



**ANNUAL REPORT**  
*for the*  
**EUROPEAN ECONOMIC AREA (EEA)**  
**FINANCIAL MECHANISM**

**MALTA**

**April 2005 – May 2006**

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## List of Acronyms

|      |  |
|------|--|
| CBM  | Central Bank of Malta                          |
| DoC  | Department of Contracts                        |
| EEA  | European Economic Area                         |
| EFTA | European Free Trade Association                |
| EU   | European Union                                 |
| FMO  | Financial Mechanism Office                     |
| FMC  | Financial Mechanism Committee                  |
| GNP  | Gross National Product                         |
| IAID | Internal Audit and Investigations Directorate  |
| IAIB | Internal Audit Investigations Board            |
| LN   | Legal Notice                                   |
| MC   | Monitoring Committee                           |
| MFIN | Ministry of Finance                            |
| MGOZ | Ministry for Gozo                              |
| MRAE | Ministry for Rural Affairs and the Environment |
| MoP  | Manual of Procedures                           |
| MoU  | Memoranda of Understanding                     |
| NAO  | National Audit Office                          |
| NFP  | National Focal Point                           |
| NGO  | Non-Governmental Organisation                  |
| OPM  | Office of the Prime Minister                   |
| PA   | Paying Authority                               |
| PP   | Project Promoter                               |
| PPCD | Planning and Priorities Co-ordination Division |
| PSC  | Project Selection Committee                    |
| TA   | Technical Assistance                           |
| TORs | Terms of Reference                             |

## Executive Summary

The European Economic Area (EEA) Financial Mechanism will not only serve as another important milestone for strengthening the already very good bilateral relations between Iceland, Liechtenstein, Norway and Malta but it will also be a means to implement projects for the common good in a number of policy areas.

Given such a vision, the overall objective of the Maltese National Focal Point (NFP) is to manage and administer the EEA Financial Mechanism in the most efficient and effective manner. Within this framework, the Maltese NFP strives to ensure that all projects selected by the Project Selection Committee (PSC) through the Financial Mechanism Office (FMO) contribute to Malta's socio-economic development and are implemented in terms of the Memorandum of Understanding (MoU) and the Rules and Procedures.

Furthermore, the Maltese NFP will ascertain correct day-to-day monitoring of the Financial Mechanism and communicates quickly to all relevant stakeholders any bottlenecks arising during the implementation period.

Achieving the above-mentioned objectives envisaged two main problems for the Maltese NFP. The first one was of an administrative nature especially when considering that a total of 41 project proposals were submitted for both the EEA and the Norwegian Financial Mechanism. The second problem was more of a learning experience nature. It is important to consider that Malta is benefiting from both Financial Mechanisms for the first time. Despite the fact that the NFP is already experienced in managing other EU funds, the Financial Mechanisms have to be managed under their specific rules and procedures and guidelines as determined by the donor countries.

This annual report gives a detailed analysis of the implementation of the EEA Financial Mechanism between April 2005 and May 2006 and a comprehensive description of all implementing bodies which are crucial for ensuring a story of success in all projects undertaken. In addition, it sets specific objectives for the following one year period.

# 1 An overview of the Financial Mechanisms

## 1.1 EEA Enlargement

In May 2004, the EEA was expanded by the ten new European Union (EU) countries, totalling to 28 members; all sharing access to the Internal Market. At the same time the three non-EU members of the EEA - Iceland, Liechtenstein and Norway - established the EEA Financial Mechanism and the Norwegian Financial Mechanism to support social and economic cohesion within the enlarged EEA.

## 1.2 Aims

*EEA Financial Mechanism:*

“To reduce social and economic disparities within the EEA and to enable Iceland, Liechtenstein and Norway to participate fully in the Internal Market”.

*The Republic of Malta:*

“To select projects for funding, which contribute to the achievement of reducing social and economic disparities”.

*Maltese NFP:*

“To ensure the effective implementation of the EEA Financial Mechanism”.

## 1.3 Objectives

Through the EEA Financial Mechanism, EEA EFTA states will contribute towards:

- **Solidarity**, by reducing the social and economic disparities in the newly enlarged EEA.
- **Opportunity**, by helping new EEA members become fully integrated in the Internal Market.
- **Cooperation**, by bringing old and new EEA members together and opening new arenas for political and economic relations.

## 2 Initiation of the Implementation Process

### 2.1 The signing of the MoU

Within this framework, a bilateral MoU was signed between Iceland, Liechtenstein, Norway and Malta on 28 April 2005.

The MoU was set up in conjunction with other important documents, which shall constitute the legal framework of the EEA Financial Mechanism. These documents include:

- i. Protocol 38a to the EEA Agreement (establishing the EEA Financial Mechanism).
- ii. The Rules and Procedures and all related guidelines of the EEA Financial Mechanism, including all subsequent amendments.
- iii. The Grant Agreements, which will be concluded between the Financial Mechanism Committee and Malta for each project.

Mr. Richard Cachia Caruana, Permanent Representative of Malta to the European Union, signed the MoU on behalf of Malta, while the Ambassador of Iceland, Mr. Kjartan Jóhannsson, the Ambassador of Liechtenstein, H.S.H. Prince Nikolaus of Liechtenstein, and the Ambassador of Norway, Mr. Bjørn T. Grydeland, signed on behalf of each of the EEA EFTA countries.

### 2.2 PPCD designated as the NFP

The MoU established the Planning and Priorities Co-ordination Division (PPCD) at the Office of the Prime Minister (OPM) as the main contact point for Malta. The PPCD, as the National Focal Point (NFP), will be responsible for the overall management of the EEA Financial Mechanism. The portfolio includes the identification, planning, implementation and monitoring of projects in the use of funds in accordance with the Rules and Procedures.

### 2.3 Priority Areas

The MoU, on the implementation of the EEA Financial Mechanism, established the following priority sectors and focus areas:

- i. Protection of the environment, including the human environment, consisting of:
  - integrated prevention and control and fuel reduction
  - promotion of renewable energy
- ii. Conservation of European cultural heritage, including public transport, and urban renewal, consisting of:
  - revitalisation, conservation, renovation, modernisation and adaptation of historical objects, which have European significance
  - condition monitoring and preventive maintenance routines for historical objects and complexes and propose remedies
- iii. Health and childcare, consisting of:
  - modernisation and equipping crèches, nursery schools, schools, special school-educational centres, orphanages
  - scholarship programmes
  - promoting gender equality

iv. Academic Research (in the above-mentioned fields).



### 3 The Managerial Set-Up

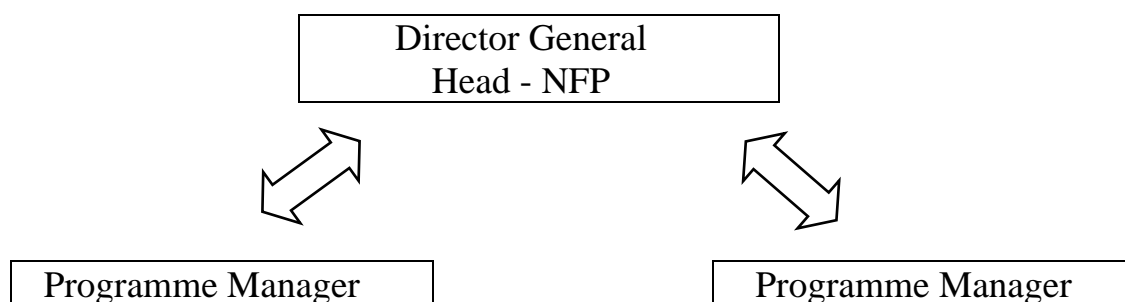
#### 3.1 Main Implementing Structures

An effective managerial set-up ensures an efficient implementation of the EEA Financial Mechanism in total coherence with the Rules and Procedures. The management structure for Malta is made up of the following bodies:

##### 3.1.1 The National Focal Point

The PPCD within the OPM was designed to fulfil the tasks of the NFP. In addition to the EEA Financial Mechanism, PPCD is also responsible for the implementation and management of EU funds such as the Pre-Accession Funds, Transition Facility, Structural Funds and the Cohesion Fund. Such management experience in other similar funds serves as an advantage in the administration of the EEA Financial Mechanism.

As detailed in Diagram 1, three people form part of the NFP management structure. Two programme managers report directly to the Head of the NFP, who is the Director General of PPCD.



**Diagram 1: Organisational Structure of the National Focal Point (NFP)**

Specifically the NFP shall:

- i. manage the day-to-day operations of the EEA Financial Mechanism;
- ii. serve as a contact point between the FMO and Malta;
- iv. ensure that the project is implemented in accordance with the Grant Agreement;
- v. ensure that all relevant EU, national and local legislation (including, but not limited to legislation on the environment, public procurement and state aid) shall be fully complied with;
- vi. ensure that the Grant is used exclusively for the purpose of the project and according to the approved Project Implementation Plan and that any necessary financial contributions in addition to the Grant are received in a timely manner;
- vii. ensure that all assets forming part of the project are used only for such purposes as provided in the Grant Agreement;
- viii. ensure regular reporting to the FMO on the implementation of projects financed by the financial mechanism, as well as to immediately report any irregularities;
- ix. ensure that project promoters are fully committed and equipped to implement, operate and maintain the project;
- x. preside over the project selection process (the selection criteria was prepared by the NFP and approved by the Monitoring Committee [MC]);

- xi. inform the respective project leaders about the outcome of the project selection process;
- xii. ensure information and publicity about available funds and inform the general public about the projects implemented under the EEA Financial Mechanism in accordance with Article 5.4 of the Rules and Procedures and the Publicity Guidelines;
- xiii. establish a central information system to gather financial and statistical information on the status of implementation of the programmes and projects and ensure that the relevant data is forwarded to the FMO in line with the requirements of relevant regulations;
- xiv. ensure an efficient and correct use of available funds;
- xv. ensure a complete and sufficient audit trails in all institutions;
- xvi. ensure effective audits, by the relevant national organisations, of approved projects;
- xvii. organise annual meetings with the FMO;
- xviii. draw up and submit for approval to the MC the annual implementation report;
- xix. submit the approved annual implementation report to the FMO;
- xx. ensure follow-up by the relevant bodies to the FMO's comments/recommendations concerning the annual report;
- xxi. ensure follow-up by the relevant bodies in line with information received from auditors;
- xxii. assist the EEA Financial Mechanism Committee in organising the ex-post evaluation referred to in the Rules and Procedures;
- xxiii. make all the necessary and appropriate arrangements in order to strengthen or change the way the project is managed;
- xxiv. co-ordinate with the Paying Authority (PA) and the Internal Audit and Investigations Directorate (IAID) on issues pertaining to financial management and control systems;
- xxv. co-operate with the PA on preparation of annual payment forecasts.

### **3.1.2 Paying Authority**

The EU Paying Authority Directorate within the Ministry of Finance (MFIN) will act as the PA. The PA shall be responsible for:

- i. managing all operations related to financial transactions;
- ii. ensuring correctness of all payments requests made to the FMO;
- iii. certifying the correctness and accuracy of payment claims to the FMO;
- iv. submitting payment claims to the FMO and receiving payments made by the FMO to the Government of Malta;
- v. liaising with the Treasury in order to effect payments to project promoters;
- vi. keeping record of financial corrections and ensuring that any funds owed to the Government of Malta or to the FMO are collected and reimbursed;
- vii. liaising with the PPCD in developing relevant financial management procedures.

### 3.1.3 Internal Audit & Investigations Directorate

The Internal Audit and Investigations Directorate (IAID) is the executive branch of the Internal Audit Investigations Board (IAIB) within the Cabinet Secretariat of the Office of the Prime Minister. It is regulated by the Internal Audit and Financial Investigations Act 2003 (Chapter 461, Laws of Malta).

The IAID is responsible to:

- i. certify to the FMO the adequacy of financial control, procurement and operational management structures and systems when utilising the EEA Fund;
- ii. perform “a priori” audits, examining internal systems, procedures and controls and issuing certificates in this regard and carry out “ex-post” performance auditing in collaboration with the EEA Financial Mechanism Committee;
- iii. perform full and prompt financial investigations into the misuse and/or fraudulent mismanagement of funds, thereby also fulfilling its role as the national counterpart for DG OLAF in Malta;
- iv. prepare the annual audit plan and a summary of audit reports for each year;
- v. perform specific audits on the NFP, the PA and any other relevant stakeholders;
- vi. undertake independent ex-post audit reviews of the effectiveness or otherwise of the monitoring benchmarks applied during the implementation of particular projects or initiatives. The report will be submitted solely to the NFP.

### 3.1.4 National Audit Office

The National Audit Office (NAO) is wholly independent of the executive arm of Government and responsible to Parliament where the Auditor General’s reports are debated by the Public Accounts Committee.

In line with article 6.2 of the Rules and Procedures and Annex A of the MoU, the NAO shall have the right to carry out audits as the external auditor of Government.

### 3.1.5 Department of Contracts

The DoC within the MFIN is responsible for the administration of the procurement procedures as laid down in the Public Contracts Regulations (LN 299 of 2003 and as amended by any other subsequent legislation. As of June 2005 LN 177 & LN 178 of 2005 have entered in force). The DoC must ensure that the relevant tenders are launched and published in accordance with the above mentioned regulations and that contracts are awarded in conformity with the principles of free access, fair competition and transparency. The DoC also provides advice and guidance to project promoters on all issues pertaining to public contracts.

### 3.1.6 Accountant General/Treasury

The Accountant General is also referred to as the Director (Treasury) and heads the Treasury Department under the MFIN. In the context of the EEA Financial Mechanism, the Treasury is responsible for:

- i. checking that sound accounting policies and procedures are applied at all levels;

- ii. effecting payments through the Central Bank of Malta (CBM) to 3<sup>rd</sup> parties in respect of approved projects.

### **3.1.7 Budget Office**

The Budget Office within MFIN is responsible for ensuring that the Malta, where applicable, respects all its national co-financing obligations and its commitments under the principle of additionality in accordance with Articles 4 of Protocol 38a of the EEA Financial Mechanism. At a management level, the Budget Office will be assisted by the NFP and the PA to manage the national co-financing.

### **3.1.8 Central Bank of Malta**

The CBM is the official banker of the Government of Malta and is responsible for all money pertaining to the Government of Malta and money held on behalf of 3<sup>rd</sup> parties. The CBM will also maintain and operate accounts regarding funds advanced by the FMO to finance programmes/projects as instructed by the Director EU Paying Authority. In the case of payments for projects co-financed through the EEA Financial Mechanism, the CBM will transfer funds into the contractor's bank account once it receives instructions from the Treasury. When the transfer is effected, the CBM will issue a Debit Advice.

## **3.2 Additional Implementing Structures**

Both Monitoring and Project Selection Committees were set up in August 2005, before the issue of the call for project proposals. Terms of reference and rules of procedures to carry out their respective functions were drafted for both committees.

### **3.2.1 Monitoring Committee**

The MC is to monitor the progress of selected projects and to provide overall guidance to the NFP on the efficiency of the EEA Financial Mechanism implementation. The MC shall meet as often as necessary but at least once every year. Its responsibilities include:

- i. monitoring the implementation of projects being co-financed by the financial mechanisms;
- ii. considering and approving selection criteria for operations earmarked for co-financing;
- iii. periodically reviewing progress registered towards achieving the specific objectives of the assistance;
- iv. examining the results of implementation, particularly achievement of set targets for the different projects;
- v. considering and approving the annual and final implementation reports before these are sent to the FMO;
- vi. as it deems fit, proposing to the NFP any adjustment or review of the assistance in order to improve its management (including financial management);
- vii. be guided by the other relevant provisions of the Rules and Procedures for the implementation of the EEA Financial Mechanism.

### *MC Members*

The MC is chaired by the Principal Permanent Secretary – OPM or designate and its members are:

- i. The Permanent Secretaries as representatives of their respective Ministries (or designate);
- ii. the Head of the NFP or designate;
- iii. 1 nominated representative (or substitute) of each of the organisations represented in the Malta Council for Economic and Social Development;
- iv. 1 nominated representative (or substitute) of the National Council for Women;
- v. 1 nominated representative (or substitute) of each of two environment NGOs (Nature Trust and Friends of the Earth);
- vi. 1 nominated representative (or substitute) of a heritage NGO;
- vii. Representative/s of the Financial Mechanism Office (FMO) (observer).

The MC met once during the period of review, on 14<sup>th</sup> September, 2005.

### **3.2.2 Project Selection Committee**

A PSC was also set up to analyse and select project proposals. The main function of the PSC was to make recommendations to cabinet for approval before being sent to the FMO for final decision. The PSC met a total of eight times during the period of review.

### *PSC Members*

The PSC was chaired by the Director General of the PPCD, OPM and had as core members:

- i. The Budget Office (MFIN);
- ii. The Ministry of Foreign Affairs;
- iii. The Management Efficiency Unit – OPM;
- iv. The EU Secretariat – OPM.

## **4 Publicity: making the public aware of the Financial Mechanism**

The purpose of publicity for the EEA Financial Mechanism is to raise awareness among the Maltese citizens of the EEA contribution in the implementation of a number of projects serving for the common good. To achieve this objective, a myriad of activities were undertaken.

### **4.1 Information Seminars**

#### **4.1.1 The EEA & Norwegian Financial Mechanisms: A boost to Norwegian – Maltese cooperation**

On 28 June 2005, an information meeting organised by the Royal Norwegian Embassy in collaboration with PPCD was held in Le Meridien Phoenicia Hotel. The main speakers were Ms. Oda Helen Sletnes, Director General of the Royal Norwegian Ministry of Foreign Affairs and Ms. Marlene Bonnici, Director General of PPCD. During the meeting issues relating to selected priority areas and the way forward for a successful implementation were discussed. In addition a brief description of the negotiation process between Malta, Norway, Iceland and Liechtenstein prior the signing of the MoU was outlined.

#### **4.1.2 Information Seminar on the call for project proposals**

Before issuing the call for project proposals, an information seminar was organised by the PPCD as the Maltese NFP on 31 August 2005, at Projects House, Floriana.

The objective of this meeting was to:

- i. explain the contents of the application;
- ii. highlight the most important regulations governing the financial mechanism, as outlined in the rules and procedures;
- iii. underline the issues forming part of the MoU;
- iv. inform applicants about important documents to be submitted with the application;
- v. answer any queries from project promoters with regards to the application process;

### **4.2 Website**

During August 2005, a section of the PPCD website was designed to give information specifically on the EEA Grants such as background information on the MoU and the EEA Financial Mechanism; principles, rules and regulations; priority areas and contact information of both the NFP and the FMO. In addition it provides useful links and downloads to the general public for further information. The call for individual project proposals, together with the application guidelines was also published on the website.

### **4.3 Press Releases and Newspaper advertising**

The NFP issued a number of press releases through the Department of Information to inform the general public about the EEA Financial Mechanism. On 28 April 2005 a press release was issued to announce the signing of the MoU. On 12 August 2005 a press release was published regarding the Information Seminar that was held on 31

August 2005. On 25 August 2005 a press release announced the call for proposals for the submission of applications for Individual Projects and on 31 October a press release was issued to announce the deadline extension for submissions of applications until 7 November 2005.

The call for project proposals was also advertised on the most widely circulated daily newspaper, giving guidance on the application form and pointing out the relevant guidelines and rules and procedures that could be downloaded from the website of the NFP: [www.ppcd.gov.mt](http://www.ppcd.gov.mt) as well as from the website of the FMO: [www.eeagrants.org](http://www.eeagrants.org).

#### **4.4 Manual of Procedures**

As detailed in Annex A of the MoU an MoP is being drafted as a guide to all key players involved in the management and implementation of the EEA Financial Mechanism. Guidance is focused on roles and responsibilities, contracting, programming procedures, database reporting, evaluation, financial management and payments, monitoring, retention of documents, reporting of irregularities, delegation of authority, publicity, audit and control.

## 5 Call and Submission of Individual Project Proposals

### 5.1 The issue of the call

A call for individual project proposals was issued by the Maltese NFP on 25<sup>th</sup> August 2005 making available €1,741,824<sup>1</sup> through the EEA Financial Mechanism. The total amount of the allocation for the period 2004-2009 is €1,920,000. 4% (€76,800) of this total has been deducted for management costs of the Financial Mechanism, whilst approximately 3% (€55,296) of the total net amount has been allocated to costs relating to appraisals, monitoring and ex-post evaluation. 2.5% (€46,080) of the total net amount has been allocated for Technical Assistance.

Deadline for accepting applications from project promoters was set for 7<sup>th</sup> November 2005.

### 5.2 Target applicants

All public or private sector bodies and non-governmental organisations (NGOs) were targeted as potential applicants. Applicants were also expected to constitute a legal entity and registered in Malta. The subject of the application was also expected to be an activity in the public interest and performed in Malta.

### 5.3 Total number of submissions

As detailed in Annex II, a total of 41<sup>2</sup> projects were submitted from several organisations ranging from national and local authorities to voluntary and community organisations and from education institutions to environmental bodies. The number of non-governmental and private organisations applying for EEA funds was considerable.

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<sup>1</sup> Initially, the published amount available for projects under the EEA Financial Mechanism was €1,737,600. However, during the project selection process the FMO informed the NFP that a total of €4,224 were still unabsorbed, and could be utilised for the funding of projects. This was due to the fact that the original allocations for the costs relating to appraisal, monitoring and ex-post evaluation, as well as the TA fund were based on the total allocation available under the mechanism (€1,920,000) and not on the net allocations.

<sup>2</sup> The call for project proposals was submitted for both EEA and Norwegian Financial Mechanisms. Therefore statistical information on the total number of projects reflects both Financial Mechanisms.



## 6 Overview of Project Proposals

### 6.1 Ineligible proposals

10 project proposals<sup>3</sup>, as listed in Annex IV, were deemed to be ineligible for three main reasons, which included: late submission, deficiencies in the budget proposal (not meeting the minimum grant amount set at € 250,000) and not respecting the project completion date as communicated during the call for proposals.

### 6.2 Protection of the environment, including the human environment

- *Integrated pollution prevention and control, fuel reduction*
- *Promotion of renewable energy*

A total of 15 eligible project proposals ranged from infrastructural nature (including afforestation in historical places, nature parks development and waterfront upgrading) to pollution prevention (marine environmental water quality monitoring system and oil spill response capability) and the use of renewable energy. Four proposals were targeted at pollution reduction at the Delimara and the Marsa power stations as well as at Luqa locality.

### 6.3 Conservation of European cultural heritage, including public transport, and urban renewal

- *Revitalisation, conservation, renovation, modernisation and adaptation of historical objects, which have European significance*
- *Condition monitoring and preventive maintenance routines for historical objects and complexes; and propose remedies*

Eligible proposals, totalling to 8<sup>4</sup>, were not only concentrated on restoration and reconstruction of historical locations, one of which (Hal Saflieni Hypogeum) is a world historical sites and another site (Mdina) is a potential candidate to be classified as a world heritage site, but also on the conservation of works of art and the setting up of a cultural digital inventory.

### 6.4 Health and childcare

- *Modernisation and equipping crèches, nursery schools, schools, special school-educational centres, orphanages*
- *Scholarship programmes*
- *Promoting gender equality*

4 eligible projects were submitted covering this domain. Project proposals concentrated on the building of childcare facilities for organisational purposes.

<sup>3</sup> The call for project proposals was submitted for both EEA and Norwegian Financial Mechanisms. Therefore statistical information on the number of ineligible projects reflects both Financial Mechanisms.

<sup>4</sup> The call for project proposals was submitted for both EEA and Norwegian Financial Mechanisms. Furthermore, the priority area entitled 'Conservation of European cultural heritage' is a priority area for both EEA and Norwegian Financial Mechanisms. Therefore statistical information on the number of ineligible projects reflects both Financial Mechanisms.

## **6.5 Academic Research**

- *Fields of intervention as outlined in the above-mentioned priority areas*

The proposals submitted, totalling to 4<sup>5</sup>, were not exclusively an academic research exercise but forming part of a larger project, mostly of an infrastructural or environmental nature.

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<sup>5</sup> Three proposals covered environment and academic research (therefore meant exclusively for the EEA Financial Mechanism) and the other proposal covered Conservation of cultural heritage and academic research (therefore targeted for both EEA and Norwegian Financial Mechanisms).

## 7 Project Selection Process

### 7.1 Proceedings of Project Selection Committee (PSC) meetings

Between November 2005 and February 2006, the PSC met a total of eight times during which it:

- i. Assessed whether project proposals are line with priority areas;
- ii. Requested and reviewed further clarifications from a number of project promoters;
- iii. Ranked eligible project proposals in line with the selection criteria, as approved by the Monitoring Committee (MC);
- iv. Set the rate of co-financing for each project to ensure that the total net allocation for Malta is not exceeded.

#### 7.1.1 First Meeting – 11<sup>th</sup> November 2005

During the first meeting PSC members opened sealed envelopes and checked applications in terms of the following checklist:

- i. *Format* – whether the standard format of the application has been used and no amendments have been made to the text of the form.
- ii. *Original and 2 copies* – whether 1 printed original and 2 printed copies have been submitted, duly signed and dated.
- iii. *Electronic Copy* – whether the electronic and hard copy versions are identical, including all supporting documents and are in English.
- iv. *Euros* – whether the financial data is in euros.
- v. *Financial and Numerical* – whether all inputs to tables containing financial and numerical information are correct.
- vi. *Supporting Documents* – whether all supporting documents are attached and clearly numbered.

#### 7.1.2 Second, third and fourth meeting – 29<sup>th</sup> November, 5<sup>th</sup> and 14<sup>th</sup> December 2005

Throughout the three meetings, PSC members evaluated each individual project proposal in terms of the selection criteria, as detailed in Annex I. Members requested a number of clarifications from project promoters on almost all aspects of the application which were not clear enough for a precise final score and ranking.

#### 7.1.3 Fifth and sixth meeting – 23<sup>rd</sup> January and 7<sup>th</sup> February 2006

In the fifth meeting, PSC members reviewed all clarifications received from project leaders. Such information was considered to be part and parcel with the information originally submitted by project promoters during the call for proposals.

Finally, in the sixth meeting, after a rigorous evaluation process, the PSC “pre-selected” a total of three proposals, as potential projects to be financed by the EEA Financial Mechanism, together with four reserves.

#### 7.1.4 Seventh and eighth meeting – 16<sup>th</sup> and 17<sup>th</sup> March 2006

During the seventh and eighth meeting, the PSC met with the Privatisation Unit and the Malta Maritime Authority (MMA) representatives to clarify questions raised by the Cabinet of

Ministers with regards to Project No. 1 ‘Implementation of Schengen Acquis Requirements at MIA’ and Project No. 35 ‘Setting up an Oil Spill Response Capability for the Protection of Our Seas’ before the final selection is sent to FMO for final approval.

## **7.2 Cabinet approval**

On 20<sup>th</sup> March 2006, the Cabinet of Ministers discussed the “pre-selected” project proposals together with four reserves. As detailed in Table 1, Cabinet endorsed the list of projects for Financial Mechanism Office (FMO) approval.

## 8 Selected Projects

| Project Ref. No. | Name of selected projects  | Project Promoter               | Total Eligible Cost (€) | EEA Grant (€)   | Project Promoter Contribution (€) |
|------------------|--|--------------------------------|-------------------------|-----------------|-----------------------------------|
| 12               | Masterplan for the Cittadella – the Old Fortified City of the Island of Gozo | Ministry for Gozo (MGOZ)       | 301,500                 | 256,275 (85%)   | 45,225 (15%)                      |
| 35               | Setting Up an Oil Spill Response Capability for the Protection of Our Seas   | Malta Maritime Authority (MMA) | 1,000,000               | 789,049 (78.9%) | 210,951 (21.1%)                   |
| 14               | Xrobb l-Ghagin Nature Park and Sustainable Development Centre                | Nature Trust Malta             | 798,992                 | 696,500 (87.2%) | 102,492 (12.8%)                   |

**Table 1: List of selected projects with co-financing rates**

### 8.1 Reasoned Opinion

On 13<sup>th</sup> April 2006, the Maltese NFP submitted a soft copy of all selected applications to the FMO. A hard copy of all selected applications was also submitted on 17<sup>th</sup> April 2006. As detailed hereunder, a short description on each respective selected project and a reasoned opinion (outlining the reasons why the proposals were selected) were also submitted. Reasoned opinion was based on criteria such as focus area, national priority, readiness of project proposal for implementation, contents of the application and capacity of organisation.

### 8.2 Summaries of Selected Projects

|                             |   |
|-----------------------------|---|
| <b>Priorities:</b>          | Conservation of European cultural heritage, including public transport, and urban renewal and academic research |
| <b>Project No.:</b>         | EEA/Norway 12   |
| <b>Project Title:</b>       | Masterplan for the Cittadella – the Old Fortified City of the Island of Gozo                                    |
| <b>Final Beneficiary:</b>   | Ministry for Gozo (MGOZ)  |
| <b>Total Eligible Cost:</b> | Euro 301,500  |
| <b>Norway Grant:</b>        | Euro 256,275 (85%)  |
| <b>Own Contribution:</b>    | Euro 45,225 (15%)   |

The project consists of the production of a masterplan for the fortified city of Victoria (Gozo), addressing serious geological problems, while ensuring the conservation and proper management of the Cittadella for the future. The project consists of three phases, mainly data collection and evaluation, preparation of the masterplan draft document, and the preparation of the final document.

|                       |  |
|-----------------------|--|
| <b>Priorities:</b>    | Protection of the environment, including the human environment and academic research |
| <b>Project No.:</b>   | EEA/Norway 35  |
| <b>Project Title:</b> | Setting Up an Oil Spill Response Capability for the Protection of Our Seas           |

**Final Beneficiary:** Malta Maritime Authority (MMA)  
**Total Eligible Cost:** Euro 1,000,000  
**EEA Grant:** Euro 789,049 (78.9%)  
**Own Contribution:** Euro 210,951 (21.1%)

This project proposal will ensure that Malta, through its National Authority (MMA) can deal with oil spills having a magnitude of over 1,000 tons (Tier 3 level). It involves studies to assess the frequency and size of spills, identifying response strategies and equipment, purchasing of equipment and organisation of seminars or workshops to train different entities on the use of oil spill response operations, including the use of equipment.

**Priority:** Protection of the environment, including the human environment  
**Project No.:** EEA/Norway 14  
**Project Title:** Xrobb l-Ghagin Nature Park and Sustainable Development Centre  
**Final Beneficiary:** Nature Trust (Malta)  
**Total Eligible Cost:** Euro 798,992  
**EEA Grant:** Euro 696,500 (87.2%)  
**Own Contribution:** Euro 102,492 (12.8%)

This project involves a partnership between Nature Trust (Malta) and the International Ocean Institute (IOI) with the support of the Ministry for Rural Affairs and the Environment (MRAE) to develop 155,950 square metres of protected ecological land in the North East of Marsaxlokk (south of Malta). The project consists of the afforestation of the land (which will be sponsored by a local bank), the restoration of the garigue park, the restoration of the whole building, the setting up of an educational centre, a dormitory and the necessary offices together with the installation of water treatment facilities. The IOI will be responsible for the establishment of a marine research centre. The project also aims to have a small research arm targeting the production of renewable energy, waste water management and recycling as well as safeguarding biodiversity.

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**Total Eligible Cost: €2,100,492**

**Total Available Funds<sup>6</sup>: €1,741,824**

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### 8.3 Selected Reserve projects

As detailed in Table 2, the PSC agreed to select a list of “reserve projects” as a contingency plan. Fluctuations arising from the public procurement process and/or projects which encounter delays/problems in implementation may give result to less certified expenditure than envisaged. A list of reserve projects would ensure a sufficient pipe-line of expenditure (without having to go through another call for project

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<sup>6</sup> The total amount of the allocation for the period 2004-2009 is €1,920,000. 4% (€76,800) of this total has been deducted for management costs of the Financial Mechanism, whilst approximately 3% (€55,296) of the total net amount has been allocated to costs relating to appraisals, monitoring and ex-post evaluation. 2.5% (€46,080) of the total net amount has been indicatively allocated for Technical Assistance.

proposals) if “planned projects” go wrong, spend less or are de-committed for any reason. The reserve selected projects for the EEA Financial Mechanism are:

| Project Ref. No. | Name of selected projects  | Project Promoter                                | Total Eligible Cost (€) | EEA Grant (€)   | Project Promoter Contribution (€) |
|------------------|--|---|-------------------------|-----------------|-----------------------------------|
| 25               | Marine Environmental and Water Quality Monitoring System for the Maltese Islands     | Malta Environment and Planning Authority (MEPA) | 797,000                 | 677,450 (85%)   | 119,550 (15%)                     |
| 38               | Conservation of Paper-Based Works of Art, Drawing, Prints and Maps                   | Heritage Malta                                  | 354,510                 | 301,334 (85%)   | 53,177 (15%)                      |
| 31               | Gas Management and Potential Energy Recovery from Landfill of ta' Zwejra I/O Maghtab | Wasteserv Malta Limited                         | 1,670,000               | 1,419,500 (85%) | 250,500 (15%)                     |
| 32               | Restoration of Bighi Centre (Zymotic) Block for the Housing of the Academy of Music  | Ministry for Tourism and Culture (MTAC)         | 626,833                 | 532,802 (85%)   | 94,030 (15%)                      |

**Table 2: List of reserve projects with co-financing rates**

#### 8.4 Summaries of Reserve Selected projects

|                             |  |
|-----------------------------|--|
| <b>Priorities:</b>          | Protection of the environment, including the human environment and academic research |
| <b>Project No.:</b>         | EEA/Norway 25 (1 <sup>st</sup> reserve)  |
| <b>Project Title:</b>       | Marine Environmental and Water Quality Monitoring System for the Maltese Islands     |
| <b>Final Beneficiary:</b>   | Malta Environment and Planning Authority (MEPA)                                      |
| <b>Total Eligible Cost:</b> | Euro 797,000   |
| <b>EEA Grant:</b>           | Euro 677,450 (85 %)  |
| <b>Own Contribution:</b>    | Euro 119,550 (15 %)  |

A proposal by MEPA in collaboration with the International Oceanography Institute (IOI) to develop a pilot marine monitoring system in Maltese coastal waters to investigate the links between marine pollution and the oceanographic phenomena. The project consists of three work phases: an analysis of the current situation; the development of a programme design to study the pollutant quantities and their accumulation or dispersion in space and time; and the deployment of equipment.

|                       |   |
|-----------------------|---|
| <b>Priority:</b>      | Conservation of European cultural heritage, including public transport, and urban renewal |
| <b>Project No.:</b>   | EEA/Norway 38 (2 <sup>nd</sup> reserve)   |
| <b>Project Title:</b> | Conservation of Paper-Based Works of Art, Drawing, Prints and Maps                        |

**Final Beneficiary:** Heritage Malta  
**Total Eligible Cost:** Euro 354,510  
**EEA Grant:** Euro 301,334 (85 %)  
**Own Contribution:** Euro 53,177 (15 %)

This project deals with the conservation of around 3,000 paper-based artworks, including the documentation and preparation on to mounting boards for the purpose of viewing and storage. A climate-controlled storage system shall also be designed for storing and preserving the artworks.

**Priority:** Protection of the environment, including the human environment  
**Project No.:** EEA/Norway 31 (3<sup>rd</sup> reserve)  
**Project Title:** Gas Management and Potential Energy Recovery from the Landfill of ta' Zwejra I/O Maghtab  
**Final Beneficiary:** Wasteserv Malta Limited  
**Total Eligible Cost:** Euro 1,670,000  
**EEA Grant:** Euro 1,419,500 (85 %)  
**Own Contribution:** Euro 250,500 (15 %)

This project aims to explore the potential of landfill gas (LFG) generated at Ta' Zwejra engineered landfill facility so as to convert it into other forms of energy to replace the use of fossil fuels and to reduce greenhouse gases emitted in the atmosphere. The recovery of the landfill gas would be done through the installation of a gas venting system, followed by landfill capping. Subsequently, equipment will be installed to transform the LFG into electricity or fuel required to produce power.

**Priority:** Conservation of European cultural heritage, including public transport, and urban renewal  
**Project No.:** EEA/Norway 32 (4<sup>th</sup> reserve)  
**Project Title:** Restoration of Bighi Centre (Zymotic) Block for the Housing of the Academy of Music  
**Final Beneficiary:** Ministry for Tourism and Culture (MTAC)  
**Total Eligible Cost:** Euro 626,833  
**EEA Grant:** Euro 532,802 (85 %)  
**Own Contribution:** Euro 94,030 (15 %)

The project will restore and rehabilitate the Zymotic Block of Villa Bighi in Kalkara to convert it into an Academy of Music. Works involve structural alterations, restoration of facades, internal finishes and external landscaping works. Request for funding is focused on the infrastructural works. Academy itself will be set up at a later stage.



## **9 The contribution of the Final Beneficiaries (Project Promoters) for achieving the EEA Financial Mechanism and Maltese Government Objectives**

### **9.1 The importance of environmental management and cultural heritage**

Environmental management and cultural heritage blended with academic research pose strong strategic implications for both EEA Financial Mechanism and Malta. These policy areas fit in perfectly with the current Government Policy and act as a catalyst in achieving improvement and in contributing to the overall national performance.

#### **9.1.1 Malta Maritime Authority (MMA)**

##### **Project Title:**

*Setting Up an Oil Spill Response Capability for the Protection of our Seas*

The Malta Maritime Authority (MMA) was set up as a distinct and autonomous corporate body to supervise the organisation of the primary maritime services - to enable ports, merchant shipping and yachting centres to operate within centralised framework. Increasing interest from cruise operators, and cruise passengers themselves, has induced the Malta Maritime Authority (MMA) to invest heavily in port development as well as in services, especially the provision of higher quality safety and security to meet international standards.

Through this particular project, MMA will be covering priority area called Protection of the Environment: integrated pollution prevention and control, fuel reduction. Also, since part of the proposal consists of a study, it also covers the academic research focus area.

This project is a national priority since Malta's geographical proximity to major maritime traffic routes, together with bunkering, transshipment activities at the Malta Freeport, and other shipping activities in our ports, pose potential risks to human health and environment. This project is also of paramount importance given a scenario where sea traffic is increasing significantly. In the Mediterranean, large tankers carrying around 3,000 tonnes of fuel travel for bunkering purposes. This increases the risk level for an oil disaster. Also, an oil spill would not only wipe out the tourism industry which amounts to 25% of Malta's GNP but also impacts on essential services such as the production of drinking water given that a good part of Malta's drinking water is produced via desalination plants.

Furthermore, current relevant equipment available at the Civil Protection Department needs to be replaced since it can only deal with an inshore disaster and can only manage an oil spillage incident Tier 2 magnitude (between 10 to 1,000 tons). The MMA will ensure that Malta can deal with off-shore oil spills having a magnitude of over 1,000 tons (Tier 3 level). Also, the study forming part and parcel of the project will be building on a report prepared by the National Marine Pollution Contingency Plan (NMCP) which was drafted in 1999 and laid down Malta's response strategy.

### 9.1.2 Ministry for Gozo (MGOZ)

**Project Title:**

***Masterplan for the Cittadella – the Old Fortified City of the Island of Gozo***

The project consisting of a masterplan for the Cittadella, will be covering both arms of focus area Conservation of European Cultural Heritage, namely: Revitalisation, conservation, renovation, modernization and adaptation of historical objects, which have European significance and condition monitoring and preventive maintenance routines for historical objects and complexes.

An important characteristic of the Gozitan economy is its dependence on tourism. Gozo attracts about half a million international foreign visitors (mostly day-trippers) yearly. Economic activity associated with tourism generates considerable income and employment in Gozo, since a high proportion of tourism expenditure goes on food, accommodation and transport, sectors in which Gozitans tend to have a high stake. Project will be located in an area which is visited by 82% of foreign visitors. Furthermore, location is an old historical city dating back to the Bronze Age 1500 B.C. and a possible candidate for classification as a World Heritage Site.

Cultural tourism is a priority niche market for the Maltese Island. An approximate of 20% of all tourists choose Malta and Gozo because of its culture. Cittadella is one of two major cultural sites in Gozo making it an important priority for the island's socio-economic development.

### 9.1.3 Nature Trust (Malta)<sup>7</sup>

**Project Title:**

***Xrobb l-Ghagin Nature Park and Sustainable Development Centre***

The mission of Nature Trust (an NGO) is a commitment to the conservation of Maltese nature by promoting environmental awareness, managing areas of natural and scientific interest, and lobbying for effective environmental legislation.

The involvement of NGOs is a priority for both Malta and the donor countries. Even though in Malta NGOs, as yet, are not backed by national legislation, the NFP did not exclude the participation of NGOs in the call for project proposals. This selection was made with a vision of maintaining effort from NGOs in the future. Moreover, given the significant number of proposals stemming from NGOs, totalling 7, the highest ranking proposal (from among all NGOs) was selected as a 'special case', although there were public sector projects that have ranked higher. The PSC felt that in view of the effort made by the NGO sector, it is important for the Government to send out a message to the NGO sector that such instruments are also for the benefit of the NGOs.

The project is in line with both Malta's strategic direction and also with one of the main objectives set out by the Financial Mechanism that is reducing disparities between regions. Such a proposal is an investment in the South of Malta, which is the most densely populated and urban developed area. It is also an area where industry and

<sup>7</sup> Nature Trust (Malta) will be implementing the project through a partnership with other two organisations namely International Oceanic Institute (IOI) and the MRAE.

related services are concentrated. Xrobb l-Ghagin area has been abandoned since 1996 when the Deutsche Welle radio station was closed down. It is a scheduled protected area of ecological importance.

The project although proposed and will be implemented by an NGO, enjoys the full support of the MRAE.

## 10 Work Plan (June 2006 - June 2007)

| Period                          | Activity  |
|---------------------------------|---|
| <b>July 2006</b>                | <p><b>Communicating local results of the PSC as approved by the Cabinet of Ministers</b></p> <p><i>Unsuccessful applicants</i></p> <p>The NFP shall notify unsuccessful applicants informing them that the project was not chosen and the reason/s why it was not chosen.</p> <p><i>Successful applicants</i></p> <p>The NFP shall notify successful applicants informing them that the project was chosen.</p>   |
| <b>September 2006</b>           | <p><b>Monitoring Committee (MC)</b></p> <p>A MC will be held to formally approve the annual reports presented during the annual meeting held in May 2006 and to discuss the overall proceedings of the first year of the EEA Financial Mechanism implementation.</p> <p><b>Manual of Procedures (MoP)</b></p> <p>Drafting of the MoP as a guide to all stakeholders in the management and implementation of all projects.</p>   |
| <b>October 2006 - June 2007</b> | <p><b>Communicating final decision to successful applicants</b></p> <p>Successful applicants will be formally notified of the final decision taken by the FMC. In this regard, a grant agreement will be signed with the final beneficiary, which will form the basis of an agreement with the applicant to ensure the correct implementation of the project.</p> <p><b>Approval of Technical Assistance (TA)</b></p> <p>TA shall be approved by the EEA FMC and the NMFA resulting in the initiation of the following Focal Point's activities:</p> <p><b>Database</b></p> <p>An external consultant will be engaged to adjust existing structural funds application database to the specific requirements of the EEA Financial Mechanism.</p> |

|  |  |
|--|--|
|  | <p><b>Webpage</b></p> <p>The NFP intends to migrate its present webpage on the mechanisms (located under the PPCD homepage: <a href="http://www.ppcd.gov.mt">www.ppcd.gov.mt</a>) to a dedicated web address (<a href="http://www.eeagrants.mt">www.eeagrants.mt</a>), providing up-to-date information and other related news on the mechanisms.</p> <p><b>Publicity tender</b></p> <p>A publicity tender shall be issued for the entire implementation period. Tender will be covering the following activities:</p> <ul style="list-style-type: none"> <li>▪ TV documentaries</li> <li>▪ Press commercials</li> <li>▪ Radio commercials</li> <li>▪ Dedicated website (<a href="http://www.eeagrants.mt">www.eeagrants.mt</a>)</li> <li>▪ Printed material (leaflets)</li> </ul> <p><b>Implementation of projects</b></p> <p>After approval from the Financial Mechanism Office (FMO), implementation of projects will be commenced. In essence this will involve:</p> <ul style="list-style-type: none"> <li>▪ Day-to-day monitoring</li> <li>▪ Financial and publicity co-ordination</li> </ul> <p><b>Organisation of Meetings</b></p> <p>Annual meetings with EFTA states, meetings with the FMO and Steering Committee meetings with Project leaders as well as other meetings with the relevant stakeholders including IAID, DoC and the PA as necessary.</p> |
|--|--|

## 11 Audit Plan (June 2006 - June 2007)

| <b>Auditor</b>                                       | <b>Period</b>         | <b>Nature of audit</b>   |
|--|-----------------------|--|
| Internal Audit and Investigations Directorate (IAID) | June 2006 – June 2007 | System Audit of the EEA Financial Mechanism's management, implementation and monitoring in the NFP |

### 11.1 Systems Audit

As the certifying body on internal control systems for EU purposes, the IAID will audit the entire EEA Financial Mechanism management system against potential mismanagement.

### 11.2 On-the-spot-checks

| <b>Organisation</b>        | <b>Period</b>             | <b>Activity</b>  |
|----------------------------|---------------------------|--|
| National Focal Point (NFP) | December 2006 – June 2007 | On the spot checks of the EEA Financial Mechanisms' projects |

On-site visits to individual projects will essentially allow the NFP to associate physical progress and infrastructure with documentation and figures of expenditure, certifications etc. Normally this involves reviewing financial records and files, supplementing these with interviews with relevant staff where necessary, and testing systems through examining a sample of transactions. It is planned that during this period 40% of the projects will be checked physically.

## **12 Conclusion**

In retrospect, the period covered by this annual report can be described as the first full year of operation for the EEA Financial Mechanism. Despite a steep learning curve, a lot of work has been done to inform the general public and to guide project leaders in submitting correct and precise application which is crucial to indicate a comprehensive picture of a future implemented project.

Interestingly, the Financial Mechanism gave the opportunity to a continuum of organisations to propose project proposals serving for the common good, including NGOs.

Despite staff limitations the process moved in terms of the action plan prepared last May 2005. Most of the work done till now is still on paper mainly consisting of an elaborate selection process amongst 41 project proposals. It is now expected that the projects selected will start to become visible on the ground during the next period following FMO's approval.

## Annex I

### Project Selection Criteria for the EEA Financial Mechanism

| <b>Marks</b> | <b>Selection Criteria</b>                | <b>More details</b>  |
|--------------|--|--|
| 20           | <b>Focus Area</b>                        | Project description needs to be in line with the respective focus areas for each priority (as defined in Annex B of the Memoranda of Understanding)  |
| 20           | <b>National Priorities</b>               | Project needs to be in line with the National Priorities and relevant national policies  |
| 20           | <b>Readiness of Project</b>              | Project is mature and ready for implementation, e.g. status of tenders and MEPA permits are in an advanced stage   |
| 10           | <b>Cross-Cutting Issues</b>              | Where applicable, contribute to the attainment of the horizontal priorities:<br>(a) Environment<br>(b) Economic<br>(c) Social<br>(d) Gender equality<br>(e) Good governance<br>(f) Bilateral relations |
| 10           | <b>Completeness of Application</b>       | Demonstrate completeness of application (filled in with all relevant details as required)  |
| 10           | <b>Capacity of Organisation</b>          | Application carried out by an organization with a proven capacity to carry out EU/similar co-funded projects   |
| 10           | <b>Co-financing &amp; Sustainability</b> | Provision of proof of co-financing and sustainability of project   |



## Annex II

### A complete list of applications received by the Maltese National Focal Point (NFP)<sup>8</sup>

| Project No | Organisation/Department                      | Project Title   |
|------------|--|---|
| 1          | Malta International Airport (MIA)            | Implementation of Schengen Acquis Requirements at MIA by April 2007   |
| 2          | Din l-Art Helwa                              | Red Tower Afforestation   |
| 3          | Din l-Art Helwa                              | Majjiesa Nature Park  |
| 4          | Malta Resource Centre for Civil Society NGOs | Health REPSS (Research, Education, Policies, Services, Sustainability) Contributions by Civil Society                     |
| 5          | Malta Police Force                           | Procurement & Installation of Security/Safety Equipment for Building Sites housing the SIS Equipment                      |
| 6          | Malta Police Force                           | Procurement & Installation of Wireless Connectivity Equipment required to access Police National Systems for Mobile Squad |
| 7          | Malta Police Force                           | Procurement & Installation of Biometric Equipment re VIS at border control points & G.H.Q.                                |
| 8          | University of Malta                          | Education Provision in Prisons in Malta – An Evaluation   |
| 9          | The Gaia Foundation                          | The Enhanced Integrated Management of Specially Protected Areas in the Maltese Islands                                    |
| 10         | MRES Restoration Unit                        | Consolidation of Terrain & Historic Ramparts Underlying Council Square, Mdina   |
| 11         | Vista Coop                                   | Providing Quality Childcare & Child Development Services in Malta   |
| 12         | MGOZ   | Masterplan for the Citadella – the Old Fortified City of the Island of Gozo   |
| 13         | MGOZ   | Procurement of Radiological Equipment for the Gozo General Hospital   |
| 14         | Nature Trust                                 | Xrobb l-Ghagin Nature Park & Sustainable Development Centre   |
| 15         | Comtec Service Ltd.                          | Construction of a Fumigation Chamber to meet International Standards for Phytosanitary Measures                           |
| 16         | Enemalta                                     | Relocation of Petroleum Depot   |
| 17         | Enemalta                                     | Consultancy for the Feasibility of the Conversion of the CCGT Plant in Malta to Operate on LNG                            |
| 18         | Enemalta                                     | Removal & Disposal of Asbestos from Boiler Room at Marsa 'A' Station  |
| 19         | Enemalta                                     | Supply & Installation of Self-Cleaning Debris Strainers   |

<sup>8</sup> List of applications for both EEA and Norwegian Financial Mechanisms

|    |                                       |  |
|----|---------------------------------------|--|
| 20 | Enemalta                              | Consultancy for the Conversion of Enemalta Boilers to Reduce Emissions   |
| 21 | Luqa Local Council                    | Integrated Pollution Prevention & Control re Aviation Traffic  |
| 22 | Euro-med Movement                     | Research re Preventive Action to Reduce Youth Criminality  |
| 23 | Kalkara Local Council                 | Kalkara Waterfront Project   |
| 24 | Xewkija Local Council                 | Restoration & Reconstruction of Rubble Walls at Mgarr ix-Xini Regional Park until December 2008                  |
| 25 | MEPA                                  | Marine Environmental & Water Quality Monitoring System for the Maltese islands                                   |
| 26 | MEPA                                  | Setting Up a Child Care Facility for MEPA  |
| 27 | Schembri & Sons Ltd.                  | Ferretti Building Restoration  |
| 28 | Zabbar Parish                         | Conservation & Restoration of the Sanctuary of Our Lady of Graces, Zabbar Malta (Cultural Heritage)              |
| 29 | Association of Private Family Doctors | Making Better Use of ICT in Malta's Private Health Care System   |
| 30 | Heritage Malta                        | The Ghajn Tuffieha Roman Baths   |
| 31 | Wasteserv Malta Ltd.                  | Gas Management & Potential Energy Recovery from the Landfill of ta' Zwejra l/o Maghtab                           |
| 32 | Ministry for Tourism & Culture (MTAC) | Restoration of Bighi Centre (Zymotic Block) for the Housing of the Academy of Music                              |
| 33 | Fondazzjoni Wirt Artna                | Reviving Our Past  |
| 34 | Superintendence of Cultural Heritage  | The Malta Cultural Heritage Inventory (MCHI): Set-up & Digitization  |
| 35 | Malta Maritime Authority              | Setting Up an Oil Spill Response Capability for the Protection of our Seas                                       |
| 36 | Heritage Malta                        | Conservation of Hal Saflieni Hypogeum – World Heritage Site  |
| 37 | Heritage Malta                        | Saving Malta's National Fine Arts Collection – Making the Fine Arts Fire Safe                                    |
| 38 | Heritage Malta                        | Conservation of Paper-Based Works of Art, Drawing, Prints & Maps   |
| 39 | Air Malta                             | The Replacement, in part, of Ground Handling Equipment to More Environmentally Friendly Units                    |
| 40 | Malta Conference Centre (MCC)         | Restoration of 16 <sup>th</sup> Century Wooden Ceiling of La Sacra Infermeria at Mediterranean Conference Centre |
| 41 | Malta Transport Authority (ADT)       | Integrated Automatic Vehicle Location System (AVL) for the Scheduled Bus Service in Malta                        |

## Annex III

### EEA and Norwegian Financial Mechanisms 2004-2009

#### List of non-selected projects<sup>9</sup>

| Project No | Organisation/ Department                     | Priority Area                                     | Project Title   |
|------------|--|---|---|
| 2          | Din l-Art Helwa                              | Protection of the environment                     | Red Tower Afforestation   |
| 3          | Din l-Art Helwa                              | Protection of the environment                     | Majjiesa Nature Park  |
| 4          | Malta Resource Centre for Civil Society NGOs | Health and Childcare                              | Health REPSS (Research, Education, Policies, Services, Sustainability) Contributions by Civil Society |
| 9          | The Gaia Foundation                          | Protection of the environment                     | The Enhanced Integrated Management of Specially Protected Areas in the Maltese Islands                |
| 11         | Vista Coop                                   | Health and Childcare                              | Providing Quality Childcare & Child Development Services in Malta                                     |
| 13         | Ministry for Gozo (MGOZ)                     | Health and Childcare                              | Procurement of Radiological Equipment for the Gozo General Hospital                                   |
| 16         | Enemalta                                     | Protection of the environment                     | Relocation of Petroleum Depot <sup>10</sup>   |
| 17         | Enemalta                                     | Protection of the environment & Academic Research | Consultancy for the Feasibility of the Conversion of the CCGT Plant in Malta to Operate on LNG        |
| 18         | Enemalta                                     | Protection of the environment                     | Removal & Disposal of Asbestos from Boiler Room at Marsa 'A' Station                                  |
| 19         | Enemalta                                     | Protection of the environment                     | Supply & Installation of Self-Cleaning Debris Strainers   |
| 21         | Luqa Local Council                           | Protection of the environment                     | Integrated Pollution Prevention & Control re Aviation Traffic   |
| 23         | Kalkara Local Council                        | Protection of the environment                     | Kalkara Waterfront Project  |
| 24         | Xewkija Local Council                        | Protection of the environment                     | Restoration & Reconstruction of Rubble Walls at Mgarr ix-Xini Regional Park until December 2008       |
| 29         | Association of Private Family Doctors        | Health and Childcare                              | Making Better Use of ICT in Malta's Private Health Care System  |
| 33         | Fondazzjoni Wirt Artna                       | Conservation of European cultural heritage        | Reviving Our Past   |
| 39         | Air Malta                                    | Protection of the environment                     | The Replacement, in part, of Ground Handling Equipment to More Environmentally Friendly Units         |

<sup>9</sup> These projects were deemed to be eligible and were ranked, however could not be chosen due to lack of sufficient funds.

## Annex IV

### EEA and Norwegian Financial Mechanisms 2004-2009

#### List of ineligible projects<sup>11</sup>

| Project No | Organisation/ Department             | Priority Areas                                      | Project Title  | Reason  |
|------------|--------------------------------------|---|--|---|
| 8          | University of Malta                  | Strengthening the Judiciary and Academic Research   | Education Provision in Prisons in Malta – An Evaluation  | Minimum grant requirement of €250,000 not met |
| 15         | Comtec Service Ltd.                  | Health and Childcare                                | Construction of a Fumigation Chamber to meet International Standards for Phytosanitary Measures                  | Minimum grant requirement of €250,000 not met |
| 20         | Enemalta                             | Protection of the Environment and Academic Research | Consultancy for the Conversion of Enemalta Boilers to Reduce Emissions   | Project goes beyond 2008                      |
| 22         | Euro-med Movement                    | Strengthening the Judiciary and Academic Research   | Research re Preventive Action to Reduce Youth Criminality  | Minimum grant requirement of €250,000 not met |
| 26         | MEPA                                 | Health and Childcare                                | Setting Up a Child Care Facility for MEPA  | Minimum grant requirement of €250,000 not met |
| 27         | Schembri & Sons Ltd.                 | Conservation of European Cultural Heritage          | Ferretti Building Restoration  | Project goes beyond 2008                      |
| 28         | Zabbar Parish                        | Conservation of European Cultural Heritage          | Conservation & Restoration of the Sanctuary of Our Lady of Graces, Zabbar Malta (Cultural Heritage)              | Project goes beyond 2008                      |
| 34         | Superintendence of Cultural Heritage | Conservation of European Cultural Heritage          | The Malta Cultural Heritage Inventory (MCHI): Set-up & Digitization  | Project goes beyond 2008                      |
| 40         | Malta Conference Centre (MCC)        | Conservation of European Cultural Heritage          | Restoration of 16 <sup>th</sup> Century Wooden Ceiling of La Sacra Infermeria at Mediterranean Conference Centre | Minimum grant requirement of €250,000 not met |
| 41         | Malta Transport Authority (ADT)      | Protection of the Environment                       | Integrated Automatic Vehicle Location System (AVL) for the Scheduled Bus Service in Malta                        | Late submission. Project goes beyond 2008     |

<sup>10</sup> Initially the PSC ranked this project, however, on the 19<sup>th</sup> January 2006, the application was withdrawn by the applicant.

<sup>11</sup> List of ineligible projects for both EEA and Norwegian Financial Mechanisms