Cohesion Policy and Malta

In 2014-2020, Malta will manage three operational programmes under EU Cohesion Policy. Of these, one will receive funding from the European Regional Development Fund (ERDF) and Cohesion Fund, one will receive funding from the ERDF within the framework of the SME initiative and one will receive funding from the European Social Fund (ESF).

How much will the EU invest in Malta from 2014-2020?

For 2014-2020, Malta has been allocated around €729 million (current prices) in total Cohesion Policy funding:

- **€490.2 million** for transition regions (the entire country is classified as a transition region)
- **€217.7 million** through the Cohesion Fund
- **€17 million** for European Territorial Cooperation

Of this, the ESF accounts for 21.6% of the allocation, for a total amount of €105.9 million.

Malta has also received €3.9 million under the Fund for European aid to the most deprived.

Structural Funds (ERDF and ESF) eligibility 2014-2020

- Less developed regions
  (GDP/head < 75 % of EU-27 average)
- Transition regions
  (GDP/head between >= 75 % and < 90 % of EU-27 average)
- More developed regions
  (GDP/head >= 90 % of EU-27 average)
What are the main investment priorities for Malta?

Priorities for Malta are set out in a Partnership Agreement with the European Commission. They include:

- Fostering competitiveness through innovation and the creation of a business-friendly environment
- Sustaining an environmentally-friendly and resource-efficient economy
- Creating opportunities through investment in human capital and improving health and well-being

What results have been achieved so far?

The total allocation from Cohesion Policy funding for the 2007-2013 period was € 855 million.

Since the beginning of the 2007-2013 funding period, amongst other achievements, ERDF investments have helped Malta to create more than 1,400 jobs, producing an increase in tourism earnings of 1% per year.

The percentage of RTDI (Research, Technological Development and Innovation) expenditure more than doubled as a percentage of GDP.

Funds have provided investment for a wide variety of projects such as enhancing the integration of vulnerable groups in the labour market, in particular of women and older people; incentivising the production, distribution and use of renewable energies; increasing indigenous private sector research and development activity. More than 56,000 students benefited from funds for improving the level of education.

During the same period, more than 82,000 individuals participated in ESF funded activities. In the same period, the employment rate of females increased from 37.5% in 2007 to 46.8% in 2012.

ESF funds have been dedicated to a variety of projects aimed at improving education and skills, enhancing the employability and adaptability of the workforce, as well as promoting an equal and inclusive labour market.

Cohesion Policy success stories

ERDF projects

- **Construction and Equipping of an Independent Living Centre**
  The Sonia Tanti Independent Living Centre strives for a more inclusive society in Malta, providing persons with a disability and their families advice, information and training in aspects of independent living such as mobility and assistive technology. With a Helpdesk, an Assistive Equipment Demo Unit, a Wheelchair and Seating Clinic and an Adaptive Driving Assessment and Training Unit, the centre allows people with reduced mobility to test different equipment, for example for specially adapted cars or access ramps. This tailored service is invaluable to users, enhancing their quality of life and independence.
  
  Total cost: € 711,000 (ERDF contribution: € 604,000)

- **National Flood Relief Project**
  Although the climate of Malta is dry in summers, severe flash floods generally occur between September and January, resulting in economic losses and disruption to both traffic and people’s lives. The National Flood Relief Project (NFRP) involves the construction of a network of underground tunnels, canals and bridges, capable of draining to the sea the floods caused by heavy rainfall. The project will increase the share of the population protected from storm water and should benefit some 165,000 residents.
  
  Total cost: € 62.5 million (Cohesion Fund contribution: € 44.9 million)

ESF projects
**Employment Aid Programme**

The Employment Aid Programme assists inexperienced young job-seekers, women who have been out of work for some time, older people, people with a disability of some kind, and the long-term unemployed to find work. It offers employers a grant equivalent to 50% of the salary costs (75% for the disabled) for temporary position filled, gain valuable work experience for clients. Already over 2000 participants (around 85%) have been offered a permanent position following their placement.

*Total cost: €14.2 million (ESF contribution: €14.2 million)*

**Increasing the employability of Malta’s youth**

The Youth Employment Programme aims to give youngsters the skills they need to overcome the barriers to employment. It offers an ‘open door’ to any young person who feels the need for guidance or training, including early-school leavers, youth unemployed, youth with disabilities etc. Around 5500 young people are expected to benefit from the initiative. Events offered include Jobstart Workshops, visits to potential employers, careers and training fairs as well as common social activities.

*Total cost: €810,000 (ESF contribution: €690,000)*

Find out more about EU cohesion policy projects in Malta

For more project examples, as well as links to the complete list of beneficiaries of EU cohesion policy funding, see the following websites:

- European Commission Regional Policy website
- European Social Fund website