



Malta

National Reform Programme

Annex Table 1

Ministry for Finance
April 2015

Table 1. Description of the measure taken and information on their qualitative impact

			Information of the planned and already enacted measures								Foreseen Impacts
CSR number (1)	CSR sub-categories (2)	Number and short title of the measure (3)	Description of main measures of direct relevance to address the CSRs					Europe 2020 targets	Challenges/Risks	Budgetary implications	Qualitative elements
			Main policy objectives and relevance for CSR (4)	Description of the measure (5)	Legal/administrative instruments (6)	Timetable on progress achieved in the last 12 months (7)	Timetable on upcoming steps (8)	Estimated contribution to Europe 2020 targets (9)	Specific challenges/risks in implementing the measures (10)	Overall and yearly change in government revenue and expenditure (reported in mln. national currency) Contribution of EU funds (source and amounts) (11)	Qualitative description of foreseen impacts and their timing (12)
CSR 1	a) Correct the excessive deficit in a sustainable manner by 2014.	Measure 1 – Review of ministerial spending allocations	The Government is committed to keeping Government expenditure in check including by improving efficiency in public spending.	A Government spending review is ongoing to ensure the achievement of improved efficiency in public spending, reduce waste and ensure value for money. This should ensure that spending reflects changing priorities and changing needs.	Budget Implementation Act and accompanying legislation.	The Comprehensive Spending Review was conducted in all 14 Ministries focusing on programmes and initiatives with the aim of starting to link outputs to expenditure for all line items. The first review was completed in 2014. The Spending Review provides a methodology for zero budgets line by line analysis and connecting expenditure inputs to policy outputs. Ministries are now in a better position to establish unit costs for expenditure line items. The Financial Estimates for 2015 now provide projections for 2016 and 2017 so that each Ministry will have a planning total in submitting their spending plans for 2016. In February 2014, the Government started an in depth Comprehensive Review of Social Security which was based on a series of hearings with stakeholders. A report was then presented to the Prime Minister at the end of May 2014. This was the framework for the social security reforms announced in the 2015 Budget.	The Comprehensive Spending Review is ongoing since it is seen as a medium term project. For 2015 the aim is to continue with the reforms of social security and in-depth reviews in the areas of health and education.	The Review is medium term. Government now has outputs for each line item against spending inputs, which will allow it to better assess unit costs.	Zero budgets impose a major challenge but they allow Ministries to ask whether resources can be channelled to new areas without asking for additional spending.	A quantitative estimate of the budgetary implications is included in the 2015 Update of the Stability Programme.	The reviews are one pillar of Government's approach to economic policy. The aim is to continue with the reviews in social security but also to conduct in-depth reviews in the areas of health and education during 2015 as part of the budget strategy for 2016.
	b) In 2015, significantly strengthen the budgetary strategy to ensure the required structural adjustment of 0,6% of GDP towards the medium-term objective. Thereafter, pursue a structural adjustment of at least 0,5% of GDP each year, and more in good	Measure 1 – Ensuring an appropriate structural effort	Ensuring public finance sustainability in the short to medium term, while also addressing the long term is a key Government objective. Government is also committed to meet its commitments as per the Stability Programme which includes aiming for a balanced structural budget as its medium-	The Maltese Government is pursuing an adequate structural effort to ensure the achievement of the medium term objective of a balanced budget by 2018.	Budget Implementation Act and accompanying legislation.	Further details on Government's medium term fiscal strategy are included in the 2015 Update of the Stability Programme.	Further details on Government's medium term fiscal strategy are included in the 2015 Update of the Stability Programme.		The Commission 2015 winter forecast anticipates some deviation from the required 0.6% of GDP adjustment towards the MTO. Further details on Government's medium term fiscal strategy are included in the 2015 Update of the Stability Programme.	A quantitative estimate of Government's medium term fiscal targets is included in the 2015 Update of the Stability Programme.	Ensuring a sustainable budgetary position is important to ensure a sustainable debt position, taking into account the economic and budgetary impact of ageing populations, and to have adequate room for budgetary manoeuvre, in particular

	economic conditions or if needed to ensure that the debt rule is met in order to keep the general government debt ratio on a sustained downward path		term objective (MTO).								taking into account the needs for public investment.
	c) Finalise the adoption of the Fiscal Responsibility Act with a view to putting in place a binding, rule-based multiannual fiscal framework and establishing an independent institution charged with monitoring of fiscal rules and endorsing macroeconomic forecasts underpinning fiscal planning.	Measure 1 – Implementing a rules-based fiscal framework	Government acknowledges the important role that national fiscal frameworks may play in sustaining budgetary retrenchment. The Government has implemented a full reform of the Maltese fiscal framework.	This legislation foresees the creation of an independent Fiscal Council principally tasked with monitoring, budgetary execution against targets, operation of fiscal rules and adequacy of corrective action when the structural effort necessary to achieve the MTO deviates from the required path.	Parliament has unanimously approved the FRA in August 2014 and the Act was signed by the President, thus introducing the fiscal rules underlying the SGP into national legislation.	Parliament has unanimously approved the FRA in August 2014 and the Act was signed by the President, thus introducing the fiscal rules underlying the SGP into national legislation. It is to be noted that the Fiscal Council in Malta was established as of 1 st January 2015. This was published in the Government Gazette dated 16 th January 2015. The National Audit Office was appointed to carry out the functions of a fiscal institution on an interim basis in 2013 until the establishment of the Fiscal Council.	N/A		Main challenges include the added administrative burden on public administration to comply with the requirements of the FRA.		The FRA should facilitate fiscal consolidation and increase transparency.
	d) Continue improving tax compliance and fighting tax evasion by ensuring the continued roll-out and evaluation of measures taken so far, while taking additional action, in particular by promoting the use of electronic means of payment	Measure 1 – Investment Registration Scheme	Taxpayers will be given the opportunity to regularise their position.	Individuals residing in Malta who hold eligible assets without the necessary exchange control permits will be given the opportunity to regularise their position.		The scheme was launched by the Central Bank of Malta and it closed on 30 th November 2014.			The selection process of cases for review or audit may result in false positives as the taxpayer will show the declaration with the Registration Scheme.	There is onetime revenue collected by the Government.	The efficiency and effectiveness of the revenue to be collected from audit cases may be reduced. However this revenue has already been collected.
		Measure 2 – Auditing of construction values	This measure will create a level playing field and promote transparency in the construction industry.	The main aim of this measure is to reduce VAT evasion in the construction sector.		N/A		The Minister for Finance will be discussing the issue at Cabinet level.			
		Measure 3 – Tax Evasion	This campaign is mainly aimed	Improve taxpayer's		N/A		Marketing campaign is being re-scheduled for 2015 due to	The challenge in such an	€ 150,000 is planned in	Increased level of

		Awareness Campaign	to combat tax evasion.	compliance by increasing awareness of how the money collected from taxes is being used by the Government.			the launching of the Investment Registration Scheme.		exercise is to explain the benefits of tax collection vis-à-vis the expenditure	line with the allocation of the previous year.	compliance over the long term.
		Measure 4 – Consolidating the various functions of Government Revenue into one Authority	Through the merger, Malta is expecting a positive impact in terms of compliance as well as in terms of taxpayer services.	The primary objective for the establishment of this Office was to merge the Revenue Departments of the Ministry for Finance into one organisation to provide better services to taxpayers.		<p>1. The testing of the supporting systems is being completed in incremental phases. At this stage, this is around 40%. The processing system is live and complete. Tax statements are also now being issued, and this can be considered as complete for VAT.</p> <p>2. The legal amendments that enable the Commissioner for Revenue were implemented in August 2014.</p> <p>3. A procurement process has been initiated by the Malta Information Technology Agency (MITA) to consolidate all cash office applications of the taxation departments. Work started in November 2014 and is planned to be completed by June 2015.</p> <p>4. Technical alignments are being reviewed taking into consideration that the legal amendments that enable the Commissioner for Revenue were implemented in August 2014.</p>				Tax audits process more effective. Service quality for tax practitioners and taxpayers will be improved in the medium term.	
		Measure 5 – Changes in the Final Withholding Tax (FWT) with respect to Capital Gains Tax	With this measure Malta is expecting an improvement in tax efficiency.	With effect from 1 st January 2015, the 35% Capital Gains Tax (CGT) will be replaced by an 8% FWT, applicable to traders and non-traders alike.	Budget Measures Legislation	The legislation has been implemented and also the business process and IT Systems were also enhanced at the beginning of 2015 to process Property transfer forms in line with the budget measure.			Currently there is some criticism in the press on the removal of the previous regime.	The removal of the previous regime may result in lower revenue initially until the refunds from CGT are phased out.	Currently an on-line system is being developed to enable notaries to submit documents and pay online.
		Measure 6 – Choice of Main Residence for Tax Purposes	The aim is to reduce tax avoidance and evasion.	The Government will continue to simplify and strengthen the tax system in order to reduce abuse of tax exemption in the context of the sale of property which was the main residence for more than three years. This measure will come into force as of 1 st July 2015.	Budget Measures Legislation	N/A	<p>This measure will come into force as of 1st July 2015.</p> <p>An enabling provision will be introduced in the Income Tax Act to be published in the Budget Implementation Act and then a LN will be issued to prescribe the mechanism.</p> <p>The LN is being drafted and consultations are taking place with stakeholders mainly the Notarial Council.</p>	The reduction in abuse and resulting increase in tax revenue will be assessed and reviewed.	The method adopted for the submission of elections by property owners needs to be made as simple as possible. Also an information campaign needs to be launched to ensure that everyone is aware of the new obligation. The success of this measure depends heavily on the manner it is implemented.	It is estimated that revenue would increase by approximately € 1.5 million. The estimate is based on the assumption that 10% of the value of property transferred which qualifies for the main residence exemption should not so qualify.	The objective is to curtail as far as possible abuse of the tax exemption available to individuals who transfer their main residence. It is in the interest of the general public that the revenue departments takes all action necessary to ensure that those that are required to pay tax do so.

		Measure 7 – Reducing Tax Evasion	The objective is to reduce tax evasion from non-registration of trading activities.	As from next year, whoever carries out any type of commercial activity has to be registered with the VAT Department. Those who do not exceed a certain amount of sales per year will not be obliged to submit a return to the Department.	Budget Measures Legislation	The business process has been defined and legal notice is in progress.	Taxpayers have till end June to register. This will be given priority in the Public Relations (PR) by VAT Department. Subsequently information from VAT and Inland Revenue will be used to check for compliance.		Reaching all the relative population.	No significant impact on revenue.	Increase in compliance over the long term.
		Measure 8 – National Strategy for Electronic Payments	The aim of this measure is to increase the effectiveness of the sale audit trails and reduce the opportunities to avoid non-declaration through cash transactions.	A Steering Committee will be set up to make recommendations towards increasing the uptake of electronic payments and reduce reliance on cash payments on a national level.	Terms of reference for such Steering Committee are currently being drafted.	The Steering Committee is currently being set up.			Challenges and risks are still being compiled.	Discussions are still ongoing on required budgets.	The implementation of this Strategy will serve to improve the national electronic payments infrastructure.
CSR 2	a) To ensure the long-term sustainability of public finances, continue the ongoing pension reform, such as by accelerating the already enacted increase in the statutory retirement age and by consecutively linking it to changes in life expectancy.	Measure 1 – Pension reform	Malta is still at high risk with regard to the long-term sustainability of its public finances due to the projected long-term cost of ageing.	An Inter-Ministerial Working Group – the Pensions Strategy Group (PSG) – was set up to review the work carried out by the Pensions Working Group. The PSG has been tasked to draw up a holistic strategy aimed at addressing the adequacy and sustainability of pensions in Malta and develop a communications strategy directed towards raising the level of public awareness on pensions issues in Malta and the need to ensure that future pension incomes are adequate in order to sustain a high standard of living during retirement.		The Pensions Strategy Group was sub-divided into four sub-groups, each with a specific remit to deal with issues on current pensioners, demographics, modelling, and at risk of poverty. Several meetings were held by the mentioned sub-groups which included relevant stakeholders which led to several exercises being carried out pertaining to proposals submitted by stakeholders of the current pensioners sub-group, various modelling on possible future scenarios based on various changes to the current pension regime and to expected future demographic changes. The final report with recommendations for further reforms to Malta's pension system was submitted to the Minister for the Family & Social Solidarity in December 2014 and a presentation with the proposals is expected to be delivered to the Cabinet, following which the strategy is expected to be made public for consultation purposes. It is to be noted that on the 19 th February, the Prime Minister delivered a speech whereby the following reform principles were underscored: i) A clear definition of the objectives of the Maltese pension system. In particular, to define the exact nature of the poverty alleviation functions of the system and optimise the effectiveness of the current social assistance programmes. (ii) A strong active employment policy	The Strategy depends on the outcome and approval of the report and its recommendations.		Main challenges concern the increase in awareness by the stakeholders, including the general public. Further fine-tuning to the first pillar is necessary to maintain sustainability and adequacy of the pension system.	Government revenue from social security contributions increased with effect from 2011 by way of the Pension Reform of 2007 by virtue of the increase in payment of social security contributions by persons born on or after 1/1/1962 due to a guaranteed maximum pensionable income for this group. Government expenditure not yet affected by Pension Reform of 2007 given that the first increase in the pensionable	Further reforms should mitigate for the demographic changes which, if left unchanged, would continue to have a negative effect on sustainability and adequacy.

						(iii) An adequate state pension that is not necessarily the only source of retirement income, whereby, in retirement provision, individuals should be provided with the opportunity to strive and try to improve their situation, while at the same time being provided with the necessary means for those less able to do so. (iv) A fair balance between contributions and benefits across generations. (v) An evolving pension system that responds to long term developments.				age came into effect in January 2014.	
		Measure 2 – Third Pillar Pensions		In the budget for 2014, the Government announced that fiscal incentives will be introduced to encourage people to take out private pensions. Approved by Parliament and came into force at the beginning of 2015.		Legislation has already been approved by Parliament.			The main challenge is the uptake of this measure which mainly depends on the package of incentives made available.	No effect on Government revenue or expenditure.	The uptake of this measure will serve to supplement the amount of pension from the first pillar to increase the level of income of future pensioners.
		Measure 3 - Active Ageing Policy	The launch of the National Strategic Policy for Active Ageing: Malta 2014-2020. One of its key goals is to increase the number of older and ageing workers in Malta.	On 3 rd May 2013, a National Commission for Active Ageing was set up to advise the Government with regard to the setting up of a National Policy for Active Ageing: Malta 2014-2020. The National Commission for Active Ageing finalised the National Strategic Policy for Active Ageing: Malta 2014-2020 on 3 rd October 2013. This Strategy was launched on 25 th November 2013.	The first changes to the legal framework governing pensions were introduced in 2008. In the years 2009-2013, the retirement age has been harmonised to 61 for both males and females.	In 2014, the retirement age increased to 62.	By 2019 the retirement age will increase to 63.	The National Strategic Policy for Active Ageing will aid the European Union to increase its overall employment rate by increasing the number of older workers and slowing down their work exit.	The main challenge concerns the awareness of employers towards the sterling contribution of ageing and older workers, and their readiness to invest in age management operations.	Government is considering a budgetary request from the Parliamentary Secretariat for Rights of Persons with Disability and Active Ageing so as to continue implementing policy recommendations.	One foresees that as a result of age management operations, ageing and older persons will stay longer in the labour market. The Government is aware that each workplace is distinct in relation to the risks it places on workers, in particular older workers.
	b) Ensure that a comprehensive reform of the public health system delivers	Measure 1 (a) – Improving Governance: The publication	1(a) The NHSS is an overarching strategy that seeks to enable each and every	1(a) The overall objectives of the NHSS are to: 1) Respond to increasing	1(a) Administrative – Policy Document ‘A National Health Systems Strategy for Malta 2014-2020’.	1(a) Consultation completed and final NHSS document published on https://ehealth.gov.mt/HealthPortal/news.aspx?newsid=1417 . This document was also delivered to the EU Commission.			1(a) Dependant on whole of Government and whole of society	1(a) On the basis of our best estimates based on current	1(a) Foreseen impacts are likely to be a more coordinated and

<p>a cost-effective and sustainable use of available resources, such as strengthening primary care.</p>	<p>of a National Health Systems Strategy (NHSS)</p>	<p>individual to benefit from quality healthcare offered through an accessible, sustainable health system thus contributing to the opportunity to lead a healthy and active life.</p>	<p>demand and challenges posed by the demographic changes and epidemiological trends through the course of life (children, workers, elderly persons) paying specific attention to vulnerable groups;</p> <p>2) Achieve timely access to health services, medicines and health technologies;</p> <p>3) Improve quality of care by ensuring consistent quality care delivery through a competent healthcare workforce supported by the appropriate infrastructure, technology and information systems;</p> <p>4) Secure the sustainability of the Maltese Health System.</p>	<p>1(b) Administrative – Policy Document ‘A National Health Systems Strategy for Malta 2014-2020’.</p>	<p>1(b) Currently in the process of setting up the Steering Committee. The publication of the NHSS has kicked off a new phase wherein an Action Plan was compiled and completed in November 2014. This Action Plan together with the relative budgetary framework has been submitted to the European Commission at the end of 2014. This is in line with the ex ante conditionality for accessing ERDF funding.</p>	<p>1(b) Steering Committee to be established during Quarter 2 of 2015</p>		<p>engagement. Cooperation from stakeholders.</p>	<p>knowledge the proposed reforms have the potential to realise an economic rate of return that exceeds 30% over a period of 15 years and a positive Benefit Cost (B/C) ratio estimated to be around 1.03.</p>	<p>homogeneous delivery of care with best use of finite resources over the long term.</p>
	<p>Measure 1(b) – Setting up the Steering Committee to oversee the implementation of the National Health Systems Strategy</p>	<p>1(b) The aim of the steering committee is to monitor and coordinate the implementation of this strategy and to ensure timely and robust action across the strategy’s various strands is being established.</p>	<p>1(b) This Steering Committee will be charged to perform the to steer the process of implementation of the different actions in the strategy and to monitor the progress in the implementation of the different actions of the strategy</p>		<p>Administrative - Policy Document ‘A National Health Systems Strategy for Malta 2014-2020’ as well as a dedicated document on HSPA once work is finalised.</p>	<p>Pre-final draft forwarded to the Ministry of European Affairs and Implementation of the Electoral Manifesto (MEAIM) on the 31 December 2014 and to representatives of the World Health Organisation (WHO) for review before finalisation</p>	<p>Publication of the HSPA report second quarter of 2015</p>	<p>Stakeholder engagement.</p>	<p>Proposed role of HSPA is to inform future budgetary prioritisation and health</p>	<p>Better planned services and more performance based healthcare system. Likely</p>
	<p>Measure 2 – Improving Governance: Setting up of a Health Systems Performance Assessment</p>	<p>Having in place updated and detailed financial health information enables Government to provide for</p>	<p>To set up a sustainable monitoring framework which provides regular surveillance on the performance of the health</p>							

		Framework (HSPA)	better budgetary calculations and better planning for healthcare provision. This is likely to achieve better value for money.	system towards its set objectives?						system performance.	foreseen impact is in the long term.
		Measure 3 – Improving Governance: Review of the medicines and medical devices procurement and distribution processes	Review of the procurement, management and distribution processes practices with the aim of streamlining these processes to persistently improve their reliability, dependability and reduce bureaucracy.	1. In depth review of current processes. 2. Publication and Implementation of White Paper – ‘Ensuring your rights to entitlement medicines at the time you require them’. 3. Introduction of a number of cost-effective and less bureaucratic procurement procedures.		1. Completed. 2. White Paper was published for consultation which ended in mid-January 2014 3. A number of cost-effective and less bureaucratic procurement procedures have been introduced.	The goal for 2015 is now to capture the gains and the process changes that we have made into an IT system that will ensure sustainability of the results gained. We are in the process of specing out the system, pricing it and getting the approval and budget to proceed. The procurement procedures mentioned in the previous column are ongoing.		Stakeholder engagement.	Processes are designed to maximise the cost-effectiveness of the public pharmaceuticals and medical device procurement.	Better control of the physical inventory especially accurate inventory records.
		Measure 4 (a) Improving Governance: Further investment in ICT and technologies Measure 4(b) Cost benefit Analysis for eHealth Project	4(a) eHealth (inc. Electronic Health Records) can increase sustainability and efficiency of health systems by unlocking innovation, enhancing the quality of care and citizen empowerment and encouraging organisational changes. 4(b) Before the eHealth Project is proposed for ERDF funding, a Cost-Benefit Analysis needs to be carried out.	4(a) In 2014, a review of the eHealth systems used within the Public Health System was carried out in order to address the CSR requirements. 4(b) The eHealth Project aims to develop a comprehensive national eHealth infrastructure and integrated portfolio of eHealth systems, in support of improvement of Malta's health and increased efficiency and sustainability of Malta's healthcare system.		4(a) A legacy Patient Administration System was replaced with a New one. Through the new Patient Administration System, added functionality such as in-patient tracking at Accident and Emergency and reporting facilities are possible. Reviewed practices of pharmaceutical stock management. eHealth strategic way forward was set within the context of a National Health Systems Strategy. 4(b) Project initiation (Q4 2014)		4(a) Reform of health care: A focus on sustainability and cost effectiveness to contribute to the overall 2020 targets. 4(b) Better governance, sustainability and improved access to health care if the cost benefit analysis report gives the go ahead.	4(a) Stakeholder engagement and funding. 4(b) If the Cost Benefit Analysis is not delivered within the planned timeframe, Malta will not be in a position to submit a proposal for ERDF funding for the eHealth Project.	4(a) Costs absorbed through € 3.6 million national funds dedicated for the maintenance of Integrated Health Information Systems. 4(b) € 40,000	4(a) Better HR utilisation. Streamlining medicines distribution. Enable the utilisation of modern technologies to strengthen primary health care. 4(b) To find out whether it's feasible to carry out the eHealth Project before applying for EU funding.

		Measure 5 – Health Promotion and Disease Prevention: Publication and implementation of Health Promotion and Disease Prevention Strategies / Policy Documents	Chronic diseases are of major burden not only to individuals but also on healthcare systems. Addressing the determinants of health and risk factors is likely to contribute to positive health benefits and active ageing, and likely to alleviate the burden on the healthcare system. Given the foreseen demographic and epidemiological trends, failure to implement a concerted strategy for prevention, early diagnosis and postponement/a avoidance of complications from diabetes will result in higher healthcare and social care expenditures.	1. Building on the work done in the recent years in this area, including the publication and ongoing implementation of various strategies, a number of other strategies are being drafted and will be published in 2014. These include: a. The Food and Nutrition Policy and Action Plan b. Communicable Disease Strategy c. Conduct the Health Behaviour in School Children Study d. National Breastfeeding Policy e. Publication of a Diabetes Strategy		a. Action Plan launched for consultation in February 2014 b. Drafting work finalised. c. Data collection has been completed and the dataset prepared and communicated to the national coordinating centre for data validation and analysis. d. Issued for consultation in June 2014. e. Preparatory work on the Diabetes Strategy started in January 2014. A steering group to oversee the drafting and consultation for the Diabetes Strategy was established in March 2014. Epidemiological data analysis underway.	a. Measure complete b. The Strategy was published and available on line at https://ehealth.gov.mt/download.aspx?id=10568 . Hence measure is completed. c. Results are expected from WHO in 2015 and the findings will be used to formulate policy and practices to improve young people's health. d. Aim to publish by second quarter 2015 e. The consultation document was launched in November 2014 on World Diabetes Day. This consultation is expected to end on the 16 of May 2015.		a. Need to ensure that relevant stakeholders implement measures under their portfolio b. New emerging infectious diseases and threats c. Availability of supportive environment to encourage uptake. d. Lack of available data to draw up appropriate baseline.	a. Implementation group will be set up in 2015 b. Not available yet c. No additional expenditure envisaged. d. Not available yet.	Improvement of healthy life expectancy/reduction of disease burden/sustainability of healthcare system.
		Measure 6 (a) – Health Promotion and Disease Prevention: Design and Implementation of studies related to food consumption and health behaviour	6 (a) The aim of these studies is to gain new insight in behaviours of teenage school children and the population in general. Such information is necessary to inform policies aimed at tackling risk factors and health determinants with the aim of	1. Conduct the 'Health Behaviour in School Children' study. 2. Conduct a 'Maltese National Food Consumption Survey'.		1. Fieldwork underway. Data collection complete, dataset prepared and communicated to the project leaders in Norway for analysis. 2. Tool development underway.	1. Results are expected from WHO in 2015 and the findings will be used to formulate policy and practices to improve young people's health. 2. Piloting envisaged for first quarter 2015 and fieldwork later on in 2015. The target completion date for this study is 2016.		Response rate	Budget available Estimate € 70,000 in 2015 (budget available)	Establishment of health status and behaviours for monitoring and evaluation of interventions and to inform policy making.

		6(b) Implementation of the European Health Interview Survey (EHIS)	lessening the burden of chronic diseases on the health system. 6(b) A primary source of information to monitor lifestyle practices, health status (particularly prevalence of a number of non-communicable diseases) and use of primary care facilities, both in the public and private sectors.	6(b) EHIS is a European Health Interview Survey. It has already proved itself worth multiple times the investment that goes into it having already informed so many policy briefs, assessments, follow-ups using the dataset obtained from the previous editions in 2002 and 2008.	6(b) obligatory data collection exercise mandated by European statistical law	6(b) Conduct of fieldwork for the European Health Interview Survey	(b) Submit the validated dataset to ESTAT by Q3 2015.		6(b) Non-response leading to a dataset with less than the obligatory 3975 respondents Financial Resources	6(b) € 95000	6 (b) Provides essential statistical data; informs policy making.
		Measure 7 - Strengthening Primary Healthcare: Increasing the range of services offered at primary level	Government is committed to reduce the unnecessary use of specialist and hospital services by re-orienting existing services to primary, rehabilitation and community services. Reducing unnecessary use of specialist and hospital services is widely accepted as one of the methods to make the system more efficient and cost-effective.	This include the opening of a Chronic Kidney Disease Protection Clinic in two health centres; Provision of backslab service at the Mosta health centre; New referral system in liason with the private family doctor; Physiotherapy services; New referral system in liason with the private family doctor; Bone Density		1. Since its inception in 2013 to date a total number of 1,005 patients sought the services provided by the Chronic Kidney Disease Protection Clinic. The provision of this new service has facilitated further access in the primary health care settings whilst easing the burden by approximately 1.6% (total number of patients that usually receive such care amount to 61,312) from the secondary care sector to the primary health care sector. The provision of this new service has facilitated further accessibility in the primary health care settings whilst easing the burden by approximately 8.86% (n 604) on the Accident and Emergency Department as this is where such patients would have otherwise been cared for. The waiting list to see a specialist was of about one ear and there was another year to have the bone density done. The test can now be ordered by all doctors and the waiting list to do the bone density is now of around one month.		Better utilisation of resources; increase efficiency and contribute towards sustainability; further accessibility of health care provision.		Furthering a holistic care approach within the primary health care settings; further health promotion and patient education; decrease progression of disease; decrease burden on the more expensive secondary care sector.	
		Measure 8 – Strengthening Primary Healthcare: Upgrading of current primary care facilities	Government is committed to reduce the unnecessary use of specialist and hospital services by re-orienting existing services to primary, rehabilitation and community services.	1. Extensive refurbishment in a number of Health Centre including Mosta and Rabat.				Employment – private sector was given the task to refurbish. Innovation – new equipment was bought and new services introduced.			Better premises and equipment for the benefit of patients and staff.
		Measure 9 – Strengthening Primary Healthcare: Opening of	The hub will be a centre of excellence and one-stop shops, which will	Government intends to tap EU funding to build a new regional centre that will		Work on the compilation of the Medical Brief for Paola Regional Health Centre Hub has been completed with a view of submitting a project proposal for EU funding consideration in the New Programming Period 2014-2020.	Work is being done to be in a position to submit an ERDF application when this is issued.	Employment opportunities; addressing poverty by providing free	ERDF application has to be successful for these plans to	It is estimated at around € 25 million.	Better services in the community so as to

		new regional centres co-financed by the European Union	provide holistic preventive, investigative and care services.	serve as a hub for the other health centres.				primary healthcare; education by staff training; innovation – using latest equipment.	be implemented.		decrease the load on secondary care and provide a one-stop shop approach.
		Measure 10 – Strengthening Primary Healthcare: Training of Healthcare Professionals for Integrating Acute and Community Care	Medical care has also become highly specialised, meaning that patients are being discharged from hospital earlier than in previous years and continue to be treated in the community. Such practices however have created a vacuum in the system since patients being discharged from hospital are often left with limited information and lack of continuity of care.	1. Equip healthcare workers with the capacity to take on new innovative practices when discharging patients hence enhancing the integration and continuity of care from the acute to the community services whilst enhancing the quality of service provided. 2. Research is to evaluate current practices against the discharge liaison services which will be implemented on a pilot basis once training is completed.		1. A group of 16 nurses and 4 midwives were sent to Northern Ireland for job-shadowing. These same professionals have received further local training on discharge services, train the trainee, building policies and furthermore they have each trained other nurses and midwives about the discharge service. Moreover, 20 midwives were trained under the same ESF project on issues specific to situations which they come across with mothers and newborns, that is, pre-natal and postnatal care. Eleven seminars have been organised in order to inform all health professionals who will be involved in a patient's discharge about the service and what this will entail. All training (involving 190 nurses and midwives) has been completed and paid for through ESF 4.174. 2. Call for tenders issued and awarded.	1. New discharge planning mechanisms at the Mater Dei Hospital and Gozo General Hospital as from April 2014 (service ongoing and in progress). 2. Work with contractor to identify necessary data from Mater Dei Hospital and Gozo General Hospital is ongoing and will be completed by mid-November 2014. This will include an evaluation exercise of the pilot service.		2. Response rate/delays by contractor. This risk is minimal since so far contractor has always delivered on time.		1. Continuity of care, less readmissions due to complications, better quality in service provision and patient satisfaction. 2. Evaluation of outcome of new services delivery method.
		Measure 11 - Strengthening of Primary Healthcare: Strengthen Cancer Screening Services	Better prevention, earlier detection and treatment of cancer will inevitably help to reduce its social and economic burden and improve survival rates. Earlier detection of cancer increases the chances of survival for patients whilst lessening the need for invasive procedures like complex surgery, radiation and chemotherapy. Cancer screening is	1. Evaluation of first cycle of Breast Cancer Screening Programme completed in 2013. 2. Consolidation of Colon Cancer Screening started in 2012/3. Cohort on target. 3. Started planning to launch Cervical Cancer Screening. 4. HPV vaccination programme initiated in 2013.		1. Programme was evaluated by an expert team coming from the International Agency for Research on Cancer IARC. Recommendations to expand age group and/or increase frequency are being considered. 2. Second cycle to start 2015. 3. It is planned that this programme will be launched in the third quarter of 2015. 4. Completed.	1. Expansion being considered in line with IARC recommendations. Implementation date for expansion is not yet established. 2. Expansion will be considered following the completion and evaluation of the first 2-year cycle. 3. Nil applicable. 4. No further expansion is being considered at this stage.	1. Increasing healthy life years. 2. Increasing healthy life years. 3. Increasing healthy life years. 4. Increasing healthy life years.	1. Human resources: numbers and specialised expertise. 2. Starting response rates below expected rates. 3. Strong opportunistic screening that is unregulated.		1. Present infrastructure already has the capacity for expansion. 2. Programme needs to consolidate current capacity. 3. Mitigating inequalities fostered by opportunistic screening. 4. Nil applicable.

			therefore beneficial for patients and families and supports sustainability of the system by making the best use of healthcare resources.	Girls are invited to the programme during the year that they celebrate their 12 th birthday. 5. Development of IT systems for Breast, Colorectal and Cervical screening 6. Co-financing of an EU project ImaGenX within the Italia-Malta 2007-2013 Programme		5. Breast screening systems are fully deployed. Colorectal systems have been completed and ensure a failsafe mechanism for test results and recall. Work has commenced on cervical screening systems. Clinical outcome reporting systems are at an advanced stage. 6. The programme has achieved many of its deliverables and is on target.	5. Final (third) module should be fully functional by mid-2015. 6. Target date for completion is end 2015.	5. Promoting good health, innovation and digital agenda. 6. Promoting good health (computer-aided risk assessment for familial breast cancer), innovation and digital agenda.	5. Disruptive technologies – affecting established work practices. 6. Innovative systems which need familiarisation and training.	5. <0.1% of health budget, co-financed by the EU. 6. <0.1% of health budget, co-financed by the EU.	5. Citizens will be empowered to take control of their health agenda. 6. This programme is distinctly innovative in having created IT systems which assess genetic, lifestyle and environmental risks which lead to breast cancer.
		Measure 12 – Strengthening of Primary Healthcare: Addressing Gozo's accessibility challenges	Gozo's peripherality to the mainland gives rise to its double insularity, which, in turn, leads to constraints on the movement of persons, goods and services. The issue of double insularity impacts negatively on all sectors of the economy and also undermines the quality of life on the island, given the limitations on accessibility to and from the main island for important services, including specialised health services centralised in hubs in Malta. Addressing accessibility challenges becomes even more important when considering that the biggest client group for health services in Gozo are the	A number of measures including the introduction of afternoon surgery sessions in the Gozo General Hospital operating theatres and Outpatients Department; Setting up of a Chemotherapy Unit in Gozo General Hospital; and Colorectal screening was introduced at GGH in July 2013 and 396 screening colonoscopies have been carried out so far							Reduction of waiting times; Increasing equity in access to quality care; and Furthering access to health care provision.

			elderly, who face even bigger mobility issues.								
CSR 3	a) Continue policy efforts to address the labour-market relevance of education and training and by stepping up efforts on the reform of the apprenticeship system.	Measure 1 – New Scholarship Scheme – Master It!	The key objectives of the Master It! Scheme are to assist people to pursue further levels of academic research; improve the quality and relevance of the education system; reduce skills mismatches particularly within the priority economic sectors; support further research in science and technology; and increase the capacity and level of research, innovation and development activity in Malta.	There were four calls under the 'Master it!' scheme. The first call was issued on 30 th April 2013 and the second call was issued on 1 st November 2013. Since the funding was under the 2007-2013 Programme of ESF funding, all programmes of studies had to finish by October 2015. Therefore, both calls were open for those who wished to undergo studies at Masters Level with a duration of 2 years or less.	N/A	In 2013, 330 scholarships were awarded under the first call and 134 scholarships were awarded under the second call. In 2014, 133 scholarships were awarded in the third call, whilst 54 scholarships were awarded in the fourth call – however selection process is still underway.	To launch a similar scheme, the Ministry for Education and Employment (MEDE) will endeavour to seek funds under the ESF 2014-2020 Programme.	This measure is contributing to two targets of the EU2020: a. The Programme Implementation Directorate is aiming to increase the MQF Level 7 from 0.50% (2012) to 1.00% by 2020 so that an increase in tertiary education of 30 years + students is obtained. b. Simultaneously, this measure is contributing to increasing women in employment aged 20-64, by increasing their educational level. This year 56% of participants were women.	The major challenge was to meet the ever increasing demand for such scholarships. Calls to submit projects for ESF funding under the 2014-2020 Programme are not issued as yet.		More students are undergoing studies at MQF Level 7 and Level 8. Postgraduate education forms an increasingly important part of Malta's economic and social agenda. It is also a key element in lifelong learning. The availability of a higher skilled workforce will make Malta's economy more competitive, able to attract more foreign investment, and sustain economic growth.
		Measure 2 - MGSS PG Malta Government Undergraduate Scheme (MGUS) (This measure was formerly entitled 'MGSS UG', but as from October 2014, it has been renamed. Also, it is now managed by the Stipends & Maintenance Grant Board)	The key objectives of the MGSS-PG are to: encourage and promote further participation at PG level both locally and abroad.	The PG scheme is open during the second quarter of each year for those who wish to pursue studies at MQF Level 7 and MQF Level 8.	N/A	In 2014, under the MGSS-PG, 24 scholarships were awarded at MQF Level 7 and 39 scholarships were awarded at MQF Level 8. In 2014, 139 scholarships were awarded under the MGSS-UG. Now referred to MGUS.	The 2014 PG scheme was launched on 22 nd April 2014 and closed on 30 th May 2014. The 2014 UG scheme was launched in October 2014 and closed on 1 st December 2014.	One of the main challenges under Smart Growth is to broaden access to higher education. More students will continue with their participation in undergraduate learning thus contributing to achieve Malta's target.	The major challenge is to meet the ever increasing demand for such scholarships.	€ 900,000 from local funds are earmarked for this measure.	More students are undergoing studies at MQF Level 7 and Level 8.

		Measure 3 - Lifelong Learning Strategy	Increasing participation in lifelong learning to improve skill matching.	A draft Lifelong Learning Strategy has been published and adopted as final in December 2014.		Members of the lifelong learning strategy task force have been nominated and the terms of reference have been drawn up. A first meeting will be held in Q1	The scope of the Lifelong Learning Strategy may be widened to encompass all levels of learning from early childhood education until learning in old age but the main trust of the strategy is adult education.	The EU2020 target is to increase participation in adult learning from 7% to 15%	The successful implementation of the strategy is dependent on the collaboration of various entities involved in adult learning.		There are 40 strategic programmes to be implemented by 2020
		Measure 4 - National Apprenticeship Scheme	Providing the adequate skills for the labour market.	The Malta College for Arts, Science and Technology (MCAST) has been responsible for the implementation of the National Apprenticeship Scheme as of 2014.	Legal Notice	A Legal Notice that regulates the new parameters of the National Apprenticeships Scheme is currently being drafted. Over the last months, MCAST has been working to enhance this scheme by offering it across a broad range of courses and subject areas. This is coupled by the fact that the scheme is being redesigned to be more flexible and adaptable to the exigencies of the different sectors. Moreover, courses that include an apprenticeship scheme are now more compact in nature since the summer period is being considered as an active period.	Over the next period, MCAST shall be endeavouring to consolidate the Apprenticeship Scheme through feedback from stakeholders and research on how it can be improved.	It is envisaged that this scheme will make a positive contribution to the early school leaving and employment rate targets.	MCAST is endeavouring to enhance uptake trends and offer the possibility of an apprenticeship in a broader range of subject areas.	No data is available in this regard.	There are now over 40 courses at MQF Levels 3 and 4 that form part of the Apprenticeship Scheme and around 700 apprentices are benefitting.
		Measure 5 – Additional employment advisors	Increase the labour-market relevance of education and training to address skills gaps.	ETC is seeking to strengthen its capacity. Ongoing training of Employment Advisors (such training may take various forms): ETC is currently working on the training programme which will re-launch in October.		Employment Advisors are being given information sessions and company visits for various industries where there is a recruitment shortage. The last 2 sessions were at a prominent call centre (training on the requirements and job tasks of call centre agents) and MaltaPost (training on the requirements and job tasks of postal operators). The new ETC organigram has been finalised and approved by the Ministry.	Currently internal discussions are being held on the adoption of an open-data policy, focusing on a review of ICT facilities. In line with changing technological advancement, ETC is reviewing its operational framework to ensure that jobseekers are provided with instant response through a 24/7 instant advisory solution.	Contribution to the employment target.	Such can only be supplied by massively increased use of technology and competent personnel.		This measure is expected to improve the quality of the advisory services offered to clients by resulting in more manageable caseloads.
		Measure 6 – Access to Employment	This Programme aims to facilitate the integration of disadvantaged, severely disadvantaged and disabled persons in the labour market.	Persons who are at a distance from the labour market tend to be regarded by employers as having serious productive shortcomings that do not justify the full wage linked to the job.			The measure was announced in Budget 2015 and implementation is planned to start in March 2015.			The total budget value allocated to this measure is of € 12,500,000.	
		Measure 7 – In-Work Benefit	To continue strengthening the concept of 'Making Work Pay'. To provide balance between support measures and social assistance/ benefits in order to promote self-	The In-Work Benefit scheme will provide additional income to families who are in employment and are on low income. In addition, this scheme is an integral part of the 'Make Work Pay' principle which encourages							

			reliance, rather than dependency on the systems. To promote the benefits of employment, whilst maintaining other benefits such as children's allowance and free childcare services.	inactive or social benefit beneficiaries to enter into the labour market. This measure was announced in the 2015 Budget and it aims to provide a balance between support measures and social assistance/benefits in order to promote self-reliance, rather than dependency on systems.							
	b) Further improve basic skills attainment and reduce early school leaving, in particular by finalising and implementing the announced national literacy strategy.	Measure 1 – Strategic Plan for the Prevention of Early School Leaving (ESL)	Fighting against early school leaving.	A national strategy on early school leaving, as per Council Recommendation 10544/11 on policies to reduce ESL.	The setting up of an ESL Prevention Unit and an Advisory ESL Board.	The Strategic Plan for the Prevention of ESL in Malta was launched on 11 th June 2014. An ESL Unit has been set up within the Directorate for Lifelong Learning and Early School Leavers. An Inter-Ministerial Committee has been set up. A first meeting has been convened for delegates on 1 st July 2014. A second meeting is scheduled for 28 th October 2014. An ESL Working Group has been set up to monitor ESL data and has met for the first time on 10 th December 2014.	The strategy has been finalised and the focus is now on the proper organisational structures so as to ensure that these are in place. A more focused approach will be taken by all stakeholders to reach the 10% target for ESL in Malta by 2020 in line with the Europe 2020 target.	To set up the necessary organisational structures, in order to bring stakeholders together for concerted action focused on tangible results.	Two support teachers have been deployed at the ESL Unit to see to the implementation of the actions included in the strategy.	A more focused strategy to prevent ESL with cooperation from different stakeholders from within and outside of MEDE.	
		Measure 2 – Alternative Learning Programme (ALP)	Reducing the number of potential early school leavers.	To provide alternative learning pathways for Form 5 students not sitting for any SEC examinations and therefore, almost de facto early school leavers.	N/A	The first intake of Form 5 students started the programme on 13 th January 2014. 200 out of a possible 350 students enrolled in the programme. The second intake of 268 students has started the ALP in October 2014. 10 are attending the ALP at the Gozo Boys Secondary School; 69 are attending at the MCAST; 35 are attending at Youth.Inc (Aġenzija Żgħażaġh); and 155 are attending at a newly set up centre at Paola (former Guze' D'Amato Boys Secondary School).	The first intake will be finishing the programme in June 2014. A small number of students will finish in September 2014. During summer 2014, students who were going to start Form 5 in the academic year 2014-2015 were interviewed in order to prepare them for participation in the ALP for that year. These students have now started attending courses.	It is hoped that students participating in the ALP will be enticed to join foundation courses at the MCAST or at the Institute of Tourism Studies (ITS) and thus contribute to reduce their likelihood of becoming early school leavers.	Major investments have been made in the new ALP centre in Paola. It has been difficult to find suitably qualified persons to teach VET subjects and MEDE needs to invest in teacher training in the vocational field.	The investment has increased substantially because of the investment being carried out at the new ALP centre in Paola. This is a short-term investment. A major investment will be made in the summer of 2015 that will yield results over the coming years. Plans	A number of students managed to join different MCAST courses for the academic year 2014-2015.

										for this will start shortly.	
		Measure 3 – Comprehensive Monitoring System in relation to Early School Leavers	To have a clear picture of whom the early school leavers really are, in order to have in place focused and effective strategies to reduce ESL.	To have an effective monitoring system that gives up-to-date information about potential and real early school leavers, with particular reference to school attendance, assessment of student performance, and relationship between ESL and wider socio-economic factors.	A collaborative framework that brings together the Director for Quality Assurance (QAD), the Director of Research and Development (DRD), the ESL Unit, as well as Church and Independent schools.	<p>An electronic platform (E1 platform) exists in all State schools whereby all students are registered by their ID number. Schools input school attendance on this platform on a daily basis. Schools have access to data related to their own school and thus can monitor school attendance and regular absenteeism by accessing this platform. This platform is being used as an early warning system to tackle absenteeism. The platform is also used to record students' performance in assessment exercises.</p> <p>The E1 platform has been extended to the Higher Secondary School of Naxxar and the Gozo Sixth Form. A meeting was held with Students Information Systems unit (SIS) to see what are the potential benefits of E1 in relation to data relevant to ESL. In Q1 2015 the ESL Unit has addressed all the college principals during a meeting of the Education Leadership Forum to alert them about the relevance of a properly maintained E1 platform at school and college level to ESL monitoring. This is being followed up by other awareness meetings with the Council of Heads of every college. This process will be over by end of Q1 2015.</p>	<p>It is being proposed in the upcoming ESL strategy that:</p> <ol style="list-style-type: none"> 1. The possibilities of the E1 platform are further explored in order to input other useful data in it such as the socio-economic status of students. 2. Schools are enabled to make use of the data related to assessment available on the E1 platform for curricular purposes in order to better address the needs of the more vulnerable students. 3. The E1 platform is extended also to Church and Independent schools in order to get a clearer picture of who potential and real early school leavers really are, nationwide. (In this regard, a Legal Notice that will permit the sharing of data between State and non-State sector will soon come into effect. This will make the sharing of data pertinent to ESL possible across sectors.) 4. Talks are held with other departments within MEDE that collect useful data about students in order to see how this data can be integrated. Talks in this regard have already started with the Director of Research and Development and the Director for Quality Assurance. 5. Meetings are being made as part of a stock-taking exercise to identify all the departments within MEDE that collect data pertinent to ESL. These meetings with different stakeholders will be over by the end of October 2014. A Working Group on Data Collection and Monitoring will be set up by end of Q4 2014. The stock-taking exercise has been concluded and the first meeting of the Working Group was held on 10th December 2014. The Working Group will meet on a quarterly basis. <p>The ESL will continue to meet throughout 2015 once every quarter.</p>	<p>Having a clearer picture of who early school leavers are will enable Malta to enact more effective policies to reduce ESL and to monitor the progress achieved through implementation.</p> <p>It is being envisaged that the feedback gathered from the data gathering exercise, including feedback from E1, will be shared with the ESL Working group so that a continuous monitoring is carried out of the strategic actions that make up the Strategic Plan. Strategic actions that are ineffective will be revised on the basis of the data. This process should enable Malta to gauge the effectiveness of the actions that are meant to enable the country to reach the 10% target rate.</p>	<p>To bring all stakeholders together, especially Church and Independent schools.</p> <p>To convince the non-state sector to share data.</p> <p>To coordinate the data gathering exercise with entities within MEDE and also with other agents within MEDE that are gathering data of their own, in order to avoid duplication and ensure a harmonious effort.</p>	<p>The E1 platform already offers possibilities for the management of further data. ESF funding may be sought to develop a framework that will bring other important data from different departments in line with the E1 platform.</p> <p>The setting up of a working group will not incur any substantial budget. However, plans are in the pipeline to commission an electronic data management system that will communicate the various data collection systems together.</p>	<p>All the information retrieved from E1 and also from the proposed wider framework will be invaluable to complement the statistical information supplied by the National Statistics Office (NSO) from its Labour Force Survey.</p> <p>A meeting with NSO will be held in third week February 2015 to ensure better harmonisation of data collection and systematic monitoring.</p>
		Measure 4 –	This document	To have a number	Responsibility lies within	An EU ESF project has been approved with the	An international tender was	The	To bring all	ESF funding	It is

		Reform of the National Curriculum Framework (NCF) in Malta	outlines the core components that should govern Malta's national curriculum so that personal growth and inclusivity, responsible citizenship and employability can continue to be sustained.	of learning areas and general learning outcomes that will determine learning and assessment programmes, standards, criteria and profiles. These will guide the teaching and learning process in compulsory education.	the Directorate for Quality and Standards in Education (DQSE).	scope of developing the Learning Outcomes Framework and the Learning and Assessment Programmes.	issued and awarded. An Expression of Interest for Local Curriculum Developers was issued and the selection of local experts has taken place. Work is presently underway and is expected to be completed by December 2015.	development of Malta's vision as a high value-added knowledge and service base economy, as well as becoming one of the leading Member States in implementing the EU 2020 Strategy, will only be achieved if the NCF responds to the nation's economic aspirations and goals.	stakeholders to work together and to coordinate all the initiatives that are to be taken.	has been obtained for the implementation of the programme.	envisaged that by the end of compulsory Education, all students will have acquired the necessary knowledge, skills, competences, attitudes and values that stimulate them to view lifelong learning as part and parcel of their development as individuals and as citizens of Malta, of the European Union and of the world.
		Measure 5 – Follow up exercise with 4 th and 5 th Formers	Identifying and supporting potential and early school leavers.	Form 5 students who will not sit for at least one SEC exam and those who have a history of habitual absenteeism are identified and interventions are held accordingly.	Involvement of personnel within the Education Psycho-Social Services giving their service in their respective colleges. Professionals continued to support the students attending the ALP programmes for scholastic year 2014 – 2015.	Intake October 2013: Youth.Inc received applications from students who attend State colleges. These amounted to 30 male and 29 female students for scholastic year 2012 – 2013. Other students were channelled to more appropriate career paths.	A project is ongoing to identify them.	Possible contribution to the early school leaving target.	The main challenges in this area are that human resources related to career guidance are inadequate. The need for more specialised personnel in career guidance is also an issue.		Students will no longer leave education without formal qualifications and will be better equipped to respond to the demands of the labour market.
		Measure 6 – Broadening Access in Education	Fighting against early school leaving.	Mentoring: Twelve secondary school students from the St. Margaret College (found in a socially deprived area). The students identified by the College are encouraged by mentors to continue with their education beyond the compulsory age. Social and study skills are passed on by the mentors.	Legal Notice 49 of 2014. Statute for the University of Malta Cottonera Resource Centre ¹ .	A twofold project is underway. From feedback obtained from teachers and parents of those students who attended the mentoring sessions, it results that these sessions helped them boost their morale and increased their confidence, which in turn helped them gain better marks at school. This project was not effective with all those who attended however quantitative data is still being collected for the second half.	Mentoring and revision classes started again in January 2014 with different students. During the scholastic year 2013-4, revision classes were also given to Form 4 students who were studying Maths. The Science, Technology, Engineering, and Mathematics (STEM) summer school ran in July-August 2014 where the aforementioned subjects were taught in an innovative manner to 89 Form 4 students. This summer school was the flagship project for 2014 for the Cottonera	The projects were ad hoc responses emerging from a study conducted on the Cottonera area. ² Another study was conducted by students reading for a Bachelor of Arts degree in Social Policy who undertook a proactive evaluation study to find	These projects depend on the voluntary work carried out by University of Malta students. Such projects cannot run without these volunteers. ³	N/A	The objective of these projects is to help more students from the Cottonera area further their education. It is also hoped that by befriending students already studying at university, it might help encourage them to

¹ <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12153&l=1>

² Cutajar, J. Bormla: A struggling community. Malta: Faraxa Publications.

³ Azzopardi, M., Formosa, M, Buhagiar, E. (2013) The practice of evaluation. Cottonera Resource Centre. Unpublished report.

				Revision classes for Form 5 students attending secondary schools located in the south of Malta.			Resource Centre. Next academic year this course will be extended to Form 3 students.	out what type of courses the community needs.			attend this institution.
		Measure 7 – Construction and Modernisation of Schools	The main objectives are to implement projects in a strategic manner and in close consultation and collaboration with the Education Directorate, which will set out prioritisation.	In this regard, during Budget 2015, Government announced that, through the Foundation for Tomorrow's Schools, work will be starting on the construction of two new schools in Dingli and Kirkop.			Kirkop school and Dingli school: 1. Full MEPA permit. 2. Construction – completion				
	c) Further improve the labour market participation of women, in particular those wishing to re-enter the labour market by promoting flexible working arrangements.	Measure 1 - Childcare centres	The main objective of this measure is to construct and operate a number of childcare facilities to be able to allow more women to re-enter the labour market.		The Maltese Government established the national standards for child day care facilities in 2006, aimed at streamlining the operations of childcare facilities.	During 2011, Government childcare centres extended their operational hours until 1600hrs so as to be more accessible for working parents. To date, there are 13 active centres (Vittoriosa, Birkirkara, Qawra, Siġġiewi, Pembroke, Cospicua, Santa Venera, Floriana, Marsa, Qormi, Naxxar, San Ġwann and Gzira).	There are no plans to open more Government-run childcare centres. Supply of childcare is driven through Public Private Partnerships.	Contribution to the employment target, through an increased labour market participation of women.		Cost of operating 13 Foundation for Education Services (FES) Government-run childcare centres in 2014: € 1.7 million.	
		Measure 2 - Afternoon school programmes in the community	This measure aims at providing an after-school care service within school structures, particularly to bridge the gap between day school and regular working hours of parents in employment.	The 'Klabb 3 -16' has been in operation since October 2009 and provides an after-school service to children whose parents are in employment. This service is operated for school children aged 3 to 16 years, and it operates throughout the scholastic year and school holidays, including summer.		The FES is offering the Klabb 3-16 service from within 31 schools. In 2014 FES also opened nine new centres in Mġarr, Sliema, Floriana, Żejtun, Santa Venera, Bormla, Valletta and Paola.	Nine new centres were opened in 2014. More centres to be opened in 2015. New centres are expected to open in two phases.	Contribution to the employment target, through an increased labour market participation of women.			
		Measure 3 – Breakfast Club	The Breakfast Club is intended to provide care for children before the schools' official opening hours, from 0730hrs till 0830hrs.	This incentive will allow further flexibility to working parents and may also encourage more women to either return or enter into the labour market.	N/A	Currently, out of a total of approximately 17,000 children, the daily attendance for the scholastic year 2014/2015 is of 1050 students.	The Breakfast Club has started in April 2014.	Increasing the employment rate of women by year 2020.	Budget constraints.	National funds will be used amounting to approximately € 600,000 per year.	More women at work.
CSR 4	Diversify the energy mix in the economy, including by increasing the share of	Measure 1 – Implementation of the National Renewable Energy	The objectives of this plan are: a) security of supply; b) financial and environmental	The plan makes special emphasis on the reduction of dependence on fossil fuels as a primary energy	As per Directive 2009/28/EC.	Refer to Malta's Article 22 update report.	Refer to Malta's Article 22 update report.				

	energy produced from renewable sources.	Action Plan	sustainability; c) reducing reliance on imported fuels; d) reducing the emissions from the energy sector.	source and on providing cleaner energy sources, namely renewable energies. This is to be achieved through a number of actions which are listed in the document.							
		Measure 2 – Electricity interconnector or with Sicily	Reduce Malta's dependence on oil and increase the security of supply. Put an end to the energy isolation of Malta by interconnecting the country to EU energy infrastructure. Diversification of energy sources.	Project of the electricity interconnector Malta-Italy (Sicily).	N/A	The project was progressing well and was originally planned for completion by August 2013. Completion date was rescheduled mainly due to permitting issues especially on the Italian side. The infrastructural works on the interconnector cable between Kappara in Malta and Terna in Sicily were completed as anticipated by the end of December 2014. A testing period on the whole stretch of 126km of cable and the associated equipment and controls both in Malta and in Sicily took place in the first quarter of 2015.	Malta connected to the European energy grid on the 24th March 2015, as the electricity interconnector was put in operation and the Maltese grid was synchronised to the Italian grid for the first time. The interconnector was officially inaugurated on the 9th April 2015. On the same date, the Marsa Power Station was taken out of service.	N/A	The project faced significant delays due to permitting issues especially on the Italian side.	This project is partly funded by the EEPR (maximum EU contribution is € 20 million). The total estimated cost of the action is now approximately € 275 million.	Security of supply, grid stability, more varied energy mix, hence increasing the country's energy flexibility. Switching off of the Marsa Power Station.
		Measure 3 – Diversification of generation fuel mix	Reduce dependence on imported oil and reduce the cost of electricity by switching from liquid fuels to natural gas.	Power purchase agreement (PPA) and Gas Supply Agreement (GSA) with a private bidder. This consortium shall be tasked with building, owning, operating and maintaining: (a) a new LNG delivery, storage, re-gasification and natural gas supply facility; and (b) a new natural gas-fired 215 MW combined cycle gas turbine electricity generation plant + related infrastructure.	PPA and GSA.	Call for Expressions of Interest published on 11 th April 2013. ElectroGas Malta Consortium was chosen as the preferred bidder shortlisted in the competitive process. MEPA permit was awarded on 24 th March 2014. Agreements between Enemalta and the Consortium finalised. Works on the ground are in progress.	Continuation of works.	Significant reduction in GHG emissions.	N/A	N/A This will be built by a private consortium.	Overall reduction in generation cost and GHG emissions. Also covers generation efficiency to increase to 50%; Fuel switch to natural gas shall result in a 27.5% reduction in CO ₂ ; 79% less oxides of nitrogen (NO _x /NO ₂); 99.9% less sulphur dioxide (SO ₂); 91.7% less particulate matter (PM).
		Measure 4 – Developing electricity distribution network	Malta should further pursue the development of its internal electricity distribution network.	Construction of a new distribution centre (sub-station) in Kappara, meant to receive the interconnector and to re-distribute electricity in Malta.	N/A	The new 132kV primary distribution centre (sub-station) in Kappara has been constructed and Enemalta has commissioned it in July 2014. It is intended to receive electricity imported from the interconnector and to distribute it to the 132kV network in Malta.	Project completed.	N/A	N/A	Project also partly funded by EEPR (maximum EU contribution is € 5million). The approximate expenditure is: pre-2010: € 4 million, 2011 – € 3 million, 2012 – € 3	Increase robustness of the local grid and prepare for seamless integration with the European grid.

										million, 2013 – € 10 million.	
		Measure 5 – Increase in share of renewable energy and alternative fuels	Increase the share of energy from renewable energy sources and increase the use of alternative fuels.	A tender was awarded for the installation of photovoltaic units on roofs of Government property.	PPA guaranteed for 25 years.	Project on hold pending police investigations.	On hold.	In 2012, Malta has reached 2.7% of the gross final consumption of energy from renewable energy sources.	On hold.	Government has awarded a € 20 million tender for the installation of photovoltaic systems.	Lower imports of fossil fuels, higher budget to support Feed-In Tariff (FIT).
				New scheme for PV panel installation in households. Grant of up to 50% of capital cost (capped at € 2,500 per system) and FIT of 22c/kWh guaranteed for 6 years.	Grant Scheme managed by the Malta Resources Authority (MRA).	The scheme launched in May 2013 was fully taken up by March 2014. It is estimated that circa 23MWp of PV systems were installed as a result of this scheme, generating around 37GWh/year. By the end of 2014, 8308 households had received a grant to install a domestic PV system under this scheme. By the end of February 2015, 8331 households had benefitted from this grant.	Measure ongoing.	In 2012, Malta had reached 2.7% of the gross final consumption of energy from renewable energy sources.	N/A	ERDF is expected to continue to contribute towards this measure.	As above.
				FITs for PVs not supported through other funding.	S.L. 423.46	FITs which vary according to size and location applicable until 30 th April 2015. The 8MWp allocated capacity under LN155/2014 was fully taken up by 31 st October 2014. New, lower tariffs apply as from 1 st November 2014.	New set of FITs are expected to be announced during Q2 2015.	As above.	N/A	National funds up to € 5 million.	As above.
				Biofuels substitution obligation.	S.L. 423.28: An obligation on importers and wholesalers of petroleum to place on the market as a minimum biofuel amounts as a percentage of the total energy content of petrol and diesel.	For the purpose of the transport target as per Directive 2009/28/EC), the target for 2014 was 4.5%. Thus, biofuels are an important tool for Malta to reach the aim of increasing the share of energy from renewable sources in the transport sector. In 2013, the RES share in road transport was 4.04% and the provisional figure for 2014 is 4.54%.	Assessing the possibility of introducing alternatives such as bio-ETBE in view of limitations to air quality issues.	As above.	Unable to blend bioethanol with petrol due to air quality issues.	No budgetary implications.	Lower Life cycle GHG emissions and dependency on fossil fuel.
		Measure 6 – Gas Interconnection	Connecting Malta to the European Gas Network: Increase security of supply and energy mix.	The concept project consists of a Floating Storage Regasification Unit (FSRU) and a pipeline connecting it to both Delimara (Malta) (12km approx) and Gela (Sicily) (150km approx) for transmission of natural gas.		Contract was signed in September 2013 for the feasibility study and cost-benefit analysis. Outcome of studies expected in Q1 2015.	Evaluating the outcome of the studies and submitting and outlining the next studies that need to be carried out.	N/A	N/A	N/A	The outcome of the studies may be used to support actions for co-financing under the Connecting Europe Facility.
		Measure 7 – Implementation of Malta's National Strategy for Policy and Abatement Measures relating to the Reduction of Greenhouse Gas Emissions	Measures aimed at reducing greenhouse gas emissions. These include the promotion to implement renewable energy sources, electricity efficiency and conservation.	Progress on the abatement measures themselves, such as lower emissions/kWh being produced with the extension of the Delimara Power Station; achieving high quality water with a lower emission footprint due to the efficiency of	N/A	N/A	N/A	Elements of this measure contribute to Malta reaching the Europe 2020 targets as confirmed by the PAMs report.	N/A	N/A	N/A

				<p>the Reverse Osmosis Plant; and Government's commitment to introduce gas;</p> <p>Also covers projects related to water and agriculture such as the implementation of the Nitrates Action Plan and the Sant'Antnin Waste Treatment Plant.</p>							
		Measure 8 – Energy Efficient Buildings	<p>Nearly-zero energy buildings. Malta plans to utilise experience acquired through the implementation of the Energy Performance in Building Directive 2010/31/EU to achieve the final goal of substantial energy savings through new nearly zero-energy buildings by 2020.</p>	<p>Promotion and penetration of nearly-zero energy buildings. The construction of nearly-zero energy buildings on a wider scale is expected to contribute to a significant reduction in energy consumption. Furthermore, Malta plans to compile an inventory of central Government buildings as required by Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, now transposed into national legislation by LN196 of 2014.</p>	<p>Energy Efficiency Fund, created by the then Ministry of Finance, the Economy and Investment.</p> <p>With regard to Government buildings, Legal Basis stands as per Directive 2012/27/EU and LN196 of 2014.</p>	<p>At start of 2009 about € 8.3 million was spent on energy efficiency)</p> <p>Measures are being taken to insert energy efficiency clauses in all leases, grants and allocations made on Government owned property to third parties that will oblige the construction and or refurbishment of such property to nearly zero energy buildings by 2020.</p> <p>A memo was sent to all Government Departments on the plans and areas of buildings they occupy for the compilation of central Government buildings inventory. In June 2013, a presentation was therefore delivered to all Permanent Secretaries. This process was launched in August 2013 and is expected to be completed by December 2014.</p> <p>The BRO has set up a unit at MEPA for screening development applications in the domestic sector.</p> <p>Guidelines have been issued providing a methodology for inspections of heating and air-conditioning units, in conformity with the requirements of the Energy Performance of Buildings Directive. Training courses were delivered and inspectors were registered with the Building Regulation Office.</p>	<p>By the end of 2018 all new buildings constructed for the use of public authorities are envisaged to be nearly-zero energy buildings. There are further proposals for the expansion of nearly-zero energy buildings. These include the tightening of existing minimum requirements for the building envelope of new buildings and buildings undergoing major renovation as indicated by cost-optimal studies for dwellings and offices.</p>	<p>Energy savings not yet accurately calculated. It is roughly estimated that there will be between 5 to 10% savings over energy consumption levels that would have been used had measure not been introduced.</p>	<p>Enforcement of building standards in the private sector.</p>		<p>Reduce oil imports, improve building comfort.</p>
			<p>Promotion of uptake of RES and building envelope insulation – extended measure</p>	<p>This measure aims to promote the uptake of solar water heaters and roof insulation and double glazing by issuing financial grants to households to encourage the purchase of new solar water heaters (maximum € 400 per system installed) and the purchase of roof insulation and</p>		<p>This particular scheme was launched in May 2013 and as announced in the Budget 2014, has been extended. The total number of grants paid for solar water heaters has now reached 8,698, whereas the number of applications paid to assist installations of roof insulation and double glazing amount to 1,995.</p>	<p>Measure ongoing.</p>	<p>The solar water heater RES contribution per year from this measure stands at 17.3GWh.</p>		<p>National funds: up to € 0.6 million.</p>	

				double glazing (maximum € 1,000 per dwelling).							
		Measure 9 – Smart metering	Smart metering: Reduction in energy consumption by changing consumer behaviour through information on energy consumption.	A smart metering scheme is under implementation in Malta by Enemalta Corporation.	In 2008, Enemalta Corporation awarded a contract for an automated meter reading system.	Start: 2009. The full replacement of all 283,676 (originally 245,000 but increased due to new consumers and PV systems) electricity meters started in 2010. A total of 266,294 meters were installed as at end of February 2015.	Continue with the installation of smart meters.	The expected annual savings will be approx. 25-50 GWh from 2014.		Enemalta Corporation. Original estimated capital expenditure – € 30 million increased to € 34 million. The approximate expenditure is: Total investment of € 34 million; investment has been ongoing since 2010.	
CSR 5	a) Continue efforts to increase the efficiency and reduce the length of public procurement procedures.	Measure 1 – Full Transition to e-procurement	Transition to e-procurement. Reduction in the advertising period. Reduction in tender validity period. Increase in HR capacity. Re-assignment of duties. Training.	E-Procurement is now being implemented across Government for tenders above the EU threshold. Consequently, the advertising period has been reduced to 40 days from 52 days. The tender validity period has been reduced from 150 to 90 days in February 2015.	No particular legal instruments were necessary to implement the measures. However, in the case of the reduction of the advertising period a Procurement Policy Note has been published by the Department of Contracts and circulated across Government. Furthermore the measure to reduce the tender validity period was implemented by amending the templates and by issuing a Procurement Policy Note.	In terms of e-procurement all tenders, with a few exceptions, above the EU threshold are being issued as e-tenders. The reduction in the advertising period has been implemented in December 2013. The reduction of the tender validity period has been implemented since 1 st February 2015. During 2014 nine Procurement Managers (PMs) were recruited. Also, the positions of two Directors have been filled in. Furthermore, during December 2014 7 Senior Managers were recruited in order to strengthen the Supervisory function of the Department. Once the newly recruited PMs are trained, they will be assigned duties across Ministries although this will also depend on the successful completion of the HR Capacity Building exercise which is expected to increase the intake of Procurement Managers. Discussions with the Government's training arm have taken place early in 2014 as part of a comprehensive training strategy. To this effect it is intended that during the second Quarter of 2015 training specific to evaluation staff will be undertaken. In parallel an initiative to make public procurement a profession of choice has been embarked upon. In this regard, since 11 th February 2015 a Diploma in Procurement and Supply has been offered to public employees.	During 2015, e-procurement will be expanded to the issue of tenders below the EU thresholds. It is planned that by the end of 2015 at least 50 per cent of all Contracting Authorities will issue their tenders as e-tenders. During January 2015, the procurement templates have been amended to reflect the new tender validity period. This change was communicated by means of a Procurement Policy Note. In line with an operations review carried out in 2013, new staff has been recruited during the last quarter of 2014. It is planned that by the second quarter of 2015 a further 11 Procurement Managers are recruited in order to reach the set complement of Procurement Managers. Procurement Managers will be deployed to various Ministries in 2015 provided that the necessary staff are recruited and trained. Training specific to the evaluation stage of the procurement cycle will commence in the second quarter of 2015, subject to the availability of resources.	An estimate in numbers is not available. Particularly through the transition to e-procurement it is however expected that both the efficiency and effectiveness of public procurement is improved through a leaner process, thus contributing positively to the economy.	In respect of e-procurement the volume of work involved and the culture change needed is always the biggest challenge, followed by the need to maintain the best standards possible. This will be further complicated by the need to transpose three new EU Directives into local Regulations. In terms of HR, the challenge is to find the necessary resources with the required skills which in turn could impact the capacity of the Department to implement the comprehensive training plan set by the Department. In fact, from the required 21	The measures will not drastically impact Government's revenue since from mid-2014 tender documents are completely free of charge, in that not even the participation fee is levied. In terms of expenditure, there will be an increase in order to recruit new staff and also to maintain and upgrade the e-procurement system.	Over a number of years e-procurement promises to increase cross-border competition, visibility across Government, reduce costs to both Government and Economic Operators and potentially, increase savings to Government. It also promises to decrease litigations and award lead times. It will also be simpler for Economic Operators to participate successfully by preventing certain common errors upon submission of offers. The reduction

									Procurement Managers, the Department only managed to recruit 9.		in advertising time will help the award lead time.
	b) Encourage alternatives to debt-financing of companies through facilitating access to capital markets and developing venture capital funds.			Malta Enterprise is currently reviewing the start-up scheme. The new scheme will be aimed at facilitating access to finance. The beneficiaries from this programme will receive financing, part of which may be repayable according to the success achieved by business. Moreover, the Managed Seed Capital Fund is intended to support early stage technologies and knowledge/technology-based start-ups.		Work to develop such schemes is underway. A Management Committee, made up of representatives from the Ministry for the Economy, Investment and Small Business (MEIB), the Ministry for Education and Employment (MEDE) and the University of Malta, has been set up in 2014 to discuss and decide on the procedures to be adopted for the implementation of this measure. Moreover, the Management Committee is also responsible for the screening and evaluation of the submitted applications.		The Management Committee is currently finalising the details of the implementation of the measure for 2015.			The aim of the Managed Seed Capital Fund is to encourage academics and students possessing creative and innovative ideas to get the necessary financial support to be able to develop their ideas into business concepts. It aims to assist promising ideas to move forward toward commercialisation and ultimately, creation of high growth businesses in Malta. Award funding will help to bridge the initial gap between lab/patent/idea and market development, and provides support to researchers and entrepreneurs when they need it most to increase the likelihood of success.
	c) Increase the efficiency of the judicial system by ensuring a timely and efficient implementation of the planned judicial reform.	Measure 1 – Justice Reform	The Holistic Justice Reform Report proposes several measures that will help render the justice system more efficient and effective, in particular the reduction of time	The Holistic Justice Reform Report proposes 450 measures. These can be clustered in four specific areas: judicial processes, administration of courts, agencies, and Restorative Justice.	The majority of the 450 measures require Constitutional, primary or secondary law amendment. Work has already started on the necessary legal amendments and whilst amendments to primary and secondary law are envisaged for finalisation during the first half of	The Holistic Justice Reform Report was finalised in November 2013. In mid-January 2014, a Director General (Strategy & Support – Justice) was appointed who immediately started work on an implementation plan for the justice reform proposals. A Justice Reform Implementation Committee (JuRIC) consisting of sub-committees has been set up and implementation of reform measures has commenced. During 2014, the JuRIC Courts Administration sub-committee was convened wherein the	180 measures will be implemented during 2014. The rest of the measures will be implemented during 2015 and 2016.	N/A	The major risk for the implementation of certain reform proposals is that certain amendments to the Constitution require 2/3 majority of the		More efficiency in time to decide court cases; reduction of time wastage and man hours absenteeism from place of work thus increased

			<p>Strengthening the legal aid system.</p> <p>Removal of unnecessary time-wastage of State medical doctors to call at the law courts to give evidence.</p>	<p>Video-conferencing in the Gozo law courts.</p>	<p>Minor legal amendments required to allow for evidence by video-conferencing facilities.</p>	<p>This facility started in November 2014.</p>	<p>the Courts of Gozo.</p>				
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