



Malta

National Reform Programme

Annex Table 3

Ministry for Finance
April 2015

Table 3: Reporting on main reform plans for the next 12 months

Main (new or updated) commitments in the NRP for the next 12 months	Foreseen main measures and indication on whether they are CSR relevant	The estimated impacts of the measures (qualitative and/or quantitative)
Euro Plus Pact commitments		
Euro Plus Pact commitments	<p>Establish the eSkills Alliance as a Purpose Foundation</p> <p>The newly established eSkills Foundation provides advice to Government and stakeholders on matters related to e-skills policy. It also acts as a driver to instigate further reform in the ICT educational offerings and contributes to capacity building in the ICT education community. The Foundation will reflect the principles of the EU's Grand Coalition for Digital Jobs and will contribute to the expansion of ICT educational programmes and related formative initiatives.</p> <p>In the first months of operation, the eSkills Malta Foundation has delivered a range of public engagement activities promoting the importance of ICT skills for jobs. These activities targeted policy makers, industry, students and employment agencies as well as the general public. The activities include presence at various national events as well as engagement through online media.</p> <p>The Foundation provided consolidated policy positions on the National Education Strategy and other national policy frameworks with a bearing on ICT skills. It has also adopted the EU eCompetence Framework as the basis of its actions on promoting ICT careers and professions.</p> <p>Status: Completed</p> <p>This measure is relevant to CSR 3, in particular in order to increase the labour market relevance of education and training to address skills gaps.</p>	<p>The eSkills Malta Foundation has been established as a purpose foundation with the main aims of the foundation covering:</p> <ul style="list-style-type: none"> - A contribution to the expansion of ICT educational programmes and related formative initiatives; - The creation of an ICT professionalism development programme; - The promotion of the Maltese eSkills potential locally and internationally.
	<p>ICT Competencies for better employability and workforce adaptability</p> <p>Following the awareness campaign that involved an exhaustive television campaign throughout the month of March and April 2014, the Malta Communications Authority (MCA) received slightly over 5,000 applications for one or both of the training sessions.</p> <p>The training, which includes two courses – Course A (Introduction to the Internet) and Course B (Internet at Work) – is currently being delivered through various training centres operated by NGOs, Local Councils and public agencies.</p> <p>Training for the general public is scheduled to come to an end by February 2015. The MCA is also delivering the same programme to the employees of St Vincent de Paul Residence which is expected to be complete by June 2015.</p> <p>Status: On Track</p> <p>This measure is not CSR relevant.</p>	<p>The project aims to expose non-computer users to experience the benefits of ICT. This will contribute to the MCA's efforts in achieving widespread ICT literacy, digital inclusion and the use of ICTs as a tool to improve quality of life for all citizens, in particular disadvantaged groups.</p> <p>The goal of the project is to increase the basic ICT competences of individuals aged 25 to 64 by 1.5% (increase in ICT literacy).</p>
	<p>Facilitating the complete transition to e-procurement for all Contracting Authorities publishing tenders below the EU thresholds</p> <p>During 2014, following an invitation to all Ministries to set out a plan for the transition to e-procurement for tenders below EU threshold, the Department of Contracts received feedback from a number of Ministries, chiefly, the Ministry for the Economy, Investment and Small Business (MEIB), the Ministry for Gozo (MGOZ), the Ministry for Transport and Infrastructure (MTI) and the Ministry for the Family and Social Solidarity (MFSS). Accordingly, ad hoc training was delivered to members of staff from all Departments and Organisations within the respective Ministry's portfolio. Such training related to the main principles and procedures in public procurement and to the use of the e-procurement system.</p> <p>During 2015 there will be a renewed effort by the Department of Contracts to get on board the remaining Ministries and Contracting Authorities falling within their portfolio. In fact, through Contracts Circular No. 1 of 2015 the Department of Contracts asked the remaining Ministries to submit a plan for the transition to e-procurement for departmental tenders. The response is encouraging although there are still Ministries that did not reply by the set date of 15th February 2015. In this regard, while hands-on training will be delivered to the Ministries that presented a transition plan, it is not being excluded that at a later stage the Department of Contracts issues another Contracts Circular to make mandatory the use of e-procurement for departmental tenders.</p> <p>The advanced stage of the transition to e-procurement on a national scale is well on track and is expected to expand, which will certainly contribute to increased efficiency and effectiveness in the award of public contracts thus leading to reduced award lead times, which in turn contributes positively to the economy in general.</p> <p>Status: On Track</p> <p>This measure is relevant to CSR 5, in particular in order to increase the efficiency and reduce the length of public procurement procedures.</p>	<p>Some of the impacts that the transition to e-procurement, including that of departmental tenders, could achieve are the following:</p> <ul style="list-style-type: none"> - increase in accessibility and visibility to economic operators which will encourage more cross-border competition; - increase visibility across Government thus better enabling the taking of strategic decisions; - reduction in costs to Government and Economic Operators; - streamlined processes; - savings to Government; - reductions in time for Contracting Authorities to prepare tenders, schedule and adjudicate offers and for Economic Operators to compile, pack and upload offers; - increase transparency; - reduce both the average tendering period and the average award period; - modernisation of the public administration.

	<p>Initiative to reduce precarious work</p> <p>This measure is being implemented through OPM Circular No 15/2013 'Clarification for Tender Proposals' issued in August 2013. The main intent of this measure is to ensure that contractors awarded contracts by Government Departments or public sector organisations observe employment laws. Any companies which do not observe employment laws will be disqualified from participating in Government and public sector tendering processes. This should ensure that any contracts awarded by Government departments or public sector organisations do not lead to precarious employment situations.</p> <p>During the 2015 Budget speech, Government announced further measures regarding the payments to workers engaged in contracts providing services to Government Departments or public sector organisations. These measures are aimed to ensure that such workers are paid at least the basic minimum rate for the same employment payable to public administration employees.</p> <p>Any new tender which is to be issued during 2015 must ensure that the minimum rates payable by the tenderer to employees engaged in any of the services contracts undertaken by a Government Department or public sector organisation shall not be less than those indicated in Contracts Circular No 27/2014 (Table A).</p> <p>The contracting authority shall pay the service provider a rate which shall include the salary due to the employee and an additional amount to cover the social costs (bonuses, leave, sick leave, etc) as indicated in the afore-mentioned circular (Table B).</p> <p>Status: Ongoing</p> <p>This measure is not CSR relevant.</p>	<p>As a measure adopted by Government, all public tenders issued should observe employment law. In 2014, the Department of Contracts blacklisted two economic operators.</p>
	<p>Shop Opening Hours</p> <p>The scope of this measure is to provide a more flexible approach for retail outlets to open on hours and days which diverge from the standard business hours. To this end, the Trading Licensing Regulations need to be amended accordingly. These amendments are expected to stimulate the retail sector whilst facilitating shopping opportunities for both tourists and local residents.</p> <p>The proposed recommendations to the Trading Licensing Regulations have been discussed and agreed upon internally amongst the relevant Government stakeholders. The finalised proposals have also been published for consultation with the constituted bodies, the private sector and the general public. Feedback from this phase will then be evaluated and included in the final amendments accordingly.</p> <p>Status: On Track</p> <p>This measure is not CSR relevant.</p>	<p>The expected impact of this measure is an increase in the commercial activities of retail businesses and thus a growth in this vital sector of the economy.</p>
<p>Measures to address growth bottlenecks and economic imbalances</p>	<p>Developing Quality Management in the Public Administration through the Common Assessment Framework (CAF)</p> <p>Since 2012, the Management Efficiency Unit is managing an ESF project intended to promote and train the CAF tool as a basis for continuous improvement and adoption of a total quality management model in departments and entities.</p> <p>To date, a number of achievements have been made, including:</p> <ul style="list-style-type: none"> - the forging of a strategic partnership with the European Institute of Public Administration (EIPA) in Maastricht and the Dipartimento della Funzione Pubblica in Rome; - the training of 280 public officials in CAF methodology; - 14 MEU personnel followed a train-the-trainer course; - the publication of two manuals, the first manual was a CAF 2013 manual while the second publication was an external feedback manual for use during certification audits; - There are ten sites officially registered on the EIPA portal being the Gozo Public Library, the Food Safety Unit, the Gozo Sports Complex, the Foundation for Social Welfare Services (FSWS), Sedqa, Sapport and Appoġġ Agencies, the European Union Programmes Agency (EUPA), the MEU and the Health Promotion and Disease Unit. The Department of Contracts, NCPE and MEIB are to start the exercise, and other entities are exploring this possibility. - creation of a website dedicated to the CAF; - a Facebook page on CAF was set up to provide further exposure even at the general public level; - offering continuous guidance and support during the CAF exercise. 	<p>The estimated impact of this measure is that the CAF methodology will be introduced in the public administration enabling team-based self-assessment and continuous improvement interventions.</p> <p>280 public officials were trained to use this tool.</p> <p>A CAF Malta Conference for public service/sector management officials was held in December 2014 which enabled to reach out to additional public organisations and rope in further interest to implement the CAF model. An additional benefit to this conference was the facilitation of network and peer learning amongst public organisations in the use of the model. In this conference, two foreign CAF experts presented their experiences and two local entities, the EUPA and the FSWS, presented their views. The project intends to achieve 14 CAF-registered user organisations within the public sector/service by end June 2015. Should these organisations witness increased performance in their delivery, other organisations are expected to follow their example and adopt the CAF model for total quality management.</p> <p>Out of these registered users, two (the Head Office of FSWS and Aġenzija Appoġġ) were certified 'Effective CAF Users' (CAF Label Certification) during the December 2014 CAF conference. The certificate was presented by the Principal Permanent Secretary (PPS) during the conference and media exposure was given. The CAF team is currently in the process of carrying out the CAF external evaluators' feedback on another two CAF-using entities, that is Sapport and Sedqa.</p> <p>The team is also planning a conference/seminar in May 2015 targeted to local and international public officials who had experience on the CAF model or are interested in applying it in the their organisation. It will serve as the closing activity of the ESF 4.159 Project. The objective of the conference/seminar is to strengthen the momentum gained from the December 2014 conference.</p>

	<p>Status: Delayed (MEU has requested the Planning and Priorities Co-ordination Division (PPCD) for an extension up to June 2015 to implement further activities that would promote the CAF model in public organisations)</p> <p>This measure is not CSR relevant but it is aimed to address one of the three pillars of the Annual Growth Survey – A renewed commitment to structural reforms, Reform Area 7: Improving efficiency in public administration.</p>	
	<p>Quality+</p> <p>Quality+ encourages Small and Medium-Sized Enterprises (SMEs) to continuously improve the quality of their products, services and processes through the:</p> <ul style="list-style-type: none"> - achievement of recognised quality certifications and quality marks related to processes, products or services; - achievement of recognised environmental certifications; - acquisition of a franchise licence; - acquisition of a licence required for participation in a value chain. <p>The incentive was only granted on approved projects and may cover a maximum of € 20,000 in eligible costs. Malta Enterprise may approve a tax deduction from eligible taxable income equivalent to 150% of the eligible costs (over any normal statutory tax deductions).</p> <p>Eligibility for the Quality+ scheme was for qualifying investments carried out till the end of 2013, and applications were still accepted in 2014 for 2013 investments. Thus, the scheme was technically still open in 2014.</p> <p>In Q1 2015, Malta Enterprise announced a new scheme to replace the Quality+ initiative called 'Certify' (http://www.maltaenterprise.com/en/support/certify-tax-credits). Further details relating to the initiative as well as the acceptance of the first applications will occur in the second half of 2015.</p> <p>Status: Completed</p> <p>This measure is not CSR relevant.</p>	<p>20 applications were received in 2013 and Q1 2014 with a value of tax deduction amounting to € 225,393. These were approved in 2014 for expenditure carried out in 2013, as these applications have a base tax year of 2013.</p>
	<p>Smart Fiscal Consolidation</p> <p>Government is committed to continue controlling the deficit in public finances with the aim of keeping it at a sustainable level.</p> <p>A Government spending review is ongoing to ensure the achievement of improved efficiency in public spending, reduce waste and ensure value for money, thus ensuring greater financial discipline and fiscal accountability in the public sector in particular public entities and Local Councils. This should ensure that spending reflects changing priorities and changing needs.</p> <p>In order to further support fiscal consolidation, a number of measures were outlined in the 2015 Budget, namely increases in indirect taxation levied on consumer goods and services, a revision in fees on market output and measures to control the public sector wage bill. These measures, together with the expected proceeds coming from the Individual Investor Programme (IIP), are expected to offset the impact of the reduction in income tax and further efforts contemplated in support of the Air Malta restructuring in 2015.</p> <p>Moreover, Government is strengthening and stepping up its efforts towards curbing fiscal abuse and to increase efficiency in revenue collection. In this regard, various concrete administrative and regulatory measures are being introduced so that tax evasion is minimised further. As from 1st January 2015, whoever carries out any type of commercial activity has to be registered with the VAT Department, irrespective of the amount of sales per year. Those who do not exceed a certain amount of sales per year will not be obliged to submit a return to the Department but will still be obliged to register. Furthermore, Government shall be introducing a system whereby whoever purchases a service in the property industry, for instance construction works, shall be able to substantiate the work performed, otherwise he/she shall be liable to a penalty. Other measures include: tax awareness campaigns, efforts to target evasion in rental property income and a merger of the revenue departments to improve the process of oversight and vetting. Furthermore, a task force has been established to address fraud in social welfare benefits. Such measures follow the various opportunities granted to taxpayers to regularise their position and become compliant. Indeed, an asset repatriation programme scheme enabling the disclosure of previously undeclared assets was launched by the Minister for Finance in July 2014. In addition, a Legal Notice was issued to provide for the reduction of interest on unpaid tax. Taxpayers were granted a one-time opportunity to pay their dues either in one lump sum or else through a repayment programme and benefit from a reduction in interest and penalties provided they become compliant. Further details about tax evasion and efficiency in revenue collection can be found in CSR1.</p> <p>Government acknowledges the important role that national fiscal frameworks may play in sustaining budgetary retrenchment. In this regard, the Fiscal Responsibility Act (FRA), which was enacted by Parliament on 8th August 2014, outlines the main principles of fiscal responsibility and the objectives of fiscal policy. This Act establishes fiscal rules which bind national fiscal authorities in achieving a balanced structural budget, or in its absence, converge towards the medium-term budgetary objective. The Act also establishes the Fiscal Council that has the role to</p>	<p>A quantitative estimate of Government's medium term fiscal targets is included in the 2015 Update of the Stability Programme.</p>

	<p>monitor and assess macroeconomic and fiscal forecasts, and make sure of compliance with fiscal rules and the provisions of this Act. Moreover, the Act also establishes the medium-term budgetary framework and strengthens the role of the Ministry for Finance in the budgetary process and the multi-annual fiscal planning.</p> <p>Status: On Track</p> <p>This measure is relevant to CSR 1.</p>	
	<p>Pensions Reform</p> <p>The Government has set up a Pensions Strategy Group to continue with the reforms of pensions in Malta in order to continue strengthening the sustainability of the system and also to maintain adequacy, especially for future generations. To this effect the mentioned Group has been meeting and discussing ways to improve on the current system primarily by a continued strengthening of the first pillar and also by the introduction of incentives pertaining to third pillar pensions. A report by the Group is due by end October, which will provide for new recommendations on the way forward for further pension reforms.</p> <p>Malta has already undertaken action to address the issue of long-term sustainability of the pension reform. Indeed, the sustainability and adequacy of pensions in Malta has been high on the political agenda in Malta for the past few years. Moreover, parametric pension reform measures were adopted in 2006. Some of these measures come into force in 2007 while others came into force on 1st January 2011. This reform has addressed multiple issues and led to:</p> <ul style="list-style-type: none"> - an increase in pensionable age to 65 for both genders by 2026 and lengthening of the contribution period; - a change in the calculation of pensionable income from the best three years out of the last ten years to the best ten years from the last forty years; - a Guaranteed National Minimum Pension payable at a rate of not less than 60% of the Median Income which was introduced for persons born after 1st January 1962; and - the Maximum Pensionable Income for persons born after 1st January 1962 will follow a more dynamic path with an indexation of 70% to Wage Growth and 30% to Inflation. <p>Through this ongoing reform which was initiated in 2006 and which will continue up to 2030, it is projected that the life expectancy of 60 year olds will increase by 3.3 years and 3.1 years for males and females respectively. The increase in the average exit age from the labour market is expected to exceed the gains in life expectancy by 2030. Therefore this shows that the gradual increase in retirement age adopted in the 2006 Pension Reform remains valid (it is projected that as a result of the 2006 reform, the average exit age will increase by 4.8 years over the period 2006-2030). The work carried out by the independent Pensions Working Group on the first review report concludes that the parametric changes to the First Pension introduced in 2006 are deemed to have fulfilled their role as they braked what was an accelerated degeneration of the average pension replacement rate. Therefore, pending the current ongoing discussions taking place at national level on further pension reforms, Malta does not think that there is any particular urgency in further accelerating the progressive increase in the retirement age as suggested in the first part of the Country Specific Recommendation related to this issue.</p> <p>While the long-term sustainability of the pension system in Malta is a priority to Government, overtly prescriptive proposals may adversely affect sensitive consultations being undertaken with social partners. Furthermore, having outlined the main developments in this area, it is important to benchmark any policy decisions against long-term budgetary projections. In this regard, the Ageing Report 2012 indicates that total age-related expenditure for Malta is projected to rise by 2.4 percentage points of GDP between 2010 and 2040. Meanwhile, age-related expenditure is projected to rise by a total of 8.2 percentage points over the period 2010-2060.¹ These results are indeed indicative that though the increases in expenditure relative to ageing are not insubstantial, these increases are concentrated over the outer years of the projections, i.e. the years 2040-2060, and hence are subject to a higher degree of uncertainty relative to projections applicable for the period 2040-2060. These results are also consistent with the outlook for life expectancy up to 2030, as described above.</p> <p><i>The Role of the Pensions Strategy Group</i></p> <p>In 2013, the Minister for the Family and Social Solidarity set up a Pensions Strategy Group primarily made up of representatives from the Ministry for the Family and Social Solidarity and the Ministry for Finance, amongst others. The Pensions Strategy Group recognises that whilst restructuring and reforming the first pension will result in a strengthening of the pension system, the risk of demographics will continue to place pressure on the first pension. The Pensions Strategy Group will also assess and recommend how reforms can be introduced in the pension system in order to:</p> <ul style="list-style-type: none"> i. render it as a policy instrument directed to support pro-natal growth at the one hand and to seek to attract the member of the family who exited to take up child-rearing responsibilities to re-enter into the labour market on the other; ii. incentivise persons to continue to remain active in the labour market beyond the statutory retirement age by 	<p>As a result of the pension reform of 2007, the pension age for persons born in 1952 went up to 62 for both genders with effect from January 2014 and the accumulation of contributions for a full pension entitlement increased from 30 to 35 years. As a result of this measure, the number of new claims is lower when compared to the year on year increase of previous years.</p>

¹ Work is currently underway for the upcoming Ageing Report 2015. The Ageing Report covers projections of age-related expenditure that include pensions, health, long-term care, education expenditure and unemployment benefits.

	<p>resulting in higher pension income for additional years worked as against increasing the statutory retirement age by resulting in higher pension income for additional years worked as against increasing the statutory retirement age; and</p> <p>iii. adopting a targeted immigration and residency policy directed to target persons who have the appropriate skills levels that the local economy is not in a position to provide in order to engender continued economic growth.</p> <p>The Pensions Strategy Group has delivered its report to the Minister for the Family and Social Solidarity 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 19th February, the Prime Minister delivered a speech whereby the following reform principles were underscored:</p> <p>i) A clear definition of the objectives of the Maltese pension system. In particular, to define the exact nature of the poverty alleviation function of the system and optimise the effectiveness of the current social assistance programmes.</p> <p>(ii) A strong active employment policy</p> <p>(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.</p> <p>(iv) A fair balance between contributions and benefits across generations.</p> <p>(v) An evolving pension system that responds to long term developments.</p> <p>In determining an agenda for reform the Government will seek to secure consensus with the Opposition and social partners so that the process of reform becomes a national one and hence ensures continuity, which is so important for successful implementation.</p> <p>In addition, in November 2014, following the establishment of a regulatory framework for private pensions by the Malta Financial Services Authority (MFSA), the Minister for Finance launched the third pillar pension scheme, referred to as the Personal Retirement Scheme, and which is being supplemented by another scheme, the Individual Savings Account (ISA). Both schemes are optional and are intended to encourage low-income earners to save more for their retirement and safeguard their future quality of life.</p> <p>Status: On Track</p> <p>This measure is relevant to CSR 2.</p>	
	<p>Public Infrastructural Projects</p> <p>During 2014, a further 1km (December 13th underpass) of the TEN-T Core Network was constructed. Access network upgrading for two of Malta's sea ports as well as the upgrading and refurbishing of international port infrastructures is planned with a view to improve cargo and passenger capacity. Preparations for the project which aims to resolve the bottleneck identified at Marsa on the core TEN-T network is currently underway.</p> <p>Government aims to conclude the National Transport Strategy and a Master Plan by the end of 2015 which aims to identify policy and infrastructure options to address Malta's transport needs in the future, including to alleviate road traffic bottlenecks on the TEN-T and other strategic roads. Within this process, Government will evaluate the potential for complementary passenger transport systems aimed at reducing reliance on the private car, which include monorail and transport by sea. Appropriate road infrastructure measures are being considered so as to improve the safety of pedestrians and to ensure that road infrastructure is accessible for all.</p> <p>The Marsaxlokk breakwater refurbishment is now completed. Other planned maritime infrastructure measures shall include the improvement of existing facilities for cruise liners and the development of new cruise liner facilities in Gozo. The bid on the proposed cruise liner facilities and yacht marina is currently being evaluated by the privatisation unit. On the other hand, preparatory work is also being undertaken for a new mooring system in Xlendi. Government is undertaking a cost benefit and socio-economic analysis for an airstrip in Gozo, to enhance national and regional mobility. The feasibility study on the Gozo rural airstrip has been concluded and an environmental impact assessment will be undertaken.</p> <p>Status: On Track</p> <p>This measure is partly relevant to CSR 4, in particular in order to reduce emissions from the transport sector.</p>	<p>Development of the TEN-T network and external links are crucial for Malta's tourism and export-oriented economy as well as to ensure the mobility of persons. In this respect, the continued development and completion of the TEN-T network, the development of maritime links and ports (freight) and aviation links and ports (tourism/business) continue to be crucial for Malta.</p> <p>The establishment of a National Transport Strategy and the Master Plan will allow the Government to propose future transport improvements within a defined strategy and will allow both Government and industry to have a clear project pipeline thus encouraging economies of scale.</p> <p>Other infrastructure measures indicated are expected to remove bottlenecks in the transportation network, thus facilitating efficient movement of freight and persons.</p> <p>The development of cruise liner infrastructure would have positive economic benefits for Gozo. Cruise tourism in general generates substantial economic benefits, in direct expenditures, jobs and employee wages. Generally economic benefits from cruise tourism arise from three principal sources:</p> <ol style="list-style-type: none"> onshore expenditure by passengers; onshore spending by crew; and expenditure by the cruise lines for supplies, port services, port fees and taxes. <p>Currently the only connection between the two islands is by sea, hence the proposed development of a rural airfield in Gozo would increase connectivity to the main island and to other nearby destinations, thus mitigating the handicaps arising from double-insularity and detachment from core economic and social activities. The introduction of air transport would have major socio-economic benefits including reduced travelling times, creation of new jobs related to the operation of the airfield and ancillary services as well as the possibility for Gozo to branch out into new niche tourism sectors that could combat seasonality and have multiplier effects in the hospitality, recreation and retail sectors amongst others.</p>
	<p>Private Investment Incentives</p> <p>Industrial Parks</p> <p>With an investment of € 16 million, Malta Industrial Parks (MIP) is implementing an extensive programme of</p>	<p>Industrial Parks</p> <p>The upgrading of these industrial zones will enhance Malta's competitiveness as an industrial location thus</p>

<p>upgrading works in a number of industrial zones.</p> <p>During 2014, MIP consolidated its efforts to close-off all remaining works with a definitive target to complete all works by Q1 2015. The majority of the works have been completed as planned by Q1 2015; however works at Hal Far will overlap to Q3 2015 due to the requirement for pre-approvals mainly for unforeseen new rates required for works arising from MEPA obligations for the particular intervention works. The following industrial estates benefited under this project in terms of new road infrastructure, hard and soft landscaping including the provision of parking areas and pedestrian walkways, street lighting, water catchment and advanced fire fighting systems: Bulebel Industrial Estate; Hal Far Industrial Estate; Kordin Industrial Estate and Xewkija Industrial Estate in Gozo.</p> <p>Status: Ongoing</p> <p>This measure is not CSR relevant.</p> <p>Business First</p> <p>Malta Enterprise launched the "Business First" (Malta's one-stop shop for business) on 23rd January 2012. Apart from the schemes and services offered by Malta Enterprise, more than 50 services from various Government departments and entities are being provided through Business First, with the aim of facilitating the day to day operations of local enterprises.</p> <p>Furthermore, Business First has an active outreach programme whereby it keeps direct contact with the business community, focusing on start ups and SMEs through the collaboration with different stakeholders.</p> <p>Status: Ongoing</p> <p>This measure is not CSR relevant.</p> <p>ERDF funded grant schemes</p> <p>Currently there are 36 projects in Gozo and 403 projects in Malta that are complete or ongoing with a total of over € 23.6 million allocated. Most of these projects have been refunded and Malta Enterprise's aim is to finalise the processing of the pending claims by the first quarter of 2015.</p> <p>Two projects are still ongoing and will be completed in 2015.</p> <p>Status: On Track</p> <p>This measure is not CSR relevant.</p> <p>Online Government Services</p> <p>By end 2013, the Government completed a number of measures aimed at facilitating the deployment of online services and addressing growth bottlenecks, these being the launch of a solution for online procurement in June 2011, the launch of a solution for deployment of online forms in November 2011, the implementation of myBills (processing of online payments and Electronic Bill Presentment and Payment) solution by end 2011 and the implementation of 193 new e-Government Services onto the eForms platform that were completed by end 2013.</p> <p>Status: Completed</p> <p>This measure is not CSR relevant.</p> <p>Culture and Creative Industries</p> <p>An overarching sStrategy for the period 2014-2020 that bridges cultural policy programmes, the programme for the implementation of the European Capital of Culture and the Creative Economy Strategy is currently being implemented with restructuring, business plan developments and funding reviews as immediate priorities. The next step is for the draft Bill that gives a legal framework to the Arts Council to operate within a broader remit relevant to the creative economy to be presented in Parliament.</p> <p>Status: On Track</p> <p>This measure is not CSR relevant.</p>	<p>contributing to sustaining and expanding Malta's growing knowledge-based economy and promoting and safeguarding jobs in this key strategic sector.</p> <p>Business First</p> <p>The services offered by Business First will benefit in particular SMEs and even more so start-up companies by providing authoritative information and assistance on various business services offered under one roof. As a result, businesses will spend less time dealing with such formalities whilst prospective new businesses will not be discouraged from entering the business due to their lack of familiarity with the business environment.</p> <p>ERDF funded grant schemes</p> <p>These schemes have contributed to:</p> <ul style="list-style-type: none"> - business growth by assisting start-ups; - enhancement of innovation by assisting businesses in launching new or improved products; - an increase in ICT usage in businesses; - an increase in the adoption of environmentally sensitive technologies by providing aid to SMEs. <p>Online Government Services</p> <p>The online procurement facilitates the submission of tenders and reduces paperwork burdens.</p> <p>The next generation e-Government platform is providing citizens with a truly citizen-centric service which will fundamentally transform customer experience whilst also delivering seamless, cross-border and pan-European services.</p> <p>Culture and Creative Industries</p> <p>Based on research carried out in 2014 by the Economic Policy Department (MFIN) in collaboration with the Creative Economy Working Group, findings show that the cultural and creative industries contribute 5% to the GDP, which is a larger contribution than the construction industry (4% of GDP) and close in size of output to the financial and insurance services industry (7% of GDP). 3,308 enterprises are registered as engaged in activity related to the cultural and creative sector while around 10,378 people are economically active in the sector (full/part-time and self-employed). Following the 2015 government budget, which strengthened the implementation of the creative economy strategy recommendations, the following outcomes for the cultural and creative sector can be confirmed:</p> <ul style="list-style-type: none"> • Overall 25% increase in funding for public culture and creative sector agencies and initiatives when compared to the 2014 budget. • Total Government investment in the sector for 2015 will be of € 43 million, an increase of 52% (€ 13.7 million) over the level of total Government investment for 2012. • Total cumulative Government investment in the sector since 2013 has now reached € 102 million.
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		<ul style="list-style-type: none"> • All recurrent expenditure areas in culture and creativity (arts, heritage, media and interdisciplinary initiatives) will experience increases over the 2014 budget, cumulatively amounting to 28% (€ 6.3 million). The total recurrent expenditure in these four areas shall be of € 32.3 million, an increase of 75% (€ 13.8 million) over the same category of expenditure in 2012. • Total capital expenditure by Government in 2015 for all areas of culture and creativity shall be of € 10.8 million. This is an increase of 17% over culture-related capital investment by Government in 2014 and of 42% (€ 3.2 million) over the same category of expenditure in 2012. • A total of over € 6.2 million is being allocated for new initiatives, including the establishment of a Music Academy for the Malta Philharmonic Orchestra, the establishment of a new cultural programme at the Mediterranean Conference Centre, the establishment of a new cultural export fund, a new co-production facility for public cultural organisation to develop projects in collaboration with the Valletta 2018 Foundation, several projects in the field of restoration and urban regeneration, and other investments in music, design, fashion, and the carnival. • In the arts sector, across-the-board enhancements to the existing Government financing of public cultural entities are foreseen. Additional funds are being provided in 2015 to the Malta Philharmonic Orchestra (+ € 80,000), the Manoel Theatre Management Committee (+ € 39,000), the Malta Dance Company (+ € 94,000), St. James Centre for Creativity (+ € 36,000), the Arts Council Malta (+ € 150,000), and the Valletta 2018 Foundation (+ € 496,000). • In addition to this, a number of existing arts programmes and initiatives are also being strengthened, with additional funds being provided for the Malta Arts Fund (+ € 20,000), Žigužajg Children and Young People Arts Festival (+ € 30,000), and programming support for arts and culture on broadcast media to complement the current allocation for the public service obligation in broadcasting (+ € 300,000). • In the heritage sector, Government is confirming its commitment to a number of national projects that shall strengthen the valorisation and appreciation of national identity, while ensuring its accessibility across all segments of society as well as to visitors coming from overseas. Additional allocations are being provided to Heritage Malta (+ € 1,032,000) to enhance its capacity and continue with its work on improvements in museums and historical sites, including restoration works at Fort St. Angelo. Investment in the restoration of forts and fortifications is also on the increase (+ € 620,000).
	<p>Strengthening Financial Stability</p> <p>Transposition and adoption of the macro-prudential provisions under the Capital Requirements Directive IV (CRDIV) and the Capital Requirements Regulation (CRR) have already been adopted or are being adopted in line with the provisions of such framework.</p> <p>In connection with the requirements for the setting up of a national backstop mechanism, Malta has also completed work on the Local Loans (Registered Stock and Securities) Ordinance (Amendment) Act 2014. The object of this Act is to enable the Minister for Finance to raise money by way of loan for the purpose of providing financial support to credit institutions in the context of a financial crisis in view of preserving financial stability in terms of Directive 2014/59/EU of the European Parliament and of the Council of 15th May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (BRRD), and the Communication from the Commission on the application, from 1st August 2013, of State Aid rules to support measures in favour of banks in the context of the financial crisis ('Banking Communication' 2013/C 216/01). This Act has entered into effect on 19th December 2014. Furthermore, in regard to providing financial support in the aforementioned contexts, the Government is also working on a further new legislation that will also enable the Government to raise funds on international markets. This new legislation is currently at the drafting stage with the aim to be introduced in 2015.</p> <p>Within the context of the European Commission 'Banking Communication' (2013/C 216/01), a separate Legal Notice is also being drafted by the MFSA in order to provide precautionary recapitalisation and impaired asset measures in line with State Aid rules.</p> <p>The transposition of Directive 2014/59/EU is also at a very mature stage, subsequently allowing the Directive to be introduced locally via a Legal Notice. Moreover, work on the necessary amendments to the MFSA Act and which will also enable the setting up of a national Resolution Authority within the MFSA in early 2015 is also under way.</p> <p>Work on the transposition of Directive 2014/49/EU (Deposit Guarantee Scheme Directive) is also progressing for adoption in July of 2015.</p> <p>The aforementioned initiatives also form part of a wider context which includes the implementation of a full Banking Union within the European Union with direct supervision by the European Central Bank (ECB) (together with national authorities) of all banks in the Union applying a Single Rulebook, a Single Supervisory Mechanism (SSM), a Single Resolution Mechanism (SRM) and with a common system of Deposit Guarantee Schemes (DGS).</p> <p>Status: On Track</p>	<p>These measures are intended to bring Malta in line with the initiatives pertaining to the legal requirements for implementing a Banking Union. These measures thus have an important qualitative impact on the overall stability of the local financial sector, thus benefiting both institutions as well as depositors. An additional impact on institutions is also expected in view of funding allocations for the relevant contributions to resolution and deposit guarantee scheme funding, as well as in view of regulatory and capital requirements which, depending on the capital position, could also have an effect on banks' operations. Moreover, the Government is also expected to benefit in view of the fact that the initiatives also pertain to the prevention of negative feedback loops between the sovereign and the banking sector, thus also having a positive bearing on the stability of Government finances. At the same time, the legal requirements of Directive 2014/59/EU and Directive 2014/49/EU also introduce limits on the amount of sovereign bonds that can be utilised in lieu of cash contributions to resolution and deposit guarantee scheme funding. Whilst this therefore could potentially have a bearing on the overall demand for local sovereign bonds, the combined effect of permissible usage of local sovereign bonds for resolution and deposit guarantee scheme funding also needs to be taken into consideration.</p> <p>At the same time, the initiatives also provide for the possibility of Government intervention, in certain cases, via the provision of financial support. In such instances, and depending on the case/s, the effect on Government finances would be pursuant to an increase in Government debt which in turn would be dependent on the amount of money to be raised (by way of a loan) upon approval by the Minister for Finance and not exceeding any amount which the House of Representatives may from time to time by resolution authorise.</p> <p>Given the degree of interdependence for the functioning of such initiatives, Malta continues to strive towards a timely adoption, providing the relevant input as required and remaining ready to make the necessary additions to national legislation for the safeguarding and strengthening of financial stability.</p>

	<p>This measure is not CSR relevant.</p>	
	<p>Revision of Tax Bands</p> <p>As announced in Budget 2014, as from the year 2014, the maximum rate of income tax was reduced from 32% (which was the maximum rate in 2013) to 29%.</p> <p>Status: Completed</p> <p>This measure is not CSR relevant.</p>	<p>Persons within the said tax bands have benefitted from a higher disposable income.</p> <p>This was done in a way that ensured that the financial targets of Government were not prejudiced.</p>
	<p>Grant Scheme for Sustainable Tourism Projects by Enterprises</p> <p>There were 122 beneficiaries for all the four calls but during implementation this decreased to 115 due to change of business direction or non-adherence to regulations. They were completed by December 2014.</p> <p>Status: Completed</p> <p>This measure is not CSR relevant.</p>	<p>The 115 projects which were co-financed by calls 1, 2, 3 and 4 resulted in a disbursement of approximately € 8.6 million. The co-financing provided to beneficiaries through the first three calls of the scheme instigated further private sector investment valued at € 9.7 million.</p>
	<p>Palazzini – Luxury Heritage Tourism Accommodation – Pilot Project</p> <p>During 2014, the Malta Tourism Authority (MTA) held a number of coordinated meetings with the Malta Environment and Planning Authority (MEPA) and the National Commission Persons with Disability (KNPD) to clarify the way forward in dealing with the eleven selected projects. Of these eleven, nine projects are active, one of which has already been granted a MEPA permit. Follow-up meetings were held with the remaining eight active applications, clearing any issues with MEPA and KNPD that arose along the way. All eight projects are now pending the final MEPA permit approval which should take place in the coming months. The MTA has also prepared the groundwork for the Palazzini label that will be incorporated into the accommodation legal notice.</p> <p>Status: On Track</p> <p>This measure is not CSR relevant.</p>	<p>The expected impact will be an increase in direct investment by the private sector in urban conservation areas. The refurbished properties will attract high-value tourists and should result in a consequent increase in revenue. The conversion of the palazzi for this use will revive properties in dire need of restoration. The project also provides expert guidance to investors which in future can be utilised in other similar projects.</p>
	<p>Development of a Digital Hub</p> <p>The Digital Hub structure situated in San Ġwann is now ready and the cladding is almost complete. Tenders for the finishes and the mechanical and electrical works have been awarded. Contractors have mobilised and work is in hand. First tenants are known and discussions with them are underway to coordinate any particular works with their specific allocation. The target date of the first quarter of 2015 is realisable, saving unforeseen issues.</p> <p>Status: On Track</p> <p>This measure is not CSR relevant.</p>	<p>Currently, new enterprises in the sector are being interspersed across various locations resulting in limited, if any, collaborative projects. The development of a central hub is thus intended to provide the physical environment which will serve as a catalyst for collaborative and possibly clustering activities.</p>
	<p>Business Promotion and Incentive Framework</p> <p>The Ministry for Gozo has identified two main sectors and is working on them: (a) youth employment; and (b) the agricultural-artisanal sector.</p> <p>With regard to the first sector, the Ministry for Gozo has partnered with the Young Business Entrepreneurs (an NGO) to collaborate in the organisation of the Youth Start-Up framework project. This will consist of a scientific research study amongst 1,000 youths on their interest in entrepreneurship. The study will focus specifically on Gozo with 300 interviewees from Gozo. The study is being completed and is set to be launched formally on the 21st April 2015. A Youth Business Forum is planned to be held in Gozo on the 06th June 2015.</p> <p>Within the agricultural-artisanal sector, the Ministry for Gozo commissioned consultancy services on how this sector could be incentivised. A site visit followed by a report was completed by the consultant. A workshop was also conducted in November 2014 with the participation of stakeholders. The impact on networking was positive. A number of recommendations were also put forward during this workshop. Discussions are presently ongoing in order to translate some of the recommendation into concrete actions which could benefit further these sectors.</p> <p>Status: On Track</p> <p>This measure is not CSR relevant.</p>	<p>Through this measure, the Government intends to incentivise business opportunities in Gozo.</p> <p>The impact of the measures outlined should form the basis for the formulation of schemes and actions targeted towards these specific sectors.</p>
	<p>Modernising Public Administration – Using ICT in the Achievement of Government’s Simplification and Reduction of Bureaucracy Agenda</p> <p>Government will be simplifying the process of deploying e-Government services. This is an initiative to promote and provide one face to online Government by simplifying this access through a set of life events (pregnancy and birth, getting a passport, looking for a job).</p> <p>Government will also focus on the simplification of social security online services and Courts online services.</p> <p>e-Government services:</p>	<p>The modernising of public administration will improve the accuracy and timeliness of the data capture and reduce the visits to the Social Security Department and area offices. Furthermore various real time services will be offered by the Courts to the citizens and legal profession that will increase the case clearance rate and decrease the disposition time.</p>

	<ul style="list-style-type: none"> • Provided training on the use of the new eForms Simplification tool. • Rolling out new electronic forms (between April and December 2014): <ul style="list-style-type: none"> ◦ <i>Deployed the following e-Forms:</i> 'Application for a Social Security Number', 'Applications for the Student Maintenance Grant', 'Application for the Breakfast Club by the Ministry of Education and Employment', 'Application for Revision Classes', 'Application to Appeal a Social Security Decision', 'Learning on the Cloud', 'Energy Conference Accreditation', 'Energy Conference Media Accreditation', 'Student Placement Programme 2014 (Employer and Student eForms)', the 'Competition for TechStartUp Form', the 'Retirement Pension Notification form' and the 'Application of the Majjistral Park –Build an App Challenge form'. ◦ <i>Developed the following e-Forms, which are awaiting deployment:</i> 'Application to Request Statistical Information from the National Statistics Office', 'Application for Aid from the Malta Community Chest Fund' and 'Application for a European Health Insurance Card (EHIC)'. ◦ Developing an eForm for medical doctors to refer a patient to Mater Dei Hospital has commenced and is at an advanced stage. • Gov.mt Mobile App: App has been published on the app stores (Android/Windows/Apple) and is currently set as hidden until the official launch date. All content has been readied by the Department of Information (DOI). The launch date will be determined by the Office of the Prime Minister (OPM). <p>Social Security online services:</p> <ul style="list-style-type: none"> • Completed the following projects: Retirement Pension Notification Process, Widows Pensions Notification and Marriage Grant Online form. • As at end of November: <ul style="list-style-type: none"> ◦ The SABS DSS services module has been written to handle data access integration for Retirement, Widows and Invalidity online forms. ◦ Retirement and Widows online forms are completed and being prepared for System and Acceptance Testing. ◦ Requirements analysis for Invalidity has been concluded and for simplification purposes the current form will be split in two – one being the actual online form and the other being the medical doctor's report which is not suitable for online implementation, at least not at this stage, due to its complex nature and no net added value to the data held within SABS for assessment purposes. <p>Courts online services:</p> <ul style="list-style-type: none"> • Completed the following projects: SMS Notification, eMailer of Transcripts and Decrees, Merger of Gozo and Malta registries, Notification system for service of Acts by Court Marshals. • Project eFees: A study was conducted between the Malta Information Technology Agency (MITA) and the MEU, and the recommendations were presented to the Courts. Work on the Requirements document is completed while the maintenance module is 30% complete. • E-services to the legal profession: The team deployed the first phase of this project and as from 1st of October 2014 it went fully operational. Phase 2, related to Warrants, was implemented in November 2014. <p>Status: On Track</p> <p>This measure is partially relevant to CSR 5, in particular in order to improve the overall efficiency of the judicial system. It is also aimed to address one of the three pillars of the Annual Growth Survey – A renewed commitment to structural reforms, Reform Area 7: Improving efficiency in public administration.</p>	
	<p>Aviation Malta</p> <p>Aviation Malta aims to be a catalyst for the Government in serving the aviation industry holistically, economically and efficiently while engaging in a National Aviation Plan. A Civil Aviation Act enacting an Authority was discussed by the Aviation Advisory Committee and a final draft is currently being reviewed and evaluated by the Ministry. The first Civil Aviation Policy was launched in December 2013 as a draft and input was received from different stakeholders. Options are being considered in order to get the initiative underway.</p> <p>Status: Delayed</p> <p>This measure is not CSR relevant.</p>	<p>Aviation Malta will serve as the Ministry's arm in the aviation field and ensure that Government's policy will be successful. An Airport Zone Strategy Forum met three times aiming to produce an airport zone strategy on a national level, revive aviation derelict sites for new business and improve education facilities in the aviation field.</p>
	<p>Setting up of the National Aerospace Centre</p> <p>The project aims to provide support to the local aerospace industry and Government agencies, thus fostering public-private partnerships, contributing to the exploitation of national capacities and fostering the growth of aerospace activities in Malta. It also aims to showcase national capacity in aerospace technologies by focusing on high-profile research and innovation and international cooperation. A Legal Notice was presented in Parliament on 5th March 2014. An application was made under Horizon 2020 in order to prepare a five-year business plan. The proposal, Temara, was approved at the end of January 2015. The beneficiaries of the projects, together with the Ministry for Tourism, are the Malta Council for Science and Technology and the National Aerospace Laboratory (NLR) which is the independent knowledge enterprise in the Netherlands. At present, the Ministry is in the process for the signing of the Grant Agreement.</p>	<p>The expected impact will be higher income in the aviation sector, higher international reputation, graduate retention and industry growth.</p>

	Status: On Track This measure is not CSR relevant.	
New/updated Euro Plus Pact commitments		
	<p>New Shops Scheme</p> <p>The Government Property Department will give tenants of Government-owned shops the opportunity of an emphyteutical concession instead of a lease in order to have a more solid title which can enable them to invest in property.</p> <p>This scheme will be in place by end of May 2015. The new shops scheme shall first target Government-owned shops in Valletta and will also be introduced to other towns and villages in Malta and Gozo at a later stage.</p> <p>This measure is not CSR relevant.</p>	This concession will result in an increase in revenue from commercial rents.
	<p>Setting-Up of Conventions Malta</p> <p>Throughout the years, studies established that conferences and congresses organised by/for Associations are a specialised sector within the Meetings, Incentives, Conferencing, Exhibitions (MICE) industry, which requires market focus and specialisation. It is a market whereby it will create increase business, mainly throughout the tourism industry's shoulder months (November-March). Malta has an encouraging number of quality assured Destination Management Companies and their level of service many times has been praised by international clients. However to tap in this particular market a stronger structure is required. The Ministry for Tourism (MoT), Malta Tourism Authority (MTA), Malta Hotels & Restaurant Association (MHRA) and other industry stakeholders feel the need to establish Malta's first Conventions Bureau. Similar Bureaux exist in all other 27 European Union Members states and other countries around the world.</p> <p>Local Destination Management Companies (DMCs) attempted to tap in the associations conventions and congress market, however studies showed and established that Professional Conferences Organisers (PCO) and Associations would prefer to refer and enquiry their needs and wants for their events through an established Conventions Bureaux. This resulted that a lot of related business was lost for this reason.</p> <p>This measure is not CSR relevant.</p>	Major stakeholders within the industry strongly believe that there is a lot of room for this market to grow and the only way forward towards this growth would be through the collective efforts of a new national conventions bureau. MICE sector throughout the 2014 contributed a record breaking 7.7% of the tourists' arrivals which is an increase of 12% on the previous year.
	<p>Training for the Film Industry</p> <p>The Film Commission drives the vision of the local indigenous film industry and offers training and grants to further develop the local talent. Through the acquired skills from this training, local crews will give a better service to foreign productions, while local film makers will get the know-how to start producing their own films.</p> <p>This measure is not CSR relevant.</p>	With this training, the local crew and the creative people in the film industry will be in a better position to produce a full length Maltese feature film.
New/Updated Measures to address growth bottlenecks and economic imbalances		
	<p>Revision of Tax Bands</p> <p>The rate of personal income tax of 29% applicable to those who earn € 60,000 or less will be reduced to 25%. This will apply to every computation: single, married and parental. Income from dividends received by individuals will remain taxable at the same rate as that incurred in 2012.</p> <p>This measure came into force as of 1st January 2015.</p> <p>This measure is not CSR relevant.</p>	<p>Persons within the said tax bands will benefit from a higher disposable income.</p> <p>This will be done in a way that ensures that the financial targets of Government are not prejudiced.</p>
	<p>Repeal of Legislation</p> <p>The objective behind this measure is to repeal and consolidate laws and subsidiary legislation that are no longer relevant, in a way so as to ensure that the Laws of Malta are free from irrelevant Acts and Subsidiary Legislation.</p> <p>This measure is not CSR relevant but it is aimed to address one of the three pillars of the Annual Growth Survey – A renewed commitment to structural reforms, Reform Area 7: Improving efficiency in public administration.</p>	Besides keeping track of all legislation to be repealed, to be reported towards the end of the each year, the Justice Unit within the Ministry for Justice, Culture and Local Government is also taking the opportunity to cross check if any legislation may be repealed as a result of new proposed legislation during the review process.
	<p>Upgrading and development of the fisheries infrastructure in Marsalforn</p> <p>The fisheries infrastructure in the port of Marsalforn lacks basic facilities such as modern hauling equipment, proper and sufficient dry standing space equipped with service utilities and shelter at bay. It also lacks proper organisation. This state of affairs makes it extremely difficult for the fishermen there to operate effectively. Also, this fishing port lacks the necessary infrastructure for the effective and efficient control of fish landings. Moreover, more critical is the fact that the Menqa Wall which provides shelter for the fishing boats when moored at bay has also been significantly damaged by rough seas and needs to be extensively repaired to ensure safe mooring for the boats at Marsalforn.</p> <p>Therefore, the objectives of this measure are to develop the necessary infrastructure at designated fishing ports and to improve the conditions for the landing and storage of fish.</p>	The project will support the introduction of fisheries infrastructural facilities that are currently lacking and achieve improvements to the existing infrastructure. In the process, it will also achieve a better organisation of the area.

<p>This measure is not CSR relevant.</p> <p>New Law Court in Gozo</p> <p>The objective behind this measure is to address the space and accessibility problems, thus making the system more efficient.</p> <p>This measure is relevant to CSR 5, in particular in order to improve the overall efficiency of the judicial system.</p>	<p>Currently, the three halls available are not enough to cater for the present and future needs especially if the recommendations of the Justice Reform Commission are abided by and a Judge is assigned in Gozo to take cognisance of Gozo cases. This would, with the present situation, create a serious logistical problem.</p> <p>Furthermore, the building is small for Gozo's purposes. For example sittings of the Mediator with couples discussing their family problems, do not have the appropriate discrete area where they can discuss their issues in a more confidential manner.</p> <p>The multitude of stairs around the whole building, exacerbate the accessibility problem especially for the elderly and persons with a disability. Also, the surrounding areas, a very steep hill and limited parking space, aggravate access to the building itself.</p> <p>The fact that the present building is an old and historic one, does not allow any alterations structural or otherwise. Hence, the construction and relocation of the Gozo Court would certainly alleviate if not outright solve most of the highlighted problems and would certainly increase the overall efficiency of the Gozo Court.</p> <p>Furthermore, a security issue will be solved since currently there are no separate entrances and exits for members of the Judiciary with magistrates having to use the same entrance/exit as those used by the general public.</p>
<p>VAT refund for tourists</p> <p>For tourism related to countries outside the European Union, a good number of countries have different systems how to refund VAT to tourists before leaving the country. Thus Malta intends to introduce a similar system during 2015.</p> <p>This measure is not CSR relevant but it is aimed to address one of the three pillars of the Annual Growth Survey – A renewed commitment to structural reforms, Reform Area 7: Improving efficiency in public administration.</p>	<p>There are indications that those countries that embrace such systems generate more sales to this band of tourists.</p>
<p>Ordering Land Registry Plans Online</p> <p>Land Registry Plans are sold at the Land Registry. At this point in time, plans can only be bought by clients who physically go the Land Registry to indicate the location on the Registry's base map. The objective of this measure is to allow customers to order and pay for plans online and subsequently receive the said plans, printed on secure paper, by post.</p> <p>This measure is not CSR relevant but it is aimed to address one of the three pillars of the Annual Growth Survey – A renewed commitment to structural reforms, Reform Area 7: Improving efficiency in public administration.</p>	<p>The present procedure is not customer-oriented. It requires the client to travel to Valletta, whereas this service could easily be offered online thus saving time and ensuring an increased efficiency of this service.</p>
<p>Cash Rebate Incentives for the Film Industry</p> <p>The Malta Film Commission gives financial incentives, in the form of a cash rebate, to production companies that choose Malta as a film location. The objective of this measure is to attract more film production companies to Malta.</p> <p>This measure is not CSR relevant.</p>	<p>It is envisaged that this measure will attract a large number of films, thus, attracting more Foreign Direct Investment (FDI) to Malta and as a result this will have a huge ripple effect on the economy in general.</p>
<p>Film Studios</p> <p>The Film Studios came back in Government's hands following a court decision. The Film Commission is currently managing the facilities on a temporary basis. The objective is to continue with the operation of these studios given their importance to the film industry in general.</p> <p>This measure is not CSR relevant.</p>	<p>It is expected that these studios will generate more work through the films shot at these facilities, thus having a positive impact on the economy in general.</p>
<p>Re-development of the Kappara Junction</p> <p>The new Kappara junction at Arterial Node EA 15 (Route 1, TEN-T) represents one of the major junctions within the Maltese road network. This junction is located in an area which is situated between the highly urbanized locations of Gzira and San Gwann. These are two settlements which are predominantly residential but also have a number of institutions and other commercial establishments located in the vicinity of the junction. The Junction in question is also one of the main accesses into Sliema which consists of a dense combination of residential and commercial areas. These factors all contribute to increased demand on the existing transport infrastructure particularly on the node in question. The strategic importance of this junction is further emphasized due to the fact that the Gzira and Ta' Xbiex policy map in the North Harbour Local Plan shows that the junction is intended to serve as one of the principal nodes along the future Manoel Island Link Road connecting Manoel Island with Triq Mikiel Anton Vassalli. The present junction has four arms and due to the heavy traffic flows is prone to congestion at several periods during the day particularly during the AM and PM peak hours.</p> <p>These considerations, and the fact that the existing junction was originally not designed for the present traffic flows require its upgrading in order for the resulting bottleneck to be eliminated and this in line with one of the priorities of the European Union for the TEN-T network. Therefore, the Project consists in the upgrading of this junction which currently consists of a roundabout into a partially grade-separated junction. The new junction will be made up of two grades designed to provide the capacity for the following traffic flows; North-to-south and south-to-north movements</p>	<p>It is expected that the upgrading of this junction will contribute towards the elimination of bottleneck and an improved traffic flow during traffic peaks which will result in time savings, reduction on daily fuel costs and vehicle maintenance costs. In addition the general public will also benefit from the fact that the enhanced traffic flow performance will result in reduced harmful pollutants emitted by cars thus resulting in a cleaner air quality level.</p> <p>Due to the increased efficiency to be achieved as a result of reduced traffic congestion and reduced journey times public transport patrons will be able to avail themselves of a more reliable public transport service. A more reliable public transport route will encourage people to make use of means of public transport. Moreover, the upgrading of the public transport infrastructure along the route in question will make the public transport function more efficiently and safer.</p>

	<p>along Triq Mikiel Anton Vassalli which will be separated from west-to-east and east-to-west movements along Triq tas-Sliema, all Triq Mikiel Vassalli to Triq tas-Sliema movements and all Triq tas-Sliema to Triq Mikiel Anton Vassalli movements. The former movements will take place on the upper fully grade separated road whereas the latter will involve the use of a roundabout at the lower level. The project's main objective is that of creating a new junction that will enhance the general flow of traffic.</p> <p>This measure is relevant to CSR 4, in particular in order to improve the overall energy efficiency in Transport.</p>	
	<p>Consultancy Services to Determine the Technical and Financial Feasibility for the Implementation of a digital hub in Gozo</p> <p>Currently Malta and Gozo are interconnected by one fibre submarine cable therefore, if for any reason this cable becomes inoperable, Gozo will no longer have Internet access. This situation jeopardises potential future investment in Gozo, particularly in the digital and/or digitally-enabled sectors.</p> <p>Hence, the measure's objective is to commence actions aimed at addressing adequate resiliency and redundancy for inter-island data connectivity. The study will address the related technical, operational and financial issues.</p> <p>This measure is not CSR relevant.</p>	<p>This measure aims to determine the economic potential as well as the technical, financial and economic feasibility of the laying and operation of a data cable between Malta and Gozo with a view to assess the possibility of replicating the proposed Malta-based digital hub in Gozo.</p>
	<p>TENT-T upgrade Phase II – Salina Coast Road</p> <p>This Trans-European Networks Transport (TEN-T) Section from NA8 up to Commonwealth Cemetery which is located between NA11 and NA11a, is an important 7.3km road in the transport network of Malta in view of the fact that it links the centre of Malta to the northern part of the island. The existing road width and alignment of this route have a number of design shortcomings that result in road safety issues that call for upgrading and improvement. The envisaged upgrading along NA10 up to Commonwealth Cemetery involves the modification of the existing longitudinal road profile so that the present poor sight lines can be corrected to provide adequate visibility distances. The stretch between NA8 to NA9a shall be realigned to transform an existing tight road bend into a designed road curve, adequate for its intended design speed. The present T-Junction at NA9a shall be upgraded into a roundabout which has been designed to upgrade the mobility at this same junction. It will allow for better traffic flow coming from the direction of Naxxar and will reduce the traffic queues that are currently experienced at this junction, which will generate time savings for the road users.</p> <p>The proposed scheme also includes the construction of new roundabouts and upgrading of new ones which are designed to increase the capacity of the same junctions. Besides upgrading the efficiency of traffic flow as stated above, the junctions shall also provide safe access to motorists on minor arms entering and exiting the arterial road. It is also envisaged that the proposed investment will include two cycle lanes, one on each carriageway in opposing directions. In Phase I of Salina Coast Road, that is, NA8-Magħtab a total of 3.925km of cycle lane will be constructed in the southbound direction. A total of 3.745km of cycle lane will be constructed in the northbound direction. In Phase II of the Salina Coast Road, that is, Magħtab up to the Commonwealth Cemetery located between NA11 and NA11a, a total of 2.6km of cycle lane will be constructed in the southbound with a further 2.3km being constructed in the northbound direction. Transport Malta also aims to improve the road corridor environment by implementing a number of measures and policies in the design and construction phases of this project which aim to enhance environmental sustainability.</p> <p>Whilst aiming towards achieving environmental sustainability when undertaking this project, Transport Malta is also aiming to undertake an investment that contributes towards the integration of the Maltese society at large. Through the upgrading of transport infrastructure, Transport Malta would be contributing towards reconciling work and family life by providing better transport arrangements which would allow improved time management for individuals. The proposed investment will provide a smoother transition for road users thus improving the connectivity along the northern stretch of the Maltese Road Network which would enhance accessibility to all travellers. In addition, the project also seeks to enhance the accessibility for the disabled, the elderly as well as families with young children through the provision of wider pavements and additional paving at pelican crossings which would enable the transition of pedestrians with wheel operated equipment.</p> <p>This measure is relevant to CSR 4, in particular in order to improve the overall energy efficiency in Transport.</p>	<p>One of the targets set for this project is tied to the satisfaction rate of operators and users making use of the TEN-T road infrastructure. The increase in the satisfaction rate of transport users and operators of the TEN-T infrastructure will be calculated by means of two surveys which will be conducted among a representative sample of the Maltese population aged 18 years and over and a representative sample of transport operators appearing in the list of transport operators held by Transport Malta.</p> <p>From the cost benefit analysis, the following time reductions in journey have been calculated (figures quoted are based on the year 2015); for Salina Coast Road northbound the estimated time saving min/vehicle (vh) amounts to 1.56 and for Salina Coast Road southbound the estimated time saving min/vh also amounts to 1.56. The above time reductions give a total time savings of 3.12mins/vh. This adds up to 62.4% of the time saving indicator set for PA 3 of Operational Programme (OP) I to be achieved through the TEN-T projects to be undertaken through the 2007-2013 programming period.</p> <p>From the studies and forecasts carried out, the implementation of the proposed project will potentially reduce 9.3 injury accidents on this road network.</p> <p>This road section will see the reconstruction of 7.3km of the TEN-T out of a target of 20km, i.e. 36.5% of the established indicator in OP I.</p> <p>It is expected that the proposed investment will contribute 19.63% to the Transport attractiveness indicator as follows: The investment is taking up 29.32% of the total OP allocation for Transport - EUR49.84M out of EUR170M. In addition the 7.3km that will be upgraded through this proposed project will result in a total of 66.97% increase from the baseline of the TEN-T roads that had been upgraded prior to the 2007-2013 programming period. Multiplying the 29.32% by the 66.97%, the transport attractiveness will amount to 19.63%.</p>

National Employment Policy (MEDE)		
Main commitments under the National Employment Policy	Foreseen main measures and indication on whether they are CSR relevant	The estimated impacts of the measures (qualitative and/or quantitative)
Training Aid Framework 2 (TAF 2)	Employers will benefit from partial subsidies on training given to their employees.	12,000 trainees are estimated to benefit from this scheme.
Work Trial Scheme	300 young persons who are not in education, employment or training (NEETs) will benefit from work exposure for a duration of twelve weeks.	It is estimated that 40% of the NEETs will manage to be in employment after the scheme ends.
Work Programme	Long-term social benefit beneficiaries who would like to take up a job will be outsourced to the private sector for training and placement services.	1,500 persons are expected to be referred to the private sector.
Access to Employment Scheme	Employment-related subsidies will be given to employers who recruit disadvantaged persons.	It is estimated that circa 317 individuals will benefit from this scheme on an annual basis.

