



Structural Funds Programme for Malta 2004-2006
Project part-financed by the European Union
European Social Fund (ESF)
Co-financing rate: 75%



The Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007

PROJECT DESCRIPTION AND RECOMMENDATIONS

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This publication forms an integral part of ‘The Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007’ - a sub-project implemented within the scope of the overall ESF Technical Assistance project under the Structural Funds Programme for Malta 2004-2006.

The publication was co-financed by the European Union under the European Social Fund (2004-2006) (co-financing rate 75%).

April 2008

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Preface

The Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007 is a sub-project which has been implemented within the scope of the overall ESF Technical Assistance project under the Structural Funds Programme for Malta 2004-2006.

Since May 2007, the Malta Resource Centre at SOS Malta has coordinated and implemented the sub-project. Throughout its implementation, various suggestions were received by the Malta Resource Centre in view of what may assist in ensuring increased participation of Maltese NGOs and Civil Society Organisations within the European Social Fund.

To this end, the Malta Resource Centre (MRC) has produced this report of recommendations concerned with the type of technical assistance and capacity-building measures which would contribute to the increased participation of Maltese NGOs and Civil Society Organisations within ESF.

The recommendations included within this report are based on the outcome of the 2007 training and technical assistance programme as well as on follow-up research conducted by the Malta Resource Centre.

The first chapter provides an overview of the underlying rationale as well as aims and objectives of *The Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007*.

The second chapter provides a description of the various activities carried out within the scope of *The Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007*, including an overview of the main topics and issues addressed

during a series of training workshops conducted with a determined number of NGOs, Civil Society Organisations and Local Councils. Reference is also made to the evaluation and feedback received by the Malta Resource Centre in regard to the 2007 training and technical assistance programme.

The essence of this report is provided within the third and fourth chapters, which lay out a number of recommendations for future technical assistance and capacity building of NGOs and Civil Society Organisations. These recommendations focus on the ESF and the underlying principle of partnership.

Acknowledgments

The preparation of this Manual was overseen by Director of SOS Malta, Claudia Taylor-East, and by the Project Leader of the Technical Assistance project 2004-2006, Mauro Miceli.

The Malta Resource Centre at SOS Malta wishes to express its gratitude to Godfrey Kenely, Project Leader in 2007 for *The Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007*, for his input and feedback towards this Manual.

Thanks is also especially due to Marlene Bonnici, Director General at the Planning and Priorities Coordination Division (OPM) who encouraged the Malta Resource Centre to develop the project.

The Malta Resource Centre would like to specially thank the trainers who participated in the training workshops conducted in 2007 and who provided insightful feedback and suggestions for future technical assistance and capacity building of NGOs:

- Anna Anastasi, Pricewaterhouse Coopers
- Michel Ganado, Pricewaterhouse Coopers
- Bernard Bartolo, Contracts Department

Thanks are also due to other workshop trainers and speakers, including:

- Edel Cassar, Planning and Priorities Division, Office of the Prime Minister
- Greta Borg-Carbott, Planning and Priorities Division, Office of the Prime Minister
- Anthony Fava, Contracts Department
- Stephen Vella, Foundation of Social Welfare Services
- Mark Scicluna Bartoli, Malta Enterprise Corporation
- Sina Bugeja, National Commission for the Promotion of Equality
- Mark Sultana, Razzett tal-Hbiberija
- Malta Environment and Planning Authority
- Robert Suban, Employment and Training Corporation

- Marielouise Schembri, Ministry of Tourism and Culture
- Ray Philips, London Voluntary Sector Training Consortium
- Vanesa Cenjor Del Rey, Fundacion Luis Vives
- Tibor Peres, Autonomia (The Hungarian Foundation for Self Reliance)

The training programme carried out in 2007 was part-financed by the European Union: European Social Fund (co-financing 75%). The Civil Society Fund 2007 funded the remaining 25% of the programme carried out in 2007.

This publication forms an integral part of 'The Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007' - a sub-project implemented within the scope of the overall ESF Technical Assistance project under the Structural Funds Programme for Malta 2004-2006.

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Acronyms

CSO – Civil Society Organisation

EAPN – European Anti-Poverty Network

ERDF – European Regional Development Fund

ESF – European Social Fund

MA – Managing Authority

MRC – Malta Resource Centre

NGO – Non-Governmental Organisation

NSRF – National Strategic Reference Framework

OPI – Operational Programme I, Cohesion Policy 2007-2013

OPII - Operational Programme II Cohesion Policy 2007-2013

OPM – Office of the Prime Minister

PPCD – Planning and Priorities Coordination Division

SF – Structural Funds

SFD - Structural Funds Database

VOA – Voluntary Organisations Act

Introduction

1.1 About the Project and its Rationale

EU Structural Funds are a substantial resource available for the improvement of social and economic well-being within the 27 Member States. One of the pre-requisites for their success and effectiveness on the ground is the involvement of stakeholders who are working towards the same aims.

The partnership principle is at the heart of the design and use of the Structural Funds. Absorption efforts towards the Structural Funds seek to strengthen the institutional capacity of players and actors who could be increasingly involved, in partnership with other organisations, in the application and implementation of Structural Funds.

Well-organized non-governmental organisation (NGO) and civil society sectors are critical in this respect. In addition to being broadly representative and accountable, NGOs and civil society organisations must be sufficiently knowledgeable about Structural Funds in order to be able to participate effectively in projects financed by these funds and to do so on an equal footing with public entities.

This is something which SOS Malta recognised through the work carried out within its Malta Resource Centre during the first two years of Malta's EU Membership.

SOS Malta has, since 2004, provided capacity building, training, and consultancy to NGOs and groups working in Malta for social change, development, and the fight against poverty and social exclusion.

In 2006, the Malta Resource Centre (MRC) organised a number of events addressing EU funding opportunities for NGOs and civil society organisations. Following a round-table discussion, entitled '*How can Maltese NGOs manage Structural Funds Projects?*' which MRC and Malta Forum in Europe organised in August 2006, it was noted that there was significant demand for capacity-building measures to be engaged within the civil society sector – especially in regard to the application and implementation processes involved in Structural Funds.

This need was further highlighted during a subsequent round-table held in November 2006 which was organized within the remit of the European Anti-Poverty Network (EAPN)¹ and hosted by MRC (as secretariat for EAPN Malta) The EAPN round-table discussion was entitled ‘Structural Funds a contribution to Social Inclusion - focusing on establishing the best systems for NGOs to contribute and participate’. During the event, it was noted that ESF technical assistance could be a source for addressing the need in question.

To such extent, MRC recognised that such capacity-building measures could be supported through ESF technical assistance and opted to develop an appropriate training programme which could assist the sector in accessing and implementing ESF projects. The programme was designed with the support of the Managing Authority, as final beneficiary and project leader of the ESF Technical Assistance project 2004-2006.

In 2007, an intensive training and technical assistance programme for Maltese NGOs and Civil Society Organisations on Structural Funds was therefore implemented by the Malta Resource Centre. The programme was part-financed by the European Union: European Social Fund Co-financing rate 75% and a grant, which SOS Malta received through the Civil Society Fund 2007, was used to finance the remaining 25%.

The training programme was the first of its kind in Malta since its aim was that of specifically training NGOs and civil society organisations to plan, access and manage or partner ESF projects. The course, which covered a total of 50 training hours, comprised of a series of eight training workshops organised during the months of August, September and October 2007. The workshops covered various aspects of project application and management under the European Social Fund and were geared towards providing the participants with the required tools and skills to see through successful projects between 2007 and 2013.

1.2 Aims and Objectives of the Project

The objectives of the *Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007* were twofold:

- i. To inform, train and equip NGOs in Malta to plan, access and manage and/or be partners in EU structural funds projects;
- ii. To facilitate partnership among NGOs, and NGO partnership with other civil society organisations and local councils in relation to structural funds projects.

¹ EAPN is an independent coalition of NGOs and groups involved in the fight against poverty and social exclusion within the EU Member States. For further information: www.eapn.org

These objectives were to be attained in part through the organisation of an information seminar on structural funds (ESF) for NGOs, civil society organisations, and local councils. The information seminar, which was held on the 26th of June 2007, provided information about how Structural Funds work; Malta's Operational Programme II for 2007-2013; and the type of projects which would be eligible under ESF. The abovementioned objectives were also to be attained through the organisation of a full training programme, technical assistance² and consultation for NGO representatives, as well as representatives of social partners, including workers unions and local councils. The aim of these workshops was to provide hands-on, practical training vis-à-vis various technical aspects concerning the application for and implementation of Structural Funds projects (in particular those under ESF).

The *Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007* was to contribute to the objectives outlined in *Measure 5.2 – Technical Assistance (ESF)* of the Programme Complement³. It was to support the implementation of the ESF programme through technical assistance and the organisation of training workshops on the ESF application and implementation mechanisms. Such technical assistance and training was specifically targeted at NGOs, civil society organisations and local councils, all of which can be eligible for applying and leading projects financed through ESF. In this manner, the project contributed to the implementation of the programme and indirectly to the efficiency and efficacy of the interventions made by NGOs, civil society organisations and local councils under ESF.

Despite being financed by the Structural Funds Programme for Malta 2004-2006 through Measure 5.2 – Technical Assistance (ESF) of the Programme Complement, it was anticipated that the project would in essence also contribute to one of the focus areas of Technical Assistance highlighted in the Mid-Term Update and to Malta's Operational Programme II for the period 2007-2013⁴. Both documents highlighted the need for trained resources for all stakeholders who are involved in managing and implementing Structural Funds in Malta. Such stakeholders include Civil Society organisations.

In the light of the new programming period 2007-2013, this project therefore focused on preparing and training NGOs, civil society organisations and local councils vis-à-vis the Structural Funds (mainly ESF) and related regulations applicable for the said period. It also promoted the principle of partnership between these organisations in relation to the implementation of structural funds projects.

2 *Technical assistance was to include consultation and assistance on project design and partnership development to the workshop participants willing to develop an ESF project for 2008.*

3 *Vide: Programme Complement Malta 2004-2006, p. 66; Single Programming Document Malta 2004-2006, p. 129*

4 *Operational Programme II, Cohesion Policy 2007-2013, Empowering People for More Jobs and a Better Quality of Life, Malta June 2007, p.74 and 75.*

Description of Activities Carried Out Within the Project

2.1 Information Seminar

The Malta Resource Centre organised a half-day information seminar on the 26th of June at the Mediterranean Conference Centre, Valletta.

The seminar provided an opportunity for civil society organisations to acquire insight into the type of projects eligible under the new Operational Programme II – *Empowering People for More Jobs and a Better Quality of Life*⁵, as well as the areas in which NGOs and similar organisations can participate.

It also provided space for discussion about the role of NGOs, civil society and local councils in the management of structural funds, with insightful presentations and interventions made by Mr. Mark Sultana from Razzett tal-Hbiberija, Fr. Edgar Busuttill from Paolo Freire Institute, Mr. Michael Parnis from the General Workers Union, and Mr. David Apap, Mayor of Gharb Local Council. Furthermore, discussion on co-financing solutions for structural funds projects also featured, with Dr. Kenneth Grech, Chairperson of the Non-Governmental Project Selection Committee, making an intervention about the Support to Voluntary Organisations Fund and the possibility of ensuing initiatives.

The full programme for the event is attached to this report in Annex I. Together with all related documents, it may also be downloaded from the Malta Resource Centre website: www.mrc.org.mt.

⁵ *Operational Programme II Cohesion Policy 2007-2013, Empowering People for More Jobs and a Better Quality of Life, Malta, June 2007*



Figure 1 - From left to right: Fr. Edgar Busuttill (PaoloFreire Institute), Mr. Mark Farrugia (Razzett tal-Hbiberija), Mrs Claudia Taylor-East (SOS Malta) and Mr. Michael Parnis (General Workers Union)



Figure 2 - Participants attending the information session organised on the 26th June 2007

The seminar was advertised in the newspapers, as well as publicised via e-mail shots to NGOs, CSOs and Local Councils. 73 persons from 47 different organisations attended the event.⁶ The seminar was open to representatives and members of staff of NGOs and civil society⁷

2.2 Workshops

2.2.1 Application and Selection Process

Following the seminar, an application and selection process took place for the identification of participants for the forthcoming workshops. The number of participant places for the training workshops was limited to 25 in order to ensure effective interactivity and networking among the beneficiaries of the training, and between the same beneficiaries and the trainers during the workshops.

Adverts were placed in the newspapers and invitation notices to apply were e-mailed to Maltese NGOs, civil society organisations and local councils.

⁶ Refer to Annex II for the full list of organisations that were represented.

⁷ Further information may be accessed via : www.mrc.org.mt or web link: <http://www.mrc.org.mt/page.asp?p=8680&l=1>.

The eligibility criteria for organisations to participate in the workshops were pre-determined within the Letter of Offer and its Annexes provided and approved by the Managing Authority.

Eligibility Criteria

Eligibility Criteria For NGOs

The NGOs need to:

- Have work related to social inclusion, environment, health, heritage and culture;
- Have at least one part-time staff member employed;
- Have at least one computer and access to email and internet ;
- Have an office base;
- Have written aims and objectives;
- Have been operating and carrying out work (on the ground) for more than 12 months;
- Have volunteers;
- Have their work related to potential structural funds projects (ESF and ERDF);
- Be willing to work in partnership in Structural Funds Projects with other NGOs, local councils and/or social partners.

Eligibility Criteria For CSOs

The social partners need to:

- Have work related to social inclusion, environment, health, heritage and culture;
- Have at least one part-time staff member employed;
- Have at least one computer and access to email and internet
- Have an office base;
- Have written aims and objectives;
- Have been operating and carrying out work (on the ground) for more than 12 months;
- Have their work related to potential structural funds projects (ESF and ERDF);
- Be willing to work in partnership in Structural Funds Projects with NGOs and/or local councils.

Eligibility Criteria For Local Councils

The Local Councils need to:

- Be willing to work in partnership in Structural Funds Projects with NGOs and/or social partners;
- Have previously addressed work related to social inclusion, environment, health, heritage and culture and related to potential structural funds projects (ESF and ERDF).

The selection of organisations who could participate in the training workshops was made on the basis of application forms which organisations submitted, together with their statutes.

A total of 22 organisations were originally identified as being eligible to have representatives attending a series of intensive training workshops.

These organisations were: the Association of Surgeons of Malta, the Association of Speech Language Therapists, Birdlife Malta, Cana Movement, Eden Foundation, Federation of Industries, Fondazzjoni Sir Temi Zammit, General Workers' Union, Gharb Local Council, Institute of Hospitality-Malta, Kamra tal-Periti, Kinemastik, Malta Hospice Movement, Nadur Local Council, Paolo Freire Institute, Richmond Foundation, Scouts Association of Malta, Soroptimist International of Malta, SOS Malta, St. Joseph's Home St. Venera, YMCA Valletta, and YWCA Malta.

Eventually, during the course of the programme, four organisations (FOI, Nadur Local Council, the Association of Surgeons of Malta and Kinemastik) backed out of the programme due to other commitments and limited human resources to commit a member of staff to attend the remaining workshops. For this reason, a second call for applications was issued at the beginning of September 2007. Four other NGOs and CSOs applied and were approved to join the training programme as of the 24th of September 2007. These organisations were Caritas Malta, Local Councils Association, Midwives Association, and Flimkien Ghal Ambjent Ahjar. A full list of all NGOs, CSOs and Local Councils which participated, as well as their members of staff who attending the workshops on their behalf, are listed in Annex III to this report.



Figure 3 - Representatives of various NGOs attending one of the training workshops

2.2.2 The Workshops and Course Outline

The Malta Resource Centre successfully carried out the fifty-hour training and technical assistance programme during the months of August, September and October 2007. The programme was split over a series of eight training workshops which were held on a weekly basis. The workshops covered various aspects of project application and management under the European Social Fund and were geared towards providing the participants with the required tools and skills to see through successful projects between 2007 and 2013.⁸

PricewaterhouseCoopers provided the majority of the training, while guest speakers and officials from the Contracts Department, the Foundation of Social Welfare Services, Malta Enterprise, the National Commission for the Promotion of Equality, Razzett tal-Hbiberija, Malta Environment and Planning Authority, Employment and Training Corporation, Ministry of Tourism and Culture, and from the Planning and Priorities Division at the Office of the Prime Minister also delivered specific presentations.

The course also included presentations of best practices and experiences in Structural Funds projects carried out in three different Member States: UK, Spain and Hungary. These presentations were delivered by Mr. Ray Phillips, Director of the London Voluntary Sector Training Consortium, Ms. Vanesa Cenfor Del Rey from Fundacion Luis Vives and Mr. Tibor Peres from Autonomia (The Hungarian Foundation for Self Reliance), respectively.

2.2.3 Main Issues addressed during the Workshops

As may be noted from Annex IV to this report, the training programme addressed various aspects involved in the application and management of projects part-financed through ESF.

The *first training workshop* focused on project identification and planning: Participants were introduced to the process involved in the conceptualisation of a project idea up to the submission of a project application for co-funding by Structural Funds (particularly ESF). They were provided with insight into the Priority Axes provided within Malta's Operational Programmes⁹, an explanation of the eligibility criteria for project proposals, as well as an understanding of what provides added value in the consideration of such proposals. Standard

⁸ The course profile and programme for each workshop is included in Annex IV.

⁹ Operational Programme I, Cohesion Policy 2007-2013, Investing in Competitiveness for a Better Quality of Life, Malta, June 2007; Operational Programme II Cohesion Policy 2007-2013, Empowering People for More Jobs and a Better Quality of Life, Malta, June 2007.

application forms and templates were provided and participants developed hypothetical project concepts which could be adapted accordingly. The identification of partners, project planning and feasibility, as well as the philosophy and components of project management methodology, were all topics addressed in this two-day workshop.

The *second training workshop* focused on the financial management regulations related to Structural Funds. Participants were familiarised with the main EC regulations. Particular reference was made to EC Regulations 1083/2006¹⁰ and 1989/2006¹¹ and the implications emanating there from for beneficiaries. These regulations were explained in the light of management and control systems established in Malta vis-à-vis Structural Funds, and the segregation of duties between the various actors.

Importance was in turn given to Regulation EC 1828/2006¹². Apart from certain issues such as information and publicity requirements, participants were also taught about the management and control systems involved in Structural Funds, including the importance of audit trails, and issues related to financial irregularities. Implications for final beneficiaries in regard to these systems and issues were explained.

Another session within the workshop was dedicated to EC 1081/2006 regulating the ESF¹³, the scope of assistance for ESF, and the eligibility of expenditure under this fund.

Participants were also introduced to the Structural Funds Database (SFD), its use and its functionalities. Unfortunately, due to the fact that the new SFD for 2007-2013 was not yet available at the time of training, the participants were only shown static slides of the SFD version applicable for 2004-2006, as exemplified in Figure 4 below.

It would have been more appropriate and effective if the new version of the SFD would have been available to facilitate the training.

The scope of the *third training workshop* was that of introducing participants to public procurement principles and procedures which would need to be adhered to for the

¹⁰ Council Regulation (EC) No. 1083/2006 of 11th July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No. 1260/1999.

¹¹ Council Regulation (EC) No. 1989/2006 of 21 December 2006 amending Annex III to Regulation (EC) No. 186/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund.

¹² Commission Regulation (EC) No 1828/2006 of 8th December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund.

¹³ Regulation (EC) No. 1081/2006 of the European Parliament and of the Council of 5th July 2006 on the European Social Fund and repealing Regulation (EC) No. 1784/1999.

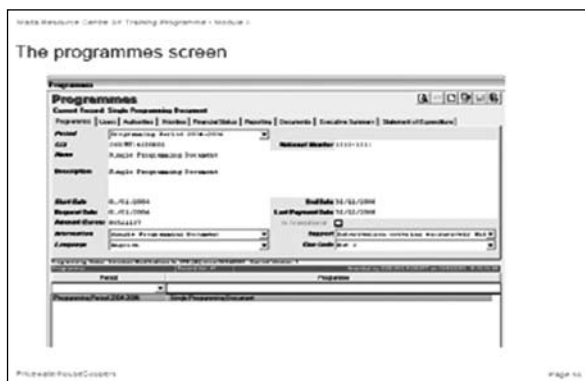


Figure 4 - An example of the static slides used to explain the Structural Funds Database to participants.

implementation of projects financed by Structural Funds. An explanation of the overriding principles and rules of public procurement was given, with reference to the Public Contracts Regulations 2005¹⁴, the latter implementing Directive 2004/18/EC.

The difference in procedure required for services or supplies was also explained, in accordance with the various value thresholds established within the same Public Contracts Regulations, 2005.

With regards to services or supplies above the €47,000 threshold, participants were introduced to the manner in which a tender value is determined, the difference between the open and restricted tender procedures, the three-package system, a competitive dialogue between bidders, what the negotiated procedure consists of, the general selection criteria for an economic operator, tender dossier preparation and related processes, among other things.

Workshop discussions indicated that most NGOs would be more prone to have projects involving the procurement of supplies or services below the €47,000 threshold. Discussions also focused on the limited capacity and resources of many NGOs and CSOs in Malta, and the bureaucratic burden which the obligation to observe public procurement principles imposes on non-public organisations implementing Structural Funds.

¹⁴ Public Contracts Regulations -Legal Notice 177 of 2005, as amended by Legal Notices 382 of 2005, 11 and 130 of 2006, and 57, 283, 308, 395 and 410 of 2007; Public Procurement of Entities operating in the Water, Energy, Transport and Postal SERVICES Sectors Regulations - Legal Notice 178 of 2005, as amended by Legal Notices 12 and 131 of 2006.

The *fourth training workshop* provided the participants with a run through the Manual of Procedures. Unfortunately, the Manual of Procedures for the new programming period was not available at the time of training, and therefore reference was made to the one used for Malta for the programming period 2004-2006 (version 1.3 of April 2007).

The roles and responsibilities of the main actors involved in ensuring that the European Community and Malta funds are used efficiently and correctly, in accordance with the principles of sound financial management. These included the Managing Authority, Intermediary Bodies, Paying Authority, Department of Contracts, Accountant General/Treasury, Central Bank of Malta (CBM) Internal Audit and Investigations Directorate (IAID), and the Beneficiary.

An emphasis was made on the importance of compliance with Community policies, including equal opportunities, environment, State aid, and public procurement. The programming procedures involved for Structural Funds were described, followed by an explanation of the monitoring and evaluation stages carried out. Controls and reporting were also discussed.

The latter half of the workshop focused on financial management of Structural Funds, as per the Manual of Procedures. This included reference to eligible costs, the relevance of VAT, the invoice payment process, statements of expenditure and declarations by the final beneficiary and managing authority, the certification process, types of irregularities as per Regulation EC 2035/2005¹⁵ and the manner in which irregularities need to be reported, as well as which documentation needs to be retained and the filing system to be used in view of audits and checks.

The *fifth training workshop* focused on the importance of project monitoring and control. Various aspects of project management were introduced to the participants, ranging from change control process as a result of a project, to managing the team and managing stakeholders, to risk management, managing project indicators, progress monitoring, financial control, and reporting. These aspects were continuously applied to the scenario of implementing an ESF project.

The first half of the *sixth training workshop* looked at the publicity requirements established in relation to Structural Funds projects. Explanation was given as to why publicity is given so much importance in relation to projects financed by the EC, as well as the objectives

¹⁵ **Commission Regulation (EC) No 2035/2005** of 12 December 2005 amending Regulation (EC) No 1681/94 concerning irregularities and the recovery of sums wrongly paid in connection with the financing of the structural policies and the organisation of an information system in this field.

which such publicity should have. Participants were also introduced to the publicity regulations governing the EC Cohesion Policy 2007-2013¹⁶. The importance of planning publicity, indicating the latter also in the application for Structural Funds, the importance of communication plans, as well as the specific requisites (logo, font, text, colours, etc.) in relation to contracts and any publicity item financed through Structural Funds, was explained. Examples of common mistakes were also given, and proper record-keeping of any publicity initiative undertaken with regards to a Structural Funds project was emphasised in view of potential audits.

The latter half of the sixth training workshop elaborated on record-keeping for audits. It provided participants with insight into the different types of audits and verifications which can be carried out in relation to Structural Funds projects, as well as why such audits are carried out. Participants were presented with the main areas of focus during audits as well as good practices (practical recommendations for organisations to be prepared for audits and for keeping good audit trails). Participants were also provided with a sample project file which was walked-through during the workshop.

The *seventh training workshop* was aimed at providing the participants with examples of ESF projects in practice, and with space for idea generation in view of potential projects which their own organisations could develop for ESF funding. An overview of the priority axes outlined in Malta's Operational Programme II was carried out¹⁷. A discussion followed, focusing on potential project concepts which the participants themselves described for their organisations to submit for ESF funding in due course. Each project concept was examined in light of the priority axes highlighted in Malta's Operational Programme II and their potentiality of being approved for funding.

These discussions were followed by a range of presentations of best practices and ESF experience in Malta and another three different Member States: the United Kingdom, Spain and Hungary. These presentations¹⁸ also provided insight into the practicalities of applying for ESF funds ('the do's and don'ts', identifying partners, co-financing and being financially prepared to take on a project, etc). They, in turn, gave examples of measures which other Member States have undertaken to encourage NGOs and the third sector to participate in ESF. One such measure which was repeatedly mentioned was that of Global Grant Schemes, applied both in Spain and in the UK.

¹⁶ Council Regulation 1083/2006 and Commission Regulation 1828/2006.

¹⁷ Operational Programme II Cohesion Policy 2007-2013, *Empowering People for More Job and a Better Quality of Life*, Malta, June 2007.

¹⁸ Provided by: *Razzett tal-Hbiberija (Malta)*, *London Voluntary Sector Training Consortium (UK)*, *Fundacion Luis Vives (Spain)* and *Autonomia -The Hungarian Foundation for Self Reliance (Hungary)*.

The latter part of the workshop focused on the concepts of trans-nationality and innovation, which are highlighted in the new ESF Regulations 2007-2013, and which replaced what used to be the EQUAL Programme in the previous financial period. Experience of trans-nationality by Maltese organisations¹⁹ in EQUAL projects was shared with the participants. The participants then explored trans-nationality and innovation aspects which could be introduced to their own project concepts.

The *eighth and final training workshop* sought to provide the participants with some information about other types of funding which NGOs, social partners and local councils can benefit from under the Structural Funds regime managed locally. The main focus was on Aid Schemes. Following a brief presentation about the manner in which Aid Schemes function and the role which intermediary bodies²⁰ have in this regard, the main intermediary bodies in Malta gave presentations about the Aid Schemes planned for 2007-2013 and explained their relevance for NGOs, social partners and local councils. Aid Schemes in relation to which NGOs, social partners and local councils could be eligible to apply for, were identified. Furthermore, areas addressed by the Aid Schemes which could be of potential interest to these entities were highlighted. An interesting discussion pursued, revolving around the need for NGOs and CSOs to be more involved in the planning and formation of Aid Schemes, especially if they are targeting beneficiaries (such as the disadvantaged) with whom NGOs and CSOs work.

Another section within the eighth training workshop provided further space for discussion among the participants on potential partnership between their organisations on future ESF projects. This section was based on feedback provided by each participant about organisations which they perceived as potential partners on projects for which their own organisations were planning to apply for ESF funding. This feedback was provided on 'Partnership Facilitation Forms'²¹ and subsequently discussed as a group.

A group evaluation of the whole training course was carried out at the end of the last workshop, following which certificates of participation were distributed to the participants.

Participants were also provided with a Q&A which the Managing Authority together with PricewaterhouseCoopers, compiled in order to answer some of the main technical questions which arose during the workshops. The Q&A is included in Annex VIII to this report.

¹⁹ Foundation for Social Welfare Services and National Commission for the Promotion of Equality.

²⁰ Employment and Training Corporation, Malta Environment & Planning Authority, Malta Enterprise, and Ministry for Tourism and Culture.

²¹ Refer to Section 2.3.

2.2.4 Certification provided to Participants



Figure 5 - Godfrey Kenely, Project Leader, presenting the Certificate of Participation to Dominic Lewis who attended the training workshops on behalf of St. Joseph Home, St. Venera.

Nineteen (19) organisations successfully completing the training course and were presented with a certificate of participation at the end of the course²². These were:

1. Association of Speech Language Therapists
2. Birdlife Malta
3. Eden Foundation
4. Caritas Malta
5. Fondazzjoni Sir Temi Zammit
6. Local Councils' Association
7. Flimkien ghal Ambjent Ahjar
8. Institute of Hospitality
9. Kamra tal-Periti
10. Malta Hospice Movement
11. Paolo Freire Institute
12. Richmond Foundation
13. Scouts Association of Malta
14. Midwives Association Malta
15. Soroptimist International of Malta
16. SOS Malta
17. St. Joseph's Home St. Venera
18. YMCA Valletta
19. YWCA Malta

²²Refer to Annex V for a specimen of the Certificates produced.

The General Workers' Union, the Federation of Industries, Cana Movement and the Nadur and Gharb Local Councils also had representatives following a few workshops within the programme. However, due to other commitments and limited human resources they were not able to see through the whole course. Despite having been granted a place on the training course, Kinemastik and the Association of Surgeons did not manage to have a member of staff attend the workshops.

2.2.5 Evaluation of Training Programme

The training programme was evaluated throughout its implementation. Participants were requested to submit an evaluation sheet following each workshop, and to also provide an overall evaluation at the end of the training programme. Furthermore, following the termination of the training programme, evaluation meetings were held with the main trainers. Refer to Annex VII for a summary of the feedback received.

The recommendations provided in Chapter 3 of this report have been developed on the basis of the abovementioned evaluation exercises and feedback received, as well as subsequent research conducted by the Malta Resource Centre.

2.3 Partnership Facilitation Exercise

The project obtained one of the main results originally aimed at – that of training and informing at least twenty NGOs, CSOs and local councils on Structural Funds. In turn, nineteen of the NGO and CSO representatives who participated in the workshops were certified as having the requisite training to apply and see through a project financed by the European Social Fund.

The project is also in itself a catalyst for NGOs to apply for and/or manage Structural Funds projects by mid-2008, as it equipped the participants with the basic tools to see through an ESF project.

In 2007, the Malta Resource Centre also sought to work towards two other results which were forecast for the project:

- i. To have at least one group of NGOs, CSOs and LCs which are able to develop Structural Funds projects developed in partnership between NGOs, other civil society organisations and local councils by mid-2008.
- ii. To have at least one group of NGOs, CSOs and LCs which are able to develop Structural Funds projects developed in partnership with other EU counterparts in projects requiring trans-national exchange and work.

Unfortunately, calls for proposals for ESF were not issued by the Planning and Priorities Coordination Division in 2007 following the end of the training programme. It was therefore difficult for the Malta Resource Centre to follow-up with participants as to how many of their organisations would choose to submit project proposals or not. Nevertheless, the Malta Resource Centre sought to encourage the participants of the training programme to brainstorm together on potential project concepts which they could submit in 2008. The idea was to encourage them to develop project concepts as well as explore the possibility of partnerships with other participating organisations or with foreign counterparts.

The Malta Resource Centre therefore developed a Compendium of Project Concepts – all being put forth and discussed by the participants during the last two workshops. The Compendium of Project Concepts was developed on the basis of Partnership Facilitation forms²³ which each participating organisation completed and submitted.

At the time of writing this document, an ESF call for proposals, targeted specifically at NGOs, was open. The deadline for the call for proposals was the 2nd of May 2008. Therefore, the Malta Resource Centre sought to follow up with participants and motivate them to develop their project concepts and submit proposals in partnership where possible.

²³ Refer to Annex VI for a specimen of the Partnership Facilitation form.

Recommendations for Technical Assistance, Training of NGOs and Civil Society Organisations

The following recommendations relate to technical assistance and training of NGOs and CSOs within the remit of Structural Funds in general. However, particular focus is placed on ESF and OPPII, given the wider scope which they give to the role of the third sector.

As an equal stakeholder and partner, the third sector in Malta requires increased training and technical assistance on Structural Funds. The world of the European Union, its funding opportunities, its policy-making procedures and its inter-relation with the national and local levels remains relatively new to NGOs and Civil Society Organisations in Malta. This is even more the case with EU Structural Funds and the related policies and administrative procedures involved. Most Maltese NGOs, social partners and local councils are still familiarising themselves with the mechanisms of Structural Funds, the institutional framework in which they are managed and implemented, and the responsibilities they place upon different actors.

It is in this context that, within the near future, training and technical assistance initiatives targeting the NGO and Civil Society sector, ought to be taken up. The following are various ways in which such training and technical assistance could be provided.

3.1. Technical Assistance and Training Programmes on ESF

a) Structure and Content of Training Programme

The structure and content of future training programmes on Structural Funds (particularly ESF) for NGOs and CSOs, should be similar to that adopted by the Malta Resource Centre. The MRC received positive feedback about the structure, content and approach of the training programme from trainers and participants alike²⁴.

²⁴ Refer to Annex VII.

However, a few recommendations were put forth for improvement:

i. Introduction of a Preliminary Session on the aims and objectives of ESF

A preliminary session ought to be introduced, which specifically focuses on the aims and objectives of the European Social Fund, the principles underlying the ESF, Malta's priorities for ESF 2007-2013, and the role which NGOs and CSOs are to play in this regard. The session would also highlight the differences between ESF and ERDF.

This preliminary session would build on the presentations made during the introductory seminar inviting all NGOs to participate in the training. Its aim would be that of furnishing the ultimate participants of the training programme with the necessary context for the rest of the course to be understood.

ii. Introduction of a Preliminary Session on the local and EU institutional framework.

Another preliminary session ought to be included in order to present participants with the main local and EU institutional framework for the planning, management and evaluation of Structural Funds.²⁵ This session would be aimed at providing the participants with an understanding of the main actors and stakeholders in the implementation of Structural Funds projects, as well as the manner in which these actors and stakeholders relate to one another.

It might be more appropriate if a representative from the Managing Authority presents the said framework in light of the whole training programme, thus laying the foundations for the rest of the course to be delivered within a given institutional and structured context which the participants can relate to. The reasons why it is being recommended that the preliminary session is actually presented by a representative from the Managing Authority are twofold:

- Participants expressed disappointment at the fact that a representative from the Managing Authority was not present throughout the training workshops, and that, hence, any ad hoc and imminent issues of a technical nature could not be addressed.

- It would be appropriate for NGOs and CSOs to be able to meet with representatives of the Managing Authority to be able to become familiar with the institution.²⁶

²⁵ A recommendation put forth by trainers Anna Anastasi and Michel Ganado (PricewaterhouseCoopers) – refer to Annex VII, Section B.1.4.

²⁶ A point mentioned during the evaluation meeting with trainers Anna Anastasi and Michel Ganado (PricewaterhouseCoopers) – refer to Annex VII, Section B.1.4.

iii. Provision of an index of ESF-related terminology and definitions

Participants within the programme organised by the MRC suggested that some elements presented with the Module which focused on the Manual of Procedures should have been introduced at an earlier stage within the programme.²⁷ They noted that the said Manual introduced basic concepts and procedures which, if explained at an earlier stage within the programme, could possibly improve the participants' understanding of the remaining modules.

At the same time, it was noted, particularly by the project leader and the trainers involved in the 2007 training programme, that the Manual of Procedures should not be introduced at too early a stage within the training programme. This is because NGOs and CSOs need to understand that it is important first to identify a project concept and its goal, and then to actually explore if ESF may be a suitable channel for financing part of that project. To this extent, the concepts of project development and management need to be introduced prior to any reference to technical procedures involved in ESF project approval and implementation.

However, the project leader and trainers also recognised that certain ESF-related terminology may be used, in passing, during delivery of the training. To this extent, it is recommended that a list of ESF terminology and definitions is circulated among participants at the beginning of the course.

iv. Increased use of case-studies

One of the recommendations put forth by the training participants was that there should be more use of examples and case studies within training programmes.²⁸ It is through case studies and working groups that persons who are not familiar with Structural Funds can learn the ropes, through applying themselves and participating in discussion.

v. Use of video conferencing and IT facilities

The use of video conferencing during training workshops could be used to enhance the extent of exposure to best practices. As noted by the trainers from PricewaterhouseCoopers²⁹, the use of such facilities would be less costly than bringing over experts or speakers from abroad to address the participants. Video conferencing would also be engaging since participants can ask questions and hold discussions in real time with foreign counterparts who have experience in ESF projects.

²⁷ Refer to Annex VII, Section A.8 and A4.7.

²⁸ Refer to Annex VII, Section A8.

²⁹ Refer to Annex VII, Section B.1.4.

v. New Title for Module on Project Management, Monitoring and Control

The Module which focused on Project Management, Monitoring and Control would be renamed, ‘Successfully implementing an approved ESF project’. The latter terminology is more comprehensive.

vi. Revised Training programme

In view of some of the abovementioned recommendations (*i-v*) and to ensure a more logical sequence, it is recommended that, in future, the training programme is reorganized as follows:

Module I - Introduction to the European Social Fund and the role of Civil Society Organisations.

Module II – The main local and EU actors involved in the planning, management and evaluation of the European Social Fund.

Module III - Applying for financing by the European Social Fund.

Module IV – Successfully implementing an approved ESF project.

Module V - Financial management of ESF projects.

Module VI - Manual of Procedures.

Module VII – ESF Projects, Civil Society Organisations and Public Procurement.

Module VIII – Information and Publicity Regulations.

Module IX – ESF in Practice.

b) Repetition of Training Courses on Structural Funds

During the training sessions conducted within the project, it transpired that some of the participants’ knowledge of Structural Funds was significantly limited, and that there was therefore a need for training and capacity building among Maltese NGOs and CSOs in this regard.

The organisation and repetition of similar training initiatives is recommended, particularly due to the volatile nature of staff turnover (especially among voluntary staff) within NGOs and CSOs. This means that training provided once to a group of staff members within a NGO or CSO would not necessarily remain within the same organisation. There is, therefore, the need to repeat the same kind of training, even for the same organisations that had representatives attending a prior course.

Another reason for repeated training is that such initiatives tend to be more effective if organised on a small scale. The limited number of representatives of NGOs and Civil Society Organisations participating in the training programme run by the MRC provided a positive atmosphere for networking among the participants.

c) Timing of training sessions

One of the difficulties which arose in the course of the training workshops related to the time of day during when they were held and the manner in which it affected the rate of attendance by some participants.

Each workshop had an average attendance of 66% of the registered participants. This was due to various reasons, including:

- i. other work commitments within their NGO or CSO;
- ii. in cases where participants were volunteers within NGOs, they could not attend most of the training due to work commitments and difficulty to take leave from their jobs;
- iii. unforeseen circumstances (health, travel, etc.).

d) Organisation of follow-up activities

A recommendation by the training participants at the end of the course was that there should be follow-up activities, providing participants the opportunity to network further, and discuss collaboration (possibly even in terms of partnerships). Suggestions included the organisation of a workshop, seminar or an online forum.³⁰

3.2 Training on Partnership and ESF

Maltese NGOs and Civil Society Organisations need to be provided with specific training on the key principles of the EU Cohesion Policy and Structural Funds 2007-2013.³¹

The principle of partnership, in particular, is of significant relevance for the NGO and CSO sector in Malta which is still seeking to ascertain its role and place vis-à-vis EU Structural Funds, alongside public entities. Training needs to be provided whereby the said principle of partnership is elaborated upon and explained in practical terms.

Furthermore, training needs to focus on partnership as a governance system for ESF as stipulated within Article 5 of the ESF Regulation.³² It is therefore important that the partnership principle is explained in light of the whole cycle of Structural Funds.

³⁰ Refer to Annex VII, Section A8.

³¹ These principles include programming; partnership; additionality; shared management; proportional intervention; complementarity, consistency, coordination and compliance; territorial level of implementation; equality between men and women and non-discrimination; and, sustainable development. For further information, refer to Council Regulation 1083/2006 (Chapter IV)

³² Regulation (EC) No. 1081/2006 of the European Parliament and of the Council of 5th July 2006 on the European Social Fund and repealing Regulation (EC) No. 1784/1999.

Training would therefore not only focus on the relevance and importance of the partnership principle within individual project implementation, but also in regard to the ESF programming cycle (including analysis and design, delivery planning, evaluation and audit stages of ESF). It would also need to focus on the role of partnership and stakeholder engagement during the policy cycle. (Refer to Figure 6 below.)

In turn, it is recommended that a partnership development event, such as a networking workshop for NGOs, CSOs and local councils, is organized as an annex to the training. The networking workshop would be aimed at facilitating the exploration of potential ESF partnerships, through presentations and discussions.

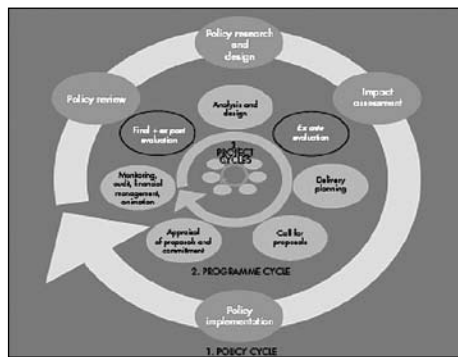


Figure 6 – Sourcebook on sound planning of ESF programmes, European Communities, 2007, p.36

3.3 Training in Structural Funds and Public Procurement

Public procurement in Malta is regulated by Chapter 174 of the Laws of Malta. The Public Contracts Regulations³³ apply to all public funds, including Structural Funds, irrespective of the entity implementing the project or activity being financed. Non-public bodies which are implementing projects funded by public funds, including Structural Funds, must follow the principles and spirit of the Public Contracts Regulations.

NGOs and Civil Society Organisations which are involved in projects being financed by Structural Funds need to be aware that the latter constitute public funds which need to be spent in a transparent and cost-effective fashion. It is to such extent that the executive staff

³³ Public Contracts Regulations -Legal Notice 177 of 2005, as amended by Legal Notices 382 of 2005, 11 and 130 of 2006, and 57, 283, 308, 395 and 410 of 2007; Public Procurement of Entities operating in the Water, Energy, Transport and Postal SERVICES Sectors Regulations - Legal Notice 178 of 2005, as amended by Legal Notices 12 and 131 of 2006.

of non-public bodies who are implementing Structural Funds projects, need to be trained, alongside the public sector, in public procurement procedures and principles. Apart from attending the Technical Assistance and Training Programme described in section 3.1 above, it is recommended that these organisations would be able to attend public procurement courses offered through the Training for Staff Development Organisation within the Office of the Prime Minister.³⁴

3.4 Training Manual for NGOs and Civil Society Organisations on ESF 2007-2013

As a complement to the training activities, the Malta Resource Centre noted that in order to assist Maltese NGOs and Voluntary Organisations further in their quest to participate in ESF projects, it would be apt to develop a training manual which would encapsulate the material delivered during training. In this way, the effectiveness and sustainability of the overall project would be enhanced by making available the training material and information to all NGOs and CSOs in Malta.

It is within this context that a '*Training Manual for NGOs and Civil Society Organisations on ESF Funds 2007-2013*' could be developed. The manual would build on the information provided during the training workshops in a pedagogical and self-explanatory manner. It would provide case studies and examples.

The manual would therefore become a source of reference for any staff member or volunteer in a NGO or CSO which is seeking to tap into ESF and implement an approved project successfully.

The training manual ought to be produced in both printed and electronic format, thus allowing for more flexibility and effectiveness in its dissemination and practicality in its usage by NGOs and their staff members.³⁵ The electronic format of the training manual could also provide for simulation and dummy demonstrations of the Structural Funds Database and the processes involved.

3.5 Manual on Project Management of ESF Projects

A tool which ought to be produced to complement the Training Manual for NGOs and CSOs on ESF 2007-2013, is a *Manual on Project Management of ESF Projects*. The manual would revisit basic project management concepts and apply them in the context of ESF projects.

³⁴ This was also suggested by Mr. Bernard Bartolo from the Contracts Department – refer to Annex VII, Section B.2

³⁵ A recommendation put forth by the trainers from PricewaterhouseCoopers. Refer to Annex VII. Section B.1.

It would also be aimed at throwing light onto how preparation for, and management of, ESF projects should feature within the whole organisational context of a NGO or CSO (in terms of human resources, financial management and implications, marketing and PR, etc.). Therefore, the manual would provide an insight into issues such as:

- an organisation's financial status and co-financing implications as a result of participation in an ESF project;
- methods of absorption of ineligible costs;
- sponsorships;
- strategic planning;
- human resource management and the interaction of newly-recruited project coordinators with old members of staff/ volunteers;
- self-projection, PR campaigns, organisational website, etc.

The manual should be produced in both printed and electronic format, thus allowing for increased flexibility and effectiveness in its dissemination and practicality in its usage by NGOs and their staff members.

3.6 Regular Updates and Information

The need for regular information on Structural Funds for NGOs was highlighted by the participants of the training programme organised by the MRC.³⁶ One way in which such information could be readily available and provided in a structured manner could be through the set-up of a NGO desk at the Managing Authority. This is something which is foreseen within Malta's ESF Operational Programme for 2007-2013, which makes reference to plans by the Government to set up specific units to support and facilitate the participation of Partners and Civil Society in the Programme.³⁷

Another tangible way in which regular information and updates on Structural Funds could be made available to CSOs and NGOs is if a specific section on the PPCD³⁸ website dedicated to the sector. The section would include information on targeted calls for proposals, training and events aimed at NGOs and CSOs, as well as notices with relevant information and answers to queries by the sector.

Other Member States have also adopted another means of regular information for the sector. For example, in Slovenia, periodical publications are issued and disseminated among NGOs and CSOs. One such example is the "Strukturokop" publication which is issued by the

³⁶ Refer to Annex VII, Section A4.7 and A8.

³⁷ Operational Programme II, p. 75.

³⁸ Planning and Priorities Coordination Division.

Centre for Information Service, Co-operation and Development of NGOs, Slovenia.³⁹ The “Struktyokop” publication is intended to present the relevant information on structural funds for NGOs in a more ‘user-friendly’ manner.

³⁹ For further information, refer to **CNVOS** – Centre for Information Service, Co-operation and Development of NGOs www.cnvos.si.

Recommendations for Capacity-building of NGOs and Civil Society Organisations

The following recommendations relate to capacity-building of NGOs and CSOs within the remit of Structural Funds in general. However, particular focus is placed on ESF and OP11, given the wider scope which they give to the role of the third sector.

Capacity-building is a process of developing organisational, financial and personnel capacities of organisations. Within the spirit of Structural Funds and particularly that of the European Social Fund, capacity-building measures addressed at Non-governmental and Civil Society Organisations are important in various ways. Malta's Operational Programme II notes:

Non Governmental Organisations (NGOs)...are very active in the area of social exclusion. Their role, often led and supported by volunteers, is considered to be very important within the economy as a whole. NGOs work at grass root level and can act as the catalysts for socially excluded persons to enter the labour market. For this reason, this Operational Programme will support the involvement and capacity building of NGOs whose aim is to increase the participation of disadvantaged groups in the labour market and overall job creation.⁴⁰

Government realizes that the Civil Society in Malta is very fragmented and depends largely on volunteers so it is necessary to build capacity – both in terms of numbers and also training – if the objective of increasing Partners' participation in the Programme is to be a realistic target.⁴¹

Malta's Operational Programme II also refers to the importance of capacity-building of NGOs and social partners in terms of ensuring a more effective social and civil dialogue in Malta. This is underlined in Priority Axis 4 – Strengthening of institutional and administrative

⁴⁰ Operational Programme II p. 68.

⁴¹ Ibid, p. 75.

capacity – within OPII, wherein the importance of ensuring proper participation of social partners and civil society in policy formation and reforms, particularly in regard to the areas of employment and social inclusion, is ascertained.

... the Programme will support capacity building activities addressing the needs of Social Partners and Civil Society with the aim of contributing to successful design and implementation of policies and legislation and the achievement of the ESF objectives. Furthermore, the enhancement of capacity to ensure sustainability within the EU framework will be supported.⁴²

While recognising the active role which civil society plays in political reform, education, environmental, cultural and social development, the Operational Programme refers to the importance of social partners and civil society participating on representative councils such as the Malta Council for Economic and Social Development and of one-to-one consultations between Government, social partners and civil society in achieving a widened social and civil dialogue. It also refers to the specific attention which Government will be giving, as an aftermath to the adoption of the Voluntary Organisations Act in 2007, to capacity-building activities for Civil Society in order to strengthen the effectiveness of social and civil dialogue in Malta, thereby supporting also good governance.

The latter discourse, which is elaborated within Malta's OPII, is in line with the European Social Fund and its emphasis on good governance and partnership, as per Article 5 of the ESF Regulation, which states:

Article 5

Good governance and partnership

1. The ESF shall promote good governance and partnership. Its support shall be designed and implemented at the appropriate territorial level taking into account the national, regional and local level according to the institutional arrangements specific to each Member State.
2. The Member States shall ensure the involvement of the social partners and adequate consultation and participation of other stakeholders, at the appropriate territorial level, in the preparation, implementation and monitoring of ESF support.
3. The managing authority of each operational programme shall encourage adequate participation of the social partners in actions funded under Article 3.

Under the Convergence objective, an appropriate amount of ESF resources shall be allocated to capacity-building, which shall include training, networking measures,

⁴² *Ibid*, p. 73.

strengthening the social dialogue and activities jointly undertaken by the social partners, in particular as regards adaptability of workers and enterprises referred to in Article 3(1)(a).

4. The managing authority of each operational programme shall encourage adequate participation and access by nongovernmental organisations to the funded activities, notably in the domains of social inclusion, gender equality and equal opportunities.⁴³

It is therefore within the spirit of Article 5 of the ESF regulation and of Malta's OPII that the Malta Resource Centre is putting forth, in the following sections, recommendations for required capacity-building initiatives addressing the NGO and civil society sector in Malta.

4.1 Development of Corporate Services for NGOs

With reference to the workshops which were conducted as part of the project, participants and trainers alike noted that a very difficult session related to one about audit controls. Participants and trainers explained that this is because most NGOs and voluntary organisations in Malta do not have the basic administrative and accountability structures in place as yet, and that this is due to lack of staff and resources.

One of the recommendations emerging from the project was to pool in administrative back-up services for NGOs and voluntary organisations. There seems to be a need for 'corporate services' to be offered specifically for the third sector – particularly for organisations which are too small to engage sufficient staff members or which depend entirely on volunteers. This need becomes even more apparent with the coming into force of the Voluntary Organisations Act⁴⁴ last year and the regulatory requisites it sets for the sector.

4.2 Training

The need for administrative back-up services as described in section 4.1 above could also be addressed by a series of training initiatives for the NGO sector itself, in order to provide it with its own internal capacity. Such training initiatives would focus on various aspects affecting the capacity and effectiveness of NGOs and Civil Society Organisations alike. Such aspects would include:

⁴³ Article 5 within Regulation (EC) No. 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No. 1784/1999.

⁴⁴ Voluntary Organisations Act, 2007. Chapter 492 of the Laws of Malta.

a) The legal and regulatory framework

The third sector is subject to a legal and regulatory framework including the Voluntary Organisations Act. Actors within the third sector need to be introduced to the role of the newly-established structures regulating the sector (eg., the Commissioner for Voluntary Organisations, the Register of Voluntary Organisations, the Board of Appeal, the Council of the Voluntary Sector) as well as the legal obligations imposed on the sector.

b) Administrative and financial management

As noted in section 4.1 above, many NGOs and voluntary organisations in Malta still lack the required administrative and accountability structures. One of the reasons for this is the lack of human and financial resources to establish and implement such structures. It also relates, sometimes, to their dependency on voluntary work, as opposed to employed staff, and the volatile or non-consistent nature with which administrative and financial management skills are therefore applied within these organisations. One way in which the administrative and accountability structures could therefore be slowly introduced and guaranteed within such organisations would be if their executive members were trained in administrative and financial issues. Particularly with the onset of the Voluntary Organisations Act and other legislative developments, as well as the growing interest in EU funding opportunities, the third sector and persons working within it (including volunteers) need to be, more than ever before, equipped with knowledge and skills in administrative management, record-keeping, accountability, and taxation issues relating to their organisation and any initiative that may be undertaken by them (whether income-generating, fund-raising, project-based or grant-based).

c) Strategic Planning and creative thinking

Some of the main feedback received from training participants was the need for more guidance and tips in regard to project identification (the origins of a project concept and making a business case for it). From the Malta Resource Centre's point of view, such feedback merits capacity-building initiatives to be undertaken within the civil society sector which go beyond the actual premise of accessing ESF funding. The type of capacity-building required relates to being able to 'think outside the box' and to develop strategic plans for an organisation's activities and projects. To this end, training in creative and strategic thinking would be highly recommended – applying the latter not only to project identification and development, but also to the whole of an organisation's activities. Such activities would include fund-raising and resource-generation-areas which course participants indicated as posing recurrent difficulties for their organisations. Training in creative and strategic thinking would also need to be applied in terms of innovation and diversification within the context of an organisation's service provision.

d) Impact assessments and evaluation

With increased pressures on delivery, and accountability, not only within the context of EU funded projects but also vis-à-vis corporate sponsors, civil society actors in Malta need to be equipped with skill in assessing and evaluating the long-term impact of their work. It is therefore recommended that training be provided for NGOs and CSOs with regards to carrying out impact assessments and evaluation exercises.

e) Networking and advocacy

another area of capacity-building training which is being recommended for NGOs and the Civil Society sector in Malta concerns networking and advocacy. It transpired from the training course conducted by the Malta Resource Centre, as well as from work carried out by MRC vis-à-vis the setting up of national networks,⁴⁶ that many voluntary organisations are still limited in terms of the degree of networking and advocacy work they carry out. These limitations apply in terms of memberships in national and European networks, networking with organisations from the private and public sector, and participation in consultation processes and policy-making. Training in these areas would equip the staff of voluntary organisations with insight into the various stages of consultation and policy-making to which they could contribute and prepare for, as well as networking skills and resource allocation.

4.3 Support to Research Capacity

Capacity-building initiatives need to be undertaken not only in terms of training and administrative back-up structures, but also in terms of support for research initiatives undertaken by the third sector. Unfortunately, many local NGOs and civil society organisations operate with stretched resources, and, hence, do not have the researchers and human resources to be able to analyze and produce reports regarding developments within the social, cultural and environmental contexts which they are working in.

However, at the same time, it should be noted that these same organisations are the ones which are most in touch with social, cultural and environmental realities in Malta. They are working on a day-to-day basis on the ground and with the man in the street, and can therefore be one of the main sources of information and experience for the identification of areas which need to be researched and analysed further for the development of better and more appropriate policies, services and projects.

⁴⁶ *The Malta Resource Centre assisted in the setting up of, inter alia, EAPN Malta, the Malta Health Network, and the National Federation of NGOs in Malta.*

As noted within OPII, information and analysis is important in terms of facilitating an effective process of social and civil dialogue within a democratic system.⁴⁷ Furthermore, the citation of feasibility studies, surveys, and analytical reports play a key factor in providing the technical backup to discussions as to whether resources and finances (including Structural Funds and other EU funds) are to be allocated or not to proposed services and projects. Unfortunately, the expenses which these research exercises involve, especially when outsourced, are often beyond the budgets which NGOs and civil society organisations can actually afford. This was, indeed, a point raised during the workshops conducted by the Malta Resource Centre.⁴⁸

It is therefore recommended that solutions are found to support the third sector in research initiatives. Indeed, reference is made to this same objective within OPII, which states:

Social and civil dialogue in Malta can be improved through the availability of better information and analysis to the social and civil partners ... In this regard the Programme will support capacity building activities addressing the needs of Social Partners and Civil Society with the aim of contributing to successful design and implementation of policies and legislation and the achievement of the ESF objectives.⁴⁹

For more technical issues and analysis, one solution which may be considered may entail the seconding of researchers from university and research institutions to NGOs and civil society organisations. The latter could be facilitated through a scheme whereby actors within the third sector submit proposals for research to the University of Malta or other research institutions.

4.4 Capacity-building through IT and Infrastructure

Among the basic criteria for NGOs and social partners to be able to participate in the Structural Funds training and technical assistance programme organised by the Malta Resource Centre, they needed to indicate whether they had an office base/address, as well as computers.⁵⁰ The reason for this is that a number of organisations within the third sector in Malta do not have these facilities, and operate loosely from home addresses of members of the same organisations. Others do not have the resources to invest in computers and infrastructure, despite perhaps having office space and a volunteer/staff base.

Both OPI and OPII refer to Government's intention to support and facilitate the participation of social partners and civil society within the respective programmes by, *inter alia*, building

⁴⁷ Operational Programme II, p.73

⁴⁸ Refer to Annex VIII (Q&A distributed among the training participants).

⁴⁹ Operational Programme II, p. 73

⁵⁰ Refer to Chapter 2 above, Section 2.2.1

their capacity with investment-type interventions necessary for their participation.⁵¹ The latter could include investment in tools, systems (mainly ICT-related) and other relevant infrastructure⁵² which is project-related.⁵³

The Malta Resource Centre also notes the *SmartStart* initiative,⁵⁴ launched by the Government of Malta in February 2008, whereby reconditioned computers were being offered to NGOs and disadvantaged persons.

Similar initiatives and support need to continue being provided in order to ensure that the third sector has the requisite basic structures to operate and contribute effectively to social dialogue, networking, as well as the ESF objectives.

4.5 Training in Policy Participation and Consultation Processes

The voluntary sector tends to be the one which is working on the ground and which is most in touch with the realities which social and employment policies seek to address. Its involvement and participation in policy formation is therefore very important for such policies to be effective.

The NSRF⁵⁵ makes reference to the need for increased participation of social partners and NGOs in the Malta Council for Economic and Social Development (MCESD) as well as for one-to-one consultations between government and actors in the social sector. It also refers to the need for improved availability of policy-related information and analysis to social and civil partners:

Information is crucial for an effective process of social and civil dialogue within a democratic system. Considering that most Partners operate with stretched resources, social and civil dialogue in Malta can be improved through the availability of better information and analysis to the social and civil partners, also in the form of relevant research output regarding EU-wide developments as well as local issues. Insufficient information (due to limited capacities) often reflects inadequacies in the technical backup to the discussions being undertaken. This mirrors a lacuna in human resources availability towards sustaining the process of social and civil dialogue in Malta.⁵⁶

⁵¹ *Operational Programme I*, p. 142; *Operational Programme II* p. 70.

⁵² *Ibid*

⁵³ *i.e. actual project investment*

⁵⁴ *More information about the SmartStart initiative may be accessed online:*

<https://secure2.gov.mt/smartisland/Pages/Initiatives/PCRefurbishment/PcRefurbishmentOnline.aspx>

⁵⁵ *National Strategic Reference Framework, Malta 2007-2013, December 2006, p. 124*

⁵⁶ *Ibid*

While these plans by Government for increased participation of NGOs and Social Partners in policy formation are to be commended, complimentary initiatives may need to be undertaken.

The Malta Resource Centre, through the feedback received from the participants of the training programme it conducted, as well as through its work within various NGO networks, has come to recognise the need for NGOs in Malta to become more familiar with the various policy stages in which they may become involved. For example, there are various instances during which NGOs and social partners can influence national policy orientation as well as priorities and areas to which Structural Funds are applied. These include the consultation processes related to the National Strategic Reference Framework, the Operational Programmes, the Pre-Budget document, National Action Plans on Social Inclusion and on Employment, and the National Reform Programme, among others. Training in policy participation and consultation processes would enhance the capacity of NGOs and voluntary organisations in taking advantage of these opportunities. It would also stimulate an increased sense of ownership and participation by these organisations in the implementation of Structural Funds in Malta.

Conclusion

Ownership of the Structural Funds process by the third sector is tantamount to ensuring that the social and environmental pillars of the Lisbon Agenda are achieved on the ground. The various facets of civil society with which Structural Funds and particularly the ESF are concerned with, implies that these same funds would not be reaching their aims and objectives unless implemented with the active involvement of non-governmental organisations and civil society organisations. These are the entities which work at grass root level towards increased social inclusion and sustainable development. To this end, they can be catalysts for unemployed and disadvantaged persons to enter the labour market, and for overall job creation.

The involvement of NGOs and CSOs in initiatives and projects undertaken to reach the objectives set out in Malta's Operational Programme II is therefore essential. The active involvement of NGOs and CSOs within the wider context (i.e. policy, programming and implementation of Structural Funds) is also important.

To this end, it is necessary to create and develop the necessary structures and systems that lead to capacity building and active participation of NGOs and CSOs within Structural Funds.

It is within this context that *The Structural Funds Training Programme for NGOs and Civil Society Organisations 2007* was implemented, and that the recommendations, presented in Chapters 3 and 4 of this report, have been put forth.

ESF technical assistance can be used to enable NGOs and CSOs to participate and deliver projects. This can be done through a variety of initiatives and tools, some of which have been described in this publication.

Furthermore, the Government of Malta is already committed to providing capacity-building measures for the third sector. These include the setting up of a unit within central government to liaise with and give direct support to NGOs during the implementation

Furthermore, the Government of Malta is already committed to providing capacity-building measures for the third sector. These include the setting up of a unit within central government to liaise with and give direct support to NGOs during the implementation process, its commitment to pre-finance EU co-financing from the national budget, its resolve to encourage social partners to come together and establish an administrative support set-up for SF beneficiaries, and the inclusion of NGOs and social partners as target beneficiaries of a comprehensive training strategy.⁵⁷

It is augured that the recommendations put forth within this report serve as points of reference for the abovementioned initiatives and for others still to emerge.

⁵⁷ *Operational Programme II, p.53*

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CNVOS – Centre for Information Service, Co-operation and Development of NGOs

www.cnvos.si

Annexes

Annex I

Structural Funds Training and Technical Assistance Programme *For NGOs and Civil Society Organisations*

Information Seminar Programme

Date: 26th June 2007

Time: 9.00a.m. - 2:00p.m.

Venue: Mediterranean Conference Centre Valletta

09.00 Welcome

Claudia Taylor-East SOS Malta

09.30 Objectives of the Seminar and the project

Mr Godfrey Kenely, Malta Resource Centre for Civil Society NGOs

09.45 How Structural Funds work

Mr Godfrey Kenely, Malta Resource Centre for Civil Society NGOs

Questions and Answers

10.15 Malta's Operational Programme II

'Empowering people for more jobs and a better quality of life'.

Which areas can NGOs participate in? What types of projects would be eligible?

Ms. Alison Mizzi - Managing Authority (PPCD)

11.15 *Coffee Break*

11.45 The role of NGOs, Civil Society and Local Councils in the Management of Structural Funds

Experience - Razzett Tal-Hbiberija
Mr. Mark Sultana, General Manager

Experience - Paolo Friere Institute
Fr. Edgar Busuttil, Executive Director

Experience - General Workers Union
Mr. Michael Parnis - Deputy General Secretary (International & Education)

Experience - Gharb Local Council
Mr. David Apap - Mayor

Questions, discussion and recommendations from the floor and the panel

12.15 Discussion: Co-financing Solutions for Structural Funds Projects to be managed by NGOs

The 'Support to Voluntary Organisations Fund' and co-financing solutions
Dr Kenneth Grech, Chairperson of the Non-Governmental Project Selection Committee

The 'National Lotteries Good Causes Fund' and co-financing solutions

Questions, discussion and recommendations from the floor and the panel

1.15 The training workshops – the aim, objectives and practical information and applications

Ms Philippa Arrigo, Project Coordinator

2.00 Conclusions

Seminar Chair: Ms Claudia Taylor-East

Seminar Rapporteur: Ms Philippa Arrigo

Annex II

List of organisations who attended the information seminar held on the 26th June 2007

Action for Breast Cancer Foundation
ADHD Family Support Group
Association of Speech Language Pathologists Malta
Association of Surgeons of Malta
Birdlife Malta
Cana Movement
Commission for the Church in Malta and Europe
Curia
Deaf People Association
Eden Foundation
EU Paying Authority Directorate, MFIN
Federated Association of Travel Tourism Agents - Malta
Fondazzjoni Temi Zammit
Fondazzjoni Wirt Artna
Forum Malta fl-Ewropa
Foundation for Information Technology Accessibility
Foundation for International Studies
General Workers' Union
Gharb Local Council
Institute of Hospitality - Malta
ITS Alumni Association
Jesuit Development Office
Jesuit Refugee Service
Kamra tal-Periti
Kumitat għall-Harsien Rurali Ta' Ghajn Tuffieha
Life Cycle
Lifecycle Organisation
Malta Authors and Publishers Alliance
Malta Hospice Movement
Malta Resuscitation Council (MRC)
MedEcology Foundation

Ministry for Family and Social Solidarity
Nadur Local Council
National Parents' Society for Persons with Disability
NGO Liaison Unit
Non-Governmental Project Selection Committee
Paolo Freire Institute
PricewaterhouseCoopers
Razzett tal-Hbiberija
Richmond Foundation
Soroptimist International of Malta
SOS Malta
St. Joseph's Home St. Venera
The Scouts Association of Malta
Transplant Support Group (Malta)
YMCA Valletta
YWCA- Malta

Annex III

List Of Organisations Which Participated In The Training Workshops

Organisation	Type
Association of Surgeons of Malta	CSO
Association of Speech Language pathologists Malta	NGO - Health and Education
Birdlife Malta	NGO - Environment
Cana Movement	NGO - Social
Caritas Malta	NGO
Eden Foundation	NGO - Educational and Therapeutic
Federation of Industries	CSO
Flimkien ghal Ambjent Ahjar	NGO
Fondazzjoni Temi Zammit	NGO - R&D and Environment
General Workers' Union	CSO
Gharb Local Council	Local Council
Institute of Hospitality - Malta	NGO - Tourism
Kamra tal-Periti	CSO - Professional Association
Kinemastik	NGO - culture
Local Council Association	Local Council
Malta Hospice Movement	NGO - Health Sector
Midwives Association Malta	CSO
Nadur Local Council	Local Council

Paolo Freire Institute	NGO - Social
Organisation	Type
Richmond Foundation	NGO - Social
Scouts Association of Malta	NGO
Soroptimist International of Malta	NGO - Social
SOS Malta	NGDO
St. Joseph's Home St. Venera	NGO
YMCA Valletta	NGO - Social
YWCA- Malta	NGO - Gender

Annex IV

Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007

Course Profiles & Workshop Programmes

Workshop I – Project Identification and Planning

To be delivered by

PricewaterhouseCoopers – Michel Ganado

Course objectives /
learning outcomes

By the end of this course participants will:

- Learn all about the process involved from the conception of a project idea until the submission of a project application for EU co-funding.
- Understand the minimum eligibility criteria for SF project proposals.
- Understand what aspects are given priority and added-value in the consideration of SF project proposals (e.g. project sustainability).
- Understand the philosophy and components of the project management methodology.
- Understand the different project planning principles.

Course description

The following main topics will be covered during the course:

- OP Priority Axis intervention areas.
- Identifying partners.
- Initiating a project and writing a business case.
- Designing a project management team.
- Project planning.
- Project feasibility.
- Eligibility guidelines for SF projects.
- Co-financing regulations.
- Proposal outlines.
- Standard forms and templates.
- Practical examples.

Target audience	Pre-selected NGOs and Civil Society Organisations.
Duration	2 days
Date(s)	27 th -28 th August 2007
Learning methodology	Facilitator presentations; group practical exercises; case studies; discussions.
Venue	St. Joseph Institute, St. Venera
Language	English

Programme

Monday, 27th August 2007

09:00 hours	Introduction OP interventions
10:30 hours	<i>Coffee Break</i>
10:45 hours	Project Definition Project Planning
12:30 hours	<i>Lunch</i>
13:30 hours	Project Planning
15:00 hours	<i>Coffee Break</i>
15:15 hours	Project Estimating
16:30 hours	Wrap up

Tuesday, 28th August 2007

08:30 hours	Registration
09:00 hours	Review of Day Eligible Costs
10:30 hours	<i>Coffee Break</i>
10:45 hours	Eligible Costs (continued) Project Feasibility
12:30 hours	<i>Lunch</i>
13:30 hours	Application Form
15:00 hours	<i>Coffee Break</i>
15:15 hours	Application form
16:30 hours	Wrap up

Workshop II – Financial Management Regulations

To be delivered by
Course objectives /
learning outcomes

PricewaterhouseCoopers – Anna Anastasi

By the end of this course participants will:

- Familiarise themselves with the main EC regulations which outline good practices of financial management for co-funded projects. Also refer to best practice financial management aspects.
- Understand the main financial management requirements emanating from EC financial regulation and its guidance notes.
- Learn all about key financial management aspects emanating from EC guidelines with regards to the handling of cash, debtors, stocks.
- Understand the principles relating to Publicity, Environment Protection, Equal Opportunities and State Aid.

Course description

The following main topics will be covered during the course:

Focus on the local scenario, particularly on:

- Malta-wide management and control systems that have been established by the MA, PA, IBs etc.
- The importance of segregation of duties.
- The implementation of procedures at project level that ensure delivery of the co-financed project.
- Introduction of the Manual of Procedures.
- Introduction to the importance of record-keeping.
- Understanding the verification and auditing processes in place. Introduction to expenditure eligibility rules.
- Understanding the irregularities reporting processes.
- Introduction to the SF database, a description of its use and functionalities.

Target audience

Pre-selected NGOs and Civil Society Organisations.

Duration

1 day.

Date

3rd September 2007.

Learning methodology

Facilitator presentations; group practical exercises; case studies; discussions.

Venue St. Joseph Institute, St. Venera.
Language English.

Programme

3rd September 2007

09:00 hours Introduction
09:45 hours Main EC regulations: EC 1083/2006, 1989/2006 – General provisions
10:45 hours *Coffee Break*
11:00 hours EC 1083/2006 – Implications for Final Beneficiaries
11:30 hours EC1828/2006 – Implementing
12:45 hours *Lunch*
13:45 hours EC 1081/2006 – ESF
14:45 EC1828, 1081/2006 – Implications for Final Beneficiaries
15:15 hours *Coffee Break*
15:30 hours Overview of the SF Database
16:15 hours Wrap up

Workshop III – Public Procurement

To be deliver by Department of Contracts - Mr. Anthony Fava and Mr. Bernard Bartolo

Course objectives / learning outcomes By the end of this course participants will:

- Have an increased understanding of the Public Contracts Regulations which need to be applied in relation to the supply of goods and services for the implementation of Structural Funds projects.

Course description The following main topics will be covered during the course:

- Public Contracts and Procurement Regulations in General.
- Using the Procurement Act as a Guide.
- Tender documents and their content.
- Compliance with EU policies.
- Roles and responsibilities.
- Retention of Documents.

Target audience	Pre-selected NGOs and Civil Society Organisations.
Duration	1 day.
Date	10 th September 2007.
Learning methodology	Facilitator presentations; group practical exercises; case studies; discussions.
Venue	St. Joseph Institute, St. Venera.
Language	English.

Programme

10th September 2007

09:00 hours	Introduction
09:05 hours	National Public Contract and Procurement Legislation and EU Directives
10:00 hours	Tender Process for contracts valued in excess of Lm20,000 (€ 47,000)
10:45 hours	<i>Coffee Break</i>
11:00 hours	Review
11:15 hours	Tender Process for contracts in excess of the EU thresholds
12:30 hours	<i>Lunch</i>
13:30 hours	Forms and tools available
14:30 hours	Limits, Methods, Criteria and Appeals
15:15 hours	<i>Coffee Break</i>
15:30 hours	Utilities
16:00 hours	Wrap-up

Workshop IV – SF Manual of Procedures

To be delivered by	PricewaterhouseCoopers – Anna Anastasi
Course objectives / learning outcomes	By the end of this course participants will: <ul style="list-style-type: none"> • Learn about the different processes that pertain to the SF programme.

Course description	<p>The following main topics will be covered during the course:</p> <ul style="list-style-type: none"> • Roles and responsibilities. • Compliance with EU policies. • Programming Procedures. • Aid Schemes. • Eligibility Criteria. • Technical Assistance. • Contracting. • Monitoring. • Reporting. • Evaluation. • Financial Management & Payments. • Drawdown of Funds. • Audit & Control. • Reporting of Irregularities. • Retention of Documents. • Information & Publicity. • Communication.
Target audience	Pre-selected NGOs and Civil Society Organisations.
Duration	1 day.
Date	24 th September 2007.
Learning methodology	Facilitator presentations; group practical exercises; case studies; discussions.
Venue	St. Joseph Institute, St. Venera.
Language	English.

Programme

24th September 2007

09:00 hours	Introduction
09:30 hours	Understanding the roles and responsibilities of key players
10:15 hours	Community policies
10:30 hours	<i>Coffee break</i>
10:45 hours	Programming procedures – an overview
11:15 hours	Monitoring and evaluation
12:15 hours	General discussion – monitoring and controls in practice
12:45 hours	<i>Lunch break</i>
13:30 hours	Financial Management and payments
15:00 hours	<i>Coffee break</i>
15:15 hours	Irregularities
15:45 hours	Retention of documents
16:00 hours	Wrap-up

Workshop V – Project Management, Monitoring & Control

To be delivered by PricewaterhouseCoopers – Michel Ganado

Course objectives /
learning outcomes

By the end of this course participants will:

- Be familiar with the project management framework required to ensure that the project realises its intended benefits and objectives.
- Learn about the reporting and communication standards adopted by the Managing Authority to provide feedback on the status of the project.

Course description	The following main topics will be covered during the course: <ul style="list-style-type: none"> • Cost control. • Risk and issues management. • Stakeholder management. • Change control. • Management of output, result and impact indicators (benefits management). • Supplier contract management. • Project monitoring and reporting.
Target audience	Pre-selected NGOs and Civil Society Organisations
Duration	1 day
Date	1 st October 2007
Learning methodology	Facilitator presentations; group practical exercises; case studies; discussions.
Venue	St. Joseph Institute, St. Venera
Language	English

Programme

1st October 2007

09:00 hours	Introduction
09:30 hours	Project Management; Concepts; Scope; Team
10:30 hours	<i>Coffee Break</i>
10:45 hours	Stakeholders; Risks; Indicators and Business Benefits
12:45 hours	<i>Lunch Break</i>
13:30 hours	Work & Schedule; Financial Control
15:00 hours	<i>Coffee Break</i>
15:20 hours	Reporting
16:00 hours	Wrap-up

Workshop VI – Publicity Requirements and Record keeping for Audits

To be delivered by	PricewaterhouseCoopers – Anna Anastasi Planning & Priorities Coordination Division (OPM) – Greta Borg-Carbott
Course objectives / learning outcomes	By the end of this course participants will: <ul style="list-style-type: none">• Understand the different types of verifications/audits that are performed at different time intervals, on different aspects of the project and by different entities.• Appreciate why audits are held.• Understand the key areas of focus for audits.• Learn how to prepare for such audits.• Learn good practices to be adopted which facilitate the audit process.
Course description	The following main topics will be covered during the course: <ul style="list-style-type: none">• Auditing requirements emanating from EC 438/2001 and its supporting auditing guidelines.• Project expenditure eligibility criteria for ERDF/ESF projects, in detail.• Payment processing.• Good practices for project documentation retention.• Preparing for an audit – What will the auditor expect?• Publicity requirements and regulations.
Target audience	Pre-selected NGOs and Civil Society Organisations
Duration	1 day
Date	8 th October 2007
Learning methodology	Facilitator presentations; group practical exercises; case studies; discussions.
Venue	St. Joseph Institute, St. Venera
Language	English

Programme

8th October 2007

09:00 hours	Publicity requirements and regulations - <i>Greta Borg-Carbott, PPCD</i>
10:00 hours	<i>Coffee break</i>
10:30 hours	Record-keeping for Audits - <i>Anna Anastasi, PricewaterhouseCoopers</i> - Different types of verification/audits that are performed - Why are audits performed? - Key areas of focus during audits
12:45 hours	<i>Lunch</i>
13:30 hours	Record-keeping for Audits - <i>Anna Anastasi, PricewaterhouseCoopers</i> - Key areas of focus during audits (cont.) - Preparing for an audit – adopting good practices - Sample project file walk-through
16:00 hours	Wrap-up

Workshop VII – ESF in practice

To be delivered by Maltese and Foreign Guest Speakers

Course objectives / learning outcomes

By the end of this course participants will:

- Understand the importance of including a trans-nationality element within an ESF project, to facilitate the exchange of best practices and bench-marking.
- Gain insight into tangible examples of ESF projects and how the funds can be utilised to reach social aims.

Course description

The following main topics will be covered during the course:

- ESF & Trans-nationality.
- ESF Case Studies.

Target audience Pre-selected NGOs and Civil Society Organisations.

Duration 1 day.

Date 15th October 2007.

Learning methodology Facilitator presentations; group practical exercises; case studies; discussions.

Venue St. Joseph Institute, St. Venera.

Language English.

Programme

15th October 2007

- 09:00 hours Introduction & Networking exercise - *Philippa Arrigo, Project Coordinator*
- 09:45 hours Civil society in London and examples of ESF projects -
Ray Philips, The London Voluntary Sector Training Consortium
- 10:30 hours *Coffee Break*
- 10:45 hours Civil Society in Hungary and examples of ESF projects -
Tibor Beres, Autonomia (The Hungarian Foundation for Self Reliance)
- 11:30 hours Civil Society in Spain and examples of ESF projects -
Vanesa Cenjor Del Rey - Fundacion Luis Vives
- 12:15 hours Civil Society in Malta - example of a Structural Funds project-
Mark Sultana, Razzett tal-Hbiberija
- 12:30 hours Civil Society in Italy – examples of ESF projects *CESV – DVD*
- 13:00 hours *Lunch*
- 13:45 hours ESF and Trans-nationality – *Edel Cassar, Planning and Priorities Coordination Division*
- 14:00 hours Experiences of trans-nationality in Structural Funds projects
- *Stephen Vella, Foundation for Social Welfare Services*
- *Sina Bugeja, National Commission for the Promotion of Equality*
- Q&A
- 15:15 hours *Coffee Break*
- 15:30 hours Team work and brainstorming exercise – *Philippa Arrigo, Project Coordinator*
- 16:30 hours Wrap-up

Workshop VIII – Other Structural Funds and Schemes of Interest to Civil Society Organisations

To be delivered by	Guest Speakers
Course objectives / learning outcomes	<p>By the end of this course participants will:</p> <ul style="list-style-type: none">• Be more aware about alternative funding opportunities under Structural Funds;• Be aware of the difference between ESF and ERDF and of the differing procedures under the two instruments;• Have an understanding of how schemes work and the eligibility of civil society organisations to benefit from them.
Course description	<p>The following main topics will be covered during the course:</p> <ul style="list-style-type: none">• Civil Society Organisations and ERDF• Aid Schemes:<ul style="list-style-type: none">-Aid schemes to Tourism/ Cultural Undertakings and non-Undertakings.-Aid schemes to Enterprises.-Domestic and enterprise schemes for RES/Energy Efficiency.-Aid schemes to promote the provision of childcare facilities by enterprises.
Target audience	Pre-selected NGOs and Civil Society Organisations.
Duration	1 day.
Date	22 nd October 2007.
Learning methodology	Facilitator presentations; group practical exercises; case studies; discussions.
Venue	St. Joseph Institute, St. Venera.
Language	English.

Programme

22nd October 2007

- 09:00 hours Introduction - *Philippa Arrigo, Project Coordinator*
- 09:10 hours Brainstorming (Feedback from Partnership Facilitation Forms) - *Philippa Arrigo, Project Coordinator*
- 09:45 hours An overview of some Aid Schemes in 2007-2013
-Aid schemes to Tourism/ Cultural Undertakings and non-Undertakings
- *Marie Louise Mangion, Ministry for Tourism and Culture*
-Aid schemes to Enterprises - *Mark Scicluna Bartoli, Malta Enterprise*
- 10:45 hours *Coffee Break*
- 11:30 hours An overview of the Aid Schemes in 2007-2013 (cont.)
- Stimulating Environmental Excellence in Maltese Enterprise
Michael Sant, Malta Environment & Planning Authority
-Aid Schemes planned for by the Employment and Training Corporation for upcoming years
Robert Suban Martin, Employment and Training Corporation
- 12:00 hours Evaluation & Conclusions - *Philippa Arrigo, Project Coordinator*
- 12:45 hours *Lunch*
- 13:30 hours Presentation of Certificates

Annex V



STRUCTURAL FUNDS PROGRAMME FOR MALTA
2004-2006

PROJECT PART-FINANCED BY THE
EUROPEAN UNION: EUROPEAN SOCIAL FUND

CO-FINANCING RATE: 75%



Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007

This is to certify that

from, and on behalf of,

successfully completed the Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations 2007. The programme comprised of a total of 54 hours, split up into eight modules covering various aspects of project application and management under the EU Structural Funds applicable for the Financial Perspective 2007-2013.

*Godfrey Kenely,
Project Leader*

A Project of



Coordinated by:



Malta Resource Centre
FOR CIVIL SOCIETY NON-GOVERNMENTAL ORGANISATIONS

Annex VI



Structural Funds Programme for Malta 2004-2006
 Project part-financed by the European Union
 European Social Fund (ESF)
 Co-financing rate: 75%



Structural Funds Training and Technical Assistance Programme For NGOs and Civil Society Organisations

Partnership Facilitation Form

1. Name of NGO/group/Association/Union/ Local Council:			
2. Type of organisation:	<i>NGO</i>	<i>Union</i>	<i>Local Council</i>
3. Sectors within which your organisation is interested in having ESF projects (for example environment, social, health, culture, heritage)			
4. Will your organisation be applying for an ESF project in answer to the next call for proposals issued by PPCD?			
5. Describe a project concept which your organisation has or would be interested in for submission under ESF			
6. Identify the Priority Axis within OPII which your project will relate to:	P.A. I Improving education and skills P.A. II Investing in the employability and adaptability of the workforce P.A. III Promoting an equal and inclusive labour market P.A. IV Strengthening of institutional and administrative capacity P.A. V Technical Assistance		

<p>8. Identify the Operational Objectives and Focus Areas of Intervention described in OPII which your project will relate to:</p>	
<p>9. Give a brief description of how the project will fit within the Priority Axis, its overall objective, operational objective/s and focus area/s of intervention which you selected in sections 6 and 7 above:</p>	
<p>10. What type of local partners would you require for your project?</p>	
<p>11. Are there any organisations who participated in the SF training programme which might be appropriate partners for your project? If yes, which are they and why?</p>	
<p>12. Describe how the involvement of these organisations (mentioned in section 6) might feature in your project. What in your opinion can they contribute to?</p>	
<p>13. Is there a trans-nationality element within your project? If yes, describe the characteristics of the foreign organisations required for the trans-nationality element within your project to materialise?</p>	
<p>14. If there is a trans-nationality element or dimension in your project, describe the nature of it:</p>	

Annex VII

Structural Funds Training and Technical Assistance Programme for NGOs and Civil Society Organisations

Evaluation Report

A. Feedback from Training Participants

A1. Workshop I - Project Identification and Planning (27th – 28th August 2007)

A1.1 Seventeen persons attended the first and second day of the training. Sixteen persons attended on the second day.

A1.2 Twelve evaluation sheets were submitted in all, summarised as follows.

	<i>Excellent</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>
Module Content	6	6	-	-
Quality and Delivery of training	8	2	2	-
Information Materials	8	3	1	-
Venue and Catering	1	9	2	-

A1.3 Twelve participants said that they would recommend this workshop to colleagues or other organisations.

A1.4 Twelve participants felt that this training workshop will help them and their organisations in applying for/managing a Structural Funds project.

A1.4 Positive Comments:

- The interactive approach taken by the trainer helped to assimilate what was delivered during the workshop with how it all happens in practice.
- The ad hoc exercises were interacting and beneficial – it would be best to let participants know beforehand about such exercises, since it would help participants concentrate more during actual implementation of the exercise.

- There is a good mix of organisations participating in the course.
- The module had a good balance between theory and applying what was learnt in practice groups.
- The module content was specially targeted at NGOs/similar organisations with an excellent delivery – particularly a complete involvement of the participants, not only through case studies, but also fully appreciating the complexities of EU funding.
- The size and group allows for more interactivity time and space for discussion and questions.
- The trainer was great and there was the right balance between theory and practice.
- The module provided the chance to network with other NGOs and organisations in an informal manner which hopefully will also lead to more cooperation between them.
- The trainer was well prepared and informed, and managed to keep participants' attention all day.
- An excellent move for NGOs to get information on applying for Structural Funds.

A1.5 Negative Comments:

- Seating is uncomfortable for a whole day's training.
- There was too much emphasis on project management. The trainer ought to have gone into more detail on project identification (how to think of a potential project, the origins of a project, etc.), initiating a project and writing a business case, and identifying partners (local and EU via networks).
- The module was very intensive – sometimes not allowing the possibility of going deeper into certain aspects.
- The session where the application was walked through was a little bit tedious due to the timing of it which affected concentration. It would have been better to highlight the more important aspects of the application which need to be taken note of, than going through each section.

A1.6 Recommendations:

- More time ought to be allocated to going through the application form sample.
- For those who are new to EU and SF jargon, it would be best to have a list of abbreviations and acronyms explained and provided.
- Module material should be circulated in word or power point format, rather than Pdf. This would allow participants to print out material in multiple slides per page (as opposed to one slide per page).
- Since some NGOs have already had experience of EU funding, perhaps in the training programme, a visit or two to such NGOs to see particularly how their project was handled and the difficulties they encountered would enhance the training being given (over and above the class deliveries and case studies).

- It would be better to have the course spread over a longer period of time – but running in the evenings.
- There is need for such courses to be held throughout the year for continual support.
- It would be better if slides and power-point presentations are handed out in the same morning of the lecture, so that participants are able to jot down notes on them.

A1.7 Requests for technical clarification concerning the training content:

- Do employees need to have a separate contract if they are working on the project outside their working hours?
- Are wage subsidies allowed?
- Is the 10% threshold (transfer between budget lines) still applicable?
- Is hire purchase eligible?
- Is it possible to provide the schedule of per diems (issued by government)?
- Is there need for an organisation to acquire quotations in the case of specialized foreign trainers?
- Are preparatory costs (proposal stage) eligible within a project budget?
- In ESF projects, furniture, equipment, vehicles, real estate, etc are eligible (cross-financing with ERDF) up to Lm 500. However, if the invoice for the equipment indicates more than Lm 500 (amount shown on invoice) can an organisation claim only Lm 500, instead of the full amount?
- Admissibility of using ‘in-house’ expertise on a project.
- Is it possible for a NGO to recruit support staff as a percentage of a project’s costs, since most NGOs do not have the kind of support required. Lack of being able to take on support staff in connection with a project makes SF projects seem ‘too heavy’. Assistance is required *a priori* to achieve a reasonable balance between such costs and the size and complexity of projects.
- When the Voluntary Organisations Act is adopted, which authority will NGOs have to apply through?
- Does the project leader have to be employed (as in ‘paid’) with the organisation? Can a person who is engaged on a voluntary basis be the project leader?
- Can two applications be submitted by an organisation, whereby one project will be dependent on the implementation of the other?

A2 Workshop II- Financial Management Regulations (3rd September 2007)

A2.1 Seventeen persons attended the training workshop.

A2.2 Thirteen evaluation sheets were submitted, summarised as follows.

	<i>Excellent</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>
Module Content	5	8	-	-
Quality and Delivery of Training	7	5	1	-
Information Materials	8	5	-	-
Venue and Catering	1	9	3	-

A2.3 Thirteen participants said that they would recommend this workshop to colleagues or other organisations.

A2.4 Thirteen participants felt that this training workshop will help them and their organisations in applying for/managing a Structural Funds project.

A2.5 Positive Comments:

- Such workshops have the added bonus of sharing information with other NGOs and for gaining a wider perspective of the role of NGOs in Malta.
- It was a very theoretical and difficult topic to explain, and even though it was sometimes hard to follow, on the whole it was understandable and there was also useful input of practical examples.
- The tutors are very patient, although they have a lot of material to deliver. They always find time to answer queries,
- The fact that a member of SOS Malta is present during the workshop is of benefit to the participants, as this enables immediate clarification of any issues.
- Slowly, it is all beginning to make sense.
- There was good interaction during the session.
- The workshop provided ample time for discussion and questions.
- Supporting notes and reference to further sources of information.

A2.6 Negative Comments:

- The timing of the workshops is disruptive. NGOs often do not have the resources to allow time off to staff for attending courses.
- Seeing that even from the PPCD's perspective certain issues are still ambiguous, sometimes the trainer was unsure how to answer questions posed to her. However, this is mostly due to the situation within the Managing Authority, and not due to a lack of preparation by the trainer.

A2.7 Recommendations:

- The possibility of spreading the overall course over a longer period but outside normal working hours should be investigated.
- Please avoid Mondays.
- Organize the course over half days.
- Seats should face the lecturer.
- Sessions should be slightly shorter because a lot of material needs to be absorbed and this tends to be tiring.
- The trainer knew her stuff, but was not always able to come down to the level of participants.

A2.8 Requests for technical clarifications concerning the training content:

- Can revenue generated through a project go towards co-financing (eg. participation fees for training)?
- Can an organisation be able to engage the same expert or project manager for different projects without issuing calls for expression of interest?
- Is a bank guarantee required for large budget projects?
- SFD and data inputting - how is the system for 2007-2013 going to work in terms of logistics?
- Public-Private Partnerships (PPPs) - What are the guidelines regarding partnerships between an NGO and a private company? Is this possible for SF? Would the PPP need to be set up prior to the application? Do NGOs need to use the Government PPP Regulations? From where can they obtain further info?
- Studies prior to the application - Are the costs of feasibility studies and research related to a SF project and carried out prior to the submission of our application eligible costs?

A3. Workshop III – Public Procurement (10th September 2007)

A3.1 Nine persons attended the training workshop.

A3.2 Nine evaluation sheets were submitted, summarised as follows:

	<i>Excellent</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>
Module Content	2	6	1	-
Quality and Delivery of Training	1	6	1	1
Information Materials	2	7	-	-
Venue and Catering	1	6	2	-

A3.3 Nine participants said that they would recommend this workshop to colleagues or other organisations.

A3.4 Nine participants felt that this training workshop will help them and their organisations in applying for/managing a Structural Funds project.

A3.5 Positive Comments:

- The willingness of the deliverers to make what is rather very technical jargon understandable to lay listeners.
- The two trainers seem to know their subject matter well.
- The fact that the presentation was given by two persons. The two complimented each other well and contributed well to the workshop.
- Having handouts to follow during the day helped a lot in following what was being said.
- I appreciate the time spent by the Department of Contracts explaining the public procurement rules and answering our many questions.
- The lecture was very clear and practical information was also given.

A3.6 Negative Comments:

- One speaker was informative and to the point while the other seemed more interested in showing how interesting and difficult his job is.
- Some of the participants took over the session with their interventions and disturbed the overall flow of the seminar via recurrent questioning at inappropriate times.
- A couple of participants were at times allowed to hijack the session.

- The session was mostly targeted at ministerial departments and was not really relevant to NGOs.
- I found the day tiring. I thought that the speakers could have been more systematic and sharp in their commentary.

A3.7 Recommendations:

- It would have been more beneficial if the examples given by the lecturers were taken from facts and realities which NGOs can relate to.
- It would have been preferred if there was just one course lecturer.
- The trainers could have been asked to be more focused on how the procedure actually affects NGOs. It is not that the material presented was not interesting – however, due to time constraints, it would have been of greater benefit to participants if the workshop was more focused.
- Details were too focused on the way government entities carry out procedures and do things. It would have been more beneficial if the presentation was clearer on how NGOs are to go about tendering, etc.
- It is important that a similar session is held with the Managing Authority at OPM.
- Perhaps if instead of whole days, these training sessions were held on half days, it might have been better. It would help ensure one’s concentration, and it would disrupt one’s work commitments less.

A3.8 Requests for technical clarification concerning the training content:

- The presentation could have been more updated. The draft seems to have been prepared a few years ago and some of the info was specifically targeted for government entities.

A4 Workshop IV- Manual of Procedures (24th September 2007)

A4.1 Twenty persons attended the training workshop.

A4.2 Fourteen evaluation sheets were submitted, summarised as follows:

	<i>Excellent</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>
Module Content	7	7	-	-
Quality and delivery of training	7	7	-	-
Information Materials	8	5	-	-
Venue and Catering	3	8	3	-

A4.3 Thirteen participants said that they would recommend this workshop to colleagues or other organisations and one person did not answer.

A4.4 Thirteen participants felt that this training workshop will help them and their organisations in applying for/managing a Structural Funds project. One person did not answer.

A4.5 Positive Comments:

- Good clear delivery.
- Best module so far.
- Very friendly environment. It's good that you provide soft copies of all the workshops.
- Clear points and very descriptive.
- Detailed and informative.
- Perhaps this module could have been given first. It is simply but clearly explained and gives a good perspective of the whole procedure.
- The lecture was extremely informative and extremely clear. The trainer was also very patient.
- Some practical issues were addressed and clarified in this session.

A4.6 Negative Comments:

- It was sometimes a bit hard to follow, especially if one does not have an accounts background.
- Too much to digest.
- A lot of information, sometimes the level of attention in the audience was a bit low. A lot of technical details all together.
- Possibly this could have been the first session.
- Sessions may be too long.

A4.7 Recommendations:

- May be the power point presentation slides should have a little less text for them to be easier to follow.
- The timing of this session could have been better within the context of the whole programme. It should have featured earlier during the course.
- This module should feature first in the programme.
- It could be less complicated if the application form for funds is to be sent to the head office and then distributed to the other branches.
- Organise other workshops related to other kinds of funds (not only Structural Funds, not only EU).
- Programme sessions on half days to enable participants spend some of the day at the office.

A5 Workshop V – Project Management, Monitoring & Control (1st October 2007)

A5.1 A total of fourteen persons attended the training workshop.

A5.2 Three evaluation sheets were submitted, summarised as follows:

	<i>Excellent</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>
Module Content	3	-	-	-
Quality and Delivery of Training	2	1	-	-
Information Materials	2	1	-	-
Venue and Catering	1	2	-	-

A5.3 Three participants said that they would recommend this workshop to colleagues or other organisations and one person did not answer.

A5.4 Three participants felt that this training workshop will help them and their organisations in applying for/managing a Structural Funds project.

A5.5 Positive Comments:

- Good interaction. Clear presentation and excellent delivery.
- Session was easy to digest and presented in a straightforward and friendly manner.

A5.6 Negative Comments and Recommendations

There were no negative comments or recommendations from the participants.

A6 Workshop VI- Publicity Requirements and Record-Keeping for Audits (8th October 2007)

A6.1 Fifteen persons attended the training workshop.

A6.2 Fifteen evaluation sheets were submitted, summarised as follows:

	<i>Excellent</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>
Module Content	6	9	-	-
Quality and Delivery of Training	6	9	-	-
Information Materials	8	7	-	-
Venue and Catering	5	9	1	-

A6.3 Fourteen participants said that they would recommend this workshop to colleagues or other organisations and one person did not answer.

A6.4 Fourteen participants felt that this training module will help them and their organisations in applying for/managing a Structural Funds project.

A6.5 Positive Comments:

- To the point. Delivery and excellent tutor/audience exchange supported by case studies.
- Practical and detailed training session.
- Definitely very informative, as usual.
- Interesting.
- The sample file was a great touch! The publicity presentation was very easy to follow and very useful.
- Good clear explanations.
- Having handouts during the day was very helpful to follow the workshop.
- I think this session was very clear, especially because of the idea of the structured file given to us.

A6.6 Negative Comments:

- Too much information to remember.

A6.7 Recommendations:

- Being in a whole day training session makes it a bit difficult to attend all day due to other work commitments.

A7. Workshop VII- ESF in Practice (15th October 2007)

A7.1 Twenty persons attended the training workshop.

A7.2 Five evaluation sheets were submitted in all, summarised as follows:

	<i>Excellent</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>
Module Content	4	1	-	-
Quality and Delivery of Training	3	2	-	-
Information Materials	4	1	-	-
Venue and Catering	2	3	-	-

A7.3 Five participants said that they would recommend this workshop to colleagues or other organisations and one person did not answer.

A7.4 Five participants felt that this training workshop will help them and their organisations in applying for/managing a Structural Funds project and only one person did not answer.

A7.5 Positive Comments:

- Well explained and supported by material.
- A very good effort by all to present the challenges of EU funding.

A7.6 Negative Comments:

- Time constraints because of clash with office hours.

A7.7 Recommendations:

- Possibility to move the programme in the evening or weekend sessions.
- Could you circulate a list of participants, including their e-mail contact details.
- Would it be possible to work towards attaining special loans for NGO consortia entering ESF projects – thus facilitating the cash-flow issue?

A7.8 Requests for technical clarification concerning the training content:

- I will probably need more technical assistance in the future.

A8. Workshop VIII (22nd October 2007)

A8.1 Seventeen persons attended the training workshop.

A8.2 Fourteen evaluation sheets were submitted, summarised as follows.

Module Content	<i>Excellent</i> 7	<i>Good</i> 5	<i>Average</i> 2	<i>Poor</i> -
Quality and Delivery of Training	8	6	-	-
Information Materials	6	7	1	-
Venue and Catering	3	9	2	-

A8.3 Fourteen participants said that they would recommend this workshop to colleagues or other organisations.

A8.4 Fourteen participants felt that this training workshop will help them and their organisations in applying for/managing a Structural Funds project.

A8.5 Positive Comments:

- Good practice information.
- Having printed hand outs really helped.
- Being informed about available schemes and having experience of other organisations who shared their projects was very helpful.
- Good interaction with speakers.
- This module gave a wider view of what may be available in terms of NGO access to EU funds.
- Informative and helped us to think outside the box.
- This course was a very positive challenge for organising. It was also a step forward for facilitating the understanding of ESF.
- This session gave an overview how to tap EU funds through aid schemes, which is much more of an attractive approach for many NGOS.

- A very well thought-out programme and a very positive experience.
- It is good to know about the schemes on offer as they offer added opportunities for NGOS;
- An interesting and informative training module which will help our organisation in applying for EU-funded projects and related schemes.

A8.6 Negative Comments:

- The fact that there are a number of presentations following one another can become boring or else tiresome. Maybe activities should be used to break off from one presentation to another.
- The intermediary bodies and concerned organisations are late in drafting aid schemes.
- The exercise carried out in Workshop I should have been carried out later since it was still too early to identify a project concept at the start of the course.

A9. Recommendations Vis-à-vis The Whole Training Programme

- In future, such training programmes should include **more participation and input from the Managing Authority**. It is important that representatives from the Managing Authority or PPCD are present to answer queries – particularly those which are of a technical nature and which third parties and trainers would not be able to provide answers to, due to lack of precedent or official guidelines.
- From a number of participants' points of view, **Mondays were a little difficult** for time off work. It would be preferred if similar training programmes were to be scheduled on days closer to the weekend.
- The fact that the training sessions were **organised on the same day** of the week allowed participants to plan ahead well.
- Most participants suggested that the training programme should be planned with **shorter training sessions** (less hours per session) **and spread over a longer period of time** (or organised in the same period of time through more frequent sessions per week).
- It is recommended to have **follow-up activities** to the actual training programme – whereby the participants are given the opportunity to meet again and network. Such training programmes are followed up by means of a forum, network or seminar - a couple of months after the said programme is completed.
- It is recommended that **handouts** are distributed to participants on the day. This facilitates one's ability to follow what is being said during the training session and to take notes.
- **Information** on Structural Funds – particularly that which is relevant to NGOs – should be made further available through various sources, including, for example, the EU4U website.

- There is a need for a **longer time frame to be given to NGOs and entities to apply for Structural Funds.**
- There is a need for **NGOs and stakeholders to be consulted** by the Intermediary Bodies vis-à-vis the formulation and focus of **aid schemes** financed by Structural Funds. This will ensure increased effectiveness of the same aid schemes when being implemented.
- It is recommended that **examples and case studies** are used in such training programmes, particularly in the first sessions of the programmes when participants are still unfamiliar with Structural Funds and projects which could apply. The first module/workshop of the training programme, in particular, should have included more examples and case studies.
- The positive and informal manner in which the workshops were conducted was extremely helpful in **creating the required “networking environment”** among the participants and the NGOs they represented. There were no inhibitions among participants to ask questions and contribute to the discussions. This was because of the approach undertaken by the presenters and the MRC representatives.
- It is recommended that the **Manual of Procedures** should be covered earlier in the course (before the fourth workshop).

B. Evaluation Feedback by Trainers

B.1 Evaluation Meeting with Trainers from Pricewaterhouse Coopers

Held with Anna Anastasi and Michel Ganado on 11th January 2008, regarding Workshops I, II, IV, V & VI

B.1.1 Positive aspects of the training programme

Both Anna Anastasi and Michel Ganado agreed that the general idea of the training and technical assistance programme was good overall and **that similar initiatives should be held** with other NGOs and Civil Society Organisations.

Anna Anastasi also noted that the training programme, and the way in which it was structured, provided a **good opportunity for networking** between the various organisations which were represented during the training workshops.

B.1.2 Negative aspects of the training programme. Where in your opinion could the programme be improved?

Michel Ganado expressed disappointment at the **lack of consistency in the attendance** of some of the participants. He also noted that full-day training sessions might not have been appropriate, particularly since most of the participants (especially those who

are volunteers) had other work commitments which they could not avoid. Anna Anastasi also suggested not holding the workshops on Mondays.

Michel Ganado noted that there were certain modules where it was impossible to cover all the material prepared. There was **too much material to cover within such a short period of time**, and participants might have found it too much to absorb. It was also difficult to find time for allowing enough space for participants to learn ‘how’ to manage/implement projects, rather than simply knowing what has to be done. Michel Ganado therefore recommended covering the training material in more but shorter sessions over a longer period of time.

A constraint faced when preparing the training modules concerned to the **transition between the 2004-2006 and the 2007-2013 SF period**. Unfortunately, a lot of the documentation (such as the Manual of Procedures) which was available at the time related to the 2004-2006 period. At the same time, the trainers were, to a certain degree, expected to pre-empt procedures for the new programming period, without having related and official documents to such effect. This created a serious handicap, since the participants were being trained for the new programming period. An example of the above relates to the Structural Funds Database: participants were only shown static pictures of the old SFD (used in 2004-2006), together with explanations how the system works. The trainers had no access to the new system.

B.1.3 Following your interaction with the NGO participants, do you see any particular training and capacity-building needs for NGOs and CSOs in the near future so as to enable them to participate fully in Structural Funds projects?

Training manual on Structural Funds – The production of a manual on Structural Funds specifically for NGOs and CSOs would facilitate capacity-building of these organisations and the expertise of their staff members in application-writing and management of SF projects. Anna Anastasi and Michel Ganado suggested that it would be more effective and accessible if such a manual could be produced in electronic format and made available online. This would also make it easier for the training material to be updated and circulated at low cost.

Capacity-building of administrative and accounting structures – Anna Anastasi noted that the workshop focusing on audits (i.e. workshop VI) revealed that some of the organisations which the participants came from did not have basic administrative and accountability structures in place. Participants indicated that various difficulties and limitations would be experienced vis-à-vis their organisations’ preparedness for potential audits (i.e. if they were to participate in SF projects). To this end, Anna Anastasi suggested that capacity-building measures should focus on administrative and accounting structures of NGOs and CSOs. She suggested that a solution

could be to pool administrative back-up services for NGOs into one set-up. The provision of targeted corporate services to the sector would also make sense in light of the new Voluntary Organisations Act and the obligations it imposes on these organisations.

B.1.4 Suggestions regarding future training programmes

Preliminary session focusing on the key institutional framework - Both Anna Anastasi and Michel Ganado concurred that the course structure reflected the various stages involved in the project cycle. However, they felt that a preliminary session focusing on the key institutional framework concerned with Structural Funds should be included. The session would provide participants with a clearer idea of the main actors involved in policy, programming and implementation of Structural Funds at local and EU level.

Delivery by a Managing Authority representative – Anna Anastasi and Michel Ganado suggested that perhaps it would be more appropriate for *a representative from the MA* to present this preliminary session, thus giving the participants a sense of familiarity with one of the key actors with whom they would liaise with once they get involved in SF projects.

Repetition of courses - The trainers both agreed that training programmes, like the one organised by the Malta Resource Centre, need to be repeated, as the voluntary sector tends to experience significant turnover of staff (particularly volunteers). Furthermore, such training courses need to be held with small numbers of participants to ensure full interaction and effectiveness.

Selection of participants - They pointed out, however, that the selection of NGOs and CSOs to attend such courses needs to be made on the basis of the subject being addressed. For example, if courses place an emphasis on ESF, it would be important that the participants selected are those with a keen interest in ESF. (There were a few of the participants who attended the MRC course who were keener on learning about ERDF project applications and management rather than ESF.)

Use of video conferencing and IT facilities – The use of video conferencing during training courses was recommended by Michel Ganado particularly in order to facilitate the presentation and exchange of best practice in other Member States. This would be less costly than bringing over experts or speakers. It is also more engaging than simply providing static versions of information, as participants could ask questions and hold discussions in real time.

B.2 Evaluation Meeting with Trainers from the Contracts Department

Held with Mr. Bernard Bartolo on 17th April 2008 regarding: Workshop III – Public Procurement

B.2.1 Positive aspects of the training module delivered

The overall training initiative was positive – particularly in terms of assisting the target sector (NGOs and CSOs) in understanding the rules and regulations of Structural Funds projects, and the procedures involved. It was very important to include a module specifically on public procurement, since **NGOs need to understand the repercussions of not following public contracting principles**. They also need to understand that the main reason for the emphasis placed on transparency and procurement, insofar as EU funds are concerned, is that these are public funds which need to be spent efficiently (**maximum utilisation**).

B.2.2 Negative aspects of the training module delivered. Where in your opinion could your module be improved?

There might have been over emphasis, and too much focus, within our presentation on procedures and templates related to tenders above the threshold of €47000. **Generally, NGOs implementing SF projects do not issue calls for tenders which are above this threshold**. They would tend to have sub-contracting obligations which are below €47000. In future training for the NGO sector, there could be more focus on requirements related to departmental tenders, quotations, etc. Examples and case studies of departmental tenders which the NGO sector could relate to could also be provided.

Perhaps NGOs could **attend courses provided through the Training for Staff Development Organisation** within the Office of the Prime Minister.

Another way in which the module on public procurement could possibly be improved would be by shortening the session. It would be better if the session were to last half a day, as **a whole day on public procurement issues may be too daunting for the NGO sector**.

Another suggestion for ensuring increased effectiveness of the training would be for NGOs and CSOs to be requested to **send for training only those personnel who would eventually be implementing** a project (hands-on) if such project were to be approved for ESF funding. Particularly with regards to public procurement issues, it is important that those persons who would eventually be drawing up the terms of reference, issuing the calls or adverts, etc., benefit from the training.

It is also important that courses are repeated so that various members of staff in NGOs can be trained.

B.2.3 Following your interaction with the NGO participants of the course, do you see any particular training and capacity-building needs for NGOs and CSOs in general in the coming months so as to enable them to participate fully in Structural Fund projects?

Basic training in book-keeping would be important for the sector – particularly in order to ensure a good audit trail in the implementation of Structural Funds projects.

Another suggestion is that the **various actors involved in the monitoring and financial procedures related to SF projects provide some training to the NGO and CSO sector** about such procedures and their obligations as project leaders/partners. For example, a Treasury official could be brought in to provide training in the process of invoices and receipts. It is important for the NGO sector to be aware of the various stages and bureaucratic procedures involved in SF projects.

B.2.4 Suggestions regarding Public Procurement and NGOs within the context of SF

While the remit for the Department of Contracts is primarily related to tenders above the €47,000 threshold, the Department is continuously providing guidance on public contracting principles and their application, even below that threshold. Indeed, the Department of Contracts has a new Compliance Officer who is focusing on contracts below the said threshold, and NGOs should seek to contact her with any difficulties or queries they may have in this regard.

Furthermore, **NGOs are also meant to be assigned to a line Ministry within their respective sector in order to have a reference point for direct order approvals.**

The **increased sharing and exchange of experience** with other Member States, insofar as NGOs and procurement is concerned, is also highly recommended.

Annex VIII

Questions & Answers

Provided to the Training Participants

Q. Do employees need to have a separate contract if they are working on the project outside their working hours?

A. Yes, they need to have a separate contract. Note that in the case of employment contracts, the applicant should follow its normal procedures, which must also be fully documented [i.e. In the case of Government Departments, the Public Service Commission process should be followed]. Employment contracts should be of a definite period which does not go beyond the closure of the project.

Q. Are wage subsidies allowed?

A. Yes, wage subsidies are eligible in circumstances where they are applied towards the end beneficiary – eg. persons with disabilities to be engaged in employment.

Q. Is the 10% threshold (transfer between budget lines in an approved project budget) still applicable?

A. Any changes to the budget line within the approved application form or letter of grant must be approved in advance by the Managing Authority.

Q. Is hire purchase eligible?

A. Leasing is only eligible when the equipment remains the property of the lessor (the person leasing out the good). The costs of leasing equipment under a finance lease are not eligible. Finance leases are similar to hire purchase agreements. The lessee (the person who leases the equipment from someone else) is responsible for the maintenance, insurance, repairs, etc of the equipment. At the end of the lease the equipment becomes the property of the lessee.

Q. Is it possible to provide the schedule of per diems (issued by Government)?

A. Please refer to section 7.1.1 (s) of the ESF application guidance notes.

Q. Is there need for an organisation to acquire quotations in the case of specialized foreign trainers?

A. Public procurement in Malta is regulated by Chapter 174 of the Laws of Malta (LN177&LN178/2005), which can be downloaded from <http://www.contracts.gov.mt/legislation.asp>. These are the regulations by which all public funds, including Structural

Funds, are regulated, irrespective of the entity implementing the project or activity. Non-public bodies which are implementing projects funded by public funds, including Structural Funds, must follow the principles and spirit of the Public Contracts Regulations and to follow the same instructions for the different thresholds of contract values.

Q. Are preparatory costs at the proposal stage eligible within a project budget?

A. Yes – as long as:

- The costs relate to requirements established within the call for proposals relating to project eligibility – eg. feasibility study.
- The costs fall within the eligible programme period (after 1st January 2007) and within the eligible project period (after the official project start date).

Q. In ESF projects, furniture, equipment, vehicles, real estate, etc are eligible (cross-financing with ERDF) up to Lm 500 (€1164.69). However, if the invoice for the equipment indicates more than Lm 500 (€1164.69) can an organisation claim only Lm 500 (€1164.69), instead of the full amount?

A. ESF projects may finance, in a complementary manner and subject to a limit of 10% of Community Funding (EU Funds), ERDF related expenditure provided that it is necessary for the satisfactory implementation of the ESF operation and directly linked to it. This may include:

- Office furniture and equipment - no single item can cost more than Lm500 (€1164.69) (excl VAT). It is important to remember that when buying IT equipment applicants cannot claim for each component part, such as monitor, keyboard, printer and so on. The ESF considers a computer to be a complete set up.
- Adaptation of premises - these costs are eligible provided that adaptation (e.g. for persons with special needs) is minor. As a rough guide, any work costing over Lm500 (circa €1,164.69) cannot be considered to be ‘minor’.

On the basis of sound financial management, invoices cannot be partially claimed through Structural Funds.

Q. Is it eligible to use and claim ‘in-house’ expertise on a project?

A. Staff costs can only be funded if the staff are employed under a service contract (under the Public Contracts Regulations) or a specific and definite full-time/part-time employment contract (issued following normal procedures) in relation to the project. Costs relating to staff already working within the applicant organisation are not eligible - i.e. charging an apportionment of the costs relating to the applicant’s staff working on the project is not possible.

It is only possible to consider staff costs as eligible expenditure in the case of training-related staff costs as described in section 7.1.1 (b) of the ESF application guidance notes.

Q. *Is it possible for a NGO to recruit support staff as a percentage of a project's costs, since most NGOs do not have the kind of support required. Lack of ability to take on support staff in connection with a project makes SF projects seem 'too heavy'. Assistance is required a priori to achieve a reasonable balance between such costs and the size and complexity of projects.*

A. Project management expenditure is eligible. Applicants must contract out through a service tender (in which case normal public procurement procedures apply) or contract through a definite full/part-time employment contract. In the latter case, a form of competitive and transparent procedure must be used in line with normal employment procedures. Preparatory costs (*a priori*) which were incurred within the eligible programme period (i.e. after 1st January 2007) and within the project's official start date are eligible. However, note that recruiting staff prior to approval of the project is at the applicant's own risk.

Q. *When the Voluntary Organisations Act is adopted, which authority will NGOs have to apply through?*

A. NGOs will still need to carry on applying through the PPCD, which is the Managing Authority for Structural Funds. NGOs must ensure that their application is also endorsed by the head of their organisation.

Once the Act to regulate voluntary organisations and their administration is passed through Parliament, NGOs will be requested to enroll with the Commissioner for voluntary organisations as required by law.⁵⁸ This will be part of the conditions of the Grant.

Q. *Does the project leader have to be employed (as in 'paid') with the organisation?*

A. The Project Leader is the person responsible for the implementation of the project and has the authority to take decisions in the course of implementation. The Project Leader must be from the Beneficiary organisation as the Project Leader carries the overall financial and legal responsibility for implementing the project and hence, his/her direct association with the Beneficiary organisation is fundamental, especially in order to ensure that the grant will be used exclusively for the purpose stipulated in the project proposal.

⁵⁸ This answer was provided before the Voluntary Organisations Act came into force.

Q. Can two applications be submitted by an organization, whereby one project will be dependent on the implementation of the other?

A. No – it is very unlikely that a project will be approved if its implementation depends heavily on another project which has not been confirmed or approved, because this puts the project at a very high risk. Conditions and risks associated with the project and its effective implementation must be mentioned in the application form. All conditionalities must be specific and achievable.

Also note that during the selection process, marks are awarded for projects which are in an advanced state of readiness, eg. where applicants have already prepared the tender dossier or launched the tender or are in possession of the relevant environmental/planning permits.

Q. Can revenue generated through a project go towards co-financing? (eg. participation fees for training)

A. In ALL cases where a project is expected to generate revenue, the applicant/beneficiary organisation should inform the MA immediately. Ex-post checks revealing revenues may involve recovery of funds from the beneficiary organisation even after the project has ended.

Article 55 of Council Regulation 1083/2006 applies the funding-gap method as the basis for calculation of EU grant in revenue generating projects.

If a project costs €10,000,000, and the net revenue forecasts for this investment amount to €2,000,000, the funding gap would be €8,000,000 (€10,000,000 - €2,000,000). The co-financing rate would be applied to the €8,000,000. If the project does not generate any net revenue the funding gap is €10,000,000 and the co-financing rate will apply to this rate. For further detail, refer to the Guidance Notes to the Application Form/s (both the notes for ERDF and ESF), Section 7.2.

Q. Can an organisation be able to engage the same expert or project manager for different projects without issuing calls for expressions of interest?

A. No. Separate calls for expressions of interest need to be issued for each project.

Q. Is a bank guarantee required for large budget projects?

A. No, a bank guarantee is not required, but it may be advisable in the case of large contracts.

Q. SFD and data inputting - how is the system for 2007-2013 going to work in terms of logistics?

A. The SFD is the main monitoring tool for SF projects in Malta. All promoters are obliged to input the necessary data accordingly. Once the projects are approved, the relative training will be made available to interested individuals.

Q. PPPs - What are the guidelines regarding partnerships between an NGO and a private company? – Are PPPs eligible within SF projects? Would the PPP need to be set up prior to the application? Do NGOs need to use Government PPP Regulations? From where can they obtain further information?

A. PPPs are governed by specific provisions in the Public Contract Regulations. Any public beneficiary intending to implement a project through a PPP should indicate this in the application form. NGOs must also follow the principles and spirit of the Public Contracts Regulations and mention the PPP in the application form.

In a PPP, the contribution will always be limited to the public component of the project.

Q. Studies prior to the application - Are feasibility studies and research which are related to a SF project, and carried out prior to the submission of application, eligible costs?

A. **Feasibility studies and research carried out prior to the submission of an application could be considered as eligible costs** only if they are specifically requested within the call for proposals and are subject to the approval of the project selection committee.

Q. Could management expenses be eligible under overhead costs (eg. directors' costs)?

A. Indirect costs, such as management expenses, can be considered eligible if they are declared on a flat rate basis, up to a maximum of 20 per cent of the direct costs of an operation. Indirect costs are costs which are not, or cannot, be connected directly to an individual activity of the entity in question. Such costs would include administrative expenses, for which it is inherently difficult to determine precisely the amount attributable to a specific activity.

Furthermore, the applicant must be aware that the Beneficiary's annual accounts will be checked to confirm that the flat rate claimed is not more than the total indirect costs in the annual accounts.

The applicant must also bear in mind that the basis for calculating indirect costs will be the direct expenditure actually incurred. This implies that a reduction in direct expenditure in relation to the estimated budget (e.g. following a financial correction) will have an impact on the flat rate amount of the indirect costs which can be declared.

Q. Can you give us with the PPCD's PPT about VAT?

A. It can be downloaded from the PPCD website.

Note that the guidance provided in these FAQs is only meant to serve as a starting point for further research. More information can be obtained through reference to the OPs themselves, to the Guidance Notes to the Application Forms and through the FAQs relating to calls for applications. These documents can all be downloaded from: www.ppcd.gov.mt (Useful Links and Downloads Section).