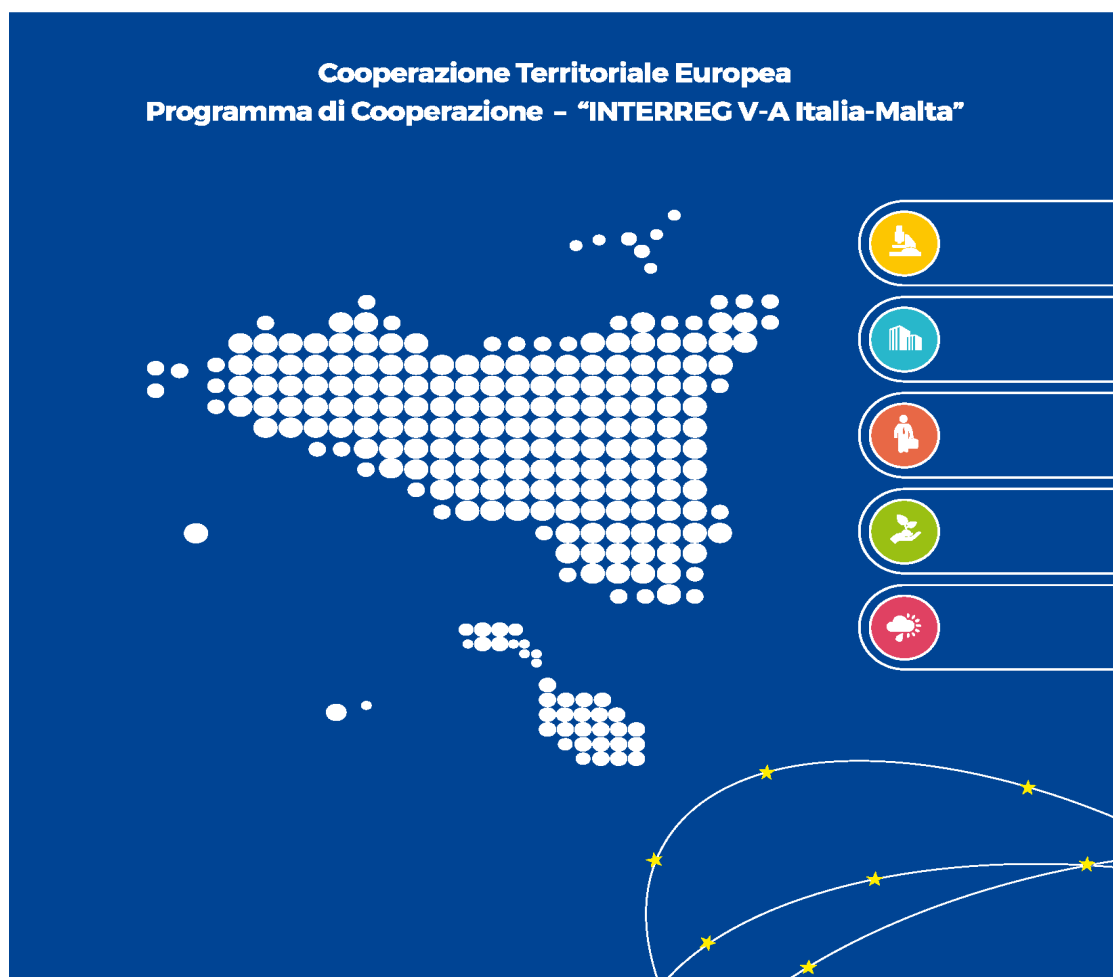


## Model for the implementation reports for the European Territorial Cooperation Goal



## Summary

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**PART A**  
**DATA REQUIRED EVERY YEAR ('LIGHT REPORTS') (Article 50(2) of Regulation (EU) No 1303/2013)**

**1. IDENTIFICATION OF THE ANNUAL/FINAL IMPLEMENTATION REPORT**

|   |   |
|---|---|
| <b>CCI</b>  | <b>2014TC16RFCB037</b>  |
| <b>Title</b>  | <b>Cooperation Programme INTERREG V-A ITALIA-MALTA</b>  |
| <b>Version</b>  | <b>2018.0</b>   |
| <b>Reporting year</b>   | <b>2018</b>   |
| <b>Date of approval of the report by the monitoring committee</b> | <b>Approved by the Monitoring Committee with written procedure launched on 14/06/2019 and closed on 27/06/2019 (ref. n. 8783)</b> |

**2. OVERVIEW OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME (Article 50(2) of Regulation (EU)No 1303/2013 and Article 14(3)(a) of Regulation (EU) No 1299/2013)**

*Key information on the implementation of the cooperation programme for the year concerned, including on financial -- instruments, with relation to the financial and indicator data.*

In 2018, the Managing Authority and the Maltese National Coordination Authority with the support of the Joint Secretariat supported the implementation of the programme's axes. In particular:

- Projects' start and implementation
- Supporting actions for a sound implementation, management, monitoring and monitoring of the programme

Regarding Axes I, II, III in February, the MA published the ranking lists of projects eligible for funding, rejected and inadmissible for the assessment phase approved by the MC on 14-15/12/2017 (SO 2.1, 3.1 and 3.2).

After the publication of the ranking lists, the lead partners of the 8 projects eligible for funding started their activities by 01/03/2018.

In the first two months of 2018 the assessment of the relevance and feasibility of the project proposals as well as the coherence with investment priorities for n. 30 projects related to SO 1.1 and 2.2 was launched.

Activities ended at the beginning of March determining n. 7 eligible proposals under condition, n. 7 eligible proposals but not eligible for funding and n. 16 rejected proposals.

Once the ExC formulated the "conditions of eligibility", lead partners submitted the revised AFs. After their examination, it was clear that only 5 of the 7 partnerships had complied with conditions so that the ExC approved their AFs and the ranking lists of SO 1.1 and 2.2 during the meetings held on 5-7/03/2018 and 10/04/2018 for further submission to the MC.

During the meeting on 18/04/2018, the MC concluded the selection process for SOs 1.1 and 2.2 operations and approved related ranking lists of projects eligible for funding as here below:

- n. 4 proposals under SO 1.1, IP 1b;
- n. 1 proposal under SO 2.2, IP 8e.

During the meeting, the MC ratified the eligibility for funding of two further projects under the SO 1.1, the partnership should have revised their budget. The MC instructed the MA to notify these decisions to lead partners and the ExC to decide about the eligibility for funding.

After the positive conclusion of the procedure described above, in May the ExC approved the final ranking list of SO 1.1 determining the eligibility for funding of n. 2 further proposals.

After the publication of the ranking lists, the lead partners of the 7 projects eligible for funding started their activities by 01/06/2018.

Overall, the Public Notice 01/2016 financed n. 15 project proposals made up of 78 beneficiaries (46 Italian and 32 Maltese ones).

From a financial point of view, the Public Notice 01/2016 provided for an ERDF budget of **€ 32.404.020** corresponding to 79% of the programme resources. Projects funded absorbed **€ 21.971.279** of ERDF resources, corresponding to 67% of resources allocated. The ERDF savings were **€ 10.432.741**.

It is hereunder reported a summary of approved projects for IPs and Sos:

#### **SO 1.1 - IP1b**

MICRO WATTS Wastewater treatment system through photocatalytic surfaces and re-use in

domestic and corporate contexts to improve the quality of life

BYTHOS Sustainable management of resources deriving from waste produced by the fishing and catering industries in Sicily and Malta in order to reduce the risks associated with waste disposal

MEDIWARN Monitoring system for the acquisition in real time of the patients' vital parameters through the use of a peripheral sensory system equipped with artificial intelligence

ITAMA Creation of innovative ICT tools for health services aimed at improving the early diagnosis of autoimmune diseases, especially celiac disease in the Mediterranean area.

NATIFLIFE Development of assistive technology to facilitate the de-hospitalization of elderly people at nursing homes, reducing costs for the health care system.

I-ACCESS Development of innovative solutions to improve cultural and physical accessibility of cultural heritage in historical centers.

#### **SO 2.1 - IP 3a**

ENISIE Creating and strengthening companies in the area of social enterprise and social responsibility through experimenting new services for social business.

I\_KNOW Creation of a service hub to encourage the formation and empowering of entrepreneurial actions, to reach faster end markets and increase competitive performance

#### **SO 2.2 - IP 8e**

JOB MATCH 2020 Creation of a cooperation centre to promote the harmonization of recruitment processes, the mobility of workers and their qualification

#### **SO 3.1 - IP 6d**

HARMONY Integrated measures for monitoring and controlling the integrity of seabed and their species and tuning measures to manage Natura 2000 marine sites and habitats

SIMASEED Improvement of conservation status of wild flora in Natura 2000 threatened habitats to promote their use in environmental restoration and in the nursery sector

#### **SO 3.2 - IP 5b**

CALYPSO SOUTH Enlargement of the HF radar observation system for monitoring the Sicilian Channel in case of deliberate actions of oil-spill into the sea and installation of weather stations to further support services for navigation in harbors

SIMIT THARSY Implementation of a tsunami warning system for population, strengthening of the Sicilian-Maltese civil protection equipment and drafting guidelines for the coastal municipalities to use for an immediate intervention in case of natural disasters

BESS Management system of environmental niches - pocket beaches – namely, small beaches limited by natural headlands which are a naturally resilient response to the effects of climate change

NEWS Development of an integrated system to monitor risks coming from sea, to early warn population about risks and to activate safety measures to prevent damages for the population.

From a financial point of view, on 31/12/2018 the Axes I, II, III registered an absorption of ERDF resources certified to the EC of € 678.010,15, of which € 42.489,51 on Axis I for 2

operations; € 26.313,38 on Axis II for 1 operation, € 609.207,26 on Axis III for 6 operations.

With reference to Axis IV, implementation, management, monitoring and surveillance activities assured the following results:

- designation of the MA and of the CA, ratified with Resolution of the Regional Government n. 246 of 05/07/2018
- achievement of N+3 disbursement target through the submission of a request for payment of € 1.298.876,70 of ERDF resources against an expected disbursement target of € 803.209,27
- partial achievement of the performance framework indicators
- JS staff completion through a junior assistant recruitment

From the financial point of view, on 31/12/2018, Axis IV registered an absorption of ERDF resources certified to the EC of € 620.856,58 for 8 operations.

**Max 7000**

### 3. IMPLEMENTATION OF THE PRIORITY AXIS (Article 50(2) of Regulation (EU) No 1303/2013)

#### 3.1. Overview of the implementation

| ID     | Asse prioritario<br>Priority Axis                                    | Key information on priority axis<br>implementation with reference to key<br>development, to significant problems and to<br>adopted actions to face these problems   |
|--------|--|---|
| Axis 1 | Promoting the smart and sustainable growth<br>through and innovation | <p>1750</p> <p>Initially projects eligible for funding were n. 3 (ExC of April 2018). Subsequently, MC authorized MA to increase financial resources - in line with the provisions of the Public Notice - in order to finance 3 further projects. At axis level, there are still 7 additional project proposals with the status of projects "eligible but cannot be funded". Considering the high number of project proposals presented under Axis' priority, area beneficiary's interest on the program strategy is confirmed.</p> <p>"Research and innovation" area covered by the 6 funded projects are actively contributing to the achievement of SO 1.1 " Enhance the activities of innovation and research to improve the quality of life and the utilization of the cultural heritage" ensuring, among other things, a full integration between the scientific and economic branches. This way, research results in the areas of competence are placed on the market thus contributing to create jobs and business opportunities. Specifically, the 33 beneficiaries falling within Axis I have built public-private partnerships made up of n. 9 companies, 8 public bodies and 16 bodies governed by public</p> |



|        |  |   |
|--------|--|---|
|        |  | <p>law (universities and research centres).</p> <p>On the basis of programme's monitoring data on 31/12/2018, all 6 operations were able to make expenses and payments foreseen by the project activities although the respective activities' starting dates were set between May and June 2018.</p>  |
| Axis 2 | Promoting the competitiveness in the cross-border area                 | <p>At Axis II level only n. 2 operations were funded and they contribute to the achievement of SO 2.1 "To promote the creation and the enhancement of enterprises (micro, small and medium) in the intervention field of the cooperation area".</p> <p>Comparing Axis 2 with the other programme axes, it has to be reported that for SO 2.1 a lower number of project proposals were submitted by the beneficiaries of the area. It is realistically due to the innovative scope introduced by the INTERREG V-A IT-MT programme which dedicated a specific Axis to the competitiveness of the area.</p> <p>However, considering the quality of actions proposed by the 2 selected operations, it can be stated that programme ensures the achievement of the 2018 target values of the CO01, CO03 and CO04 output indicators.</p> <p>For what above, on 18/04/18 the MC decided to allocate the savings of the call 01/2006 to the targeted call 03 in order to select operations falling within the eligible action «A.3 Aids for the start of innovative start-ups».</p> <p>With reference to SO 2.2 "To promote the mobility of the workers in the cross-border area through the creation of operative network", it is underlined that even for this IP only 1 project was submitted and approved. The operation however, also considering the level of involvement of associated institutional partners, is able to ensure the creation of a cross-border cooperation centre for the harmonization of recruitment processes, the mobility of workers and improvement of their qualification. The MC during the meeting on 18/04/18 decided to allocate the savings of the call 01/2006 to the <i>targeted call</i> 02 aimed at the provision of vouchers for the activation of work placements, for youths and new graduates, at enterprises operating in sectors of programme strategy.</p> |
| Axis 3 | Protecting the environment and fostering an efficient use of resources | <p>With reference to SO 3.1, only 2 operations have been selected. The remaining 8 proposals were rejected during the evaluation phase because they were considered inadequate. Specifically, no operations contributed adequately to the ambitious achievement of common output indicators provided for the CP. For what above, during the meeting on 18/04/18 the MC decided to allocate the savings of the call 01/2006 to the targeted call 02. The identified corrective actions</p>   |

|        |                      |  |
|--------|----------------------|--|
|        |                      | <p>dealt with the elaboration of a tailor made call for proposals with respect to eligible actions as well as the obligation for beneficiaries to develop project proposals with the same objectives and measurement units already used by the CP.</p> <p>With reference to SO 3.2, 4 operations have been selected which will allow to reach the target value of the CP's output indicator 3.2.1. Having regard the programme output indicator 3.2.2, a certain difficulty is highlighted which determined MC decision during the meeting on 18/04/18 to allocate the savings of the call 01/2006 to the targeted call 02 in order to select operations consistent with the eligible action B - Interventions to target the various risk scenarios. The targeted call 02 will allow the CP to: 1) absorb the savings deriving from the call 01, 2) select projects ensuring the achievement of the target indicators set for 2023 and the acquisition of a considerable amount of projects. They will allow proceeding to scroll the ranking list to finance further projects in case new savings should be registered by the projects already selected.</p>                            |
| Axis 4 | Technical assistance | <p>In 2018, the procedures for recruiting the fourth member of the JS started once again, not being successfully completed previously. Specifically, the MA as agreed with the MNCA decided to lower the eligibility requirements previously foreseen by the Public Notice in order to widen the range of possible candidates.</p> <p>With decree n. 609 of 16/11/2018, the selection procedure was completed with the identification of the winning candidate. With reference to the internal staff of the MA responsible for the implementation, monitoring and control of the programme, it should be said that a new human resource was assigned to the Servizio V in charge of programme management and implementation. With reference to the control offices - independent from the management offices - the regional administration with a special internal service order appointed 4 internal human resources to carry out the first level control activities. Specifically, in line with DMCS provisions, the MA has opted for the use of internal personnel appointed to carry out first-level controls on beneficiaries' expenses during the starting phase of operations</p> |

## Common and programme specific indicators (Article 50(2) of Regulation (EU) No 1303/2013)

Data for common and programme-specific indicators by investment priority transmitted using the tables 1 to 2 below.

**Table 1**

**Result indicators (by priority axis and specific objective); applies also to technical assistance priority axis**

| Automatic from SFC |   |                  |                |                   |                     | ANNUAL VALUE |      |      |      |      |      |      |      |      |      | Observations (if necessary) |
|--------------------|---|------------------|----------------|-------------------|---------------------|--------------|------|------|------|------|------|------|------|------|------|-----------------------------|
| ID                 | Indicator   | Measurement Unit | Baseline Value | Year of Reference | Target Value (2023) | 2014         | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |                             |
| 1.1                | Enterprises which adopt technologies and innovative service created and / or enhanced at cross-border level                           | ΔN               | 15             | 2013              | +100                | -            | -    | -    | -    | -    |      |      |      |      |      |                             |
| 2.1a               | Enterprises which engage in cross-border commercial activities  | ΔN               | 15.247         | 2013              | +12                 | -            | -    | -    | -    | -    |      |      |      |      |      |                             |
| 2.1b               | New employees of active enterprises in intervention fields: safeguarding the environment and the quality of life and citizens' health | ΔN               | 736.760        | 2013              | +20                 | -            | -    | -    | -    | -    |      |      |      |      |      |                             |
| 2.2                | Workers participating in cross-border mobility initiatives  | Δn               | 40             | 2013              | +100                | -            | -    | -    | -    | -    |      |      |      |      |      |                             |
| 3.1a               | Protected marine sites and areas that develop joint actions for the biodiversity protection   | ΔKms             | 200            | 2013              | +100                | -            | -    | -    | -    | -    |      |      |      |      |      |                             |
| 3.1b               | Protected terrestrial sites and areas that develop joint actions for the biodiversity protection                                      | ΔKms             | 300            | 2013              | +150                | -            | -    | -    | -    | -    |      |      |      |      |      |                             |
| 3.2                | Area monitored by cross-border technological system   | ΔKms             | 47.500         | 2013              | +23.750             | -            | -    | -    | -    | -    |      |      |      |      |      |                             |
| 4.1                | To guarantee support actions for the implementation of the programme, improving the   |                  |                |                   |                     |              |      |      |      |      |      |      |      |      |      |                             |

|  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
|  | efficiency, the effectiveness of the management, and the monitoring of the same |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

**Table 2**

**Common and programme specific output indicators (by priority axis, investment priority); applies also to technical assistance priority axes**

|  | ID     | Indicator<br>(name of indicator))   | Measur<br>ement<br>Unit | Target<br>value ( 1)<br>(2023) | CUMULATIVE VALUE |      |      |      |      |      |      |      |      |      | Observations<br>(if necessary) |
|--|--------|---|-------------------------|--------------------------------|------------------|------|------|------|------|------|------|------|------|------|--------------------------------|
|  |        |   |                         |                                | 2014             | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |                                |
|  | (CO01) | Number of enterprises receiving support   | enterprises             | 100                            | 0                | 0    | 0    | 0    | 10   |      |      |      |      |      |                                |
|  | (CO04) | Number of enterprises receiving non-financial support                                   | enterprises             | 100                            | 0                | 0    | 0    | 0    | 10   |      |      |      |      |      |                                |
|  | (CO43) | Number of participants in cross-border mobility initiatives                             | persons                 | 200                            | 0                | 0    | 0    | 0    | 0    |      |      |      |      |      |                                |
|  | 1.1.3  | Spin-offs generate through research activities  | number                  | 10                             | 0                | 0    | 0    | 0    | 0    |      |      |      |      |      |                                |
|  | (CO01) | Number of enterprises receiving support   | enterprise              | 21                             | 0                | 0    | 0    | 0    | 0    |      |      |      |      |      |                                |
|  | (CO03) | Number of enterprises receiving financial support other than grants                     | enterprise              | 6                              | 0                | 0    | 0    | 0    | 2    |      |      |      |      |      |                                |
|  | (CO04) | Enterprises receiving non-financial support   | enterprise              | 15                             | 0                | 0    | 0    | 0    | 0    |      |      |      |      |      |                                |
|  | 2.1.3  | Networks of cross-border services created for new or existing enterprises               | number                  | 3                              | 0                | 0    | 0    | 0    | 0    |      |      |      |      |      |                                |
|  | 2.2.1  | Activated operative cross-border networks which support the demand and supply of labour | Number                  | 2                              | 0                | 0    | 0    | 0    | 0    |      |      |      |      |      |                                |
|  | 2.2.2  | Enterprises (micro, small, and medium) that activated stages                            | number                  | 50                             | 0                | 0    | 0    | 0    | 10   |      |      |      |      |      |                                |
|  | 2.2.3  | Protocols and / or institutional agreement  | number                  | 3                              | 0                | 0    | 0    | 0    | 0    |      |      |      |      |      |                                |

|  | ID      | Indicator   | Measur        | Target        | CUMULATIVE VALUE |   |   |    |          |  |  |  |  |  | Observations |
|--|---------|---|---------------|---------------|------------------|---|---|----|----------|--|--|--|--|--|--------------|
|  |         | which promote mobility of persons in a cross-border context   |               |               |                  |   |   |    |          |  |  |  |  |  |              |
|  | 3.1.1   | Recovery and evaluation interventions of the zones of the Natura 2000 networks  | number        | 10            | 0                | 0 | 0 | 0  | 2        |  |  |  |  |  |              |
|  | (CO023) | Surface area of habitats supported in order to attain a better conservation status  | hectares      | 20            | 0                | 0 | 0 | 0  | 0        |  |  |  |  |  |              |
|  | 3.1.3   | Awareness campaigns for the proper enjoyment of protected areas   | number        | 4             | 0                | 0 | 0 | 0  | 1        |  |  |  |  |  |              |
|  | 3.2.1   | Surface covered by pilot measures for the mitigation of the effects of climate change   | Square metres | 375,000,000   | 0                | 0 | 0 | 0  | 83000000 |  |  |  |  |  |              |
|  | 3.2.2   | Surface covered by ICT instrumentation for the monitoring of the risks of the area  | Square metres | 3,750,000,000 | 0                | 0 | 0 | 0  | 0        |  |  |  |  |  |              |
|  | 4.1.1   | Implementation analysis documents and reports (Final execution report, evaluation reports, reports and notes on the state of implementation and planning)               | N.            | 10            | 0                | 0 | 0 | 0  | 0        |  |  |  |  |  |              |
|  | 4.1.2   | Accompanying structures created (Joint Secretariat + Contact point)   | N.            | 2             | 0                | 0 | 0 | 1  | 1        |  |  |  |  |  |              |
|  | 4.1.3   | Number of workers whose salary is co-financed by Technical Assistance   | N.            | 6             | 0                | 0 | 0 | 3  | 3        |  |  |  |  |  |              |
|  | 4.1.4   | Audit of management and control system and operations   | N.            | 18            | 0                | 0 | 0 | 0  | 0        |  |  |  |  |  |              |
|  | 4.1.5   | Monitoring and supporting activities for potential beneficiaries and stakeholders (information workshop training and exchange of experiences, manuals, guidelines, etc. | N.            | 25            | 0                | 0 | 7 | 13 | 24       |  |  |  |  |  |              |
| <b>Selected operations [forecast provided]</b> | NP      |   |               |               |                  |   |   |    |          |  |  |  |  |  |              |

|   | ID | Indicator | Measur | Target | CUMULATIVE VALUE |  |  |  |  |  |  |  |  |  | Observations |
|---|----|-----------|--------|--------|------------------|--|--|--|--|--|--|--|--|--|--------------|
| by beneficiaries]   |    |           |        |        |                  |  |  |  |  |  |  |  |  |  |              |
| Fully implemented operations [actual achievement]                             | NP |           |        |        |                  |  |  |  |  |  |  |  |  |  |              |
| (1) the final targets for the Technical Assistance Priority Axis are optional |    |           |        |        |                  |  |  |  |  |  |  |  |  |  |              |

### 3.3 Milestones and targets defined in the Performance Framework (Article 50(2) of Regulation (EU) No 1303/2013) — submitted in Annual Implementation Reports from 2017 onwards

Reporting on financial indicators, key implementation steps, output and result indicators to act as milestones and targets for the performance framework (submitted starting with the report in 2017).

**Table 3**

#### Information on the milestones and targets defined in the Performance Framework

| Priority Axis | Indicator Type (Key implementation step, financial, output or, where appropriate result indicator) | ID   | Indicator or key implementation step | Measurement unit, where appropriate | Milestone for 2018 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Observations (if necessary) |
|---------------|--|------|--------------------------------------|-------------------------------------|--------------------|------|------|------|------|------|------|------|------|------|------|-----------------------------|
| Axis          | Output indicator   | CO04 | Number of                            | Enterprise                          | 10                 | 0    | 0    | 0    | 0    | 10   |      |      |      |      |      |                             |

| Priority Axis | Indicator Type (Key implementation step, financial, output or, where appropriate result indicator) | ID    | Indicator or key implementation step                                | Measurement unit, where appropriate | Milestone for 2018 | 2014 | 2015 | 2016 | 2017 | 2018       | 2019 | 2020 | 2021 | 2022 | 2023 | Observations (if necessary) |
|---------------|--|-------|---|-------------------------------------|--------------------|------|------|------|------|------------|------|------|------|------|------|-----------------------------|
| <b>1</b>      |  |       | enterprises receiving non-financial support                         |                                     |                    |      |      |      |      |            |      |      |      |      |      |                             |
|               | Financial indicator  | 1.1b  | Expense declared to the EC  | Euros                               | 2.637.129          | 0    | 0    | 0    | 0    | 801.410,39 |      |      |      |      |      |                             |
| <b>Axis 2</b> | Output indicator   | CO03  | Number of enterprises receiving financial support other than grants | enterprise                          | 1                  | 0    | 0    | 0    | 0    | 2          |      |      |      |      |      |                             |
|               | Output indicator   | 2.2.2 | Enterprises (micro, small and medium) that activated traineeships   | number                              | 10                 | 0    | 0    | 0    | 0    | 10         |      |      |      |      |      |                             |
|               | Financial indicator  | 2.2a  | Expense declared to the EC  | euros                               | 1.318.565          | 0    | 0    | 0    | 0    | 82.923,25  |      |      |      |      |      |                             |
| <b>Axis</b>   | Output indicator   | 3.1.1 | Recovery and  | Number                              | 3                  | 0    | 0    | 0    | 0    | 2          |      |      |      |      |      |                             |

| Priority Axis  | Indicator Type (Key implementation step, financial, output or, where appropriate result indicator) | ID    | Indicator or key implementation step   | Measurement unit, where appropriate | Milestone for 2018 | 2014 | 2015 | 2016 | 2017 | 2018         | 2019 | 2020 | 2021 | 2022 | 2023 | Observations (if necessary) |
|--|--|-------|--|-------------------------------------|--------------------|------|------|------|------|--------------|------|------|------|------|------|-----------------------------|
| 3  |  |       | evaluation interventions of the zones of the Natura 2000 network                   |                                     |                    |      |      |      |      |              |      |      |      |      |      |                             |
|  | Output indicator   | 3.1.3 | Awareness campaigns for the proper enjoyment of protected areas                    | Number                              | 1                  | 0    | 0    | 0    | 0    | 1            |      |      |      |      |      |                             |
|  | Output indicator   | 3.2.1 | Area covered by pilot measures for the mitigation of the effects of climate change | Square metres                       | 112.500.500        | 0    | 0    | 0    | 0    | 83000000     |      |      |      |      |      |                             |
|  | Financial indicator  | 3.2b  | Expense declared to the EC   | Euro                                | 3.581.408          | 0    | 0    | 0    | 0    | 1.037.085,68 |      |      |      |      |      |                             |
| * Member States submit cumulative values for output indicators. Values for financial indicators are cumulative. Values for the key implementation steps are cumulative if the key implementation steps are expressed by a number or percentage. If the achievement is defined in a qualitative way, the table should indicate whether they are completed or not. |  |       |  |                                     |                    |      |      |      |      |              |      |      |      |      |      |                             |



### 3.4. Financial data (Article 50(2) of Regulation (EU) No 1303/2013)

**Table 4**

**Financial information at priority axis and programme level**

as set out in Table 1 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 (1) [Model for transmission of financial data] (2) and table 16 of model for cooperation programmes under the European territorial cooperation goal.<sup>1</sup>

| Asse prioritario | Fondo | Categoria di regioni | Base di calcolo del sostegno dell'Unione | Finanziamento totale | Tasso di cofinanziamento | Costo ammissibile totale delle operazioni selezionate per il sostegno (EUR) | Quota della dotazione complessiva coperta dalle operazioni selezionate per il sostegno (%) | Spesa pubblica ammissibile delle operazioni selezionate per il sostegno(EUR) | Spesa totale ammissibile dichiarata dai beneficiari all'autorità di gestione (EUR) | Quota della dotazione complessiva coperta dalla spesa ammissibile dichiarata dai beneficiari (%) | Numero di operazioni selezionate | Spese ammissibili totali sostenute e pagate dai beneficiari e certificate alla Commissione entro il 31/12/2018 |
|------------------|-------|----------------------|--|----------------------|--------------------------|---|--|--|--|--|----------------------------------|--|
| 1                | FESR  | Meno sviluppate      | Pubblico                                 | 15.512.531           | 85%                      | 10.757.601  | 69%  | 10.349.316   | 49.988   | 0,32%  | 6                                | 801.410,39   |
| 2                | FESR  | Meno sviluppate      | Pubblico                                 | 8.790.435            | 85%                      | 3.649.329   | 42%  | 3.288.908  | 30.957   | 0,35%  | 3                                | 82.923,25  |
| 3                | FESR  | Meno sviluppate      | Pubblico                                 | 23.876.060           | 85%                      | 11.867.326  | 50%  | 11.867.326   | 716.714  | 3%   | 6                                | 1.037.085,68   |
| 4                | FESR  | Meno sviluppate      | Pubblico                                 | 3.529.412            | 85%                      | 1.920.260   | 54%  | 1.920.260  | 730.431  | 21%  | 8                                | 730.431  |
| <b>Totale</b>    |       |                      |  | <b>51.708.438</b>    |                          | <b>28.194.516</b>   | <b>55%</b>   | <b>27.425.810</b>  | <b>1.528.090</b>   | <b>2,96%</b>   | <b>23</b>                        | <b>2.651.850,32</b>  |

(1) GU L 286 of 30.9.2014, pg. 1.

(2) Structured data required for the report on YEI which is to be submitted in April 2015 in accordance with Article 19(3) and Annex II of Regulation (EU) No 1304/2013.

Where applicable, the use of any contribution from third countries participating in the cooperation programme should be provided (for example IPA and ENI, Norway, Switzerland).

Not applicable

**Table 5**

**Breakdown of the cumulative financial data by category of intervention (Article 112(1) and (2) of Regulation (EU) No 1303/2013 and Article 5 of Regulation (EU) No 1304/2013)**

(as set out in Table 2 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 [Model for transmission of financial data] and tables 6-9 of Model for cooperation programmes)

**Table 6**

**Cumulative cost of all or part of an operation implemented outside the Union part of the programme area**

| 1  | 2   | 3  | 4   | 5  |
|--|---|--|---|--|
|  | The amount of ERDF support (*) envisaged to be used for all or part of an operation implemented outside the Union part of the programme area based on selected operations (EUR) | Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 2/total amount allocated to the support from the ERDF at programme level *100) | Eligible expenditure of ERDF support incurred in all or part of an operation implemented outside the Union part of the programme area declared by the beneficiary to the managing authority (EUR) | Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 4/total amount allocated to the support from the ERDF at programme level *100) |
| All or part of an operation outside the Union part of the programme area (1) | Not applicable for 2017   | Not applicable for 2017  | Not applicable for 2017   | Not applicable for 2017  |

2

#### 4. SYNTHESIS OF THE EVALUATIONS (Article 50(2) of Regulation (EU) No 1303/2013)

Synthesis of the findings of all evaluations of the programme that have become available during the previous financial year, including the name and reference period of the evaluation reports used.

10500

The Evaluation Plan of the programme includes both operational evaluations - regarding the implementation processes of the Programme and the structures involved, the ability of the Programme to achieve its specific objectives, through the correct

<sup>2</sup> (\*) ERDF support is fixed in the Commission decision on the respective cooperation programme.

(1) In accordance with and subject to ceilings set out by Article 20 of Regulation (EU) 1299/2013

logical connection between actions and expected results, and the methods and levels of use of available resources - as well as strategic evaluations, inherent in the contribution of the CP to the achievement of the Europe 2020 strategy goal

The MA drafted the plan on the basis of the provisions of Art. 114 of (EU) Regulation No. 1303/2013 and, on the basis of its content, commissioned the Valuation and Certification Centre for Public Investments (NVVIP) of the Sicilian Region, a technical support structure for the "programming, evaluation, implementation and verification phases of action plans, programmes and policies promoted and implemented by each administration" (Act No. 144/1999), functionally located within the Programming Department, to carry out the implementation evaluation.

More specifically, on the basis of the planning of the evaluation path contained within the document approved by the Monitoring Committee, the NVVIP of the Sicilian Region carried the implementation evaluation (part I), referring to the period from the launch of the programme to May 2017. This evaluation was reported in the annual implementation report presented in 2018.

This evaluation took into consideration the main organisational and administrative aspects of the structure pertaining to the implementation of the Programme, together with the main procedural aspects implemented during the very first phase of the implementation of the Programme, including the first evidence with regard to the participation of the potential beneficiaries in the first call of the Programme.

The programme evaluation plan foresees an implementation assessment (part II) whose results will be released during 2019 and which will be reported in the next AIR.

This implementation assessment (part II) will take into consideration the following aspects: effectiveness/efficiency of the presentation and selection processes of candidates; programme ability to achieve the expected results with particular reference to the performance framework targets; integration degree of the programme with other Union instruments; effectiveness of the cooperation area management with respect to the enlargement to NUTS III territories never included in previous programmes; communication strategy effectiveness.

## 5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN (article 50(2) of Regulation (EU) No 1303/2013)

### (a) Issues which affect the performance of the programme and the measures taken

7,000

Having regards the aspects affecting the performance of the programme results, it is highlighted that during 2018 programme's authorities continued to ensure the acceleration processes (approved by the MC in 2016) of all the main administrative procedures that had been initiated late and/or that had shown slowdowns during the previous years of programme implementation.

Specifically, in the first quarter of 2018, the **selecting process of the projects falling within SOs 1.1 and 2.2 of call 01/2016 was completed**, carrying out the following

activities:

- ✓ drawing up of documents for launching the written procedure of the ExC regarding the examination of n. 2 appeals related to the quality assessment (activity started on 02/01/2018 and ended on 17/01/2018);
- ✓ starting of strategic, operational and consistency assessment activities with respect to the specific criteria for IP of the project proposals related to SOs 2.2 and 1.1. The activity started on 01/15/2018 (due to the overlap of the closure activities of the Italy-Malta OP 07-13 whose expiring date was scheduled on 15/01/2018) and ended on 19/02/2018;
- ✓ meeting of the ExC on 05-07 March 2018 for the examination and approval of the evaluation grids of project proposals regarding the SOs 2.2 and 1.1. (activity started on 09/03/18 and ended on 14/03/18);
- ✓ examination of n. 7 revised AFs (activity started on 27/03/18 and concluded on 5/4/18);
- ✓ meeting of the ExC on 10/04/2018 for the examination and approval of the revised AF (activity started on 11/04/18 and ended on 12/04/18);
- ✓ meeting of the MC on 18/04/18 for the examination and approval of ranking lists regarding specific objectives 1.1 and 2.2, as well as list of proposals ineligible for the evaluation phase submitted by the ExC;
- ✓ written procedure started of the ExC launched on 11/05 and ended on 25/18 for the examination and approval of the revised AFs falling within SO 1.1;

Through MA Decrees n. 165 of 09/05/18 and n. 259 of 31/05/18, the final ranking lists regarding OSs 1.1 and 2.2 have been approved.

The above listed activities carried out during the first semester of 2018, together with the ones already completed during the year 2017, show that the one-step procedure for the selection of projects (call 01/2016), although corrected with acceleration actions, lasted a year and a half with a total of **233 working days**, 105 of which for administrative activities and 128 for evaluation activities of the project proposals. This aspect has particularly affected the results of the programme and the ability to ensure compliance with the timetable initially set to reach the full achievement of the expenditure and output targets set in the Performance framework.

Thus, during the MC meeting on 18/04/18, the programme's authorities approved the proposal submitted by JS (as requested by the MA) regarding the forthcoming allocation plan of the programme financial resources. It takes into account the need both to ensure the achievement of all programme's result and output indicators and to allocate the savings of the public notice 01/2016. Specifically, the activity of writing a *targeted call* started during the second half of 2018 in order to:

- a) absorbing the savings registered in the SO 3.1 with the actions "A - Actions aimed at the protection of the land and marine biodiversity of the area and in the sites of "Natura 2000" network" and "B - Support the dissemination of knowledge and the utilization of the natural heritage (with particular attention to the land and marine ecosystems) through the creation of innovative services and/or systems and the utilization of advanced technologies" as well as in SO 3.2 with action "B - Interventions to target the various risk scenarios";
- b) selecting operations related to SO 1.1 with the eligible action «C.1 Support of

cross-border mobility of researchers through the distribution of vouchers for the development of an "innovative and/or research project" and SO 2.2 with the action "B.1. Creation of networks among Sicilian and Maltese professional technical institutes and schools for the activation of on-the-job training to insert youths and newly high school graduates with (micro, small and medium) enterprises operating in the programme's strategic sectors"

Therefore, the MA ordered the Joint Secretariat to identify and prepare appropriate corrective actions aimed at accelerating the processes. These actions concerned:

- 1) **revising of the selection criteria for operations** in order to ensure more coherent criteria with the public notice 02/2019 since it deals with a «targeted call»; simplifying the assessment process of the projects also improving the match between selection criteria and pertaining sections of the AF;
- 2) **starting the necessary adjustment activities of the E-Ms IT system** for the submission of the project proposals to ensure complete dematerialization of documents
- 3) **drawing up of a public notice organized in n. 4 intervention sheets** for each ones of the SO of the call. Identification within each sheets of the specific purposes of the project proposals with the obligation for potential beneficiaries to include only certain output and result indicators. It will allow to improve the reading of the specific call requests for each SO and at the same time will ensure the drafting of project proposals closely adherent to the output indicators provided for the programme at 2023;
- 4) **drawing up of No. 03 AF-Excel section** with a control mechanism and IT alerts which highlight to the potential beneficiary all error cases and inform it on the need to amend the section in line with the call's requirements avoiding any possible exclusion of the proposals
- 5) **mandatory use of simplified costs option (flat rate cost)** for "office and administrative expenses" (Art. 68 par 1 lett. b Reg. 1303/2013) and "personnel costs" (Art. 19 Reg. 1299/2013) with reference to the project proposals submitted under SOs 1.1 and 2.2 thus significantly reducing administrative burdens for beneficiaries and accelerating the assessment of the AF financial section;
- 6) **mandatory use of resources allocation per each Work packages** of the project proposals thus significantly reducing administrative burdens for beneficiaries and accelerating the assessment of the AF financial section.

By the end of the year 2018, the JS completed the above-listed activities in order to initiate the necessary negotiation with the MNCA.

**(b) OPTIONAL FOR LIGHT REPORTS, otherwise it will be included in point 9.1 (Article 50(4) of Regulation (EU) No 1303/2013)**

*An assessment of whether progress made towards targets is sufficient to ensure their fulfilment, indicating any remedial actions taken or planned, where appropriate*

3500

|  |
|--|
|  |
|--|

## **6. CITIZEN'S SUMMARY (Article 50(9) of Regulation (EU) No 1303/2013)**

*A citizen's summary of the contents of the annual and the final implementation reports shall be made public and uploaded as a separate file in the form of annex to the annual and the final implementation report*

## **7. REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS (Article 46 of Regulation (EU) No 1303/2013)**

*Where the managing authority decided to use financial instruments it must send to the Commission a specific report covering the financial instruments operations as an annex to the annual implementation report.*

The Program does not provide for the activation of financial instruments.

Not applicable

## 8. WHERE APPROPRIATE, PROGRESS IN PREPARATION AND IMPLEMENTATION OF MAJOR PROJECTS AND JOINT ACTION PLANS (Article 101(h) and Article 111(3) of Regulation (EU) No 1303/2013 and Article 14(3)(b) of Regulation (EU) No 1299/2013)

### 8.1. Major projects

**Table 7**  
**Major projects**

| Project | CCI | Status of MP<br>1. completed<br>2. approved<br>3. submitted<br>4. planned for notification/ submission to Commission | Total investments | Total eligible costs | Planned notification/submission date (if applicable) (year, quarter) | Date of tacit agreement/ approval by Commission (if applicable) | Planned start of implementation (year, quarter) | Planned completion date (year, quarter) | Priority Axis/ Investment priorities | Current state of realisation — financial progress (% of expenditure certified to Commission compared to total eligible cost) | Current state of realisation — physical progress Main implementation stage of the project<br>1.completed/in operation;<br>2.advanced construction;<br>3. construction;<br>4.procurement ; 5. design | Main Outputs | Date of signature of first works contract (1) (if applicable) | Observations (if necessary) |
|---------|-----|--|-------------------|----------------------|--|---|---|---|--------------------------------------|--|---|--------------|---|-----------------------------|
|         |     |  |                   |                      |  |   |   |   |                                      |  |   |              |   |                             |

(1) In the case of operations implemented under PPP structures the signing of the PPP contract between the public body and the private sector body (Article 102(3) of Regulation (EU) No 1303/2013)

Significant problems encountered in implementing major projects and measures taken to overcome them.

Not applicable

Any change planned in the list of major projects in the cooperation programme

Not applicable

## 8.2. Joint action plans

Progress in the implementation of different stages of joint action plans.

Not applicable

**Table 8**  
**Joint action plans**

| Title of the JAP | CCI | Stage of implementation of JAP<br>1. completed<br>2. > 50 % implemented<br>3 Star ted<br>4. approved<br>5. submitted<br>6. planned | Total eligible costs | Total public support | OP contr i -bution to JAP | Pr ior ity axis | Type of JAP<br>1. nor mal<br>2. pilot<br>3. YEI | [Planned] submission to the Commis - sion | [Planned] star t of implemen - tation | [Planned] completion | Main outputs and results] | Total eligible expenditure cer tifi ed to the Commis - sion | Obser va - tions (if necessar y) |
|------------------|-----|--|----------------------|----------------------|---------------------------|-----------------|---|---|---------------------------------------|----------------------|---------------------------|---|----------------------------------|
|                  |     |  |                      |                      |                           |                 |   |   |                                       |                      |                           |   |                                  |

*Significant problems encountered and measures taken to overcome them.*

Not applicable



**PART B**  
**REPORTING SUBMITTED IN YEARS 2017, 2019 AND FINAL IMPLEMENTATION**  
**REPORT (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4) of**  
**Regulation (EU) No 1299/2013)**

**9. ASSESSMENT OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME**  
**(Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4) of Regulation (EU)**  
**No 1299/2013)**

**9.1 Information in Part A and achieving the objectives of the programme (Article 50(4)**  
**of Regulation (EU) No 1303/2013)**

*FOR EACH PRIORITY AXIS — Assessment of the information provided above and progress towards achieving the objectives of the programme, including the contribution of the ERDF to changes in the value of result indicators, when evidence is available from evaluations*

At the date, no evidence from the evaluation (II part) is available. However, it is worth to provide an overview per axes reporting information on progress made on resources allocation (ERDF), on expected result and output indicators and on their contribution to investment priorities that will allow the achievement of the programme's objectives.

- Axis 1 - SO 1.1 - IP 1b - 6 projects - € 8.849.195
- Axis 2 - SO 2.1 - IP 3a - 2 projects - € 2.539.766
- Axis 2 - SO 2.2 - IP 8e - 1 project - € 541.582
- Axis 3 - SO 3.1 - IP 6d - 2 projects - € 2.914.588
- Axis 3 - SO 3.2 - IP 5.b - 4 projects - € 7.126.148
- Axis 4 - SO 4.1 - n. 8 projects - € 1.632.221

Having regards Axes I, II, III, a detailed analysis about contribution of the 15 projects to achievement of program output and results indicators is here below reported.

**Axis I - SO 1.1**

Result indicators

- ID 1.1 = +100 enterprises adopting innovative technologies and services
  - n.6 projects = +39 enterprises

Output indicators

- ID CO01 = 100 enterprises that receive support
  - n.1 project = 10 enterprises
- ID CO04 = 100 enterprises that receive non-financial support
  - n.6 projects = 130 enterprises
- ID CO043 = 200 participants in mobility initiatives
  - n. 0 projects
- ID 1.1.3 = 10 spin-offs generated through research activities
  - n. 0 projects

MICROWATTS foresees funding for € 2.218.537 and contributes to the "1.1" result indicator through 10 enterprises that will install the photocatalytic systems for reusing wastewater.

Project contributes to the "CO04" output indicator through 40 enterprises that will receive dedicated audit services on the most effective ways to reduce water consumption.

BYTHOS foresees funding for € 1.828.681 and contributes to the "1.1" result indicator through 6 enterprises that will adopt biotechnological products deriving from biomolecules extracted from fish waste. Project contributes to the "CO04" output indicator through 40 enterprises that will benefit of the services provided by the Bythos Lab created in Lipari.

MEDIWARN foresees funding for € 1.379.145 and contributes to the "1.1" result indicator through 5 enterprises operating in the electro medical sector that will adopt the developed sensor technology. Project contributes to the "CO04" output indicator through 5 enterprises involved in industrial prototyping actions and marketing of the project's technological products.

ITAMA foresees funding for € 1.379.145 and contributes to the "1.1" result indicator through 2 companies operating in the health sector that will adopt the innovative tools developed. The project contributes to the "CO04" output indicator through 5 enterprises that will use the technology transfer services.

NATIFLIFE foresees funding for € 912.240 and contributes to the "1.1" result indicator through 10 enterprises that will adopt assistive technologies tested at two pilot sites. Project contributes to the "CO04" output indicator through 10 enterprises that will benefit from technological know how transfer to develop assistive home automation facilities. Furthermore, project contributes to the "CO01" output indicator through 10 enterprises that will be part of the project's assistance network and will benefit from services and technologies developed.

I-ACCESS foresees funding for € 975.737 and contributes to the "1.1" result indicator through 6 enterprises that adopt new technologies and new services for improving cultural heritage accessibility. Project contributes to the output indicator "CO04" through 30 enterprises operating in tourism, social and ICT sectors that will use open access educational prototype applications allowing the use of identified itineraries.

## **Axis II - SO 2.1**

### Result indicators

- ID 2.1a = +12 enterprises which engage in cross-border commercial activities
  - 2 projects = +14 enterprises
- ID 2.1b = +20 new employees in the sectors of safeguard of the environment and quality of life/citizens' health
  - 1 project = +12 new employees

### Output indicators

- ID CO01 = 21 enterprises receiving support
  - 1 project = 14 enterprises
- ID CO03 = 6 enterprises receiving financial support other than grants
  - 1 project = 4 enterprises
- ID CO04 = 15 enterprises receiving non-financial support
  - 2 projects = 20 enterprises
- ID 2.1.3 = 3 networks of services for new and existing enterprises
  - 2 projects = 2 networks of services

ENISIE foresees funding for € 1.223.878 and contributes both to the "2.1a" result indicator through 8 enterprises involved in a stable system of exchanges and synergies and to the "2.1b" result indicator through 12 new employees. Project contributes to the following output indicators: "CO01" through 14 enterprises benefiting of experimental services for social innovation and social business increase; "CO03" through 4 enterprises benefiting of experimental services for access to loans and micro-finance; "CO04" through 10 enterprises benefiting of capacity building and strengthening management skills paths; "2.1.3" through 1 stable network of services and 1 open source platform for support services.

I KNOW foresees funding for € 1.315.888 and contribute to the "2.1a" result indicator through 6 enterprises signing cross-border trade agreements. Project contributes to the following output indicators: "CO04" through 10 enterprises receiving incubation services and "2.1.3" through the creation of 1 permanent network to support enterprises' competitiveness and business innovation, linked to technological districts, clusters, research centers, investors, etc.

## **Axis II - SO 2.2**

### Result indicators

- ID 2.2 = +100 workers participating in mobility initiatives
  - N. 1 project = +20 workers

### Output indicators

- ID 2.2.1 = 2 networks supporting the demand and supply of labor
  - N. 1 project = 1 network
- ID 2.2.2 = 50 enterprises activating stages
  - N. 1 project = 10 enterprises
- ID 2.2.3 = 3 protocols / agreements which promote mobility
  - N. 1 project = 2 protocols/agreements

JOB MATCH 2020 foresees funding for € 541.582 and contributes to the "2.2" result indicator through 20 workers participating in work experiences. Project contributes to the following output indicators: "2.2.1" through 1 cross-border network of labor supply/demand match; "2.2.2" through 10 enterprises involved in exchange of experience activities with stages; "2.2.3" through 2 institutional agreements promoting people mobility.

## **Axis III - OS 3.1**

### Result indicators

- ID 3.1a = +100 Kms of sites and protected marine areas developing actions for the biodiversity protection
  - N. 1 project = +100 Kms
- ID 3.1b = +150 Kms of sites and protected terrestrial areas developing actions for the biodiversity protection
  - N. 1 project = +4 Kms

### Output indicators

- ID 3.1.1 = n. 10 restoration interventions
  - N. 2 projects = n. 4 restoration interventions
- ID CO023 = 20 hectares of habitats better preserved
  - 1 project = 141 hectares

- ID 3.1.3 = n. 4 awareness campaigns
  - N. 1 project = n. 1 awareness campaign

HARMONY foresees funding for € 1.377.467 and contributes to the "3.1a" result indicator through the coverage of 100 Kms of marine protected sites and areas interested by biodiversity protection actions and to the following output indicator: "3.1.1" through 1 restoration and enhancement intervention of the Natura 2000 network areas; "CO023" through 141 hectares of habitats benefiting a support aimed at achieving a better conservation status; "3.1.3" through 1 awareness action with institutional actors for the transfer of guidelines.

SIMASEED foresees funding for of € 1.537.121 and contributes to the "3.1b" result indicator through the coverage of 4 Kms of habitats within the Natura 2000 network covered by biodiversity protection actions and to the "3.1.1" output indicator through n. 3 interventions to restore threatened plant species included in Natura 2000 network.

### **Axis III - OS 3.2**

#### Result indicators

- ID 3.2 = +23.750 Kms of area monitored by technological systems
  - N. 4 projects = +61.355 Kms

#### Output indicators

- ID 3.2.1 = 375.000.000 sqm of area covered by pilot measures to mitigate climate change effects
  - N. 2 projects = 5.055.000.000 sqm
- ID 3.2.2 = 3.750.000.000 sqm of area covered by ICT instrumentation for monitoring the risks of the area
  - N. 2 projects = 63.000.000.000 sqm

CALYPSO SOUTH foresees funding for € 2,125,000 and contributes to the "3.2" result indicator through the coverage of 6.300 Kms of marine area monitored by HF radar systems and to output "3.2.2" indicator through the coverage of 13.000.000.000 sqm of surface covered by ICT instruments for risk monitoring.

SIMIT THARSY foresees funding for € 2.125.000 and contributes to the "3.2" result indicator through a coverage of 50.000 Kms of surface interested by activities to strengthen the data collection network and risk assessment systems and to "3.2.2" output indicator through the coverage of an area of 50.000.000.000 sqm covered by a seismic and sea monitoring network that is included in national and international network.

BESS foresees funding for € 1.763.205 and contributes to the "3.2" result indicator through the coverage of 80 kms of monitored area which includes all Italian and Maltese pocket beaches, and to the output indicator "3.2.1" through the coverage of an area of 80.000.000 sqm monitored by a surveillance system.

NEWS foresees funding for € 1.112.943 and contributes to the "3.2" result indicator through the coverage of 5.000 Kms of surface monitored by an integrated system for the reduction of risks connected to the action of wave motion and its effects on the coasts and to "3.2.1" output indicator through the coverage of an area of 5.000.000.000 sqm through a monitoring system of wave motion characteristics.

#### **Axis IV - SO 4.1**

With reference to Axis IV, a total number of 8 operations guaranteed actions to support the implementation of the programme improving its efficiency, effectiveness, surveillance and monitoring.

### **9.2. Specific actions taken to promote equality between men and women and to promote non-discrimination, in particular accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 2, (d) of Regulation (EU) No 1299/2013)**

*An assessment of the implementation of specific actions to take into account the principles set out in Article 7 of Regulation (EU) No 1303/2013 on promotion of equality between men and women and non-discrimination, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of specific actions taken to promote equality between men and women and to promote non-discrimination, including accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations*

In line with the provisions of art. 7 of the Reg. (EU) n. 1303/2013, INTERREG V-A Italia Malta programme ensures that equality between men and women and the integration of gender perspective are taken into account and promoted throughout the implementation of the programme.

The programme takes appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes. In particular, accessibility for persons with disabilities shall be taken into account throughout the implementation of the programme.

During 2018 the specific actions taken to promote equality between men and women and to promote non-discrimination, in particular accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of gender perspective in the cooperation programme and operations are hereunder summarized:

- Having regards to the projects selection, the criteria for the assessment of the relevance and feasibility of the project proposals take into account specific scores for the contribution to the horizontal principles such as equal opportunities and non-discrimination
- Having regards to the implementation of the communication strategy, it considers, where possible, that web media will take advantage of the most advanced technologies to provide access to information even to the most disadvantaged groups
- Having regards to the implementation of the operations, the programme has financed specific interventions promoting non-discrimination, in particular accessibility for people with disabilities. Particularly, we highlight the following initiatives:
  - The I-Access project develops innovative technological solutions for improving the physical accessibility of cultural heritage in historic centers thanks to the creation of itineraries, where users with visual deficiencies or other types of disabilities can move independently and interact with intelligent objects located

- along the routes
- The Natiflife project develops an integrated system of assistive technology, compatible with traditional and innovative solutions, to respond to the increasing demand for autonomy by elderly people and/or people with physical disabilities.

In its further implementation, the programme will put in field all necessary actions to ensure equality and non-discrimination in connection with surveillance, drafting of reports and evaluation.

### 9.3. Sustainable development (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subpara-graph 2, (e) of Regulation (EU) No 1299/2013)

*An assessment of the implementation of actions to take into account the principles set out in Article 8 of Regulation (EU) No 1303/2013 on sustainable development, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of the actions taken to promote sustainable development in accordance with that Article*

In accordance with the provisions of art. 8 of Reg. (EU) n. 1303/2013, the INTERREG V-A Italy Malta programme pursues sustainable development and the promotion of the objective of preserving, protecting and improving the quality of the environment, taking into account the "polluter pays" principle.

In this regard, an overview is provided of the actions financed in the execution of the program which specifically promote environment safeguard, the efficient use of resources, the mitigation of climate change and related adaptation, the protection of biodiversity, the resilience to disasters, as well as risk prevention and management.

With specific reference to the protection of marine biodiversity, the program finances the implementation of integrated monitoring and control measures for the integrity of the seabed and the species that populate them covering an area of 100 square kilometers of sites and marine protected areas inside of which a restoration and enhancement intervention will be carried out on native species.

With specific reference to the protection of terrestrial biodiversity, the program finances the realization of 3 restoration and enhancement interventions of threatened habitats belonging to Natura 2000 network covering an area of 4 Sq km.

With reference to risk prevention and management, the program finances the enlargement of the HF radar observation system for monitoring the Sicilian Channel in case of a deliberate spill of hydrocarbons into the sea, this ensuring the monitoring of a marine area of 6.300 Sq km.

With reference to disaster resilience, the program finances the implementation of an integrated monitoring system, early warning and adaptation to risks from the sea, with the aim of signaling to the population with adequate advance the possibility of risks so to activate measures of safeguards to avoid personal injury. The system covers a total area of 5.000 Sq km.

In addition, the program finances a tsunami warning system for the population displaced over an area of 10 sq. Km along the coast in order to ensure timely intervention in the event of natural disasters in the cross-border area.



With reference to the mitigation of climate change, the program finances the construction of a surveillance system for the so-called "pocket beaches" (110 in total placed between Sicily and Malta, covering an area of 80 Sq km) that are specific environmental niches that constitute a naturally resilient response to the effects of climate change.

Finally, the program finances two research and innovation initiatives mainly aimed at technology transfer and increasing the competitiveness of companies, which also contribute to the efficient use of resources in the areas concerned.

In the first case, it is about the development of innovative technologies for wastewater treatment, through photocatalytic surfaces, and reuse in as many domestic and corporate contexts.

In the second case, the project concerns the sustainable management of resources deriving from waste in the fishing industry and catering sector in order to reduce the risks associated with waste disposal.

#### **9.4. Reporting on support used for climate change objectives (Article 50(4) of Regulation (EU) No 1303/2013)**

*Figures calculated automatically by the SFC2014 based on categorisation data.*

Optional: clarification on the given values — <3500>

#### **9.5 Role of partners in the implementation of the cooperation programme (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 1, (c) of Regulation (EU) No 1299/2013)**

*Assessment of the implementation of actions to take into account the role of partners referred to in Article 5 of Regulation (EU) No 1303/2013, including involvement of the partners in the implementation, monitoring and evaluation of the cooperation programme*

3500

In accordance with the essential principles and good practices referred to in Reg. (EU) n. 1303/2013 and Reg. (EU) n. 240/2014, the program arranged for the involvement of the relevant partners in the implementation, monitoring and evaluation of the cooperation program, as well as in monitoring committees participation.

In particular, following provisions of art. 5 of Reg. (EU) n. 1303/2013, within the MC are embodied competent public authorities, economic and social parts, environmental and gender equality and non-discrimination representatives.

An akin partnership composition, with specific reference to environmental and gender equality and non-discrimination representatives, is present within the MC established pursuant to art. 12 of Reg. (EU) n. 1299/2013 and charged with the selection of operations.

During 2018, the partnership represented in the MC was involved in the key aspects related to program implementation such as the final selection of operations under cooperation program SO 1.1 and 2.2.

In particular, during the month of April, the MC met in Malta and ratified the approval of 4 project proposals giving the ExC mandate to proceed with the approval of 2 further project

proposals.

In these circumstances, the MA observing the essential principles and good practices regarding relevant partners involvement, ensured timely communication of relevant information on the contents and evaluation of the project proposals; gave partners sufficient time to analyze and comment on the main methodological documents and projects; made available dedicated channels, such as the reserved section of the program's website, to make work documents easily accessible.

In compliance with the provisions of art. 13 of Reg. (EU) n. 240/2014, the MA also took necessary measures to avoid potential conflicts of interest during the evaluation of the proposals.

In this regard, in each session of the ExC and the MC all bystander representatives were informed about the obligations regarding confidentiality and conflict of interest.

Moreover, the MA at the beginning of each session asked the entire partnership to sign a declaration in which each representative declared that he was not in a situation of current, potential or apparent conflict of interest in relation to beneficiaries of operations co-financed by the ERDF within the program and not being aware of circumstances that could have placed it in a situation of current/potential/apparent conflict of interest in the near future.

The MA also requested the commitment by the whole partnership to notify any changes concerning states, personal qualities or facts that are the subject of the declaration, suitable to place it in a situation, even potential, of conflict of interest.

During the MC meeting held in Malta, the MA also involved partners in the effectiveness evaluation of program implementation, providing an overview of output and financial indicators forecasted for 31/12/2018.

With reference to annual implementation report drafting, in May, the MA involved partners within the framework of the MC in the approval of the document sent to the EC within the timeframe set by Reg. (EU) n. 1303/2013.

## **10. OBLIGATORY INFORMATION AND ASSESSMENT ACCORDING TO ARTICLE 14(4), SUBPARAGRAPH 1 (a) AND (b), OF REGULATION (EU) No 1299/2013**

### **10.1 Progress in implementation of the evaluation plan and the follow-up given to the findings of evaluations**

7000

Program implementation evaluation (part I) ended in 2017 and examined the following aspects:

1. Administrative capacity and adequacy of procedures and measures to reduce the program administrative burden
2. Efficiency and effectiveness of partnership involvement activities

During 2018, program authorities followed up the evaluation results, bridging the gap detected by appointed evaluators.

Evaluation questions, comments made, and related program authorities follow-up are shown



below.

With reference to point 1, the first area of evaluation was the adequacy of program management structures to ensure its implementation.

A first element evaluated was fact that on the date of the evaluation analysis, the designation process was not yet completed due to the need to adapt, through evolutionary maintenance, the Information System (IS) of the CP in order to make it comply with the indications provided by Regulation (EU) n. 1303/2013 and to the provisions of article 122, paragraph 3 of the General Regulation.

In this regard, during 2018 the MA decided that the JS should handle functional adjustment of the information system by directly interfacing with the appointed company in order to allow the goal achievement of Management Authority and Certification Authority designation. Authorities designation was ratified on 05/07/2018 with Sicilian Regional Government Resolution n. 246.

A second element was the measures provided for first-level control activities. Evaluators pointed out that appointing procedures for internal or external controllers on Italian beneficiaries' expenses had not yet been started. Instead, Malta State had promptly carried out procedures to ensure the decentralization of the control systems and established a register from which to draw for the experts' designation for controls on the Maltese beneficiaries' expenses.

In this regard, during 2018 the Director Manager of the Programming Department ordered that the internal members of the *Nucleo regionale di Valutazione e Verifica degli Investimenti Pubblici* should carry out the control procedures, pursuant to and for the purposes of art. 125, pars. 5-7 of Reg. (EU) n. 1303/2013, giving a mandate to the Head of Area 7 "Controls, EU Fraud Repression and EU Programs Closure" to share methods of carrying out these controls. Activity was correctly carried out, allowing the closure of first level control procedure on Italian beneficiaries' expenses

Having regard to activities to be carried out, a third element pointed out was the need to empower the number and competences of officials belonging to Programming Department V Service, responsible of program implementation.

It was reported that, in the light of program financial endowment increase, areas that most needed a structural strengthening were those of accounting assistance, of recoveries management and of disputes.

In this regard, during 2018 the MA requested the publication of a specific expression of interest for the recruitment of 3 personnel(staff) units, but no application was received.

Nevertheless, the evaluator noted that the program's functioning was in any case strongly supported by the action of the Joint Secretariat which acts in strong synergy and in full complementarity with the Managing Authority, guaranteeing a significant technical and operational support level to the MA and the MC in the performance of their respective functions.

Overall, the evaluator concluded that structures in charge of Program management (AdG and AdC) appeared adequate for carrying out planned activities, also considering the strict and effective current coordination between MA and JS.

With reference to point 1, the second area of evaluation was the adequacy of the procedures

implemented to guarantee Program launch on scheduled times.

In this regard, the evaluator noted a delay of about 18 months on project proposals approval timetable attributable to a plurality of issues: overlapping of Italy-Malta 2007-2013 Program closure activities; transition phase in administration structures dedicated to program implementation; discontinuity in the support activities guaranteed by the JS due to a lack of alignment between staff contracts closure of the JTS 2007-2013 and contracts launch of JS 2014-2020 members.

Nevertheless, the evaluator concluded that this delay still appeared to be compatible with time frame of implementation Program.

With reference to point 1, the third area of evaluation was the adoption of concrete measures aimed at reducing the administrative burden on the beneficiaries.

A first element assessed was of application-management kind linked to missed switch off from traditional "paper" mode in favor of the electronic format for project proposals presentation by potential beneficiaries.

In this regard, the Managing Authority stipulated a special agreement with the Municipality of Vienna for the use of the e-MS system which has been adapted to the needs of the Program and which will be used when the second notice will be published during 2019 for projects presentation.

A second element assessed is related to monitoring and verification component relating to data electronic exchange between the beneficiaries, the MA, the CA, the AA.

In this regard, as highlighted above, "Ulysses" program information system has been definitively adapted and ensures this data electronic exchange between the beneficiaries, the MA, the CA, the AA.

With reference to point 2, the evaluation area was the involvement and participation of stakeholders (beneficiaries, authorities/bodies, etc.) in program implementation.

In this regard, the evaluator reported that in the program management methods were adopted in line with the Code of Conduct of the Partnership and aimed at the growth of stakeholder involvement in the context of European structural and investment funds.

## **10.2 The results of the information and publicity measures of the Funds carried out under the communication strategy**

7000

Communication supports PC results' achievement, comprises all those involved in its management and implementation, contributes to increasing knowledge and visibility of the EU's contribution to territorial development.

It derives that communication is naturally linked to the CP management, contributing in improving efficiency and effectiveness of management, surveillance and monitoring.

CP communication plan describes communication activities and tools that contribute to the achievement of the CP's objectives. Information and communication measures ensure the accessibility of information to the various target groups, including disadvantaged ones.

The details of the activities carried out during 2018 and related tools used are shown below.

### **Web services**

The activities carried out in 2018 in the field of web services were aimed at ensuring easy accessibility to program documents and at informing beneficiaries and the public about facts and events relevant for the Program.

In particular, the main contents of the CP were implemented within the two main web tools used by the CP: the website [www.italiamalta.eu](http://www.italiamalta.eu) and social media, Facebook and Twitter. In particular, the existing PC website had already been upgraded during 2015 with a section dedicated to the 2014-2020 Program. During 2018, on website have been published no. 125 documents and n. 24 news related to CP activities and aimed at giving publicity to events and relevant information both for potential beneficiaries and for the general public. Overall, Program site registered a total of 38.678 new accesses. At the same time CP main facts and events have been highlighted using social media and particularly with the publication of n. 50 posts on Facebook and n. 50 on Twitter. Also, the Italia Malta section of the MNCA website has been regularly updated: <https://eufunds.gov.mt/en/EU%20Funds%20Programmes/EU%20Territorial%20Programmes/Pages/Italia-Malta%202014-2020.aspx>

### **Publications and information materials**

The activities carried out in 2018 in the context of publications and information materials were aimed at informing the beneficiaries about the correct use of the program resources, ensuring their sound management.

In this regard, in conjunction with the start-up of the projects financed under the notice 01/2016 for the projects selection, the CP has prepared all manuals necessary to ensure a clear understanding of how to manage the projects, rules for expenses reporting and operations control and finally the provisions on information and communication. The reporting manual, controls, use of the Ulysses information system, the guidelines on the use of the simplified cost options foreseen by the Program have been at this regard tools addressed to the beneficiaries of Axes 1, 2 and 3 of the CP to strengthen their capacity to implement a sound physical and financial project proposals management financed under the aforementioned notice.

### **Events and seminars**

The activities carried out about events and seminars had the goal of training potential beneficiaries and beneficiaries about methods of project proposals presentation and methods for sound project management.

In this regard, in order to ensure the correct start-up and implementation of the project activities financed under the notice 01/2016, have been realized several information initiatives, information, seminars and meetings with the beneficiaries.

At the MA premises, were held 8 meetings with the project leaders and partners on SO 1.1 and 2.2 with the participation of 37 representatives of the related potential beneficiaries, aimed at reshaping the application forms, approved under condition by the ExC.

Specifically referring to project's management, 8 information sessions were carried out in Sicily and Malta with Program authorities and beneficiaries and the participation of n 113 bodies. These information sessions aimed at learn how to use the Ulysses program

information system so to ensure proper monitoring, reporting and control of expenses incurred.

The seminars also included meetings and face-to-face meetings with the beneficiaries aimed at solving specific problems concerning individual projects.

Further to the selection of the above mentioned projects as well as those approved in 2018, the MNCA organised initial meetings with the respective project partners namely to provide an overview of the requirements pertaining to responsibilities and procedures necessary for project implementation. Apart from going through the projects' deliverables and timeframes, the MNCA outlined the process to be followed for the approbation of the First Level Controllers and provided templates in this regard. Several bilateral follow-up meetings were held during the year focusing on the implementation as well as the 2018 disbursement targets.

During 2018, the MA and the MNCA also assured participation in other events and seminars mainly aimed at increasing the knowledge and visibility of the CP as well as let people known the results of territorial cooperation.

In view of the projects selected in December 2017, an award ceremony was organised by the Maltese National Coordination Authority in February 2018, whereby the beneficiaries of the selected projects were given a certificate and invited to present their projects to the audience.

In September-October 2018, the CP participated in the European Cooperation Day, 2018 edition.

In September 2018, to commemorate EC Day 2018, the MNCA published an online brochure, which shows a summary of all the projects selected to date under the Interreg programmes Malta participates in, including the Interreg V-A (Italia-Malta) Programme. This brochure may be accessed through the following link: <http://eufundsmalta.gov.mt/sites/default/files/EC%20Day%20-%20TCU%20Low%20Res.pdf>.

In October, the MA commissioned the JS to organize a thematic and inclusive itinerary in Palermo that ideally unites the Vucciria districts of Palermo and of the Bicerija of Valletta, called "Heritage Walking Tour". The EC Day was organized in collaboration with the staff of the I-Access project who developed a path of discovery of the historical and architectural ties of the two districts, also through the use of the ARIANNA navigation system, dedicated to blind people, based on artificial vision algorithms performed by smartphone. The event was promoted on the program's web platforms and on the [www.ecday.eu](http://www.ecday.eu) platform.

During 2018 members of Joint Secretariat were appointed by the MA to take part in n. 2 thematic seminars organized by the INTERACT program, dedicated respectively to the topic of State aid (January 2018) and the WestMed initiative (September 2018). The members of the Joint Secretariat were also assigned to participate in the annual meeting of the European Commission, held in June representing the MA.

Finally, in May, as part of the 3rd EUSAIR Forum organized in Catania by the Agency for Territorial Cohesion with the Department for Cohesion Policies, the Emilia-Romagna Region and ERVET, the Program in collaboration with ENI Italy Tunisia organized the work day "Sicily, Malta, Tunisia: experiences and future perspectives of maritime cooperation in the Mediterranean".

The meeting was attended by Italian and Maltese authorities and the beneficiaries of the

Program coming from both territories. Works were organized in three different thematic panels: security and risk management; environment, biodiversity and natural resource management; market integration.

## **11. ADDITIONAL INFORMATION WHICH MAY BE ADDED DEPENDING ON THE CONTENT AND OBJECTIVES OF THE COOPERATION PROGRAMME (Article 14(4), subparagraph 2 (a), (b), (c) and (f), of Regulation (EU) No 1299/2013)**

### **11.1 Progress in implementation of the integrated approach to territorial development, including sustainable urban development, and community-led local development under the cooperation programme**

NOT APPLICABLE

### **11.2 Progress in implementation of actions to reinforce the capacity of authorities and beneficiaries to administer and to use the ERDF.**

3500

The activity of the MA and the MNCA, with the support of the JS, ensured effective coordination and integration of competences that allowed the almost complete achievement of the Program objectives for the year 2018.

Both in Malta and in Sicily, in the key year of 2018, a series of initiatives were carried out aimed at strengthening the beneficiaries' capacity to manage and use program ERDF resources.

This activity ended up in a daily support to the projects beneficiaries which led to the immediate resolution of problems concerning both the project management and the administration of the resources allocated to them.

Furthermore, during 2018, the program authorities carried out specific capacity building initiatives with the beneficiaries aimed at the good management of the program resources and the related implementation procedures.

In particular, in 2018 the MA commissioned the JS to implement:

1. Initiatives of consultation, information, training on the preparation of the project proposals realized
2. Thematic seminars on the implementation and management of projects
3. Periodic meetings to support the beneficiaries in the implementation of the operations carried out

With reference to point 1, during 2018, at the Managing Authority premises, 8 meetings were held with the project leaders and partners on the specific objectives 1.1 and 2.2 aimed at reshaping the application forms, approved under condition by the Executive Committee.

After these meetings, beneficiaries reshaped their application forms, making the requested changes. This led to the positive preliminary activity of the projects and subsequent approval

by the Steering Committee and the Monitoring Committee.

With reference to point 2, during 2018, 4 seminars and meetings were held both with the program authorities and with the beneficiaries of the approved projects, aimed at a correct implementation of the program activities and procedures.

In particular, in July 2018, at the Program Management Authority premises, were carried out specific sessions on the use of program information system, that ensures the correct monitoring, reporting and control of the expenses incurred. These sessions, coordinated by the JS, saw the participation of all Italian projects' beneficiaries and representatives of the Managing Authority, of the Certification Authority and of the Audit Authority.

Similar sessions were organized in September and October, in Malta, with the participation of Maltese beneficiaries, controllers and representatives of the Maltese National Coordination Authority.

After these meetings, project beneficiaries and program authorities acquired the necessary skills for the correct use of the Ulysses information system.

With reference to point 3, in the course of 2018 at the Managing Authority premises, 4 *de visu* meetings were held with as many beneficiaries of the projects based on the specific objectives 3.1, 3.2 and 3.1 aimed at project start-up activities.

After these meetings, the beneficiaries correctly started the project activities, overcoming the initial difficulties related to the initial start-up phase.

### 11.3 Contribution to macro-regional and sea basin strategies (where appropriate)

3500

Although Malta is not included in any macro-regional strategy, the interventions foreseen by the CP intercept some themes of macro-regional strategies (MRS) and basin strategies (SBS). Therefore, only Sicily is involved in the programming process of the EUSAIR macro-regional strategy.

To date, the INTERREG V-A Italy Malta program has not funded any initiative that could contribute to macro-regional strategies relating to sea basins.

However, the program ensures a constant connection with the programs participating in the EUSAIR macro-regional strategy.

In particular, in May 2018, the Program Managing Authority took part in Catania in the Third EUSAIR Forum organized by the Agency for Territorial Cohesion with the Department for Cohesion Policies and the Emilia-Romagna Region and ERVET.

The forum represented a day of confrontation at European level on the issue of basin and maritime cooperation with the aim of collecting suggestions and reflections on the topic, with particular attention to obstacles and possible solutions to improve maritime cooperation in Europe.

The Managing Director of the Managing Authority took part in the work with specific reference to the panels concerning blue growth, connectivity, environmental quality and sustainable tourism.



## 11.4 Progress in the implementation of actions in the field of social innovation

In accordance with the provisions of art. 14, par. 4 (f) of Reg. (EU) n. 1299/2013 the program has foreseen actions in the field of social innovation that answer the following needs of the area:

- lack of services that allow the establishment of interesting examples of social business and social innovation already existing
- insufficiency of attractors that support the birth, growth, consolidation and connection of economically sustainable companies with a strong social vocation
- lack of stable relationships that creates an integrated system between existing social innovation experiences and that allows a broader Euro-Mediterranean perspective
- lack of a regulatory system and a policy space, which in Sicily and Malta are still struggling to put into practice what Europe has focused on
- inability of businesses in the area to easily identify alternative forms of access to credit other than the banking channel, such as financing by venture capitalists, business angels, or through crowdfunding

In this context, the ENISIE and IKNOW projects funded under Axis II are inserted, whose actions intercept the aforementioned needs and pursue the following objectives:

- a) accelerate the processes of innovation and smart specialization and stimulate the paths of social innovation in sectors such as Digital Health and Food Tech, through KETs use electronic and biotechnologies applied to human health
- b) promote models of sustainable seasonally adjusted and experiential tourism which put the channels and the consolidated specialization in Malta into a system with the experiences of territorial marketing and widespread reception gained in Sicily
- c) stimulate a circular and neighboring mobility of qualified young people, with the aim of promoting synergies and self-entrepreneurship, exploiting linguistic complementarities, know-how and territorial assets to limit the brain drain
- d) accelerate the processes of internationalization and consolidation of innovative SMEs, by strengthening their value production, corporate responsibility and propensity for a sustainable, circular and green economy by exploiting the complementarities and strengths of the two islands' development models

The results that the program intends to achieve by the end of 2019 are:

1. Experimental delivery of innovative services to companies that promote social business also through social innovation practices
2. Improved conditions for the birth of innovative entrepreneurial actions
3. Increase in the number of trade agreements thanks to increased skills of SMEs in accessing markets
4. Strengthening and encouraging the establishment of social innovation realities (co-working, fab-lab etc)
5. Promotion of a stable system of exchanges and synergies (Eu-Med space) among the realities of social innovation
6. Strengthening of legislative reforms and institutional awareness in the field of social enterprise and social business

Although the aforementioned operations were started at the beginning of 2018, important progress was made in the implementation:

- ✓ No. 2 companies receiving experimental services to increase social innovation and social business
- ✓ No. 2 companies benefiting from experimental services for access to credit and micro-finance
- ✓ No. 800 subjects involved in operations activities

## 12. . FINANCIAL INFORMATION AT PRIORITY AXIS AND PROGRAMME LEVEL

### (Articles 21(2) and 22(7) of Regulation (EU)No 1303/2013)

*For the purpose of assessing progress towards the achievement of milestones and targets set for financial indicators in the years 2018 and 2023, table 4 of Part A of this Annex shall have the following two additional columns:*

| 13   | 14  |
|--|---|
| Data for the purpose of the performance review and performance framework   |   |
| Only for report submitted in 2019: Total eligible expenditure incurred and paid by beneficiaries and certified to the Com-mission by 31/12/2018<br><br>Article 21(2) of Regulation (EU) No 1303/2013 | Only for final implementation report: Total eligible expend-iture incurred and paid by beneficiaries by 31/12/2023 and certified to the Commission<br><br>Article 22(7) of Regulation (EU) No 1303/2013 |
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## PART C

### REPORTING SUBMITTED IN YEAR 2019 AND FINAL IMPLEMENTATION REPORT (Article 50(5) of Regulation (EU)No 1303/2013)

#### 13. SMART, SUSTAINABLE AND INCLUSIVE GROWTH

*Information and assessment of the programme contribution to achieving the Union strategy for smart, sustainable and inclusive growth.*

17500

The strategic orientation of the INTERREG V-A Italy-Malta cooperation program contributes to the three priorities identified by the European Union in the context of the Europe 2020 strategy:

- smart growth - developing an economy based on knowledge and innovation;
- sustainable growth - promoting a more resource efficient, greener and more competitive economy.
- inclusive growth - promoting an economy with a high employment rate, which facilitate economic, social and territorial cohesion.

##### **Smart growth**

Cooperation area state analysis in research and innovation sector has highlighted the need for a strengthening and specialization of some technologically advanced sectors that nowadays are not able to emerge and succeed in the European and international markets.

This strengthening could determine the expected upgrade of the productive structure of companies operating on the two sides of the Sicilian and Maltese coasts towards sectors with greater competitiveness with the consequent absorption of human capital now formed within the area and tomorrow forced to make use elsewhere of the high skills acquired.

In this regard, and in line with the Regional Innovation Strategies and Smart Specialization Strategies of the respective territories, the program has focused on the most advanced sectors (Key enabling Technologies - KETs) for the cooperation area such as: electronics, mechatronics, micro and nanosystems , biotechnology and research applied to human health.

This will allow companies belonging to research and innovation sectors to overcome the difficulties in hooking up virtuous and lasting processes *not finding the adequate solid basis on which to build growth and development activities*.

Consequently, program has aimed to increase the competitiveness of micro, small and medium-sized enterprises operating in the R&I sectors in order to contribute to the development of innovative systems, products and services in the key sectors identified by the program: safeguarding the environment, territory and sea safekeeping, cultural heritage, quality of life and citizens' health.

In this regard, the program identified a target value of 100 companies that, by 2023, will adopt innovative technologies and services on a cross-border level in the sectors of cultural heritage, the quality of life and health of citizens.

As of 31/12/2018, a total number of 6 projects have started their activities in the framework of program Axis I dedicated to research and innovation, indicating an expected result of 39

Italian and Maltese companies that at the end of their respective projects will adopt innovative technologies and services.

Here following is an analysis of how the aforementioned projects adopt KETs and how they contribute in developing an economy based on knowledge and innovation through the adoption of these technologies by local companies that operate in the fields of quality of life, health of citizens and cultural heritage.

With particular reference to nanotechnologies, the MICROWATTS project develops photocatalytic nano-coatings produced using a series of surface engineering technologies that are able to produce surfaces with high photocatalytic efficiency and biointeractions as well as chemical and mechanical stability. These systems allow the treatment of gray water and its reuse in domestic and corporate contexts to improve the quality of life and the efficient use of resources.

Project foresees that the technology developed will be transferred to a total number of 10 companies in Sicily and Malta.

With particular reference to biotechnology and research applied to human health, the BYTHOS project deals with biomolecular characterization of waste from the fish sector and the analysis of protein components to identify possible biological properties, such as antitumor, antibacterial, antimicrobial, antioxidant activity.

Project foresees that from extracted biomolecule will be realized biotechnological products used by n. 6 companies specialized in the pharmaceutical and cosmetics sectors.

I.T.A.M.A. project also works in the field of biotechnology and research applied to human health. Project deals with the management and analysis of biomedical data in order to improve the diagnostic process of autoimmune diseases, such as celiac disease, based on predictive symptoms and thus avoiding invasive clinical tests use.

Project foresees that n. 2 healthcare companies will be equipped with the methodology and diagnostic tools developed by the project.

With particular reference to electronics, MEDIWARN project develops virtual biosensors that, thanks to the constant contact with the body of hospitalized patients, can monitor their vital parameters (heart rate, respiratory rate, blood pressure, body temperature, etc.) from a computerized site and wirelessly send data to nursing staff.

Project foresees that n. 5 companies operating in the electromedical sector will acquire the technology developed within the project.

With particular reference to mechatronics, NatiFLIFE project develops robotic assistance systems in the home environment to allow elderly and/or people with reduced mobility to continue living in their own homes, helping to improve their independence, encouraging and facilitating daily activities and ensuring security, monitoring and assistance conditions.

Project foresees that n. 10 companies will adopt the so-called Innovative Assistive Technologies and Services to support elderly and disabled people.

With specific reference to the cultural heritage sector, I-ACCESS project makes use of electronics for the construction of ICT applications that facilitate architectural assets fruition by disadvantaged people.

In particular, for the immobilized people will be developed a software that informs about the

accessibility features of historic buildings; for the blind/visually impaired audio applications will be created that will provide the information necessary for the knowledge of the cultural heritage together with the ICT supports for tactile exploration based on 3D models; finally, for the hearing impaired graphic applications will be realized integrated by textual information placed in a way to facilitate the reading.

Project foresees that n. 6 companies operating in the tourism sector will adopt new technologies and new services to improve the physical and cultural accessibility of the artistic heritage.

Alongside research and innovation theme, closely linked to technological development, a particular emphasis must be addressed to the social innovation modes existing between the program topics and funded projects and their support to the economic context.

In this regard, program foresees a target value of 12 companies that activate cross-border commercial operations also through the creation and strengthening of social innovation realities.

In this context should be noted the two initiatives ENISIE and I KNOW that through the provision of incubation services and the development of innovative practices such as open innovation working labs, hackathon, pitch, gaming, etc. intend to promote social business initiatives that at the end of their respective projects will see the conclusion of at least 14 cross-border commercial operations.

### **Sustainable growth**

Context analysis of the area of cooperation in the field of environmental sustainability has highlighted a lack of environmental safety in the territories which over the years has led to ever higher costs, extraordinary maintenance operations, loss of natural habitats and disappearance of endogenous species.

In this regard, program concentrates resources on joint actions aimed at recovering habitats and deepening their knowledge (migratory routes, fish species, fauna, etc.) producing an improvement of territories natural heritage that facilitates their development and growth.

In this regard, program has the goal of extending the actions for the protection of biodiversity to a 100 square km marine area qualified by the presence of sites and protected marine areas. Similar protection initiatives concern land areas in an area of 150 sq. Km.

With specific reference to marine sites and protected areas, HARMONY project carries out integrated measures to monitor the integrity of seabed and of species that populate them on the following areas and their selected target habitats: AMP Isole Pelagie (EUAP0553) H1110; AMP Chief Gallo (EUAP0555) H1170; SIC Seabed of Capo San Marco (ITA040012) H1120; SIC Background of the island of Capo Passero (ITA090028) H1120, H1110; Strait of Messina SPA (ITA030042) H1170; SIC fil-Bahar fil-Grigal ta '(MT0000105) H1110, H1120, H1170; SIC fil-Bahar Bejn Rdum Majjiesa u Ras ir-Raheb (MT0000101) H1120.

On the sites and marine areas identified above the project applies control measures through indicators and early warning sensors identified in the Marine Strategy Framework Directive: typology analysis, abundance, biomass and extension of biogenic substrates; extension of seabed exploited by human activities; presence of vulnerable or resistant species; multi-metric status and functioning index; proportion of number of individuals and biomass of macrobenthic organisms and length/weight relationship; parameters of the size spectrum of

the benthic community.

Sites and areas indicated above, subject to monitoring and control, cover a sea area of 100 sq km and are involved in a plan of joint actions for the protection of biodiversity.

With specific reference to the sites and land areas, the SIMASEED project realizes the repopulation of about 40.000 plants belonging to 20 different species representing the Natura 2000 Habitats, chosen among those rare and threatened with extinction.

Furthermore, the project repopulates 12.000 plants belonging to 12 different species recognized as vulnerable species in the CITES Europe Appendices and one of them recognized as a priority in the EEC Directive 92/43 (*Ophrys lunulata*).

This activity of repopulation of terrestrial biodiversity covers an area of 4 sq. Km and also includes the collection and conservation of standardized seeds within two existing banks in Sicily and Malta as well as within a third bank that the project will create in Gozo. In particular Gozo in recent years has become a good center for environmental activities and by 2020 it could reach the status of Eco-Island also thanks to the activities of the project.

The context analysis of the cooperation area has also highlighted the need to reduce the pressure on natural heritage caused by environmental factors, such as climate change, as well as the need to improve the actions for mitigation environmental risks caused by human factors.

In this regard, the program set the objective of extending the area monitored by cross-border technological systems to additional 23.750 sq. Km.

With specific reference to actions to mitigate climate change effects on environment, BESS project implements a surveillance system on 110 "pocket beaches" through satellite images and a remote survey network that allow, at low cost, to monitor the evolution of 80 sq. km coastal system.

Pocket beaches represent environmental niches being small beaches limited by natural promontories that constitute a naturally resilient response to the effects of climate change.

On all the Sicilian and Maltese pocket beaches surveillance system will annually detect about 525.600 data of various kinds for each pocket beach survey station, to have coverage of the entire analyzed system and provide useful information for the management of the whole coastal zone.

Beneath initiatives to mitigate climate change effects and risks for the population, NEWS project carries out an integrated monitoring system for the reduction of natural risks linked to wave action and its effects on the coasts.

Through the installation of a network of wavelength floats it will be possible to obtain, in real time, wave motion parameters on a Sicily Channel marine area of 5.000 sq. Km.

Those parameters will be subsequently integrated with spatial radar-type data provided by Calypso South project in order to calibrate prediction models. Data will flow into a control center for an integrated management of risks related to sea catastrophes.

Project also includes an early warning system for the coastal populations living along the identified areas (the Granelli-Pachino coastline, Selmun-Malta locality, the coast in front of Santa Maria del Focallo-Ispica) which is activated when a sea storms actual risk occurs and is dangerous for population and recreational tourists.

IMIT-THARSY project also contributes to strengthening data collection network and risk evaluation systems for population and buildings in case of tsunamigenic disaster events that could occur in Ibleo-Maltese fault areas.

Project creates a seismic and mareographic monitoring network included in the national and international network, covering an area of 50.000 sq. Km and creating an alert system for the population displaced along an area of 10 sq. Km at the towns of Marzamemi-Sicilia, Noto-Sicily and Marsalokk-Malta.

Finally, thanks to CALYPSO SOUTH project, the monitoring system for the deliberate spills of hydrocarbons operated by ships in transit in the Sicily Channel is expanded to cover an area of 6.300 sq. Km that covers the entire Maltese territory and the Sicilian south-east area, from Licata to Pozzallo.

Radars will be installed in Ghar Lapsi (Malta), Ta 'Cenc (Gozo) and Licata (Sicily); they integrate surveys carried out by radars previously installed during the 2007-2013 programming at Ta Bark' at (Malta), Ta Soppa (Gozo), Pozzallo (Sicily), Marina di Ragusa (Sicily).

This in order to provide competent authorities with tools able to support marine pollution prevention actions caused by human activities.

### **Inclusive growth**

Cooperation area context analysis relating demographic and labor market aspects highlighted the need to foresee, through specific actions, mobility plans within territories to contribute to a progressive absorption of the human capital existing in internal area (especially young graduates and/or researchers) so to avoid the brain drain phenomenon.

Moreover, in order to counter progressive increase in new poverty, the analysis denoted the necessity to use the cross-border dimension to allow people in search of employment to broaden labor supply range.

In this regard, program fixed the objective of increasing by 100 the number of workers participating in cross-border mobility initiatives.

In this context is comprised Job Match 2020 initiative, which, through the creation of an Italo-Maltese cross-border cooperation center, on one hand provides services of counseling, tutoring, recruiting, and human resources management and on the other promotes memorandums of understanding to encourage cross-border mobility of workers through public and private stakeholders involvement.

In this regard, the project carries out 20 work experience initiatives for young workers in the two areas, involving 10 Italian and Maltese companies in these initiatives.

## **14. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN — PERFORMANCE FRAMEWORK (Article 50(2) of Regulation (EU) No 1303/2013)**

*Where the assessment of progress made with regard to the milestones and targets set out in the performance framework demonstrates that certain milestones and targets have not been achieved, Member States should outline the underlying reasons for failure to achieve these milestones in the report of 2019 (for milestones) and in the final implementation report (for targets).*

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Here following a summary of **physical indicators** set out in the framework of effectiveness of the implementation and of the projects - financed under each specific objective and investment priorities - which contribute to the enhancement of their intermediate targets.

### **Axis I**

Within Axis I, output indicator set out in the performance framework is common indicator *CO04 Number of enterprises that receive non-financial support* for which an intermediate target is foreseen for 2018 equal to n. **10 enterprises**. Indicator measures the number of companies that obtain benefits deriving both from development of services realized by clusters and districts of the area, and from the pilot actions carried out by the research centers in favor of productive system. Natiflife is the project that contributes to the achievement of target value set for 2018 through n. **10 enterprises** involved in research activities aimed at developing innovative solutions in the context of technologies for living environments.

### **Axis II**

With regard to specific objective 2.1, output indicator set out in the performance framework is the common indicator *CO03 Number of enterprises receiving financial support other than subsidies* for which an intermediate target is foreseen for 2018 equal to n. **1 company**. Indicator takes into account the number of companies receiving financial benefits both to ensure the creation and enhancement of social innovation actions within the area and to launch innovative start-ups in sectors related to safeguarding the environment and to quality of life and citizens' health improvement. Enisie is the project that contributes to target value achievement set for 2018 through n. **2 enterprises** involved in the provision of experimental services, in collaboration with banking institutions, institutional investors, and European crowd-sourcing platforms for companies with a social vocation. In particular, through the SocialChallenges.eu platform have been funded two Sicilian startups (Urban Works S.r.l.s and Moodika S.r.l.).

With regard to the specific objective 2.2, output indicator set out in the performance framework is the specific indicator *2.2.2. Companies (micro, small and medium) that activate internships* for which an intermediate target is foreseen for the 2018 equal to n. **10 enterprises**. The indicator takes into account the number of private and public bodies in the cooperation area allowing the start of professional internships for young people and new graduates. Job Match project contributes to the achievement of the target value set for 2018 through n. **10 enterprises** involved in the activities of: companies selection in Blue economy and Circular economy sectors those being suitable for hosting mobility participants in Sicily and Malta; involvement of local stakeholders in defining the training program and internships.

### **Axis III**

With regard to specific objective 3.1, the output indicators included in the performance framework are: a) the specific indicator *3.1.1. Restoration and enhancement interventions of the areas of the Natura 2000 network* for which an intermediate target is foreseen for the 2018 equal to n. **3 interventions**. The indicator takes into account the number of specific restoration actions and in situ remediation carried out within the Natura 2000 network area. Harmony project contributes to the enhancement\achievement of the target set for 2018 through n. **2 interventions**: an intervention relating the inventory activity of cross-border biodiversity in Natura 2000 sites and habitats; an intervention relating to the Network activity of subjects involved in data collection through Local Ecological Knowledge on the seabed



integrity and on non-indigenous species. b) the specific indicator 3.1.3. *Awareness raising campaigns for the correct use of protected areas* for which an intermediate target is foreseen for the 2018 equal to n. **1 awareness campaign**. The indicator takes into account the number of awareness campaigns for the correct use of protected areas. These activities include specific interventions for the monitoring and control of invasive species, the strengthening of environmental information centers as well as the financing of observation points, accesses and infrastructures for educational purposes that contribute to the promotion of protected areas in the area. Harmony project contributes to the achievement of the target value set for 2018 with n. **1 awareness campaign** aimed at shared evaluation of impacts that can derive from the application of methodologies proposed on existing procedures in order to receive feedback for any uptake of the implemented processes.

Regarding the specific objective 3.2, the output indicator included in the performance framework is the specific indicator 3.2.1 *Surface covered by pilot measures for mitigating the effects of climate change* for which an intermediate target is foreseen for the 2018 equal to **112.500.000 sq. meters of surface**. In particular, indicator takes into account the surface area of the area covered by pilot actions for monitoring, prevention and adaptation to marine hazard, aimed at studying the meteorological and marine conditions of the area and at creating small infrastructures. Projects that contribute to the achievement of target value set for 2018 are: BESS with **an area of 80 sq.km** corresponding to n. 110 *pocket beaches* characterized by detailed bathymetric surveys and surveys using drones; NEWS with **1.000 sq.km of surface area** covered by a monitoring system for the characteristics of wave motion.

With regard to financial indicators, the following is shown:

Indicator 1.1b *expenditure declared to the EC*: target value set for 2018 is € 2.637.129, the certified amount for projects financed under Axis I is € 801.410,39 equal to 30% of target value.

Indicator 2.1b *expenditure declared to the EC*: target value set for 2018 is € 1.318.565, the certified for projects financed under Axis II is € 82.923,25 equal to 6% of the target value.

Indicator 3.2b *declared expenditure to the EC*: the target value set in 2018 is € 3.581.408, the amount certified for projects financed under Axis III is € 1.037.085,68 equal to 29% of the target value.

Failure in achieving financial indicators targets is due to the insufficient number of projects funded under the 1/2016 notice which led to significant savings as already reported in paragraph 3.1. *Overview of implementation*.