversity and enhancement of ecosystems related to aquaculture and promotion of resource efficient aquaculture</b>
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EMFF measure	Output indicator	Target value for 2023	Measurement unit	Include in the Performance Framework
02 - Article 48.1.e, i, j Productive investments in aquaculture - resource efficiency, reducing usage of water and chemicals, recirculation systems minimising water use	2.2 - N° of projects on productive investments in aquaculture	1.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

The measures proposed under Union Priority 2 are expected to deliver stronger and more viable aquaculture operations which are less dependent on imported feed and less reliant on wild stock. The operations are also expected to contribute to the prevention of future depletion of wild stocks through the facilitation of research on, amongst others, species diversification.

<b>Union priority</b>	<b>3 - Fostering the implementation of the CFP</b>
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Specific objective	<b>1 - Improvement and supply of scientific knowledge and collection and management of data</b>			
EMFF measure	Output indicator	Target value for 2023	Measurement unit	Include in the Performance Framework
01 - Article 77 Data collection	3.2 - N° of projects on supporting the collection, management and use of data	2.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

To collect relevant biological, economic and environmental data required for the targeted management of marine resources and ecosystems.

Specific objective	<b>2 - Provision of support to monitoring, control and enforcement, enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden</b>			
EMFF measure	Output indicator	Target value for 2023	Measurement unit	Include in the Performance Framework
01 - Article 76 Control and enforcement	3.1 - N° of projects on implementing the Union's control, inspections and enforcement system	11.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

To support a risk based approach to monitoring, control and surveillance of fisheries resources, in order to reduce the potential for illegal, unreported and unregulated fishing, as well as to increase the incentive for responsible fishing practices in Maltese waters.



Refer to section 12.4 List of Selected Types of Operations of the EMFF OP.

**Union priority** | **5 - Fostering marketing and processing**

<b>Specific objective</b>	<b>1 - Improvement of market organisation for fishery and aquaculture products</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
02 - Article 67 Storage aid	5.2 - N° of projects on marketing measures and storage aid	0.00	Number	
03 - Article 68 Marketing measures	5.2 - N° of projects on marketing measures and storage aid	1.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

Storage aid is subject to the existence of POs. EMFF support under Art. 67 will shift towards temporary cessation, in line with the provisions laid down in Article 1(5) of Regulation (EU) 2020/560 of 23 April 2020, amending Regulations (EU) 508/2014 and (EU) 1379/2013.

- To divert fishing pressure from key species such as dolphin fish & BFT to under-utilised species. To increase awareness of the status of fish stocks and their role in conservation efforts. The legal basis of the campaign is sub-paragraph 1(g) of Art. 68 of the EMFF Regulation whereby the EMFF may support marketing measures for fishery and aquaculture products aimed at conducting regional, national or transnational communication and promotional campaigns, to raise public awareness of sustainable fishery and aquaculture products. The result indicator 5.1.e 'Increase in the estimated per capita fish consumption' is specifically selected by Malta to measure achievements wrt fish consumption of under-utilised species.

**Union priority** | **6 - Fostering the implementation of the Integrated Maritime Policy**

<b>Specific objective</b>	<b>1 - Development and implementation of the Integrated Maritime Policy</b>			
<b>EMFF measure</b>	<b>Output indicator</b>	<b>Target value for 2023</b>	<b>Measurement unit</b>	<b>Include in the Performance Framework</b>
03 - Article 80.1.c Improving the knowledge on the state of the marine environment	6.2 - N° projects on the protection and improvement of knowledge on marine environment	1.00	Number	✓

**Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)**

Achieving GES is key to sustaining and enhancing Malta's fisheries and aquaculture industries. This will require scientific research support to ensure that activities are targeted and monitored.

The project aims at defining ecosystem-based management regimes by addressing the most relevant data gaps and enabling the development of quantitative environmental targets and associated management measures. The project will include: Characterisation of marine ecosystems; Monitoring of physico-chemical parameters; Data on interactions between anthropogenic use of marine waters and ecosystems; Analysis on marine ecosystems; Relative MSFD targets and indicators; Provision of data of relevance to management of the marine environment. The data will be collected in the most appropriate manner related to the characteristics of the data itself and the procurement procedure applicable.

The limited funds available are being allocated to the need identified in the SWOT analysis.

### 3.4 Description of the programme's complementarity with other ESI Funds

#### 3.4.1 Complementarity and coordination arrangements with other ESI Funds and other relevant Union and national funding instruments of the EMFF

The new regulatory framework for 2014-2020, requires MSs to draft a PA that will set out their development objectives & how these will be addressed during the next programming period through investments from the ESI Funds.

At the programming level, coordination between the ESI Funds & other Union & National funding instruments was ensured through the Inter-Ministerial Committee (IMC) for Programming 2014-2020. The framework, steered by the Office of the Permanent Secretary within the MEAE, consisted of an IMC for Programming 2014-2020 with representatives from line Ministries (covering all of the ESI funds) & supported by a number of Sectorial Sub-Committees that looked into different thematic objectives.

In this regard the EMFF OP complements other ESI Funds that are geared towards Government's vision to enhance Malta's competitiveness & to improve the quality of life over the next cycle. Through the EMFF OP as well as the other fund-specific missions, Government will continue to enhance environmental sustainability, social well-being & a healthy society whilst fostering competitiveness through economic development & job creation. The EMFF will support professional training, lifelong learning & new professional skills to fishers directly related to the profession of fishing, & that will effectively contribute to support fishers in improving their efficiency, sustainability & competitiveness within the sector. The ESF on its part will contribute to a more generic training with the scope of developing business skills, competences & education level of the related stakeholders. By way of e.g. such training may include computer literacy, accounting & any course or participation in training supported from the ESF which goes beyond the investment in human capital supported through EMFF as defined in the OP.

The priorities identified for the ERDF & CF will complement national priorities for the fisheries sector identified through the EMFF. In this regard, complementarity will be sought in the following areas including: the enhancement of competitiveness & economic sustainability of small-scale fisheries whilst at the same time contributing towards the reduction of the environmental impact of fishing & its ancillary industry; & investment to promote smart, green aquaculture & sustainability fisheries & interventions to encourage diversification of traditional fishing activities & enable new opportunities for business. Interventions funded through ERDF & CF will also complement actions under the EMFF in areas related to the IMP with a particular focus on the protection of the marine environment & biodiversity & the adaptation to the adverse effect of climate change on coastal areas. (PA of Malta 2014-2020)

Taking into consideration the internal & external consultations undertaken, it is clear that whilst the main focus will continue to be that of consolidating & building on the gains achieved to date, the next programming period also presents an opportunity for the Maltese economy to continue fostering the right environment for economic growth & job creation. Within this context, Malta has identified 3 main Funding Priorities which will serve as the

main overarching objectives for the 2014-2020 programming period. These are:

1. Fostering competitiveness through innovation & the creation of a business-friendly environment;
2. Sustaining an environmentally-friendly & resource-efficient economy; &
3. Creating opportunities through investment in human capital & improving health & wellbeing.

1. Funding Priority 1: Fostering competitiveness through innovation & the creation of a business-friendly environment

Improving Malta's competitiveness & fostering economic growth hinges upon Malta's efforts to maintain a secure & fiscally stable macroeconomic environment whilst strengthening the components which characterise the respective microenvironment.

Within this context Malta has identified a number of areas that include: tourism marketing, maritime services, aviation & aerospace, health, resource efficient buildings, high value-added manufacturing with a focus on processes & design, climate change adaptation & aquaculture with aquaculture being specifically indicated as a sector that will be tackled through the OP with operations identified to improve the necessary infrastructure for aquaculture research. Consequently such investment is in sync with Government's aims that comprise increased investment, particularly in terms of providing the necessary infrastructure for research in indigenous areas which are relevant to the Maltese scenario. Within this context, strengthening research, technological development & innovation (RTDI) during the 2014-2020 programming period remains one of the primary goals which Malta aims to achieve through the relevant ESI funds both through public & private sector investment. Investments in RTDI have been identified to play a fundamental role in the development of the Maltese economy.

In addition, Government remains committed towards the continued process of strengthening established economic sectors such as 'tourism', including the strengthening of niche tourism markets to enable continued diversification within the sector. Here again, the EMFF OP will complement other funding structures aimed at this objective, by assisting fishers to diversify into other related water based activities also related to tourism & niche tourism markets (such as 'pesca' tourism).

Furthermore, the EMFF OP is in line with the PA which indicates that efforts to further consolidate initiatives earmarked for self-employed & enterprises will continue to be pursued. SMEs & micro enterprises form an integral part of the Maltese economic fabric. With this in mind, Government aims to act as a business enabler by providing the necessary incentives for enterprises & by creating the right environment for economic growth & job creation through the provision of the necessary facilities. The sustainability of the fisheries sector, diversification of same, & initiatives aimed at stimulating the fisheries & aquaculture sectors

& improving the quality of life of the fisher & his/her family are congruent with Government's goal of stimulating economic growth & job creation.

Another aspect relates to the environment & the support for more energy friendly measures in an attempt to reduce Malta's carbon emissions. Here again, among the initiatives identified under the EMFF OP are projects directly related to assisting resource-efficient plant & equipment.

#### 1. Funding Priority 2: Sustaining an environmentally-friendly & resource-efficient economy

Government is committed towards the amelioration of the Maltese environment. Interventions within the rural environment will be undertaken with a view to adopting a holistic approach that embraces biodiversity, water management, air quality, soil protection, quality of agricultural production, & sustainability of fisheries, cultural & natural heritage.

In this regard one of the pillars of the EMFF OP relates specifically to sustainability of the fisheries & aquaculture sectors &, as indicated above, the OP comprises initiatives for fishers to invest in new energies to mitigate climate change.

#### 1. Funding Priority 3: Creating opportunities through investment in human capital & improving health & well-being

Human capital is Malta's only natural resource & its primary asset. Hence, the ability for Malta to maintain its economic & social wellbeing is intrinsically dependent on the nation's ability to ensure that future employers & employees are equipped with the necessary competencies & skills that will allow them to flourish in an increasingly complex global economic & social environment.

Building upon the results achieved within these areas, Government intends to continue investing in these areas given their critical importance for Malta's economic development. Within this context, Government is committed towards the creation of more & better jobs as well as focusing efforts on education. Here again the OP comprises investments that, together with other fund initiatives, will assist in the attainment of the here identified objective with investments directed towards skills acquisitions, & enabling local communities to acquire the skills needed for entering new activities emerging in other maritime sectors, improving income for the fishers & other investments that are to result in the creation of jobs with such factors invariably assisting the Government's attention towards social inclusion & the fight against poverty - particularly those groups in society who are considered to be more vulnerable & are therefore at greater risk of poverty & social exclusion. This calls for a

holistic approach, comprising a strong preventive thrust which will contribute towards more economically active individuals & where vulnerable groups are empowered to improve their standard of living whilst also contributing to the nation's economic growth.

Government, as an enabler for economic growth, needs to further strengthen its institutional capacity with a view to ensuring an efficient & effective service whilst reducing administrative burden. In this context, through various ESI Fund initiatives Government aims to invest further in its human capital with a view to enhancing institutional capacity & improving the efficiency of the public administration, with the aim to support reforms, better regulation, good administration & governance.

Government is committed towards building upon the results achieved to date & is determined to address its EU2020 targets whilst at the same time taking into account the specific characteristics of Malta. In this regard, the ESI Funds are seen as a critical instrument to achieve European & national objectives over the 2014-2020 programming period.

By focusing ESI Funds on economic development, environmental sustainability & social inclusion, during the 2014-2020 programming period Government will not only aim to address current needs but will also leverage economic prosperity & knowledge-based excellence which will enable Malta to address future challenges.

The programmes for the Structural & Cohesion Funds, the EMFF & the EAFRD are coordinated & managed by the PPCD (for the Structural & Cohesion Funds) & the FPD (for the EMFF & the EAFRD & the Territorial Cooperation Programmes), within the MEAE. The centralised system which is in place for the implementation of the ESI Funds & other funding initiatives (including the Connecting Europe Facility) ensure coordination at the national level of the different programmes & related initiatives. This approach also minimises the risk of duplication of effects.

For the 2014 – 2020 programming period, coordination between the ESI Funds & other Union & National funding instruments will be ensured through the framework of the Inter Ministerial Coordination Committee (IMCC) already set up under the 2007-2013 period. As necessary, the existing structures will be optimised to take account of the different Union instruments that will be launched in the 2014 – 2020 period.

The aim of the IMCC is to maximise resources whilst reducing the risk of overlap &/or duplication of effort by providing direction on the demarcation between different funds & programmes, undertaking ad hoc consultation where potential overlaps are identified & exchanging information about any changes required to the individual programmes & that could have an impact, by way of overlap, on other programmes. The IMCC also provides a forum for the sharing of knowledge of any new funds.

The IMCC is expected to meet on a bi-annual basis. Members on the IMCC include representatives from the MAs, the IBs, national contact points for the European Territorial Cooperation programmes[1], responsible authorities for the migration & asylum programmes

& national contact points for community programmes, such as LIFE+ & Horizon2020. Other *ad hoc* technical experts, to cover also the CAP's 1st & 2nd pillar initiatives as relevant, may be asked to participate in meetings of the IMCC (or parts thereof) so as to give clarifications & presentations on particular issues which might be required. If the need arises, the IMCC may also appoint *ad hoc* subcommittees to deal with issues of a very specific nature.

Advice to potential applicants & beneficiaries on the opportunities of support available through the different funds may be obtained from a common information help desk that is jointly serviced by the PPCD & the FPD within the MEAE & which covers all of the ESI funds.

The help desk, already functioning under the 2007-2013 programme, will be expanded to address all ESI funds with a view to offer prospective applicants, beneficiaries & the general public a direct line of communication (through email & other media) with the MA(s) on issues of general interest as well as more specific information on a one-to-one basis. The practice of issuing manuals & guidance documents targeting beneficiaries & horizontal stakeholders will also continue, as these prove to be useful tools in assisting beneficiaries in the use & management of the Funds. The help desk will also provide information concerning EU programmes (i.e. to include the centralised programmes) more generally.

[1] The National Coordinator for Interreg III Programmes (Italia-Malta, ARCHIMED, MEDOCC & South Zone Programmes) & the National Focal Point for the European Territorial Cooperation Programmes (ETC) 2007-2013 are located within the FPD (MEAE) with the exception of the ESPON programme which is managed & coordinated by the EU Funds – Policy Coordination Directorate (MEAE).

### 3.4.2 Main actions planned to achieve a reduction in administrative burden

The need to continue to streamline the processes involved in management and control systems of EU funds and the further reduction in administrative burden for beneficiaries is evident through the findings of assessments that have been carried out during the 2007-2013 period. To this effect, Malta is committed to implement further simplification measures that will reduce the administrative requirements and burden on the beneficiaries.

Actions planned include measures at application stage, project selection phase, procurement, horizontal simplification measures and measures in relation to the IT systems. Measures planned include:

Application stage:

- Provision of assistance to applicants in filling the relevant application across the five funds particularly to NGOs, Local Councils, civil society, farming and fishing communities etc. (Target Date: 2014)

#### Project selection stage:

- Speeding up of the project selection through streamlined processes and greater involvement of experts. (Target Date: 2014)

#### Procurement:

- Assess the possibility of increasing the threshold for Departmental Tenders. (Target Date: 2014)
- Phased rolling-out of the E-procurement system. (Target Date: Ongoing)
- The introduction of Procurement managers in Line Ministries to speed up procurement processes. (Target Date: 2014)

#### Simplification measures

- The use of simplified costs has proven to be a positive experience under ESF. This will be further analysed and introduced where possible in other funds. (Target Date: 2016)

#### IT system

- Introduction of e-forms at application stage. (Target Date: 2014)
- Facilitate the implementation process through the enhancement of IT-enabled systems. (Target Date: Ongoing)



### **3.5 Information on the macro-regional or sea-basin strategies (where relevant)**

This section is not relevant to the Maltese Islands.

## 4. REQUIREMENTS CONCERNING SPECIFIC EMFF MEASURES

### 4.1 Description of the specific needs of natura 2000 areas and the contribution of the programme to the establishment of a coherent network of fish stock recovery areas as laid out in Article 8 of the CFP Regulation

#### **Description of the state of designation of Natura 2000 network**

The Natura 2000 network forms the backbone of efforts to protect the natural world, and is vital for biodiversity. It also offers attractive spaces to explore and relax, and provides ample opportunities to develop new economic activities based on these valuable natural assets.

Member States have the obligation, under the EC Habitats Directive, of contributing to the creation of the Natura 2000 network in proportion to the representation within its territory of the natural habitat types and the habitats of species (as specified in the Annexes to the Directive). Consequent to such obligations, Malta submitted to the EC a number of sites to form part of Natura 2000. This was carried following an extensive data collation and evaluation exercise by the MEPA, with the assistance of national experts, commissioned through a grant of the Council of Europe as part of the Emerald Network project.

Malta's first official designation of a marine Natura 2000 site was in 2008 in the area between Rđum Majjiesa and Ras ir-Raheb. Since then the total number of marine Natura 2000 sites has increased to five and provide protection for over 80% of Posidonia beds found in the Maltese Islands. Such sites were also chosen for their geographical representation and good conservation status of this habitat. A sixth marine site, located to the South of the Maltese Islands, is presently undergoing process of official designation.

When it comes to the marine environment, the main challenge relates to the extent of the marine areas around Malta which must be surveyed, and the resources and expertise requirements associated with such an exercise.

Relative to its size, Malta has provided the largest contribution to designation of marine Natura 2000 sites in the EU.

#### **Brief description of how the specific needs of Natura 2000 areas have been integrated in the SWOT analysis of the OP**

Although a considerable number (5) and area (19,078 ha) of Malta's marine area has been designated under the Natura 2000 programme, there is a need to further identify habitats and species vulnerable to fishing pressure. Furthermore there is a need to engage fishers in the proactive identification of critical areas for protection and to contribute to their on-going

monitoring and management.

**Brief description on how the specific needs of Natura 2000 areas have been integrated in the strategy of the OP**

The main area where Natura 2000 areas have a role to play is in the development of greater spatial zoning of fishing and aquaculture activities in order to reduce the potential for gear and other conflicts between different fishing segments, aquaculture and part-time/recreational fishermen.

**Indication of main actions planned to address the specific needs of Natura 2000 areas (in line with the Prioritised Action Framework and on the basis of the typology of measures in it, e.g. management planning, fishery management plans, marine habitat management/restoration, surveys/monitoring, awareness-raising)**

There is one project designated under Union Priority 6 to assist increase the coverage of marine protected areas (in terms of surface and time) in the context of Article 13.4 of the MSFD.

**List of main actions planned to support the establishment of a coherent network of fish stock recovery areas.**

No such funding is envisaged under the EMFF OP for Malta.

**4.2 Description of the action plan for the development, competitiveness and sustainability of small-scale coastal fishing**

This section is not relevant for Malta given that the Maltese fishing fleet is made up of less than 1,000 vessels which may be considered as small-scale fishing vessels.

**4.3 Description of the method for the calculation of simplified costs in accordance with Article 67(1)(b) to (d) of CPR Regulation**

The EC indicates that where aid is granted on the basis of additional costs or income

foregone, MSs shall ensure that the relevant calculations are adequate, accurate & established in advance on the basis of a fair, equitable & verifiable calculation.

The simplified costs method provides new ways of calculating eligible costs for operations co-financed by the structural funds. It is expected that the application of the provisions on simplified costs will lighten the administrative burden on beneficiaries & management bodies & will contribute both to a more efficient & correct use of the Funds[1].

The 'real cost' method has been seen to be bureaucratic in nature. Furthermore, the complexity of eligibility rules has led to high error rates with beneficiaries focusing on administration & absorption of funds rather than quality of interventions supported. Based on a methodology developed by DG EMPL, the possibility to reimburse indirect costs on the basis of a flat rate of direct costs was introduced in 2007 in the ESF Regulation & in 2009 in the ERDF Regulation. Further to the recovery plan, 2 additional simplified cost options to reimburse operations (or part of operations) were introduced in the SF Regulations in 2009, these being:

- Lump sums; &
- Standard scales of unit costs.

These 2 additional methods make it possible to reimburse operations on the basis of outputs & results rather than financial input, paving the way towards a management more focused on results.

In the context of the “EU-Recovery Package” from Nov. 2008 the EC proposed the application of flat rate for indirect costs, standard scales of unit costs & lump sums grants within the ERDF by an amendment of Art. 7 of the ERDF Regulation. Therefore, the ERDF Regulation as amended by Regulation (EC) No 397/2009 include the possibility of applying flat rate for indirect costs, standard scales of unit costs & lump sums [1].

To be able to implement the “simplified costs models” at project level, it is necessary to introduce corresponding rules into the national eligibility rules (see art. 56(4) of Reg. (EC) 1083/2006).

Malta has set up a Steering Committee on Simplified Cost Options, which has already commissioned a study on such costs & is in the process of launching a second study. The Committee is set up between the authorities responsible for the ESI funds & is chaired by the PPCD within the MEAE. The FPD, in its capacity of MA for the EMFF 2014–2020 is a member of such Steering Committee. At present, the method for the Calculation of Simplified Costs in Malta is being discussed within the Steering Committee.

Considering that the use of simplified costs is not permitted for operations implemented exclusively through public procurement (Art. 67 (4)), the use of this method does not apply to the majority of measures & operations supported under the EMFF OP. Notwithstanding, opportunities for use of simplified costs exists under some of the measures being proposed,

namely: UP1 SO6 (training), UP3 SO1 (data collection) & 2 (control & enforcement). The main methods that could be used for these type of operations, but mainly to UP3, relate to staff costs as defined under Art. 68 (2) of the CPR. In addition, standard scale of unit costs together with lump sums could be used for the training operation. The use of flat rates for indirect costs would also be considered for operations financed under the EMFF OP.

[1] (Source: EC Guidance Note COCOF 09/0025/04-EN, final version of 28.1.2010)

#### **4.4 Description of the method for the calculation of additional costs or income foregone in accordance with Article 97**

This section is not applicable since Malta does not intend to implement measures included under Articles 53 and 54 that relate specifically to the conversion to eco-management and audit schemes; and organic aquaculture and environmental services provision of aquaculture respectively.

#### **4.5 Description of the method for the calculation of compensation according to relevant criteria identified for each of the activities deployed under Article 40(1), 53, 54, 55, 67 and 69(3) of Regulation (EU) No 508/2014**

This section is not applicable to Malta since Malta does not intend to implement measures pertaining to any one of the following:

- Protection and restoration of maritime biodiversity and ecosystems and compensation regimes in the framework of sustainable fishing activities (EMFF Article 40 (1)).
- Conversion to eco-management and audit schemes and organic aquaculture (EMFF Article 53).
- Aquaculture providing environmental services (EMFF Article 54).
- Public health measures (EMFF Article 55).

#### **4.6 As regards the measures for the permanent cessation of fishing activities under Article 34 of Regulation (EU) No 508/2014, such description shall include the targets and measures to be taken for the reduction of the fishing capacity in accordance with Article 22 of Regulation (EU) No 1380/2013. A description of the method for the calculation of the premium to be granted under Articles 33 and 34 of Regulation (EU) No 508/2014 shall also be included**

The EMFF OP shall support measures for temporary cessation of fishing activities in the implementation of Commission measures or Member States emergency measures referred to in Articles 12 and 13, respectively, of Regulation (EU) No 1380/2013 or of conservation

measures referred to in Article 7 of that Regulation, including biological recovery periods as delineated in Article 33 (1) (a) of Regulation (EU) No. 508/2014”.

The vessel owners shall be the final beneficiaries of operations related to such support. Compensation shall be calculated on the basis of the economic loss resulting from the temporary cessation. Income obtained less costs in year N-1 (N being the year of call for applications) shall be used as a reference, on the basis of the latest official data recorded by the Competent Authority. In instances where calls for support are open to both vessel owners and crew, then 50% of the aid shall be allocated to the vessel owner whilst the remainder shall be allocated to the fishers employed as crew, where applicable.

The planned implementation of Article 33.1(a) envisages a closure of fishing activities for swordfish for the period 1 December – 31 December which is being considered as an *additional* measure to the closed swordfish season agreed by ICCAT (i.e. Recommendation 16-05 of 2016 which closure for the period is January-March of each year).

The financial assistance to be provided through temporary cessation is expected to be aimed at owners of fishing vessels operating in the swordfish fishery, envisaging also a decrease in the general fishing effort on other fish stocks. EMFF support shall be limited to a maximum six months per vessel during the period from 2014 to 2020 in line with Article 33.2 of the above-mentioned Regulation. As also established in article 33.4 of the EMFF Regulation, all fishing activities carried out by the fishing vessel shall be effectively suspended. The competent authority shall satisfy itself that the fishing vessel concerned has stopped any fishing activities during the period concerned by the temporary cessation.

The formula for the calculation of compensation/premium to be granted under Article 33 for vessel owners shall be as follows:

$$L(t) = P \times D \times R$$

Where

L(t) = The premium for the temporary suspension of fishing activities

P = daily loss in landings volume

D = Days of Suspension (i.e. 20 days)

R = rate per kilo established on landings income less costs

**Temporary Cessation to mitigate negative COVID-19 impacts on fisheries**

This OP shall support measures for temporary cessation of fishing activities under Article 33 (1)(d) of Regulation (EU) No. 508/2014 to mitigate COVID-19 impacts. Expenditure for operations supported under this Article shall be eligible as of 1 February till December 2020.

As per Article 33 (3)(a), where a fishing vessel has been registered in the Union fishing fleet register for less than two years at the date of submission of the application for support, the minimum days of fishing activities required for that vessel may be calculated as the proportion of 120 days in the last two calendar years. In addition, by way of derogation from para. 3(b) of Article 33, where a fisher has started working on board a Union fishing vessel less than two years prior to the date of submission of the application for support, the minimum days of work required for that fisher may be calculated as the proportion of 120 days in the last two calendar years. As per Article 33(3), the support referred to above shall only be granted to owners of Union fishing vessels concerned by the temporary cessation.

The vessel owners shall hence be the final beneficiaries. Compensation shall be calculated on the basis of the economic loss resulting from the temporary cessation. Income obtained less costs in year N-1 (N being 2020) shall be used as reference, on the basis of the latest official data recorded by the competent authority.

As per Article 33(4), all fishing activities carried out by the fishing vessel shall be effectively suspended. The competent authority shall satisfy itself that the fishing vessel concerned has stopped any fishing activities during the period concerned by the temporary cessation.

The formula for the calculation of compensation/premium to be granted under Article 33 (1)(d) shall be the same as the one identified above.

The potential beneficiaries would be those fishing vessels who between Feb-Dec 2020, did not benefit from any national/EU funded cessation schemes and who due to the COVID-19 cessation reduced their activity at sea even in periods when they could have gone fishing.

Malta aims to be very inclusive, to ensure that all eligible vessel owners within its fleet benefit from such a scheme. In this regard, the following will be taken into consideration when determining the eligible vessel owners and the call:

- i. The number of vessel owners who benefitted from BFT state-aid national funded scheme and the compensation received thereof;
- ii. The final number of beneficiaries for the Swordfish conservation Temporary Cessation Scheme launched in October 2020 and the amount of compensation given;
- iii. Requirements emanating from the EMFF Regulation;

iv ICAAT measures undertaken between February and December 2020.

Through the above, MT will effectively assess who received no compensation through other means between Feb-Dec 2020. A financial capping of €5,000 will also be imposed to avoid overcompensation.

The formula ensures that only fishing vessel owners who faced reductions on income due to the pandemic will benefit. The term ‘days of suspension’ is defined in Article 33 (4), i.e. ‘All fishing activities carried out by the fishing vessel or by the fishermen concerned shall be effectively suspended. The competent authority shall satisfy itself that the fishing vessel concerned has stopped any fishing activities during the period concerned by the temporary cessation.’ Such calculation will be based on the days falling between Feb-Dec 2020. Compensation will moreover not be given for the cessation of fishing activity due to an ICCAT measure. Essentially anyone who received a compensation between Feb-Dec 2020 will not be eligible to participate. Based on the above conditions and processes which shall be applied, the period foreseen for the scheme is in its eligible totality as the risk of double financing or overcompensation is eliminated.

#### **4.7 Mutual funds for adverse climatic events and environment incidents**

This section is not relevant to the Maltese Islands.

#### **4.8 Description on the use of technical assistance**

##### *4.8.1 Technical assistance at the initiative of the MS*

By means of technical assistance, the EMFF should facilitate the implementation of the OP, inter alia, by promoting innovative approaches and practices that are capable of simple and transparent implementation.

The EMFF may support the following actions under Technical Assistance:

- Actions for preparation, management, monitoring, evaluation, information and communication, networking, complaint resolution, and control and audit.
- Actions for the reduction of the administrative burden on beneficiaries, including electronic data exchange systems.
- Actions to reinforce the capacity of Member State Authorities and beneficiaries to



administer and use the fund.

- Actions to support the strengthening of the institutional capacity of partners in particular as regards small local authorities, economic and social partners and non-governmental organisations, in order to help them so that they can effectively participate in the preparation, implementation, monitoring and evaluation of the programmes. Support may take the form of inter alia, dedicated workshops, training sessions, coordination and network
- Structures or contributions to the cost of participating in meetings on the preparation, implementation, monitoring and evaluation of the programme.

The actions identified above, would also specifically take into consideration the increased tasks under shared management mainly relating to data collection, control and enforcement. The Authorities involved in the management of these funds would be supported in enhancing their capacity to manage the new areas, whilst also acquiring the required skills through training activities, both organised locally and abroad. Moreover, the Managing Authority will on a periodical basis be holding training events and or seminars addressing various issues on shared management which will be open not only to the authorities but also to the beneficiaries. In addition to this, the MA will maintain a website with all the relevant information that could assist beneficiaries during project implementation. Technical assistance would also be used to develop and support the EMFF information system through which beneficiaries could apply for payment and Authorities process these claims accordingly. Training would also be provided on the use of the EMFF information system.

The actions referred to above may concern previous as well as subsequent programming periods.

The Technical Assistance budget shall be managed by the EMFF Managing Authority on a demand driven basis. Beneficiaries shall include the Managing Authority, the Certifying Authority, the Audit Authority as well as the relevant partners.

#### *4.8.2 Establishment of national networks*

This section is not relevant to the Maltese Islands as Malta will not be establishing any Fisheries Local Action Groups.

## 5. SPECIFIC INFORMATION ON INTEGRATED TERRITORIAL DEVELOPMENT

### 5.1 Information on the implementation of CLLD

#### 5.1.1 *A description of the strategy for CLLD*

This section is not relevant to the Maltese islands as Malta will not be adopting the "Community-Led Local Development (CLLD)"

#### 5.1.2 *A list of criteria applied for selecting the fisheries areas*

This section is not relevant to the Maltese islands as Malta will not be adopting the "Community-Led Local Development (CLLD)"

#### 5.1.3 *A list of selection criteria for local development strategies*

This section is not relevant to the Maltese islands as Malta will not be adopting the "Community-Led Local Development (CLLD)"

#### 5.1.4 *A clear description of the respective roles of the FLAGs, the managing authority or designated body for all implementation tasks relating to the strategy*

This section is not relevant to the Maltese islands as Malta will not be adopting the "Community-Led Local Development (CLLD)"

#### 5.1.5 *Information on advance payments to FLAGs*

This section is not relevant to the Maltese islands as Malta will not be adopting the "Community-Led Local Development (CLLD)"

## 5.2 Information on integrated territorial investments

EMFF measures covered
Article 39 Innovation linked to the conservation of marine biological resources (+ art. 44.1.c Inland fishing)
Article 30 Diversification and new forms of income (+ art. 44.4 Inland fishing)
Article 33 Temporary cessation of fishing activities
Article 43.1 + 3 Fishing ports, landing sites, auction halls and shelters - investments improving fishing port and auctions halls infrastructure or landing sites and shelters; construction of shelters to improve safety of fishermen (+ art. 44.1.f Inland fishing)
Article 41.1.a, b, c Energy efficiency and mitigation of climate change – on board investments; energy efficiency audits and schemes; studies to assess the contribution of alternative propulsion systems and hull designs (+ art. 44.1.d Inland fishing)
Article 41.2 Energy efficiency and mitigation of climate change - Replacement or modernisation of main or ancillary engines (+ art. 44.1.d Inland fishing)
Article 29.1 + 29.2 Promoting human capital and social dialogue - training, networking, social dialogue; support to spouses and life partners (+ art. 44.1.a Inland fishing)
Article 47 Innovation
Article 48.1.a-d, f-h Productive investments in aquaculture
Article 48.1.e, i, j Productive investments in aquaculture - resource efficiency, reducing usage of water and chemicals, recirculation systems minimising water use
Article 77 Data collection
Article 76 Control and enforcement
Article 67 Storage aid
Article 68 Marketing measures
Article 80.1.c Improving the knowledge on the state of the marine environment

Indicative financial allocation from EMFF (€)

## 6. FULFILMENT OF EX-ANTE CONDITIONALITIES

### 6.1 Identification of applicable ex-ante conditionalities and assessment of their fulfilment

#### 6.1.1 Applicable EMFF specific ex-ante conditionalities

Ex-ante conditionality	Union priorities to which conditionality applies	Fulfilled
1 - Report on fishing capacity has been submitted in accordance with Article 22(2) of Regulation (EU) No 1380/2013	1	Yes
2 - The establishment of a multiannual national strategic plan on aquaculture, as referred to in Article 34 of Regulation (EU) No 1380/2013, by 2014	2	Yes
3 - Administrative capacity: administrative capacity is available to comply with the data requirements for fisheries management set out in Article 25 of Regulation (EU) No 1380/2013 and Article 4 of Regulation (EC) No 199/2008	3	Yes
4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009	3	Yes

#### 6.1.1 Criteria and assessment of their fulfilment

Ex-ante conditionality	Criterion	Fulfilled	Reference	Explanation
1 - Report on fishing capacity has been submitted in accordance with Article 22(2) of Regulation (EU) No 1380/2013	1 - The report is made in accordance with common guidelines issued by the Commission	Yes	Refer to the Maltese Annual Report on efforts to achieve a sustainable balance between fishing capacity & fishing opportunities for year 2015, submitted in 2016.  Fulfilment was partly-achieved at time of EMFF OP adoption. in this regard, an Action Plan was adopted for the fulfilment of the Ex Ante Conditionality on the Report on Fishing Capacity(Ares(2015)666180) with MT authorities committing to submit a Report in line with the Commission's Guidelines.  Further to the receipt of the Report(ARES(2016)2585582), EC services concluded that it is in line (Ref: ARES(2016)6915887)	
1 - Report on fishing capacity has been submitted in accordance with Article 22(2) of Regulation (EU) No 1380/2013	2 - Fishing capacity does not exceed the fishing capacity ceiling set up in Annex II to Regulation (EU) No 1380/2013	Yes	Refer to the Maltese Annual Report on efforts to achieve a sustainable balance between fishing capacity and fishing opportunities for the year 2013.  Submitted in September 2014 in compliance with EC's correspondence (Ref: MARE A2/GS/D(2014) dated 02/05/2014.	
2 - The establishment of a	1 - A multiannual national strategic plan	Yes	Refer to National Strategic Plan on Aquaculture annexed to this	

multiannual national strategic plan on aquaculture, as referred to in Article 34 of Regulation (EU) No 1380/2013, by 2014	on aquaculture is transmitted to the Commission at the latest by the day of transmission of the operational programme		programme.	
2 - The establishment of a multiannual national strategic plan on aquaculture, as referred to in Article 34 of Regulation (EU) No 1380/2013, by 2014	2 - The operational programme includes information on the complementarities with the multiannual national strategic plan on aquaculture	Yes	Refer to Section 2.1 SWOT Analysis and Identification of Needs.	
3 - Administrative capacity: administrative capacity is available to comply with the data requirements for fisheries management set out in Article 25 of Regulation (EU) No 1380/2013 and Article 4 of Regulation (EC) No 199/2008	1 - A description of the administrative capacity to prepare and apply a multiannual programme for data collection, to be reviewed by STECF and accepted by the Commission	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-01).	
3 - Administrative capacity: administrative capacity is available to comply with the data requirements for fisheries management set out in Article 25 of Regulation (EU) No 1380/2013 and Article 4 of Regulation (EC) No 199/2008	2 - A description of the administrative capacity to prepare and implement work plans for data collection, to be reviewed by STECF and accepted by the Commission	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-01).	
3 - Administrative capacity: administrative capacity is available to comply with the data requirements for fisheries management set out in Article 25 of Regulation (EU) No 1380/2013 and Article 4 of Regulation (EC) No 199/2008	3 - A description of the capacity in human resources allocation to undertake bilateral or multilateral agreements with other Member States if the work to implement the data collection obligations is shared	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-01).	
4 - Administrative capacity:	1 - A description of the administrative	Yes	Refer to the description of the administrative capacity prepared by	

administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009	capacity to prepare and implement the section of the operational programme pertaining to the 2014-2020 national control financing programme as referred to in point (o) of Article 18(1)		the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-02).	
4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009	2 - A description of the administrative capacity to prepare and implement the national control action programme for multiannual plans, as provided for in Article 46 of Regulation (EC) No 1224/2009	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-02).	
4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009	3 - A description of the administrative capacity to prepare and implement a common control programme that may be developed with other Member States, as provided for in Article 94 of Regulation (EC) No 1224/2009	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-02).	
4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in	4 - A description of the administrative capacity to prepare and implement the specific control and inspection programmes, as provided for in Article 95 of Regulation (EC) No 1224/2009	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-02).	

Regulation (EC) No 1224/2009				
4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009	5 - A description of the administrative capacity to apply a system of effective, proportionate and dissuasive sanctions for serious infringements, as provided for in Article 90 of Regulation (EC) No 1224/2009	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-02).  The national register has been set up in Excel format and is being populated with the cases of infringement.	
4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009	6 - A description of the administrative capacity to apply the point system for serious infringements, as provided for in Article 92 of Regulation (EC) No 1224/2009	Yes	Refer to the description of the administrative capacity prepared by the Ministry for Sustainable Development, the Environment and Climate Change (Local Ref: EAC-02).  The Legal Notice on the Points System for Serious Infringements Order establishing the criteria on how the penalty points are to be assigned to the licence holder and the owner of the vessel has been published. (Local Ref: EAC-03)	

### 6.1.2 Applicable general ex-ante conditionalities and assessment of their fulfilment

The general EACs as identified in the Partnership Agreement that are of relevance to the EMFF OP are:

1. Public Procurement applicable to all UPs of the EMFF OP
2. State Aid applicable to all UPs of the EMFF OP provided that the operations under them fall outside Article 42 of the Treaty
3. Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA) applicable to UP 1 and 2 of the EMFF OP
4. Statistical systems and result indicators

A. Public Procurement in Malta is regulated through 3 legislative documents these being:

- S.L.174.04
- S.L.174.06
- S.L 174.08

Malta has a horizontally and vertically centralised public procurement organisation. The Department of Contracts (DOC) is the single centralised public procurement institution for most functions on the national level. The DOC's main function is its role as a Central Government Authority for all tenders with an estimated value exceeding €120,000 with the exception of tenders launched by entities listed in schedule 3 of S.L. 174.04 who administer their own procurement in line with the procurement regulations. Tenders which have an estimated value less than €120,000 are administered by the Contracting Authority which carries the procurement in question. The central role carried out by the DOC as advisor to other contracting authorities and entities on public procurement is considered the main strength of the Maltese system.

The DOC is in the process of increasing its staff complement in parallel with a restructuring of the department itself. The DOC has a pool of procurement managers, a number of which shall also be deployed within line ministries to assist and guide Contracting Authorities in relation to EU-funded procurement.

This EAC has been partially fulfilled.

B. The State Aid Monitoring Board (SAMB) is the competent national authority responsible for all State aid issues in Malta. Established legally by virtue of Art. 57 and 58 of the Business Promotion Act (Cap 325 of the Laws of Malta) the Board also established its rules of procedure entitled 'State Aid Monitoring Regulations' (L.N. 210 of 2004) which rules were revised in 2004 in view of Malta's accession to the EU.

This EAC has been fulfilled.

C. Malta has transposed the provisions of the SEA Directive through the SEA Regulations of 2010 (L.N. 497 of 2010). The current SEA Focal Point (FP) was appointed in March 2011. The SEA FP is the Competent Authority for the SEA Regulations 2010 and is appointed in accordance with Part III of the Regulations. The SEA FP is composed of a chairperson and 2 members as established by Article 15 (2) of the SEA Regulations of 2010.

Malta has transposed the EIA Directive through the EIA Regulations, 2007 (L.N 114 of 2007) and EIA (Amendment) Regulations, 2011 (L.N. 438 of 2011).

With respect to the EIA Directive, the Competent Authority (Malta Environment and Planning Authority) has a dedicated team dealing with EIAs, which coordinates and administers EIAs on a daily basis.



Capacity building (including training) is ongoing as part of the annual government's capacity building exercise.

This EAC has been fulfilled.

D. This general EAC is applicable to the EMFF OP. However, fulfilment of this EAC is already ensured by the data collection framework for fisheries and the EMFF's monitoring and evaluation system with common (result) indicators.

## 6.2 Description of the actions to be taken, the bodies responsible and the timetable for their implementation

### 6.2.1 Actions envisaged to achieve the fulfilment of the EMFF specific ex-ante conditionalities

Ex-ante conditionality	Criterion	Actions to be taken	Deadline	Bodies responsible for fulfilment
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### 6.2.2 Actions envisaged to achieve the fulfilment of the general ex-ante conditionalities

#### 1. Public Procurement applicable to all UPs of the EMFF OP

Further strengthening of human resource capacity by the Department of Contracts – 31st December 2014

In order to fulfil this ex-ante conditionality, the following action plan is being followed:

- Fill position of Director (Operations);
- Recruitment of 8 Senior Managers assisting the 3 Directors and Director General;
- Recruitment of 14 Procurement Managers to complement the existing Procurement Managers;
- Recruitment of an Architect & Civil Engineer and Legal Officer to assist the Senior Management;

In terms of training the Department has developed a training plan for a career in public procurement. The initiatives are three-fold:

1. There is the ongoing on-the-job training where new recruits are mentored over a period of 6 to 12 months. This is complimented by off-the-job training, mainly in the form of formal training delivered by staff from the DoC in liaison with Government's training arm, CDRT, on public procurement regulations, procedures and processes and nowadays very much on e - procurement.
2. Early next year the DoC intends to avail of EU technical assistance funds to carry out

training on the introduction of the new EU Directives. This will be targeted to all Public sector Employees.

3. Furthermore, a medium to long term initiative is being developed whereby, in collaboration with MCAST and CDRT, the DoC shall be offering public officers in grades below scale 7 the possibility to read for a Diploma in Procurement and Supply. The successful completion of this Diploma will enable participants to apply for future calls for Procurement Officers thus slowly but steadily building a cadre of public officers with the necessary knowledge and skills to perform the procurement functions in an efficient and effective manner.

## 7. DESCRIPTION OF THE PERFORMANCE FRAMEWORK

7.1 Table: Performance framework

<b>Union priority</b>	1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries
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<b>Indicator and measurement unit, where appropriate</b>	<b>Milestone for 2018</b>	<b>Targets for 2023</b>
Financial indicator	2,000,000.00	13,480,342.00
1.3 - N° of projects on added value, quality, use of unwanted catches and fishing ports, landing sites, actions halls and shelters	1.00	5.00
1.4 - N° of projects on conservation measures, reduction of the fishing impact on the marine environment and fishing adaptation to the protection of species	1.00	1.00
1.7 - N° of projects on energy efficiency, mitigation of climate change	3.00	3.00
1.9 - N° of projects on promotion of human capital and social dialogue, diversification and new forms of income, start-ups for fishermen and health/safety	1.00	1.00

<b>Union priority</b>	2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture
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<b>Indicator and measurement unit, where appropriate</b>	<b>Milestone for 2018</b>	<b>Targets for 2023</b>
Financial indicator	500,000.00	1,482,706.00
2.2 - N° of projects on productive investments in aquaculture	1.00	2.00

<b>Union priority</b>	3 - Fostering the implementation of the CFP
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<b>Indicator and measurement unit, where appropriate</b>	<b>Milestone for 2018</b>	<b>Targets for 2023</b>
Financial indicator	3,000,000.00	10,240,997.00
3.1 - N° of projects on implementing the Union's control, inspections and enforcement system	3.00	11.00
3.2 - N° of projects on supporting the collection, management and use of data	1.00	2.00

<b>Union priority</b>	5 - Fostering marketing and processing
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<b>Indicator and measurement unit, where appropriate</b>	<b>Milestone for 2018</b>	<b>Targets for 2023</b>
Financial indicator	150,000.00	250,000.00
5.2 - N° of projects on marketing measures and storage aid	1.00	1.00

<b>Union priority</b>	6 - Fostering the implementation of the Integrated Maritime Policy
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<b>Indicator and measurement unit, where appropriate</b>	<b>Milestone for 2018</b>	<b>Targets for 2023</b>
Financial indicator	500,000.00	1,814,042.00
6.2 - N° projects on the protection and improvement of knowledge on marine environment	1.00	1.00

**7.2 Table: justification for the choice of output indicators to be included in the performance framework**

<b>Union priority</b>	1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries
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Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority	<p>The selection of output indicators under UP1 follow the Method for Establishing the Performance Framework set in Annex II (para 3) of the CPR and exceeds 50% of the financial allocation to UP1.</p> <p>The selected output indicators relate to:  Art. 29.1 - Promoting human capital and social dialogue – training, networking, social dialogue;  Art. 39 - Innovation linked to the conservation of marine biological resources  Art 41.1 - a, b, c Energy efficiency and mitigation of climate change – on board investments  Art. 43.1 + 3 – Fishing ports, landing sites, auction halls and shelters – investment improving fishing port and auction halls infrastructure</p> <p>The financial indicator relates to the total amount of eligible expenditure expected to be entered into the accounting system of the CA and certified by the same authority in line with Art. 126 of the CPR, and is in line with Malta’s commitment targets.</p>
Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation)	The milestone target was based on the past rate of implementation, taking into consideration planning and procurement procedures in Malta.
Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions	The implementation of the Performance Framework is coordinated centrally by the Ministry for European Affairs and Equality, through the EU Funds Programming Unit.

of the Partnership Agreement	<p>This approach has been adopted, with a view to ascertain a consistent and coherent approach amongst all the Managing Authorities whilst taking into account feedback received from all Managing Authorities.</p> <p>The indicators, milestones and targets have been developed by the EMFF Managing Authority in collaboration with the relevant partners.</p> <p>However, the EU Funds Programming Unit provided the necessary guidance to the EMFF Managing Authority for determining indicators, milestones and targets including the provision of guidance in relation to the performance framework as per Partnership Agreement.</p>
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<b>Union priority</b>	2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture
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Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority	<p>The selection of the output indicator included in the performance framework under UP 2 follows the Method for Establishing the Performance Framework set in Annex II (para 3) of the CPR and exceeds 50% of the financial allocation for UP 2.</p> <p>The selected output indicators relate to the measures proposed under Article 48– Productive investments in aquaculture</p> <p>The financial indicator relates to the total amount of eligible expenditure expected to be entered into the accounting system of the certifying authority and certified by the same authority, and is in line with Malta’s commitment targets.</p>
Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation)	The milestones targets were based on the past rate of implementation taking into consideration planning and procurement procedures in Malta.
Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions of the Partnership Agreement	The implementation of the Performance Framework is coordinated centrally by the Ministry for European Affairs and Equality, through the EU Funds Programming Unit. This approach has been adopted, with a view

	<p>to ascertain a consistent and coherent approach amongst all the Managing Authorities whilst taking into account feedback received from all Managing Authorities.</p> <p>The indicators, milestones and targets have been developed by the EMFF Managing Authority in collaboration with the relevant partners.</p> <p>However, the EU Funds Programming Unit provided the necessary guidance to the EMFF Managing Authority for determining indicators, milestones and targets including the provision of guidance in relation to the performance framework as per Partnership Agreement.</p>
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<b>Union priority</b>	3 - Fostering the implementation of the CFP
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<p>Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority</p>	<p>The selection of the output indicator included in the performance framework under UP 3 follows the Method for Establishing the Performance Framework set in Annex II (para 3) of the CPR and exceeds 50% of the financial allocation to UP 3.</p> <p>The selected output indicators relate to Article 76 – Control and Enforcement and Article 77 – Data Collection.</p> <p>The financial indicator relates to the total amount of eligible expenditure expected to be entered into the accounting system of the certifying authority and certified by the same authority in line with Article 126 of the CPR, and is in line with Malta’s commitment targets.</p>
<p>Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation)</p>	<p>The milestones targets were based on Malta’s obligations with respect to Article 76 – Control and Enforcement and Article 77 – Data Collection.</p>
<p>Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions of the Partnership Agreement</p>	<p>The implementation of the Performance Framework is coordinated centrally by the Ministry for European Affairs and Equality, through the EU Funds Programming Unit. This approach has been adopted, with a view</p>

	<p>to ascertain a consistent and coherent approach amongst all the Managing Authorities whilst taking into account feedback received from all Managing Authorities.</p> <p>The indicators, milestones and targets have been developed by the EMFF Managing Authority in collaboration with the relevant partners.</p> <p>However, the EU Funds Programming Unit provided the necessary guidance to the EMFF Managing Authority for determining indicators, milestones and targets including the provision of guidance in relation to the performance framework as per Partnership Agreement.</p>
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<b>Union priority</b>	5 - Fostering marketing and processing
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<p>Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority</p>	<p>The selection of the output indicator included in the performance framework under UP 5 follows the Method for Establishing the Performance Framework set in Annex II (para 3) of the CPR. However, it does not exceed 50% of the financial allocation to UP 5 since storage aid does not form part of the performance framework.</p> <p>The selected output indicator relates to Article 68 – Marketing Measures.</p> <p>The financial indicator relates to the total amount of eligible expenditure expected to be entered into the accounting system of the certifying authority and certified by the same authority in line with Article 126 of the CPR, and is in line with Malta’s commitment targets.</p>
<p>Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation)</p>	<p>The milestones targets were based on the past rate of implementation taking into consideration planning and procurement procedures in Malta.</p>
<p>Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions</p>	<p>The implementation of the Performance Framework is coordinated centrally by the Ministry for European Affairs and Equality, through the EU Funds Programming Unit.</p>

<p>of the Partnership Agreement</p>	<p>This approach has been adopted, with a view to ascertain a consistent and coherent approach amongst all the Managing Authorities whilst taking into account feedback received from all Managing Authorities.</p> <p>The indicators, milestones and targets have been developed by the EMFF Managing Authority in collaboration with the relevant partners.</p> <p>However, the EU Funds Programming Unit provided the necessary guidance to the EMFF Managing Authority for determining indicators, milestones and targets including the provision of guidance in relation to the performance framework as per Partnership Agreement.</p>
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<b>Union priority</b>	6 - Fostering the implementation of the Integrated Maritime Policy
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<p>Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority</p>	<p>The selection of the output indicator included in the performance framework under UP 6 follows the Method for Establishing the Performance Framework set in Annex II (para 3) of the CPR and is equivalent to 100% of the financial allocation to UP 6.</p> <p>The selected output indicator relates to Article 80.1.c – Improving the knowledge on the state of the marine environment.</p> <p>The financial indicator relates to the total amount of eligible expenditure expected to be entered into the accounting system of the certifying authority and certified by the same authority in line with Article 126 of the CPR, and is in line with Malta’s commitment targets.</p>
<p>Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation)</p>	<p>The milestones targets were based on the past rate of implementation.</p>
<p>Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions of the Partnership Agreement</p>	<p>The implementation of the Performance Framework is coordinated centrally by the Ministry for European Affairs and Equality, through the EU Funds Programming Unit. This approach has been adopted, with a view</p>



	<p>to ascertain a consistent and coherent approach amongst all the Managing Authorities whilst taking into account feedback received from all Managing Authorities.</p> <p>The indicators, milestones and targets have been developed by the EMFF Managing Authority in collaboration with the relevant partners.</p> <p>However, the EU Funds Programming Unit provided the necessary guidance to the EMFF Managing Authority for determining indicators, milestones and targets including the provision of guidance in relation to the performance framework as per Partnership Agreement.</p>
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## 8. FINANCING PLAN

### 8.1 Total EMFF contribution planned for each year (€)

<b>Year</b>	<b>EMFF main allocation</b>	<b>EMFF performance reserve</b>
2014	2,915,448.00	186,092.00
2015	2,952,692.00	188,470.00
2016	2,979,683.00	190,193.00
2017	3,027,978.00	193,275.00
2018	3,098,436.00	197,772.00
2019	3,119,621.00	199,125.00
2020	3,175,919.00	202,718.00
<b>Total</b>	<b>21,269,777.00</b>	<b>1,357,645.00</b>

## 8.2 EMFF contribution and co-financing rate for the union priorities, technical assistance and other support (€)

Union priority	Measure under the Union Priority	Total support			Main allocation (total funding less performance reserve)		Performance reserve		Performance reserve amount as proportion of total Union support h = f / a * 100
		EMFF contribution (performance reserve included)	National counterpart (performance reserve included)	EMFF co-financing rate	EMFF support	National counterpart	EMFF Performance reserve	National counterpart	
		a	b	c = a / (a + b) * 100	d = a - f	e = b - g	f	g = b * (f / a)	
1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries	1 - Article 33(1)(a),(b),(c), Article 34 and Article 41(2) (Article 13(2) of the EMFF)	270,000.00	270,000.00	50.00%	270,000.00	270,000.00	0.00	0.00	5.39%
1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries	1b - Article 33(1)(d) and Article 44(4a)	219,771.00	73,257.00	75.00%	219,771.00	73,257.00	0.00	0.00	
1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries	2 - Financial allocation for the rest of the Union priority 1 (Article 13(2) of the EMFF)	9,485,485.00	3,161,829.00	75.00%	8,947,735.00	2,982,579.00	537,750.00	179,250.00	
2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture	-	1,112,029.00	370,677.00	75.00%	1,112,029.00	370,677.00	0.00	0.00	0.00%
3 - Fostering the implementation of the CFP	1 - the improvement and supply of scientific knowledge and collection and management of data (Article 13(4) of the EMFF)	3,541,528.00	885,382.00	80.00%	3,294,528.00	823,632.00	247,000.00	61,750.00	6.45%
3 - Fostering the implementation of the CFP	2 - the support to monitoring, control and enforcement, enhancing institutional capacity and an efficient public administration without increasing the administrative burden (Article 76(2)(a) to (d) and (f) to (h)) (Article 13(3) of the EMFF)	4,861,179.00	540,131.00	90.00%	4,561,179.00	506,798.00	300,000.00	33,333.00	
3 - Fostering the implementation of the CFP	3 - the support to monitoring, control and enforcement, enhancing institutional capacity and an efficient public administration without increasing the administrative burden (Article 76(2)(e)) (Article 13(3) of the EMFF)	288,944.00	123,834.00	70.00%	274,944.00	117,834.00	14,000.00	6,000.00	
5 - Fostering marketing and processing	1 - Storage aid (Article 67) (Article 13(6) of the EMFF)	0.00	0.00		0.00	0.00	0.00		10.86%
5 - Fostering marketing and processing	2 - Compensation for outermost regions (Article 70) (Article 13(5) of the EMFF)	0.00	0.00		0.00	0.00	0.00		
5 - Fostering marketing and processing	3 - Financial allocation for the rest of the Union priority 5 (Article 13(2) of the EMFF)	187,500.00	62,500.00	75.00%	167,136.00	55,712.00	20,364.00	6,788.00	
6 - Fostering the implementation of the Integrated Maritime Policy	-	1,360,531.00	453,511.00	75.00%	1,122,000.00	374,001.00	238,531.00	79,510.00	17.53%
7 - Technical assistance	-	1,300,455.00	433,485.00	75.00%	1,300,455.00	433,485.00	0.00	0.00	0.00%
<b>Total</b>		<b>22,627,422.00</b>	<b>6,374,606.00</b>		<b>21,269,777.00</b>	<b>6,007,975.00</b>	<b>1,357,645.00</b>	<b>366,631.00</b>	<b>6.00%</b>

### 8.3 EMFF contribution to the thematic objectives of the ESI funds

<b>Thematic objective</b>	<b>EMFF contribution (€)</b>
03 - Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)	8,330,200.00
04 - Supporting the shift towards a low-carbon economy in all sectors	100,000.00
06 - Preserving and protecting the environment and promoting resource efficiency	12,521,767.00
08 - Promoting sustainable and quality employment and supporting labour mobility	375,000.00

## 9. HORIZONTAL PRINCIPLES

### 9.1 Description of the actions to take into account the principles set out in articles 5\*, 7 and 8 of the CPR

#### 9.1.1 Promotion of equality between men and women and non- discrimination

Malta is committed to ensuring that the principles of equality, non-discrimination and accessibility as set out in Article 7 of the Common Provisions Regulation are taken into account and promoted in the implementation of the ESI funds. In accordance with Article 5 of the Common Provisions Regulation, the relevant entities responsible for promoting equality, non-discrimination and accessibility were involved in the consultation process of the Partnership Agreement and consequently of the sub-sectoral committee responsible for fisheries that formed an integral part of the drafting of the OP and will continue to be consulted during the preparation and implementation of the programme.

In this regard, in the preparation of documents/guidance notes, desk officers are to identify the expertise available on gender equality and non-discrimination to support managing authorities in the implementation of these principles.

The managing authority will also ensure that project applicants have access to the relevant information on the topic in question to assist them in submitting an application of high quality (such information will be available in the manual of procedures and/or the call for applications).

Furthermore, the managing authority shall draw up, and once approved, apply appropriate selection procedures and criteria that are non-discriminatory and transparent and take into account gender equality and non-discrimination principles.

#### **National arrangements for the promotion of equality, non-discrimination and accessibility**

The Ministry for Social Dialogue, Consumer Affairs and Civil Liberties is responsible for social dialogue, civil liberties, equality and anti-discrimination policies and the integration of migrants, amongst others. The Ministry has embarked on a number of initiatives to further promote civil rights and equal opportunities. Particularly, the Ministry is undertaking an active role in the promotion of family-friendly measures within the public sector. In addition, complementary measures aimed at improving gender equality particularly in the labour market are also being implemented. Such measures include the directory for professional women which will enable the better identification of qualified women for decision-making positions, amongst others.

The National Commission for the Promotion of Equality (NCPE) and the National

Commission for Persons with Disability (NCPD) are strategic partners within the Ministry in the promotion of equality, non-discrimination and accessibility at the national and local level. The activities undertaken by both of these entities include awareness-raising campaigns, providing assistance and support, research, exchange of best practice and collaborations with local and international entities.

Efforts and initiatives undertaken during the previous programming period to ensure the involvement of the relevant entities responsible for promoting equality, non-discrimination and accessibility in the various stages of implementation of the ESI funds comprising the EFF OP will continue under the future programme/s in accordance with national practice. Such initiatives will also cover the implementation of the EMFF OP.

### *9.1.2 Sustainable development*

*The SEA provides the local context in Chapter 5 which is the Env. Baseline.*

#### *Resource Efficiency*

The national strategy in the field of water resources management is set out in the Water Catchment Management Plan 2010-2015[1]. The plan establishes 2 strategic thrusts: the 1st is directed towards quantitative aspects of water mgt. whilst the 2nd relates to demand mgt. measures. The plan also outlines how the principle of recovery of cost of water services from the different water users as defined in the WFD has been applied in Malta with due regard to social, environmental & economic effects as stipulated by the Directive[2].

#### *Climate change mitigation & adaptation*

Climate change, both mitigation & adaptation, remain a priority for Malta & will be taken into account during the next programming period. Interventions to implement the appropriate mitigation & adaptation measures, including infrastructural, education & research initiatives, will continue under the 14-20 period.

Investments in infrastructure aimed at adapting to climate change, including the sustainability of fisheries, marine & coastal observation systems, as well as risk prevention (including risk mgt & disaster resilience) through flood relief infrastructure, will also be considered.

Climate change mitigation & adaptation will be considered as part of the horizontal theme of sustainable development in the preparation & implementation of actions[3]. In this regard, the approach adopted under the 07-13 programme whereby applicants are required to demonstrate that they have considered sustainable development issues at all stages of the design of the project will be maintained.

Sustainable development & climate change are also specifically tackled in the EMFF OP, both in the drawing up of the OP & also in its implementation. With regard to the latter, the MA will provide information on the topic in question when issuing calls thereby raising awareness & knowledge among potential applicants/beneficiaries.

The possibility of integrating climate change adaptation – through the establishment of eligibility criteria will also be considered.

The MA is well aware that knowledge on the topic in question is developing at a rapid pace. Consequently the MA will undertake to review regularly monitoring efforts in relation to climate change such that any new evidence of importance may be incorporated into the M&E process during the lifetime of the programme.

#### *Marine Strategy Framework Directive*

The EU MSFD came into force in June 2008, seeking the achievement of GES in Europe's marine waters by 2020. The framework presented to manage human activities is based on the application of the 'ecosystem-based approach' to enable sustainable use of marine resources. Achieving GES requires MSs to develop a Marine Strategy for the marine waters under their jurisdiction.

The EU MSFD was transposed into Maltese legislation through the publication of the Marine Policy Framework Regulations 2011, L.N. 73 of 2011. In view of the different maritime users within Malta's marine waters & the need for co-ordination to develop the national maritime strategy, the OPM assumes the duty of the CA which co-ordinates the strategic approach & policy direction for the implementation of the Directive.

MEPA has been entrusted with the task of working on the initial assessment, determination of GES & the establishment of env. targets & indicators. An inter-ministerial technical working group was set up to ensure an integrated approach towards implementation. At present MEPA has finalised the drafting of the monitoring factsheets which provide a plan for the monitoring of a number of elements. MEPA published a Request for Information for the costing of these monitoring programmes.

The EMFF OP took into consideration the MSFD, Birds & Habitats Directives, with the result that the measures proposed in the draft OP are not envisaged to create any significant neg. env. impacts as evidenced in the SEA. The identified needs & resultant measures are respectful of the obligations set out in the directives. It is however important to note that the assessment of the objectives & proposed measures of the Draft OP is preliminary. Therefore a more detailed evaluation of possible impacts will be undertaken at project level where the nature &/or scale of the projects so require, during the project application process & the national planning & environmental permitting stage.

[1] Available online on: <http://www.mepa.org.mt/file.aspx?f=5832> (accessed on 17/02/2014). It is to be noted that the Water Strategic Plan for 2012-2016 is the strategic plan of the WSC, which is the public utility responsible for the management of water services in Malta.

[2] The 2nd Water Catchment Management Plan (2016-2021) is being compiled in line with the implementation of the WFD.

[3] This is a horizontal objective that will be part of the project selection criteria to be eventually adopted by the Monitoring Committee(s) of the ESI Funds, once these are constituted & in accordance with the provisions of the regulations.

## 9.2 Indication of the indicative amount of support to be used for climate change objectives

<b>EMFF measures contributing to the climate change objectives</b>	<b>Coefficient %</b>
03 - Article 39 Innovation linked to the conservation of marine biological resources (+ art. 44.1.c Inland fishing)	40.00
02 - Article 30 Diversification and new forms of income (+ art. 44.4 Inland fishing)	0.00
05 - Article 33 Temporary cessation of fishing activities	40.00
09 - Article 43.1 + 3 Fishing ports, landing sites, auction halls and shelters - investments improving fishing port and auctions halls infrastructure or landing sites and shelters; construction of shelters to improve safety of fishermen (+ art. 44.1.f Inland fishing)	40.00
03 - Article 41.1.a, b, c Energy efficiency and mitigation of climate change – on board investments; energy efficiency audits and schemes; studies to assess the contribution of alternative propulsion systems and hull designs (+ art. 44.1.d Inland fishing)	100.00
04 - Article 41.2 Energy efficiency and mitigation of climate change - Replacement or modernisation of main or ancillary engines (+ art. 44.1.d Inland fishing)	100.00
01 - Article 29.1 + 29.2 Promoting human capital and social dialogue - training, networking, social dialogue; support to spouses and life partners (+ art. 44.1.a Inland fishing)	0.00
01 - Article 47 Innovation	0.00
01 - Article 48.1.a-d, f-h Productive investments in aquaculture	40.00
02 - Article 48.1.e, i, j Productive investments in aquaculture - resource efficiency, reducing usage of water and chemicals, recirculation systems minimising water use	40.00
01 - Article 77 Data collection	0.00
01 - Article 76 Control and enforcement	0.00
02 - Article 67 Storage aid	0.00
03 - Article 68 Marketing measures	0.00
03 - Article 80.1.c Improving the knowledge on the state of the marine environment	40.00

<b>The indicative EMFF contribution (€)</b>	<b>Share of the total EMFF allocation to the operational programme (%)</b>
4,650,267.00	20.55%



## 10. EVALUATION PLAN

### Objectives and purpose of the Evaluation Plan

The purpose of the Evaluation plan will be to assess the effectiveness of the EMFF OP in line with the strengthened results-focus of the policy as per Article 56 (3) of the CPR.

The evaluation plan will explain how the evaluation process will provide evidence to allow for overall conclusions on the contribution of the programme priority axis to its objectives. The evaluations planned will also allow the EMFF Managing Authority to assess the impact of the programme in relation to the targets.

In this regard the evaluation plan will assess the effectiveness, efficiency and impact of the programme.

More specifically the Evaluation Plan will seek to:

- Enable informed programme management and policy decisions on the basis of evaluation findings;
- Provide a framework to plan impact evaluations
- Facilitate the synthesis of findings from different Member States by the Commission and the exchange of available evidence;
- Ensure that resources for funding and managing the evaluations are appropriate

Furthermore, during the programming period, the evaluation shall assess how support from the EMFF has contributed to the objectives for each priority.

The Evaluation Plan will allow:

- Better planning and structuring of evaluation
- Targeted monitoring and evaluation activities
- Making better use of evaluation results
- Ensure early availability of indicator information
- Ensure that the implementation is in line with legal obligations

### Governance and coordination

The designated Managing Authority for the EMFF is the FPD within the MEAE. The MA shall be responsible for the management of the OP and shall be responsible for the functioning and governance of the monitoring and evaluation system and the quality, timeliness and communication of results.

In terms of monitoring, the MA will ensure a secure electronic information system, provide the European Commission with relevant indicator data on selected and completed operations and draw up the Annual Implementation Report. The MA will also monitor the quality of programme implementation by means of indicators and provide the Monitoring Committee with information and documents necessary to monitor programme progress.

The MA will draw up the Evaluation Plan and ensure that it is consistent with the monitoring and evaluation system. The MA will organise evaluations and related activities on the basis of the Evaluation Plan.

The Monitoring Committee shall review the implementation of the programme and its progress towards its objectives, principally through the use of indicators. The Monitoring Committee shall also consider and approve the Annual Implementation Reports before they are sent to the European Commission. The Monitoring Committee shall monitor all evaluation activities and outputs related to the Evaluation Plan and may issue recommendations to the MA regarding programme implementation and evaluation and then monitor actions taken as a result of its recommendations.

The main bodies involved in the monitoring and evaluation of the OP are: the Managing authority; external independent evaluators; beneficiaries; MITA as the IT experts in terms of developing and updating the EMFF Information System; the Monitoring Committee.

Coordination of the monitoring and evaluation system will be carried out by the MA, which during the first months of the implementation of the programme will appoint independent ongoing evaluators. These evaluators will provide support to the MA for the enhanced AIRs and for the ex-post evaluations required.

## **Evaluation topics and activities**

The Evaluation Plan will, as a minimum contain three main parts, namely:

### 1. Objectives, coverage and coordination

- An introduction to the plan setting out its main objectives;
- Coverage and rationale (as per Article 114 (1) of the CPR)
- An analysis of relevant evidence available in order to decide where the evaluation efforts should be most concentrated

### 1. Evaluation Framework. In this regard the evaluation plan is to specify:

- The evaluation function;

- The evaluation process led by the Managing Authority
- The involvement of partners in the evaluation
- The source of evaluation expertise
- A strategy to ensure use and communication of evaluations
- An overall timeline showing how the evaluations will feed into implementation and the various reports on the programme
- The overall budget for implementation of the plan; and
- A quality management strategy for the evaluation process

1. Planned Evaluation – a list and timeline of the evaluations to be carried out throughout the period including an explanation for the selection of the themes covered.

In addition, the evaluation plan should specify for each evaluation:

- Subject and rationale, including the background, the coverage, the main approach (process or impact evaluation) and the main guiding evaluation questions.
- Methods to be used and their data requirements;
- Commitments that particular data sets required for certain evaluations will be available or will be collected and the timeframe;
- Duration and a tentative date.
- Estimated budget for each evaluation (linked to the selected methods and the duration of the contract).

### **Data and information strategy**

The Managing Authority will set up a web-enabled information management and monitoring system (EMFF Database) in which key information on each operation shall be recorded. The system will be a centralised one which provides the necessary access requirements to the relevant stakeholders namely: the Managing Authority, Treasury, Certifying Authority, Audit Authority, Line Ministries, and Beneficiaries. In this regard, the system shall be interoperable among the stakeholders mentioned above.

The main sources of data for the monitoring and evaluation will be:

- Beneficiaries through project reporting mainly on the EMFF Information System
- Department of Fisheries and Aquaculture, Ministry for Sustainable development, the Environment and Climate Change
- Joint Research Centre and STECF Reports
- National Statistics Office and Eurostat
- Malta Environment and Planning Authority
- Ad hoc reports and/or studies if and when required

## Timeline

The evaluation plan will ensure that evaluations are available on time to inform the different reports on results that Malta will have to deliver from 2016 onwards:

- Annual implementation reports 2016 to 2023
- Enhanced annual implementation reports and progress reports in 2017 and 2019 (Articles 50 and 52 CPR);

The evaluation plan will also ensure that the essential material is available in time for the Managing Authority to meet their obligation laid down in article 114.2 (CPR) to submit to the Commission a report summarising the findings of evaluations carried out during the programming period, by 31 December 2022 (Article 114(2) CPR).

The Evaluation Plan will be drawn up by the MA and submitted to the Monitoring Committee within one year of adoption of this OP.

## Specific requirements for evaluation of CLLD

N/a

## Communication

Communication ensures that evaluation findings are transmitted to the right recipients in the right format and in the right time. The main actor responsible for the drafting and implementation of the evaluation result's communication strategy is the Managing Authority whilst the target audience are the EMFF Monitoring Committee, partners and the European Commission. All the evaluation reports shall be presented to the Monitoring Committee to report on their progress and results. Furthermore, they shall be made available to the target audience as well as to the general public via the MA's website.

## Resources

The MA shall ensure that it has the appropriate human resources for effective monitoring and evaluation and shall make certain that in addition to appropriate and sufficient staff time, the staff entrusted with monitoring and evaluation possess adequate technical expertise. The MA will also engage external independent evaluators to assist with the evaluation process.

## 11. PROGRAMME IMPLEMENTING ARRANGEMENTS

### 11.1 Identification of authorities and intermediate bodies

Authority/body	Name of the authority/body	Email
Managing authority	Funds and Programmes Division within the Ministry for European Affairs and Equality	raphael.p.scerri@gov.mt
Certifying authority	Strategic and Implementation Division within the Ministry for European Affairs and Equality	edwin.a.camilleri@gov.mt
Audit authority	Internal Audit and Investigations Department within the Office of the Prime Minister	amanda.e.zammit@gov.mt

### 11.2 Description of the monitoring and evaluation procedures

The monitoring system for the EMFF aims to monitor whether intended outputs are being delivered and result indicators are evolving in the expected direction. A comprehensive and effective monitoring system is important not just to monitor progress in performance and implementation, but also key to a successful evaluation.

The objectives of monitoring can be expressed as follows:

- To collect harmonised data on the operations selected for funding at different stages of completion
- To store data in an electronic system allowing the retrieval of the aggregated information needed for reporting
- To produce the different tables required by the reporting obligations laid out in Regulation (EU) No 1303/2013 and the EMFF Regulation.
- To address other information needs at national or regional level.

The structure of the monitoring system and the procedures set in place by Malta has been designed to fulfil these aims and objectives. The procedures and arrangements for monitoring are set out below.

1. **Monitoring** which is done on the basis of data collected by the Managing Authority at the level of each operation. The Managing Authority shall set up a web-enabled information management and monitoring system (EMFF Database) in which key information on each operation shall be recorded. The system shall be a centralised one which provides the necessary access requirements to the relevant stakeholders namely: the Managing Authority, Treasury, Certifying Authority, Audit Authority, Line Ministries, Intermediate Bodies (if any) and Beneficiaries. In this regard, the system shall be interoperable among the stakeholders mentioned above with the exception of beneficiaries benefitting from Aid schemes.

The database shall be divided into different levels, each level accessed by the relevant

stakeholder. The database shall be accessible both through an application and a browser-based version. In the main, the application is used for the inputting of financial data at the level of the Managing Authority, while the browser-based version shall incorporate additional modules namely: Generation of Financial Reports, the generation of Statements of Expenditure (SOE) and Indicators.

Information on results shall be provided by the final beneficiaries however these will be validated by the Managing Authority, through physical on-the-spot checks and/or desk checks, after the completion of the operation.

Taking into account the requirements of the Common Provisions Regulation, Government has tasked the national IT Agency (MITA) with a view to undertaking an in-depth assessment of the current system including its technical characteristics. In order to address the identified areas, the following actions have been planned:

- Official correspondence: Messaging and notification system within the Management and Information System are to be developed for the programming period 2014 – 2020 and will be in place in 2014;
- Monitoring progress in terms of contracting: An *ad hoc* module to monitor progress in terms of contracting will be developed and be in place by 2015. In addition, by 2014, the current module for monitoring indicators will continue to be enhanced, particularly in view of the development needs vis-à-vis the performance framework;
- Reporting of checks and audits: By 2015, the module related to the reporting of checks and audits will be enhanced with a view to enabling beneficiaries and auditees to react to reports prepared by the relevant authorities in electronic format;
- Intermediate Bodies and beneficiaries of Aid Schemes: By the time calls for application by the Intermediate bodies (if any) are issued, an *ad hoc* module to cater for the requirements of Intermediate Bodies and beneficiaries of Aid Schemes under Article 107 of the TFEU will be developed;
- Online facility for beneficiaries under the Aid Schemes (if any): by 2014, a module to cater for the needs and requirements of beneficiaries of Aid Schemes will be developed;
- Automatic transfer of data between the EMFF Database 2014-2020 and the SFC 2014-2020: a year after that the Commission provides visibility of the requirement for the link to happen, this automatic transfer facility will be developed.

Malta is committed to implement the necessary electronic data exchange system by 31 December 2015. In line with Article 122 (3) of the CPR, beneficiaries will have the possibility to opt at grant agreement stage, whether or not they intend to utilise the facility of electronic exchange of data. This facility is expected to contribute towards the reduction of administrative burden. In this regard, enhancements to the current system will include the following functionalities:

- Interactive and/or pre-filled forms by the system
- Automatic calculations
- Automatic embedded controls

- System generated alerts
- On-line status tracking
- Availability of all the history of the file

1. **Monitoring** the evolution of the programme using the below instruments:

- Biannual provision of relevant aggregated information by the Managing Authority on the implementation of operations, selected for funding, and communicated to the Commission through the SFC 2014 system.
- The Annual Implementation Report (AIR), prepared by the Managing Authority, which contains financial information on commitments and payments per Union Priority as well as progress made towards the targets set in the EMFF OP.
- The Annual Review (AR), which is a meeting in which the Commission and the Managing Authority discuss the information contained in the AIR and in control reports where relevant. During the meeting the findings of the ex-post evaluation of the EFF and the interim evaluation of the EMFF shall also be examined.
- The Monitoring Committee (MC) composed of partners involved in the preparation of the programme. The Monitoring Committee shall meet at least once per year to review the progress made, examine and approve the AIR and examine the activities and output related to the evaluation plan.

1. **Evaluations** which are led by the Managing Authority and are undertaken before the adoption of the programme (Ex-ante) and by 31 March 2017 (interim evaluation) to address the effectiveness, efficiency and impact of the programme.
2. **Ex-post evaluation** prepared by the Commission in close cooperation with the Member States in accordance with Article 57 of Regulation (EU) No. 1303/2013.

### 11.3 General composition of the Monitoring Committee

The setting up of the Monitoring Committee falls within the remit of the Member State provided that the Monitoring Committee is composed of representatives of the relevant authorities and intermediate bodies and of representatives of the partners consulted for the preparation of this OP.

The partners to be selected by Malta shall be the most representative of the relevant stakeholders consulted for the preparation of this OP. The partners shall include public authorities, economic and social partners and bodies representing civil society, including environmental partners, community-based and voluntary organisations, which can significantly influence or be significantly affected by implementation of the EMFF Programme. Furthermore, the Monitoring Committee shall include representatives from the following sectors: fishers, aquaculture sector, fisheries control, inspection and enforcement, IMP and data collection. Representatives of the partners shall be delegated to be part of the Monitoring Committee by the respective partners through transparent processes. The list of the members of the Monitoring Committee shall be published and each member of the Monitoring Committee shall have a voting right. The Monitoring Committee shall be chaired

by a representative of the Ministry for European Affairs and Implementation of the Electoral Manifesto.

Within three months of the date of notification of the Commission Decision adopting the EMFF Programme for Malta, Malta shall set-up the Monitoring Committee. The Monitoring Committee shall approve its own rules of procedures within the Maltese institutional, legal and financial framework concerned and adopt them in agreement with the Management Authority in order to exercise its mission in accordance with the EMFF Regulation and Commission Delegated Regulation (EU) No 240/2014 of 07.01.2014 on the European Code of Conduct on Partnership in the framework of the European Structural and Investment Funds.

#### **11.4 A summary description of the information and publicity measures to be carried out in accordance with Article 120**

The Managing Authority is responsible for the Information and publicity measures that are to be carried out in accordance with the EMFF Regulation. The Managing Authority is responsible for:

1. Ensuring the establishment of a single website or a single website portal providing information on, and access to, the OP;
2. Informing potential beneficiaries about funding opportunities under the OP;
3. Publicising to Union citizens the role and achievements of the EMFF through information and communication actions on the results and impact of Partnership Contracts, OPs and operations.
4. Ensuring that a summary of measures designed to ensure compliance with the CFP rules, including cases of non-compliance by Member States or beneficiaries, as well as of remedy actions such as financial corrections taken, is made publicly available.

Furthermore, the Managing Authority shall in order to ensure transparency in the support from the EMFF maintain a list of operations in CSV or XML format which shall be accessible through the single website or the single website portal providing a list and summary of the OP.

The list of operations shall be updated at least every six months.

In this regard, the Managing Authority will comply with the information to be set out in the list of operations, including specific information concerning operations under the relevant Articles of the EMFF Regulation. Furthermore, the rules concerning the information and publicity measures for the public and information measures for applicants and for beneficiaries as laid down in the Annex IV of the EMFF Regulation will be adapted.

Technical characteristics of information and publicity measures for the operation and instructions for creating the emblem and a definition of the standard colours shall follow those



adopted by the Commission by means of implementing acts in accordance with the advisory procedure referred to Article 4 of Regulation (EU) No 182/2011.[1]

[1] REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the European Maritime and Fisheries Fund [repealing Council Regulation (EC) No 1198/2006 and Council Regulation (EC) No 861/2006

## 12. INFORMATION ON THE BODIES RESPONSIBLE FOR IMPLEMENTING THE CONTROL, INSPECTION AND ENFORCEMENT SYSTEM

### 12.1 Bodies implementing the control, inspection and enforcement system

<b>Name of the authority/body</b>
Department of Fisheries and Aquaculture, Ministry for Sustainable Development, the Environment and Climate Change

### 12.2 Brief description of human and financial resources available for fisheries control, inspection and enforcement

The DFA is composed of one Director General who is responsible for the entire Directorate whilst being aided by an officer and a personal secretary.

As of June 2014 the staff complement of the DFA was as follows:

***The Fisheries Compliance Unit*** - This Unit is made up of 28 personnel including 4 Scientific Fisheries Protection Officers, 6 Fisheries Protection Officers and 18 Technical Fisheries Protection Officers.

***The Fisheries Resource Management Unit*** - This Unit is composed of 9 officers, including a Senior Manager, a Manager (research projects), 3 scientific officers and 4 technical officers.

***The Fisheries Services Unit*** - A total of 8 officers work in this Unit

***The Fisheries Policy Management Unit*** - A total of 4 officers work within this Unit.

The national Control Programme is prepared by the policy unit together with the compliance unit.

With regard to the preparation of management plans, the policy unit together with the resource management unit collaborate together to establish the best management measures suitable for the specific fisheries.

#### *Financial Resources*

In order to prepare and implement national control financing program for 2014-2020, the Senior Manager (Fisheries Management) from ***The Fisheries Policy Management Unit*** together with the officer from the unit in charge of Council Regulation (EC) 1224/2009 (hereafter known as Control Regulation) and the Senior officers from ***The Fisheries***

**Compliance Unit** will identify the necessary control means required in order for the DFA to fully implement the CFP and the obligations set out in the Control Regulation.

Once these needs have been identified and costs established, the project manager together with the Manager (Fisheries Control Programme) will ensure the timely development of the necessary tenders to purchase the required products and services.

### **12.3 The major equipment available, in particular the number of vessels, aircraft and helicopters**

Two (2) 'medium range' patrol vessels, based at Hay Wharf Base in Floriana, and one (1) aircraft (Islander) are available for the implementation of the Control, Inspection and Enforcement System.

#### **Patrol Vessel 1**

- **Flag** - Malta
- **Type 1** - Medium range
- **Type 2** - Military
- **Identification number** - P51
- **LOA** - 26 m
- **Autonomy range** - 300NM 12kts
- **Maximum speed** - 25 kn
- **Sea/weather limits for boards** - 4

#### **Patrol Vessel 2**

- **Flag** - Malta
- **Type 1** - Medium range
- **Type 2** - Military
- **Identification number** - P52
- **LOA** - 26 m
- **Autonomy range** - 300NM 12kts
- **Maximum speed** - 25 kn
- **Sea/weather limits for boards** - 4

#### **Aircraft 1**

- **Flag** - MALTA

- **Type** - Plane
- **Name** - ISLANDER
- **Identification number** - A S9819
- **Autonomy range** - 300NM

#### 12.4 List of selected types of operations

<b>Type of Operation</b>	<b>Description</b>
<p>a - The purchase, installation and development of technology, including computer hardware and software, vessel detection systems (VDS), closed-circuit television (CCTV) systems and IT networks enabling the gathering, administration, validation, analysis, risk management, presentation (by means of the websites related to control) and exchange of, and the development of sampling methods for, data related to fisheries, as well as interconnection to cross-sectoral data exchange systems</p>	<p>• Radio-frequency identification tags on gear • CCTV systems • Stereoscopic Cameras • IT Network to support traceability system • Upgrade of existing logbooks • Vessel Monitoring System units for Blue Fin Tuna cages complete with renewable energy sources</p>
<p>b - The development, purchase and installation of the components, including computer hardware and software, that are necessary to ensure data transmission from actors involved in fishing and the marketing of fishery products to the relevant Member State and Union authorities, including the necessary components for electronic recording and reporting systems (ERS), vessel monitoring systems (VMS) and</p>	<p>• Enhancement of electronic recording and reporting systems (ERS) to be compatible with FLUX system • Replacement of Vessel Monitoring Systems (VMS)/Automatic Identification Systems (AIS) on DFA registered vessels. • Installation of Vessel Monitoring Systems (VMS)/Automatic Identification Systems (AIS) on new vessels • Installation of e-logbooks on vessels between 10-12m</p>

Type of Operation	Description
automatic identification systems (AIS) used for control purposes	
c - The development, purchase and installation of the components, including computer hardware and software, which are necessary to ensure the traceability of fishery and aquaculture products, as referred to in Article 58 of Regulation (EC) No 1224/2009	<ul style="list-style-type: none"> <li>• Weighing stations further to those installed through the traceability project</li> </ul>
e - The modernisation and purchase of patrol vessels, aircrafts and helicopters, provided that they are used for fisheries control for at least 60 % of their total periodtime of use per year	<ul style="list-style-type: none"> <li>• 2 Rigid-Hulled Inflatable Boat (RHIB) patrol vessels</li> </ul>
f - The purchase of other control means, including devices to enable the measurement of engine power and weighing equipment	<ul style="list-style-type: none"> <li>• 10 Kits for engine power measurement</li> <li>• 5 Unmanned Aerial Vehicles</li> </ul>
g - The development of innovative control and monitoring systems and the implementation of pilot projects related to fisheries control, including fish DNA analysis or the development of web-sites related to control	<ul style="list-style-type: none"> <li>• Upgrade of the Department of Fisheries and Aquaculture Website</li> </ul>
h - Training and exchange programmes, including between Member States, of personnel responsible for the monitoring, control and surveillance of fisheries activities	<ul style="list-style-type: none"> <li>• 7 Exchange programs including participation in the European Fisheries Control Agency (EFCA) trainings.</li> </ul>
i - Cost/benefit analysis and as well as assessments of audits performed and expenditure incurred by competent authorities in carrying out monitoring, control and surveillance	<ul style="list-style-type: none"> <li>• 2 Cost Benefit Analyses and 3 audits</li> </ul>
j - Initiatives, including seminars and media tools, aimed at enhancing awareness, among both fishermen and other players such as inspectors, public prosecutors and judges, as well as among the general public, of the need to fight illegal, unreported and unregulated fishing and of the implementation of the CFP rules	<ul style="list-style-type: none"> <li>• 1 to 2 initiatives per year</li> </ul>
k - Operational costs incurred in carrying out more stringent control for stocks subject to specific control and inspection programmes established in accordance with Article 95 of Regulation (EC) No 1224/2009 and subject to control coordination in accordance with Article 15 of Council Regulation (EC) No 768/2005	<ul style="list-style-type: none"> <li>• Joint Deployment Plans (JDP) based on 5 EC missions per year</li> </ul>

Type of Operation	Description
1 - Programmes linked to the implementation of an action plan established in accordance with Article 102(4) of Regulation (EC) No 1224/2009, including any operational costs incurred	<ul style="list-style-type: none"> <li>• Will be made use in the unlikely event that an action plan is required.</li> </ul>

### 12.5 Link to priorities defined by the Commission

The above selected types of operations are linked to the priorities of the Union for enforcement and control policy, as referred to in Article 17(3) of Regulation (EU) No 508/2014, as follows:

Control Priority c – implementation of data validation systems referred to in Article 109 of Regulation (EC) No 1224/2009 and in particular the implementation of projects using common standard formats or enhancing interoperability between Member States' systems – Types of Operations a and b above.

Control Priority f – implementation of projects aiming at certification, verification and measurement of engine power – Types of Operations f above.

Control Priority g – implementation of specific control and inspection programmes established in accordance with Article 95(4) of Regulation (EC) No 1224/2009; Types of Operations e, g, h, i, j and k above.

Control Priority i – control and enforcement of traceability requirements, including labelling systems to ensure reliable information for consumers, as provided for by Article 58 of the Regulation (EC) No 1224/2009 and Article 67(6) of Implementing Regulation (EU) No 404/2011 – Types of Operations c above.

## 13. DATA COLLECTION

### 13.1 A general description of activities of data collection foreseen for the period 2014-2020

#### Activities

Part A: For the period 2014-2016

For the period 2014 – 2016 Malta will implement the National Programme 2014 – 2016 as laid down in the Commission Decision C(2013) 5568 of 30th August 2013[1]

Part B: For the period post-2016

For the period 2017-2020, data collection activities will fulfil the obligatory and required data under the relevant regulatory framework, whilst addressing new areas that will be identified in the relevant Implementing Decision. The national programmes will be specified at a later stage, in light of the revision of the DCF that should be adopted by then, in accordance with Article 37 of the Basic Regulation for the CFP. Once this revised DCF enters into force, Malta may revise this chapter of the OP accordingly to reflect the new data collection obligations and activities.

#### Main categories of eligible expenditure over the whole period

The main categories of eligible expenditure, over the period covered by the EMFF – as per Article 77 of the EMFF regulation are as follows:

1. the collection, management and use of data for the purpose of scientific analysis and implementation of the CFP;
2. national, transnational and subnational multiannual sampling programmes, provided that they relate to stocks covered by the CFP;
3. at-sea monitoring of commercial and recreational fisheries, including monitoring of by-catch of marine organisms such as marine mammals and birds;
4. research surveys at sea;
5. the participation of representatives of Member States and regional authorities in regional coordination meetings, meetings of regional fisheries management organisations of which the Union is a contracting party or an observer, or meetings of international bodies responsible for providing scientific advice;
6. the improvement of data collection and data management systems and the implementation of pilot studies to improve existing data collection and data management systems.

[1] COMMISSION IMPLEMENTING DECISION extending the national programmes for the collection of primary biological, technical, environmental and socio-economic data in the fisheries sector for the period 2011-2013 to the period 2014-2016

### 13.2 A description of data storage methods, data management and data use

At present, the national set-up for storing and managing the different categories of DCF data is via separate excel sheets. Checking of data is carried out manually. Data for the Mediterranean International Trawl Survey (Medit), part of the Module A3 (Surveys at Sea), is stored in the AdriaMed Trawl Surveys Information Systems (*ATrIS*). The system is MS/Access based and was originally developed by the FAO AdriaMed project.

As of January 2015, data is to be stored in 1 place (a read-only shared folder). With respect to safety, access is controlled via a username/password combination, with editing rights being limited to 2 people. Data backups are carried out by the Malta Information Technology Agency.

In the near future, Malta will be finalising the Fisheries Information System (FIS). The main aim of the FIS has been to improve on the existing components that were operating in isolation, by creating a single integrated structure that caters for all the fisheries control operations. Essentially, the system signifies greatly to fleet management as it has been custom built around the rules of the CFP. In fact, it includes data validation systems, including systems of cross-checks of VMSs, biological, economic, catch, effort and market data, crew data and data related to the Community fishing fleet register as well as the accurate issuing of licences and fishing authorisations. It has also permitted the expansion on certain fleet management items which could not be built in the previous limited system. These include a new format of the fishing licence which now includes more details on the vessel and the fishing gears that can be used. Of comparable importance is the generation and issuing of special authorisations which was not possible under the previous system. Furthermore, the present system can be easily expanded or modified by the developer on request of the authority, in order to take into account new needs and requirements.

The FIS is presently being updated in modular fashion, with different components gradually being brought online. The contracted part will tentatively be completed by the first quarter of 2015.

As above, Medits is being tackled through ATrIS – however the possibility of using a new database – Fishtrawl is currently being evaluated. Fishtrawl is similar to ATrIS, in that it has the possibility for data analysis/presentation. One key difference is that the database is hosted



on a server, as opposed to a local database. The JRC has been chosen as the database host, with Member States paying a maintenance fee. At present however, nothing has been signed and the database itself is still currently in trial mode. If adopted, data rights will belong to the MS.

A regional database is to be developed for EU MSs in the Mediterranean and Black Sea Region (Med&BS-RDB). Following discussions during the Regional Coordination Meeting for the Mediterranean and the Black Sea (RCM Med&BS), the said database will be hosted and maintained by the GFCM. Malta is aiming to form part of this database. Data for data calls will be uploaded there. Such a regional database should have the added benefits of the data being readily available to end users, including GFCM and ICCAT, upon request, as well as having fixed deadlines and fixed templates for data upload.

The choice of the development platform will be dependent on the infrastructure and established development tools that the GFCM is willing to put at the disposal of MSs. It is understood that specific portions of source code addressing sensitive statistical algorithms (T-SQL queries, R scripts or C# routines) might be made available to MS for iterative discussions and evolutions. At the latest RCM Med&BS 2013 it was agreed that for the time being the Med&BS-RDB will include biological, economic and transversal data, although the format and what data should be incorporated will be discussed at the next meeting. With regard to the surveys at sea, both MEDITS and MEDIAS are developing a separate regional database.

*An overview of the current control procedures in place at national level to ensure quality, completeness of the primary data collected and of the detailed and aggregated data derived therefrom for transmission to end users. Outline any changes envisaged to the current control procedures regarding data quality and completeness.*

Quality checks are currently performed manually in Microsoft Excel, using a system of CV's. Data is further checked using the data validation tool on the JRC data submission webpage. Furthermore, in the case of Medits data, ROME, a data validation script written in R, is used as a validation tool.

A training course in R for scientific DFA personnel is envisaged to be completed at the latest in December 2015. Malta will be requesting the Commission, even through the RCM, for the R scripts used by the Commission to check uploaded data. In this manner, Malta will be able to further check the data using these scripts, prior to data uploads, rather than post data uploading.

With respect to the upcoming revision of the Data Collection Regulation, in January 2014, the EU Commission held a meeting with experts, national representatives and stakeholders in order to discuss and give feedback on certain aspects about the upcoming revision. Data quality was one of the topics discussed. It should be kept in mind that as the final version of the new Data Collection Regulation is yet to be drafted, the below is a summarised account of what was discussed with respect to data quality in the meeting.

There was general agreement that data quality should be improved by introducing procedures that follow best practice methods and increase transparency on methods used. Therefore, statistically sound sampling programmes should be implemented. Steps of the collection and estimation process should be well documented and information on the methodology followed should be available to end-users. It was suggested that a quality assessment panel be formed and that this panel will review the procedures proposed by MSs.

There should be further quality control assurances by MSs, and this should be coherent with requirements under other regulations. An evaluation is needed on the quality of MSs' data. However, there were mixed opinions on which body should be in charge of such an evaluation. One option could be that STECF verifies compliance and quality at MSs level, while Regional Coordination Groups (RCGs) could check quality at the regional level.

It was noted that appropriate IT tools need to be available on time to facilitate the evaluation of MSs' implementation and data quality and to support the work of RCGs in planning statistically sound sampling, allocating tasks and to assess quality as a regional level. Malta will be following up this discussion and take any relevant necessary actions.

### **13.3 A description of how sound financial and administrative management in data collection will be achieved**

The DCF National Correspondent (NC) for Malta is Ms. Roberta Mifsud, whose contact details are the following:

**Address:** Department of Fisheries and Aquaculture, Ministry for Sustainable Development, the Environment and Climate Change, Ghammieri, Ngiered Road, Marsa, MRS 3303 - Malta

**Tel:** (+356) 2292 1256

**E-mail:** roberta.mifsud@gov.mt

The Department of Fisheries and Aquaculture employs fisheries experts who are responsible for the control and supervision of the fishing sector. The Department is headed by a Director General responsible for the Fisheries Directorate and the Aquaculture Directorate each led by a director. The DFA currently employs 80 officers covering a range of competences.

The Department works within a larger organisation, the Ministry for Sustainable

Development, the Environment and Climate Change, where the following duties are separated both within the Department and across the Ministry:

- Authorisation function
- Recording function, e.g. preparing source documents or code or performance reports
- Custody of asset whether directly or indirectly, e.g. receiving checks in mail or implementing source code or database changes.
- Reconciliation or audit.

The DFA and the line Ministry represented by the Department of Policy Development and Programme Implementation, are two different bodies located in the same Ministry.

All the relevant regulations pertaining to the accounting and financial reporting, procurement processes and subcontracting are followed by the Department. The DFA will resort to the Ministry resources in ensuring that the administrative capacity is ensured, whilst it will also resort to the adequate experience within the Ministry in the management of EU Funds under shared management.

Public Procurement within the Department is in line with L.N. 296 of 2010 and any subsequent amendments. In the case of most public entities procurement above the threshold of €120,000 is coordinated and monitored by the central Department of Contracts within the MFIN. This central overview guarantees a degree of quality across all procurement undertaken by public entities and departments. Below this threshold the Department follows the relative sections of the L.N. according to the estimated value of the procurement. Procurement is then part of the management verifications undertaken by the Managing Authority. These checks are documented in the relevant templates. Furthermore, procurement is also checked during audits carried out by the Audit Authority.

All administrative and departmental documents of the Government of Malta, according to the National Archives Act must be kept in the Registry of the relevant Ministry for 30 years and are then transferred to the National Archives (National Archives Act, Article 4 (e), Laws of Malta, Chapter 399).

The pre-financing allocation provided by the national budget for the implementation of projects is located in the Departmental Accounting System (DAS) which is the accounting system used to account for public funds. The corporate responsibility of the accounting system rests with the Treasury Department, Government Accounts Operations. The pre-financing budget in the Ministries' Votes are accessed by both the accounting officer (to insert commitment) in the respective Ministry and by the Treasury (to effect payment). All transactions effected through DAS shall be reflected in the EMFF Database 2014 – 2020. The Database is linked to the DAS through each commitment that is raised and its corresponding voucher number. For each commitment for payment that is raised in the DAS by the Line Ministry (following request by the Beneficiary to initiate payment), a unique commitment number is generated. That commitment number is captured as a key field within the Database to monitor the payment process of that same invoice. The commitment number raised through

the DAS and captured into the Database is cross-checked by the Treasury prior to execution of payment. Furthermore, the DAS is updated with a unique ID which cross references with the Database.

The Director Fisheries is responsible for the Unit dealing with Data Collection. This Unit is led by a Senior Manager, appointed NC for Malta and responsible for the implementation of the Data Collection Framework. The NC shall act as a beneficiary of the EMFF (2014-2020) and shall implement the National Programme for Data Collection through operation/s. In its role as a beneficiary, the NC shall enter into a grant agreement with the Managing Authority and shall be responsible to implement the operation in line with the terms and conditions of the grant agreement and ensure effective monitoring of the operation. The Managing Authority shall in turn conduct Management Verifications through First Level Control and physical on-the-spot-checks. The Certifying Authority may also carry out administrative or physical verifications, if it needs further clarifications to gain assurance that the system is sound.

The NC, as a Project Leader and beneficiary, will be directly involved in the management of the data collection and will have final responsibility for its overall progress. In this respect the NC shall, coordinate the preparation of any tenders, collate information on progress and financial aspects, handle the administrative aspects of the project and monitor the budgets.

The NC, as a beneficiary, has certain reporting obligations which must be respected. Different levels of reporting have been established. These include:

- Project Progress Reports
- Regular updates on the EMFF Database
- Input (when necessary) to the Annual and Final Implementation Report prepared by the Managing Authority
- Project Closure Report which is prepared by the Beneficiary at the end of the project and confirmed by the Managing Authority

## 14. FINANCIAL INSTRUMENTS

### 14.1 Description of the planned use of financial instruments

No financial instruments are planned through this Programme.

Resort to financial instruments is not justified considering the funds available under the EMFF, and the small size of the market and the sector, which do not allow the attainment of the critical mass required. Moreover, the needs identified and prioritised for the OP through the partnership approach and the consultation process translated into specific measures for the most part shall be implemented by the public sector and therefore do not lend themselves to support from financial instruments. The measures directly targeting fishers (Art 30 and Art 41.2) are limited in number and the funds allocated and therefore do not justify the use of financial instruments. Consideration of the administrative burden required in the management of financial instruments for EMFF would also not be proportional.

### 14.2 Selection of the EMFF measures planned to be implemented through the financial instruments

EMFF Measure
03 - Article 39 Innovation linked to the conservation of marine biological resources (+ art. 44.1.c Inland fishing)
02 - Article 30 Diversification and new forms of income (+ art. 44.4 Inland fishing)
05 - Article 33 Temporary cessation of fishing activities
09 - Article 43.1 + 3 Fishing ports, landing sites, auction halls and shelters - investments improving fishing port and auctions halls infrastructure or landing sites and shelters; construction of shelters to improve safety of fishermen (+ art. 44.1.f Inland fishing)
03 - Article 41.1.a, b, c Energy efficiency and mitigation of climate change – on board investments; energy efficiency audits and schemes; studies to assess the contribution of alternative propulsion systems and hull designs (+ art. 44.1.d Inland fishing)
04 - Article 41.2 Energy efficiency and mitigation of climate change - Replacement or modernisation of main or ancillary engines (+ art. 44.1.d Inland fishing)
01 - Article 29.1 + 29.2 Promoting human capital and social dialogue - training, networking, social dialogue; support to spouses and life partners (+ art. 44.1.a Inland fishing)
01 - Article 47 Innovation
01 - Article 48.1.a-d, f-h Productive investments in aquaculture
02 - Article 48.1.e, i, j Productive investments in aquaculture - resource efficiency, reducing usage of water and chemicals, recirculation systems minimising water use
01 - Article 77 Data collection
01 - Article 76 Control and enforcement
02 - Article 67 Storage aid
03 - Article 68 Marketing measures
03 - Article 80.1.c Improving the knowledge on the state of the marine environment

### 14.3 Indicative amounts planned to be used through the financial instruments

EMFF total amount 2014-2020 (€) 0.00

## DOCUMENTS

Document title	Document type	Document date	Local reference	Commission reference	Files	Sent date	Sent By
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## LATEST VALIDATION RESULTS

Severity	Code	Message
Info		Programme version has been validated.
Warning	2.5.3	EU Support contribution in Table 8.2 is zero. Union Priority: "Fostering marketing and processing ", Measure: "Storage aid (Article 67) (Article 13(6) of the EMFF)"
Warning	2.27.1	EMFF Performance Reserve amount per Union Priority should be between 5% and 7% of the EMFF contribution, performance reserve included. Union Priority: "6", Actual amount: "238,531.00", Minimum expected amount: "68,026.55", Maximum expected amount: "95,237.17"
Warning	2.27.3	EMFF Performance Reserve amount per Union Priority should be between 5% and 7% of the EMFF contribution, performance reserve included. Union Priority: "2", Actual amount: "0.00", Minimum expected amount: "55,601.45", Maximum expected amount: "77,842.03"
Warning	2.27.3	EMFF Performance Reserve amount per Union Priority should be between 5% and 7% of the EMFF contribution, performance reserve included. Union Priority: "5", Actual amount: "20,364.00", Minimum expected amount: "9,375.00", Maximum expected amount: "13,125.00"