

Fisheries Operational Programme **for Malta**

2007-2013

Final Version

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List of Acronyms

AFM	Armed Forces of Malta
AIS	Automatic Identification System
BFT	Blue Fin Tuna
CFP	Common Fisheries Policy
CITES	Convention on International Trade in Endangered Species
EAFRD	European Agricultural Fund for Regional Development
EC	European Community
EFF	European Fisheries Fund
EU	European Union
ERS	Electronic Catch and Activity Reporting System
ESF	European Social Fund
FAB	Fisheries and Aquaculture Branch
FAD	Fish-Aggregating Devices
FAO	Food and Agriculture Organisation
FIFG	Financial Instrument for Fisheries Guidance
FMAS	Fish Market Accounting System
FMC	Fisheries Monitoring Centre
FPO	Fisheries Protection Officer
GDP	Gross Domestic Product
GFCM	General Fisheries Council for the Mediterranean
GT	Gross Tonnage
HACCP	Hazard Analysis and Critical Control Points
IAID	The Internal Audit and Investigations Directorate
ICCAT	International Commission for the Conservation of Atlantic Tunas
IUU	Illegal, Unregulated and Unreported Fishing
kW	Kilo Watts
LOA	Length Overall
MAPA	Malta Aquaculture Producers Association
MEPA	Malta Environmental and Planning Authority
MFA	Professional Fishing Vessels Full-Time
MFB	Professional Fishing Vessels Part-Time
MoF	Ministry of Finance
MPA	Marine Protected Areas
MRRA	Ministry for Resources and Rural Affairs
MS	Member States
MPV	Multi-Purpose Vessels
NGO	Non-Governmental Organisation
NSP	National Strategic Plan
NSRF	National Strategic Reference Framework
NUTS	The Nomenclature of Territorial Units for Statistics
OP	Operational Programme
OPM	Office of the Prime Minister
PPCD	Planning and Priorities Control Division
RAC	Region Advisory Councils
RDP	Rural Development Programme
SEA	Strategic Environmental Assessment
VFAO	Veterinary and Fisheries, Administration and Operations Division

VR FCC	Veterinary Regulation Fisheries Conservation and Control
VMS	Vessel Monitoring System
VTM	Vessel Traffic Management

Malta Fisheries Operational Programme (2007-2013)

1. Title of the Operational Programme

“Malta’s Operational Programme for Fisheries 2007-2013” has been prepared in accordance with Council (EC) Regulation No. 1198/2006 on the European Fisheries Fund (herein the regulation on EFF) as of 27th July 2006.

The purpose of the operational programme is to describe in detail and define the priority tasks (measures) in the five priority axis for the development of Maltese fisheries, aquaculture and processing in accordance with the objectives of the Common Fisheries Policy (CFP).

2. Geographic Eligibility

The operational programme will be implemented for the entire territory of the Republic of Malta. The Republic of Malta has assumed the obligation to manage and implement the operational programme.

In accordance with Regulation (EC) No. 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS), Malta has been designated as a single region at NUTS levels I and II, and two regions at NUTS level III (Malta on the one hand, and Gozo and Comino on the other). Smaller territorial units, such as local councils are to be classified under NUTS level V. Malta is fully eligible to assistance within the Convergence Objective.

3. Analysis

3.1 The Maltese economy

Accession to the EU has provided the country with unfettered access to a market of more than 500 million people, and to other countries with which the EU has bilateral trade agreements. It also meant the removal of a number of protectionist measures which have exposed the economy to increased competition and which, in turn, brought a number of benefits for consumers in terms of lower prices, increased choice and more innovation in the provision of goods and services. Barriers for capital and labour mobility were also reduced drastically making Malta more attractive for foreign direct investment and also providing the opportunity for a number of local workers to seek new ventures overseas. EU membership has also provided Malta with access to various funding programmes and to EU structural funds, which should help the economy to improve its state of economic development. Certainly it has opened up a number of new opportunities.

However, it is also true that the Maltese economy today is also faced with a number of realities which were already looming prior to the accession to the EU. Chief among them are the challenges of becoming more competitive, of bridging the current account deficit and of accelerating the economic growth rate.

3.1.1 Brief review of the main economic indicators

	2000	2001	2002	2003	2004	2005	2006
Real GDP growth	5.7	-1.1	1.9	-2.3	0.8	2.2	2.9f
Inflation (based on RPI)	2.4	2.9	2.2	1.3	2.8	2.8	2.8
Unemployment rate (based on LFS)	6.5	6.4	7	7.6	7.2	7.4	6.8*
Unemployment rate (based on ETC data)	5	5.1	5.2	5.4	5.7	5.1	4.9
Fiscal deficit/GDP	5.0	4.9	4.8	10.0	5.0	3.2	2.7f
Government debt/GDP	56.4	61.9	60.7	70.4	74.6	73.6	69f
Current account/GDP	-11.9	-4.2	1.3	-4.5	-7.5	-11	-11f

Overall, the Maltese economy has coped well considering the adverse developments in the global environment, and the structural change brought about by EU membership, hence proving that the economy is somewhat resilient. Unemployment remained consistently low by international standards, hovering in the region of 5% according to the administrative records of the Employment and Training Corporation, and between 6.5–7% according to the labour force survey. This is slightly lower than the EU average.

Inflation was also kept under control except in recent months when the RPI index increased above the 3 percent mark. This rise was mainly due to the higher energy prices, even though market inefficiencies in certain industries might have also contributed to the increase.

There were also positive developments with regards to public finances. For the first time in more than a decade, the fiscal deficit to GDP ratio fell below the 3 percent threshold that is required by the well-known Maastricht criteria. This is a very important accomplishment, not only because it puts the country on the right track for the adoption of the Euro, but also because it gives the Government more flexibility to direct resources towards high-value added activities. Sound fiscal finances are indeed a pre-requisite for better growth prospects.

On a negative note, national debt continued to pile up reaching Lm1.4 billion in 2006, or 69% of GDP. This is absorbing no less than Lm75 million of the annual budget in interest payments.

Malta's average economic growth rate between 2000 and 2006 was of less than 1.5%, which was lower than the 2.2% of the EU 25 (see figure 2). Consequently, Malta's GDP per capita as a percentage of the EU 25 declined from 78% in 2000, to 70% in 2006. The gross value-added contribution of the fisheries sector to the Maltese national economy amounts to approximately €33 million or 0.76% of Malta's GDP¹. This has been accompanied by an increase in fish landings and an increase in employment in the sector during the period 2004-2006.

3.2 The Maltese Fisheries Sector

3.2.1 General description

The following is a general description of Malta's fisheries sector in terms of employment, fleet, structure, catches etc.

Maltese capture fisheries are mainly of a typical Mediterranean artisanal type and are not generally species selective. They are frequently described as multi-species and multi-gear fisheries, with fishers switching from one gear to another several times throughout the year. There are no inland fisheries in Malta.

The proportion of the working population dependant, to varying extents, on this industry for its livelihood, is around 1.0 per cent. The fisheries industry provides direct employment to around 1400 people in the primary and secondary sectors including aquaculture.

According to the data available as at 2006 there were 905 males and 38 females officially registered as fishers. These comprise both part-time as well as full-time fishers. What emerges from the official data available is the age and gender profile of the registered fishers. In terms of age profile it is interesting to note that just over 56% of registered fishers is over 40 years of age whilst only 11% are aged under 25. This 'trend' is also expected in the unregistered fishers and as such provides an indication of the aging profile of the local fishing community thus highlighting the need to

¹ This includes Tuna fish farming industry.

undertake initiatives to attract new fishers. This is deemed to be essential if the industry is to be placed on a more sustainable footing.

In terms of gender profile the data concerning registered fishers shows that just over 4% are female which highlights the need to undertake initiatives to attract female fishers to the industry.

Over-fishing is deemed to be negatively affecting stocks within the Mediterranean. It is important to note that it has been established by ICCAT and GFCM that a number of important stocks in the Mediterranean especially of migratory species are considered to be fully exploited or close to being fully exploited. In the case of Blue fin tuna it is considered to be over-exploited. Malta has observed the 1994 ICCAT Recommendation on the Bluefin tuna catch limits based on the 1993 or 1994 reference period and has regulated fishery through the fishery Regulations (G.N. 206/1934, G.N. 148/1935) which lay down detailed licensing and operational regulations. In March 2003, the Veterinary Regulations Fisheries Conservation and Control issued a Government Notice stating that it was ready to receive a maximum of four applications for the fishing of tuna. Subsequently, two licenses were issued to fishing vessels already registered in the Maltese Fishing Vessel Register to target Bluefin Tuna using purse seine nets. In 2007 the number of authorised purse seiners was also 2. With respect to surface long line fishing of Bluefin Tuna 89 vessels were authorised in 2007 to operate in the ICCAT Convention area. This number of vessels has been stable for the last eight years.

With respect to Bluefin Tuna fishing Article 4 paragraph 2 of Council Regulation (EC) No 1559/2007 establishing a multi-annual recovery plan for Bluefin Tuna in the Eastern Atlantic and Mediterranean, states that for those quotas smaller than 5% of the Community quota, Member States ‘may adopt a specific method to manage their quota in their fishing plan’.

Swordfish is already known to be an over-exploited species and in fact a close season between the 15th of October to the 15th of November has been instituted in an attempt to save juveniles. The size of the fish landed over the years appears to involve a large number of smaller fish and immature images. In view of this we think that controlled fishing for Swordfish needs to be adopted to retain the sustainability of this species.

Another important species (in terms of catch) is the Mediterranean dolphin fish which is also a GFCM priority species. During a recent study on the species, it was found that Dolphin fish fisheries mostly target ‘age 0’ fish (2 to 8 months) thus depending on annual recruitment which is considered to be very variable. It was also concluded that the relationship between maturity and size is not regular and that the important parameters in the measurement of the fishing effort for this FAD fishery is the number of FADs deployed and the number of fishing trips made.

Given the importance of both Blue fin tuna and Swordfish to the local fishing industry, it is clear that a shift towards less threatened species as well as aquaculture species will need to take place over the coming years.

Maltese fishing fleet

At the end of December 2005, the Maltese Fishing Fleet Register was composed of 1,422 registered fishing vessels of which 430 were registered as full time vessels whilst 992, were registered as part time.

	No of Vessels	GT	kW (main eng.)
MFA	430	13,094	52,098
MFB	992	2,188	47,123
Total	1,422	15,282	99,221

Source: Community Fleet Register

The length of registered vessels operating in the Mediterranean ranges from 3 to 37.7m. The average size of the Maltese fishing vessels is well under 10m in length, with the exception of the trawler type class, using exclusively bottom otter trawls, averaging 22.5m. The fleet operates predominantly in a small scale artisanal manner with half the fleet composed of vessels of a traditional type: *luzzu*, *kajjik* and *firilla*. Another 35 percent of the fleet is composed of *Multi-Purpose Vessels* (MPV) and are a relatively recent addition to the fleet. There are trawlers operating in international waters. During this programming period there will be changes as these vessels will be substituted following a strict entry and exit regime.

Vessel Type	No. of Vessels
Bimbu	25
Firilla	12
Kajjik	416
Luzzu	240
MPV	583
Other	22
Trawler	16
Total	1314

Source: Malta Fleet Register

The main gear used by the Maltese fishing fleet is various forms of “hooks and lines” (over 60 %). Different types of “gillnets and entangling nets” are also popular whilst traps make up over 10% of the registered main gear. The following is a breakdown of main ‘heavy’ fishing gear used by the Maltese fleet.

Fishing Gear	No. of Vessels
Purse seiners working for Tuna	2
Purse seiners working for small pelagics	17
Lampuki	192
Tuna long lines	89
Swordfish long-lines	257

Source: MRRA

Apart from their registered normal fishing activity, up to 130 vessels (over 6m in length) also participate in the traditional dolphin fish (*Coryphaena hippurus*) or lampuki fishery utilising Fish Aggregating Devices (FADs). Aggregated dolphin fish and other species such as pilot fish (*Naucrates ductor*) and amberjack (*Seriola dumerili*) are caught by a surrounding net similar to a purse-seine but without a purse line.

In terms of age, 43% of the Maltese registered fishing fleet is between 10 and 25 years of age whilst 32% of the registered fleet is aged between 1 and 10 years of age. This compares well with the EU age composition where 41% of the EU fleet is aged between 10 and 25 years and 23% is between 1 and 10 years old.

With respect to the Maltese registered fishing fleet it is also important to note that there is still considerable scope for the upgrading of the vessels in terms of equipment. Over the past few years importance has been given to ensure that all registered vessels have the required equipment in terms of health and safety to ensure that all fishers work within the appropriate environment. This effort which started in 2004 will be continued during the next programming period 2007-2013.

Landings from marine capture fisheries

Landings from marine capture fisheries are dominated by tuna, lampuki (dolphin fish) and swordfish in decreasing order of importance. Over 65 percent of the annual landings (about 1000 tonnes) originate from the tuna and dolphin fish fisheries and contribute to almost 56 percent of the value of annual landings (See Annex I - Landings). The actual percentage attributed to any one of these three species depends on the actual volume of landings and market price for each particular species in a given period. The price of lampuki and swordfish varies enormously and the percentage importance attributed to them will therefore change in different time periods.

Between the months of April and July the market is dominated by landings of blue fin tuna with swordfish being the second most available species. Both these species are targeted by the same method i.e. pelagic drifting long-lines although a pilot BFT purse-seine fishery exists.

Landings of lampuki occur mainly between August and December mostly by the FAD fishery, but the season can be extended into January when unfavourable weather conditions occur during the initial part of the season. Other major species associated

with the dolphin fish fishery are pilot fish and amberjack, which are caught as secondary species found in considerable concentrations under FADs.

Swordfish is the third most landed species annually in terms of weight and it is the only species with landings of more than 1 Metric Tonne for each month of the year. It is targeted throughout the year, albeit in varying degrees and for different reasons. During the winter months (December - April) most boats target lucrative demersal species prior to reverting to tuna long-lining which catches swordfish and albacore as a secondary species. The peak fishing period for swordfish is between May and August.

Landings of small gregarious pelagic and demersal species are generally not seasonal except in the case of mackerel. The species in these groups are landed in quantities of less than 5 Metric Tonnes per month. Bogue is the most landed small pelagic species, and is caught mostly by traditional traps made out of cane strips, followed by mackerel. The landings of prawns originate exclusively from trawling which takes place throughout the year with quantities decreasing in winter months due to unfavourable weather. Landings of other demersal species originate from trawling, long-lining and fixed net operations.

Wholesale fish market

According to local fisheries regulation all fish caught by local fishermen has to be sold through the wholesale fish market in Valletta. Catches are sold by public auction through a middleman (pitkal) to retailers and fish hawkers. Under normal practice local fishermen usually deal with the pitkal of their choice. It is common practice that the pitkal provides the transportation as well as boxes necessary for the storing of the catch. As soon as fish are landed they are immediately passed on to the pitkal who then takes care of the transportation and pricing arrangements. The prices to be fetched for the catches involved are normally decided by the pitkal.

This does not however mean that the decisions of pricing and supply are totally in the pitkals' hands. If there is a period of oversupply of a specific species and subsequently the price is low the fisherman may decide to withhold his product for a short period of time to release it when a better price may be fetched. Sales at the wholesale market are done through a system of vouchers.

The aquaculture industry

The aquaculture industry in Malta started in the late 1980's with the culture of marine finfish in offshore cages. The annual aquaculture production increased dramatically during the 1990's from 60 tonnes in 1991 to a peak of 2300 tonnes in 1999. This was composed mainly of sea bream and sea bass and was produced through the operation of 4 commercial farms. By the year 2000, production dropped to about 1000 tonnes with most farms switching to tuna penning operations due to a fall in prices for sea bass and sea bream. The market for these species is expanding once again. Current annual production stands at around 1000 tonnes, valued at about \$6 million, and this is expected to continue increasing in the coming years. Maltese aquaculture produce is almost entirely exported to European and Asian markets.

There are no commercial marine hatcheries in Malta and fingerlings are imported from hatcheries in other Member States. However, the wet lab facilities at the FAB include a pilot marine hatchery.

The production of blue fin tuna (*Thunnus thynnus*) through penning has been increasing over the past few years. The fattening of this species around the Maltese islands started in the year 2000 with one farm producing 300 tonnes. Production reached a peak of 7,000 tonnes in 2007 with five farms in operation. The live tuna are exclusively imported from foreign purse seiners fishing in the Mediterranean. Once harvested, the fattened fish are re-exported mainly to Asian markets.

Total fish production per species for 2005 and 2006 ²was as follows:-

SPECIES	2005		2006	
	Weight Tons	Value Lm Million	Weight Tons	Value Lm Million
Sea Bream	567	1.9	894	2.4
Sea Bass	205		153	
Blue Fin Tuna	3,065	14.7	5215	22.4

Source: MRRA

Fish processing industry

The fish processing industry in Malta is very limited. This relates mainly to aquaculture harvesting and packing with little or no value added. There is also some limited activity relating to capture fish both local and imported, both fresh and frozen. In this case some activity in terms of slicing, filleting, portioning, rewrapping and smoking takes place. The main reason why this activity has remained rather limited is that the local catch usually consists of high-value fish which is consumed in its fresh state or indeed exported.

3.3 Main lessons learned from previous programming period

The structural funds 2004 – 2006 programme has provided significant investment in the fisheries sector and supported projects that would not have otherwise been funded by National Programmes until a much later date or not at all.

Although the final outcomes of the FIG are set to be realized, some benefits are already achieved such as the dry standing facility at Marsaxlokk port, the new equipment purchased and installed to modernise fishing vessels, aquaculture establishments, and marketing and processing establishments.

² 2004-2006 data can be found in Annex 1.i Total production

For the European Fisheries Fund 2007 – 2013 period, Malta has taken on board most of the difficulties encountered during the previous programme to implement the funds more efficiently. Specific reference is made to the report titled ‘Evaluation of the efficiency of the implementation of Malta’s Single Programming Document 2004-2006’ which although not specific to the FIG presents a number of recommendations concerning both the 2004-2006 period as well as the 2007-2013 period. In particular the management and control structures and the monitoring and evaluation system being put in place for this Operational Programme will address the issues concerning the administrative capacity for the management of the 2007-2013 programme, the selection of projects and their timely launching as well as the control of such projects to ensure that they are completed on time and that all stated objectives are achieved.

One of the main difficulties encountered during implementation of the FIG 2004 – 2006 was the administrative capacity within the fisheries sector. With the help of the MA and the IB, the FIG 2004 – 2006 was implemented by only one project leader. For the EFF 2007 – 2013 technical assistance will be used to increase and strengthen the administrative capacity within the Veterinary Regulations Fisheries Conservation and Control.

3.4 Indicators

The following contextual indicators show the current status of the industry and form an important baseline for the implementation of the Operational Programme.

Fishing capacity

	2004	2005	2006
No of vessels	1,149	1,422	1,412
Total Engine Power	86,180	99,221	98,744
Gross Tonnage	14,636	15,282	15,166
Total Catch (kg)	1,067,822	1,336,548	1,296,387

Source: Malta Fishing Vessel Register

In the Community Fleet Register MFA, MFB and MFC vessels were registered. For the OP only MFA and MFB fishing vessels are being considered.

Landings by key species

	2004	2005	2006
Species	Kgs	Kgs	Kgs
Dolphin Fish	472,700	447,095	559,098
Blue-Fin Tuna	227,774	301,443	227,008
Swordfish	174,342	323,314	239,181
Prawns	26,179	30,146	32,123
Stone Bass	23,675	17,005	19,224
Dog Fish	20361	18,610	19,618
Bogue	15629	21,088	17,286

Source: Sales notification scheme

Aquaculture

	2004	2005	2006
Production (kg)			
Bream	784	567	894
Bass	129	205	153
Meagre	0	0	28
Tuna penning	3,069	3,065	5,215
Total Workforce	FT 133 PT 92	FT 120 PT 64	n.a.

Source: Questionnaire and Harvest Observers

Employment in the fishing industry

	2004	2005	2006
Full time	<u>410</u>	<u>432</u>	<u>450</u>
Male	396	416	432
Female	14	16	18
Part time	<u>228</u>	<u>303</u>	<u>493</u>
Male	215	288	473
Female	13	15	20

Source: NSO

Imports of fish and fish products

The Division endeavours to see that the fishermen's livelihood is safeguarded and at the same time ensures that the consumer is well provided throughout the whole year with a supply and variety of species of fish. 3,784,449 kg of frozen fish worth Lm2,789,480, at an average price of Lm0.77,7 per kilo and 153,584 kg of fresh fish valued at Lm304,517, at an average price of Lm1.98,3 were imported during 2007 .

331,899 kg in round weight of blue fin tuna were caught by Malta fishers. 126,726 kg of captured Blue Fin Tuna and Swordfish valued at Lm386,705, at an average price of Lm3.05,2 were exported to Japan and Italy as shown.

Imports

YEAR	FROZEN FISH			FRESH FISH		
	Weight (kg)	Value (Lm)	Value (€)	Weight (kg)	Value (Lm)	Value (€)
2004	1,771,431	2,173,314	5,062,460	15,769	68,854	160,387
2005	1,785,958	2,202,275	5,129,921	16,938	71,298	166,080
2006	1,960,992	2,408,978	5,611,408	17,868	77,386	180,261

Source: NSO

Exports of fish and fish products

Species	2004			2005			2006		
	Quantity (kg)	Value (Lm)	Value (€)	Quantity (kg)	Value (Lm)	Value (€)	Quantity (kg)	Value (Lm)	Value (€)
Blue Fin Tuna	197,682	404,084	211,886	211,886	521,678	1,215,183	180,537	485,482	1,130,869
Swordfish	101,949	285,267	143,176	143,176	402,204	936,883	58,179	189,975	442,523
Albacore	9,925	7,822	0	0	0	0	190	155	361
King Prawns	0	0	0	0	0	0	0	0	0
Demersals	484	1,394	1,823	0	0	0	86	293	683
Total	310,040	698,567	356,885	355,062	923,882	2,152,066	238,992	675,905	1,574,434

Source: NSO

Fish processing and packaging plants

Establishment Name	Category of Food Establishment
P2M	Section VII Fish Packing
AJD Tuna Ltd	Section VII Fish Packing
MFF Ltd	Section VII Fish Packing
Triton Fisheries Ltd	Section VII Fish Packing
Fish and Fish Ltd	Section VII Fish Packing

Source: MRRA

Number of ports in need of landing and storage facilities

	2004	2005	2006
Number of Ports	1	1	1

Source: MRRA

Per capita consumption of fish

	2004	2005	2006
	Euro	Euro	Euro
National per capita consumption	74.48	80.89	83.02

Source: NSO

3.5 SWOT Analysis of the Maltese fishing sector

<p>Strengths</p> <ul style="list-style-type: none"> • Geographical position • 25 mile conservation zone • Tourism • Fisher versatility • Small size of the sector 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Inadequate funding • Small size • Geophysical characteristics • Low fisher education • Human resources • Lack of alternative opportunities
<p>Opportunities</p> <ul style="list-style-type: none"> • Aquaculture • EU Membership • EU markets • Consumption of fisheries products • Scientific data • Tourism 	<p>Threats</p> <ul style="list-style-type: none"> • Geographical location • Fleet characteristics • Over fishing • Regional management practices • Regional enforcement and control • Environmental threats

Strengths:

Geographical position: Malta’s central Mediterranean location places it on the migratory paths of the three highly Migratory Fish Stocks which contribute to the majority of catches sustaining the fishing sector. Consequently good fishing grounds are available from the West to the South East. This position in the centre of the Mediterranean makes Malta strategically placed to attract tuna farming as it reduces transportation costs from all areas.

Management of the 25 mile conservation zone: Malta has been managing this zone for over three decades and has maintained strict control over the number of vessels and their fishing gears. The effect of this management is that the stocks in Maltese waters are at healthy levels. Reference is made to the recent study carried out – “Differences in demersal community structure and biomass size spectra within and outside the Maltese Fishery Management Zone (FMZ)”³ which showed a difference in stocks between similar areas outside and within the FMZ. The differences may be related to fishing pressure since trawling effort is very limited on the continental shelf inside the FMZ. Only 15 trawlers that are restricted in power and length by regulation (CR 1967/2006) are allowed to fish in the zone, while there are no legal restrictions on trawling outside the zone. Italian trawling fleets regularly trawl the areas outside the 25 NM FMZ since it is very close to the main Sicilian fishing ports.

³ Differences in demersal community structure and biomass size spectra within and outside the Maltese Fishery Management Zone (FMZ) – Mark Dimech, Matthew Camilleri, Jan G. Hiddink, Michel J. Kaiser, Sergio Ragonese, Patrick J Schembri.

Tourism: The fisheries sector contributes indirectly to exports while tourism adds value to the product caught by the local fleet. One of the selling points of the Maltese touristic product is the picturesque nature of traditional seaside villages. Tourists also appreciate the availability of freshly caught fish cooked in the traditional way in the local seafood restaurants.

Fisher versatility: Maltese fishers are highly versatile. In the past they have been able to cope with new challenges and conditions such as those offered by aquaculture and many participate actively in this sector. This bodes well for the future of the sector which will have to face many new challenges especially those associated with the poor state of Mediterranean stocks and which will necessitate fishers to look for alternative opportunities.

The **small size of the sector** should make the practicalities of fisheries administration easier, including control, collection of data, etc. Malta's small coastline and surface area means that a smaller number of officials are required to perform the necessary monitoring.

Weaknesses:

Inadequate funding: The fisheries sector has not received enough attention in terms of funding as it would have desired for its development. This has resulted in a limitation in the number of projects which the administration was able to carry out. On the other hand private sector shows little interest in investing its funds in projects and research which results in a severe limitation in the size and number of projects. Furthermore, EU membership has increased the number of obligations which Malta has to meet, such as VMS, ERS and VTM, and which, though ultimately beneficial, are costly to implement.

Small size: The small size of the sector together with the small size of the local market are obstacles to the accumulation of significant amounts of capital to be invested in technology, and which would reap benefits through economies of scale. This has resulted in a lack of investment in the sector.

Geophysical characteristics: The oligotrophic nature of the waters around Malta results in low productivity and this prevents any great increase in fishing capacity. The limited coastal sea areas available for farm site installations greatly restrict the expansion of the aquaculture industry and its viability. The lack of sheltered areas and the presence of deep waters off the Western coast render marine installations high risk and increase their operational costs.

The low level of education of fishers: will increase the difficulty in encouraging fishers to utilise high tech management such as electronic logbooks and to participate in institutionalised organisational activities (such as RACs).

Human resources: Recruitment by the Fisheries administration has been slow and staff numbers have not reached the required level and consequently the present staff is overstretched by local and EU duties.

Lack of alternative opportunities: The widely held principle of relative stability prevents the participation of Maltese vessels in established Fisheries Partnership Agreements. This limits the possibilities to transfer vessels to fish in waters covered by existing Agreements which would help to reduce the pressure on Mediterranean stocks. Furthermore, the artisanal nature of the Maltese fleet with the large majority of vessels of a size under 12m, means that it would be very difficult for them to adapt to fishing opportunities outside the Mediterranean.

Fisheries Infrastructure: The proposed designated ports⁴ still lack some basic amenities necessary for the proper control of landings. Moreover, the Mediterranean Regulation has further increased the obligations with respect to landings of tuna, swordfish, and trawled fish. All catches of such species have now to be landed at designated ports.

Facilities for buyers, sellers, inspectors and handlers of fish products at the existing fish market in Valletta are not optimal. Moreover, the existing fish market is located at a site at the Valletta Grand Harbour which is being developed to cater for the arrival of passengers from the cruise liner terminal.

Opportunities:

Aquaculture: Malta is currently undertaking to relocate its aquaculture installations further outwards to around 3 km from the shore. This will allow the number of fish farms to increase and it is estimated that production of farmed fish will increase to 15,000 Tonnes. This should permit the diversification of species away from the traditional sea bass and sea bream production and which should permit the tapping of new markets.

EU membership: has meant that Malta has had to adopt a number of measures especially with regards to fisheries control such as VMS and the use of logbooks and which have improved our control systems. Through the European Fisheries Fund, Malta will be able to modernize its fishing fleet, with regards to health, safety and hygiene considerations, purchase more selective fishing gear, and to monitor the interaction between the fishing operations, the environment and the living marine resources more efficiently. The adoption of Council Regulation (EC) No 1967/2006 of 21 December 2006 concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea which incorporates numerous technical measures will improve the long term sustainability of Mediterranean fish stocks and consequently of the fishing fleets targeting these stocks.

EU Markets: The marketing of fishery products could also expand as a result of EU membership especially if the Maltese catch is promoted within an “eco-labelled” niche market, fetching higher prices, as quality fresh fish caught by artisanal methods taken from within a strictly managed fishing zone.

⁴ See Annex II-Locations of main fishing ports

Consumption of fisheries products: Fresh fish and other fisheries products form part of the national staple diet. The estimated consumption of fisheries products per capita is around 79.46 euro per person per year (the estimated average annual consumption in kg per person is 6.58kg for the period 2000 – 2006). Though this is possibly an underestimation, an increase in the consumption of fisheries products could be achieved utilising good promotional campaigns.

Increased collection of scientific data with regards to the most important stocks will improve the scientific management of these stocks. The collection of increased scientific data from multi-lateral programmes will help to achieve this. The application of the ecosystem-based approach to fisheries management will also contribute to better fisheries management.

Tourism: Government policy to focus on niche markets such as sport fishing and diving will contribute to diversification of the tourist base and should also help to create alternative employment for fishers. Increased protection of marine habitats and the establishment of marine protected areas will enhance Malta's status as a prime site to attract divers.

Threats:

Geographical location: The Mediterranean Sea surrounding the Maltese Islands is a busy sea full of vessels transporting cargo and tourists which compete with fishing vessels. Competition between fishers, aquaculture operations, recreational vessels, sport, cruise liners and bunkering is greatest in the coastal band. The high level of shipping activity in the area also increases the likelihood of accidental release of alien species hitching rides in ballast water or as hull water fouling.

Fleet characteristics: The Maltese fleet is old with an average age of 22.5 years. Unlike the case of the fleets of the other Mediterranean European Union Member States, which although by comparison may be just as old, may have gone through extensive comprehensive overhauls rendering them more competitive. Funds from the European Union have only been available for modernisation of the Maltese fleet since accession in 2004.

Over Fishing: The decreasing fishing opportunities, especially for Blue fin tuna and swordfish, available to the Maltese fleet in the future will mean that the number of vessels targeting these fisheries will have to decrease either through decommissioning, or through transfer of capacity to different fisheries either in the Mediterranean or further a field⁵.

Regional Management Practices: The absence of a tradition of shared management of shared stocks among the states bordering the Mediterranean Sea will increase the possibility of over-exploitation of these stocks. Furthermore, some states bordering the Mediterranean still have difficulty to accept conservation measures for these shared stocks as advised by Regional Management Organisations

⁵ The issue of over-fishing is dealt with in more detail in section 3.6 Description of the environmental conditions.

Regional control and enforcement: This is poor in the large areas of high seas. Furthermore, there is a large presence of non-coastal states' fishing vessels in international waters which are not monitored and controlled by their flag state. The lack of homogenous regulation by the different states also complicates this issue as fishers point to a lack of similar legislation in other states when requested to comply with local or Community fisheries legislation.

Environmental: The United Nations Environment Program recently reported that 80% of the 500 million tons of sewage generated by the 130 million inhabitants of the Mediterranean region and the 100 million annual tourists is dumped untreated into the ocean. The phosphorous and nitrogen contained in sewage, as well as detergents, shampoos and fertilizers that wash into the ocean, has resulted in eutrophication throughout the Mediterranean. This has produced massive algae blooms that have removed oxygen from the water, killed prey species that predators higher in the food chain such as Blue fin tuna and swordfish rely upon, and contributed to the build-up of dinoflagellates toxic to marine animals. Fish also are threatened by releases of crude oil from land and vessels, and heavy metals such as lead and mercury. Global warming is also being observed in the Mediterranean and the resulting increased seawater temperatures will affect the biodiversity of the region encouraging the invasion of tropical species, and will cause coastal erosion and changes to salinity and currents and may also have strong effects on aquaculture.

3.6 Description of environmental conditions

Marine ecosystems are usually rich in biodiversity with high levels in the coastal zone and on the continental shelf. Due to the high productivity in coastal zones these harbour many different species and habitats and in particular regions they may give rise to unique endemic habitats and species (e.g. *Posidonia oceanica* meadows in the Mediterranean). Additionally, the coastal zone often incorporates important social, cultural and economic aspects of a country, and is subject to the pressures that the different uses create. A practical approach towards the protection of coastal biodiversity and the sustainable use of coastal areas is the setting up of Marine Protected Areas (MPAs) These are usually setup in areas with particularly rich biodiversity and examples include Natura 2000 sites (e.g. MPA between Rđum Majjiesa and Ras ir-Raheb on the northwest coast of Malta). Another example is the conservation of the island of Filfla that also includes an MPA which was originally a popular fishing area and thus required the shifting of fishing activities once the MPA was setup.

The conservation of biodiversity is usually the prime objective of any MPA but recently MPAs have also been setup to conserve fish stocks. Areas in which fishing is restricted can also be considered as MPAs and are one tool designed to protect populations of commercially important stocks from overexploitation. A typical example is the Maltese 25 Nautical Mile Fisheries Management Zone in which management regime in this MPA addresses specifically fisheries (EC 813/2004).

In order to conserve coastal resources for future generations management requires that some areas are retained in their natural state as much as possible. Sustainable exploitation of marine natural resources requires that such resources are managed in

order to have the maximum harvesting potential without endangering the resources. This would allow maximum growth and regeneration of the natural resources which would then allow their biological and economical long term sustainability for the benefit of present and future communities.

In Malta, the setting up, management and regulation of Marine Protected Areas, are due to obligations that arose from a number of international, regional and national legislation and policies, including: the Convention on Biological Diversity; Barcelona, Bonn and Bern Conventions; EU Habitats Directive, and locally the Environment Protection Act and the Development Planning Act. One way of legally designating MPAs is by declaring them as Special Areas of Conservation (SACs), to allow for the provisions as implementable under the EU Habitats Directive.

In Natura 2000 areas⁶ and protected areas in general some activities and interventions also have to be assessed in terms of nature conservation by conducting environmental impact assessments and environmental monitoring programs. The impact of fishing and aquaculture on the conservation of biodiversity and protection of valuable natural ecosystems is varied and largely depends on the characteristics of the fishing activity or aquaculture operation, the bathymetry and local environmental conditions. The impact of fishing on the marine environment includes effects on the structure and functioning of marine ecosystem, physical damage to the seabed, the degradation of associated communities, over-fishing of resources, depletion of populations, by-catches of non-target and protected species, discards, the reduction in mean body size within populations with a relative increase in smaller species and the disruption of food webs. Impacts of aquaculture activities on the marine environment include changes in the physical, chemical, and biological characteristics of the location in which cultivation takes place, organic enrichment, increased biological oxygen demand, changes in benthic populations, development of bacterial resistant traits, changes in the marine food webs, exchanges of cultured individuals with wild organisms and the introduction of alien species. Preventing or at least reducing these impacts through planning and implementing the development of fishing and aquaculture is an obligation under both domestic law and international conventions. Setting up sustainable fisheries and aquaculture operations that minimise the impacts on the available resources is also a condition for drawing on funds from the European Fisheries Fund (EFF).

Over-fishing occurs when fishing activities reduce fisheries stocks below a fishing mortality threshold ($F_{\text{threshold}}$) usually set below the Maximum Sustainable Yield (MSY). Many edible fisheries stocks in the Mediterranean have sharply declined in the past decades because of over-fishing and over-exploitation. The reality of modern fishing is that the industry is dominated by an over-capacity of fishing vessels with a resulting fishing mortality far beyond what the fisheries stocks can tolerate with a possible result is over-exploitation and collapse of the stocks. Large vessels using state-of-the-art technology such as fish-finding sonar can pinpoint schools of fish quickly and accurately. As previously mentioned, it has been established by ICCAT and GFCM that a number of important stocks in the Mediterranean are fully-exploited to over-exploited. A classical example is the Blue fin tuna fishery and this does not bode well for the future since there is a high risk of collapse of the fisheries.

⁶ See Annex V for full list.

Illegal, Unregulated and Unreported (IUU) fishing compounds this problem. This has been reflected in the adoption of an ICCAT Recommendation establishing a multi-annual recovery plan for Blue fin tuna in the Eastern Atlantic and Mediterranean. This plan has established a 20% reduction of fishing quotas by 2010 to help this stock to recover to sustainable levels.

Incidental by-catches occur when fishing catches non-target species. The most common non-commercial by-catches in the Mediterranean involve protected species (such as marine turtles and other non-commercial species such as benthic organisms and small fishes). The main reason for high by-catches is due to the non selectivity of the fishing gear. When fishing pressure on commercial stocks is too high, the effect is twofold: at a single-species level, the population dynamics of a species are altered with a reduction in mean body size within populations with a relative increase in smaller species, and at the ecosystem level profound changes occur because of the disruption of food webs. Ecosystem modifications are triggered by the change in the biomass and demographic structure of the different species as well as by the increasing food supply for scavenger and opportunistic species. As a result, a high proportion of the commercial fisheries catch are juveniles. Fishers tend to increase the fishing pressure even further to try to make their activities economically worthwhile, thus entering into a vicious circle resulting in unsustainable over-fishing. This also leads to an increased capture of non-target species being caught in the process. The overall result is a high proportion of organisms being discarded, both of the target and of non-target species. The key to reducing unwanted by-catches and discards is to increase the selectivity of the fishing gear (e.g. using circle hooks in surface longlines to reduce turtle by-catch; increase mesh size of trawlers to reduce by-catch and discards) and reduce overall fishing pressure. Reduction of overall fishing pressure will have multiple benefits including improvement of the status of the stocks, less discarding of undersized fish, reduction in the incidental by-catch of non-target species and consequently fewer impacts on biodiversity and the structure and functioning of marine ecosystems. The EU's commitment to manage fish stocks according to the Maximum Sustainable Yield (MSY) approach will therefore play an important role in reducing the extent of by-catches in European fisheries. However, while less overall fishing pressure will reduce the impacts on the number of small individuals caught, it will not remove other causes of discarding, such as above-quota catches or high-grading but this may not be relevant for Mediterranean fisheries since the management system is not based on a quota system (except for blue fin tuna) but on effort control.

The Malta Centre for Fisheries Sciences (MCFS) carries out invaluable work in conducting studies with respect to the above mentioned issues. MCFS started working on the environmental issues of fisheries back in 2003 with the start of the Food and Agricultural Organisation (FAO) sub-regional project MedsudMed in collaboration with the Istituto per l'Ambiente Marino Costiero (CNR) of Mazara del Vallo (Sicily). The aim of the project was to increase the scientific knowledge on the ecosystems of the Sicily channel, strengthen national and regional expertise, and develop scientific cooperation in order to promote the standardization of the methodologies used in fisheries research. A special pilot study was also conducted in Maltese waters on the distribution of demersal resources in waters greater than 50 m depth and the relationships with environmental characteristics in the GFCM Geographical sub-Area 15 (Maltese waters). Within the project studies were also conducted on non-target

species and discards and the impacts of the trawl fishery. The management system of the Maltese 25 Nautical Mile Zone was also assessed in terms of the sustainability of demersal resources and the biodiversity in the Maltese waters. In fact during these studies hotspots of biodiversity were identified and new important habitats protected by international and national legislation were discovered such as maerl beds and deep water white coral reefs. The study aims to continue by mapping the biocoenoses in offshore Maltese waters within the 25 nautical miles since this data is vital for the setting up of special areas of conservation in offshore waters

Furthermore within this project nursery areas and spawning grounds for red mullet and hake were identified in the Sicily channel. In the future MCFS also intends to continue mapping and characterising the nursery and spawning areas of other commercially important species such as Red shrimp and common octopus and lesser important commercial species but which are threatened all over the Mediterranean, such as demersal sharks and rays. However this research will require further funding either through EU (LIFE +, FP7) or FAO (COPEMED, MedSudMed).

In line with article 3 of EC 1967/2006 Malta is also obliged to monitor the sea grass beds affected by bottom towed nets and in order to fulfil this obligation in collaboration with the University of Malta a pilot study has been initiated to identify the impacts of towed gears on the *Posidonia oceanica* ecosystem. *Posidonia oceanica* meadows are arguably the single most important shallow-water marine habitat in the Mediterranean Sea and consequently have been listed in the EU's 'Habitats Directive' as a priority habitat whose protection requires 'Special Areas of Conservation' to be designated. More recently, this seagrass has been adopted by Mediterranean EU states as a bioindicator of the ecological status of coastal water bodies in the implementation of the EU's 'Water Framework Directive' and currently in Maltese waters monitoring of *Posidonia oceanica* meadows is conducted by the Malta Environment and Planning Authority (MEPA).

The MCFS is also carrying out research projects on the incidental by-catches of seabirds (EU LIFE+ project) and turtles. These projects are conducted in collaboration with Birdlife Malta for the seabird by-catch and Nature Trust Malta and the University of Malta for turtle by-catch. A turtle rehabilitation unit also exists within MCFS that deals with the rehabilitation of injured marine turtles. Such turtles, which encounter a number of threats including accidental capture, plastics and other textiles which to these creatures look like their favourite food, collisions and accidents with boats or other vessels and the depletion of their food resource. Turtles which are accidentally caught by local fishermen are nursed back to health and released after identification tags are applied to their flippers. Although these turtles no longer nest in Malta, the country's role is crucial in their conservation.

Apart from fishing and aquaculture activities other causes of the degradation and destruction of marine ecosystems and habitats exist outside the fisheries sector, such as for example urbanisation of the coast and pollution from public utility and industrial effluent and is especially relevant for coastal fisheries.

Although fisheries have their share in polluting the seas with lost gear the main problem of pollution is related almost exclusively to aquaculture. Compared to the impact of public utility and industrial effluent, aquaculture produces almost negligible

quantities of organic pollution in the form of uneaten feed and faecal pellets and antibiotics, which are usually restricted to the individual aquaculture facility or area. Despite this it should be emphasised that negative impacts on habitats and habitat types in a specific area can be very serious. Malta has an established general National Aquaculture Policy in line with all regional and international instruments.

It is a well known fact that moving aquaculture activities further offshore decreases the conflicts with other users of the coastal band and shore and reduces the environmental impacts of aquaculture due to better dispersal of the uneaten food and faecal pellets. At present, the farms in the Maltese waters are situated close to the coast and inside bays whereas tuna penning operations are situated around 1 km from the coast. Malta is in the process of moving out farms which are situated close to the coast and inside bays to sites at a distance of around 6 km from the coast and approximately 80 m deep. The objectives of such sites are to:

- provide more space for further investment;
- reduce the conflicts with other stakeholders;
- reduce the impacts on marine ecosystems.

Needless to say, the establishment of such sites entails further development and enhancements to the caging technology.

Every single aquaculture development requires a meticulous and comprehensive Environment Impact Assessment that covers numerous areas. These studies normally add a considerable cost to the setting up of new activities. In the new management schemes an Environment Management Plan and a Waste Management Plan have to be registered for each operation. These plans take into consideration:

- water quality monitoring;
- sediment analysis;
- benthic surveys;
- hydrocarbon pollution risk assessment and operational procedures;

Additionally a strategic environmental assessment has been carried out. The environmental assessment concluded that, overall the FOP is not expected to result in any major negative environmental impacts and some major positive impacts were identified. The impact assessment includes a degree of uncertainty given that details of interventions that will eventually be funded are not yet known and therefore the assessment is based on the spirit of the measures, as described in the FOP, taking into consideration their objectives, scope, and actions.

3.7 Situation in terms of equality

As was stated in the general description of the industry, an estimated 450 full time fishers and 498 part time fishers participate in the fishing industry. Following a census carried out in 1996 it emerged that there were no full-time female fishers whilst 19 female fishers were registered as part-time. On the other hand 2006 figures show 905 male fishers (of which 473 are part time) and 38 female fishers (of which 20 are part time). It must however also be said that very often registered full time fishers are supported by their wives or female relatives and very often this activity is not registered anywhere and thus does not show in any official statistics.

With respect to the aquaculture industry an estimated 84 full time and 22 part time workers are employed by the industry. Official statistics do not however break down these numbers in terms of gender and thus one is unable to comment on the situation of equality in this sector.

Overall it is recognised that the increased participation of women in fishing or fishing related activities would constitute a possible driving force for change within the industry. With this in mind Measure 1.4 (Socio-economic compensation for the management of the Community fishing fleet) and Measure 2.3 (Investments in processing and marketing) have as specific objectives the promotion of equal rights for men and women and ensuring that the work environment is conducive to equal access by men and women. Furthermore it is envisaged that the schemes under Measure 1.1 (Public aid for permanent cessation of fishing activities) and Measure 1.2 (Public aid for temporary cessation of fishing activities) will award additional points to female fishers.

3.8 Main results of the analysis

The fishing industry in Malta is relatively a small industry that may best be described as artisanal. The contribution of the industry towards the national GDP is quite low. It is however estimated that the fishing industry as a whole supports the livelihood of at some 1,400 people through the actual fishing, marketing and fleet related activities. The social importance of the industry far outweighs its economic importance. The sector has long been seen by the local population as vital in supplying food items which form the core of our local diet. Furthermore fisheries is seen as adding value to the tourism sector through the availability of fresh fish and the 'preservation' of traditional fishing methods.

The principal species accounting for the bulk of the wholesale value of local catches are Tuna and Dolphin fish which in total account for some 65% of total landings. Other species such as shrimps, Stone bass and large Scorpion fish, though only accounting for 6.4% of the total catch volume account for approximately 15% of the wholesale value.

The main fish species exported are the aquaculture products, Tuna and to a lesser extent Swordfish. The aquaculture products account for 89% of total exports. The main export markets are Italy and Spain for Swordfish, Sea Bream and Sea Bass, and Japan, USA and South Korea for Tuna.

The Maltese fishing sector has a number of strengths from which to operate which include amongst others the versatility of the Maltese fishers and the management of the 25 mile conservation zone which has helped maintain stocks at healthy levels. On the other hand there are a number of weaknesses, some of which are structural whilst others are of a less permanent nature and will in fact be addressed through the measures detailed in this OP. Examples of structural weaknesses are the small size of the sector and the geophysical characteristics of the country which mean low productivity of local stocks and limited coastline from which to operate aquaculture operations. On the other hand current weaknesses which will be addressed by measures under this OP are the lack of fisheries infrastructure and low level of education of fishers amongst others.

In terms of threats one finds that the Mediterranean Sea faces continued pressures both from intensive shipping as well as from the considerable dumping of untreated sewage. Furthermore decreasing fishing opportunities for important species such as Blue Fin tuna and Swordfish will mean that the number of vessels targeting these species will have to decrease.

On the other hand, in terms of opportunities there do exist possibilities to somewhat address the pressure on fish stocks by expanding the aquaculture operations in Malta which could be possible if the plan of moving all aquaculture operations to the south of the Island are carried through. The improved management of fish stocks will also be aided through the adoption of Council Regulation 1967/2006 as well as the collection of scientific data that enable the authorities to gain a better understanding of the current state of the surrounding fish stocks as well as take appropriate remedial action were required.

It is clear that there is considerable pressure on the marine environment that is occurring through the urbanisation of the coast and subsequent discharge of pollutants. In terms of pollution sourcing directly from fishing related activities, this is almost exclusively confined to the aquaculture industry. Malta now has an established National Aquaculture Policy which is in line with all the regional and international obligations and as previously mentioned it is the intention of the authorities to move all aquaculture operations considerably off shore and at the south of the Island.

4. Strategy at Operational Programme Level

4.1 Overall General Objectives

Development of the Fleet:

To achieve a sustainable balance between fishing capacity and fishing opportunities.

Development of Fisheries' Infrastructure:

To consolidate and improve the current infrastructure servicing the fisheries industry.

Improving Competitiveness of the Fisheries, Aquaculture and Processing Sectors:

To improve the competitiveness of the fisheries, aquaculture and processing establishments sector by improving the structure and its working environment.

4.2 Rationale of general objectives

The overall fisheries policy as well as the National Strategic Plan (NSP) and the priorities, activities and measures of the 2007-2013 OP reflect national priorities that are in line with the objectives of the EU Common Fisheries Policy (CFP). The general objectives of the OP take into account the current state of fisheries in Malta.

The general objectives of the OP are planned on the basis of the NSP, the basic regulation and the implementing regulation as well as the principles of the Common Fisheries Policy and the Lisbon Strategy guidelines.

In accordance with the EU's strategic guidelines, the fisheries policy in Malta must promote measures that comply with the EU and CFP environmental guidelines and contribute to the development of areas dependent on fishing, and help them meet important objectives such as achieving a sustainable fishing effort, diversification of the fisheries product, increase in competitiveness of the sector, enhancement of fishing skills, the safeguarding of current jobs as well as the creation of new ones, improved working conditions and the application of increased innovation. The opportunity to realise these objectives can be achieved through the implementation of the measures contained within the three Priority Axis (Priority Axis 1 to 3).

4.3 Impact Indicators

Impact indicators are intended to identify broad, relatively high level, outcomes that can be anticipated to arise from a successful delivery of the sectoral strategies. The Operational Programme will contribute towards the achievement of the following:

- Reducing the number of tuna long liners by 6 % and the number of swordfish long-liners by 6 % whilst keeping the number of tuna purse seiners related to the fishing opportunities. (Baseline 2006 – Tuna long-liners 89, Swordfish long-liners 257, Tuna purse seiners 2)
- Consolidating at 2006 level the fisheries contribution to Gross Value Added by 2015 (Baseline 2006 – 0.76%; Target 0.76% in 2015)
- Increase to 7 the number of fishing designated ports by 2015. (Baseline 2006 – Number of designated ports 1)

4.4 Specific Programme Objectives

During the new financial perspective Malta intends to implement 10 measures⁷ under the four axes of the EFF and the technical assistance measure.

The priority axis adopted for this Operational Programme are in line with the EFF Regulation and read as follows:

- Axis 1 – Adaptation of the Community fishing fleet.
- Axis 2 –Aquaculture, processing and marketing of fishery and aquaculture products.
- Axis 3 – Measures of common interest.
- Axis 5 – Technical assistance.

Specific objectives are defined for each of the priority axis. These objectives are measured using result indicators which relate to the immediate effects of the OP on the targeted beneficiaries. The **specific objectives** and **result indicators** are set out in the table below:

⁷ A detailed description of the 10 measures can be found in Section 6.3.

Priority Axis 1 – Adaptation of the Community fishing fleet

Objective	Context indicator	Output Indicator	Results Indicator
Adjustment of the fishing effort	Gross Tonnage of vessels in fishing vessel register in 2006 – 15,166 Total KW 98,744	Gross Tonnage of vessels to be scrapped by 2015 – 200 Average KW to be scrapped 1,252	6% Reduction in fishing capacity of Malta fleet sector for declining species (Blue Fin Tuna & Swordfish) by 2015
Modernisation of the fishing fleet	Number of vessels in the FVR in 2006 (baseline) of which have already undertaken modernisation during the period 2004-2006 – 7	Number of vessels to be modernised by 2015 – 15 vessels	More modern fishing fleet – 1% of total fleet would have undertaken modernisation activities by 2015
	Total engine power of all vessels in fishing vessel register in 2006 – 98,744 kw	Number of vessels with engines replaced by 2015 – 7, (876 kw)	Number of engines replaced with lower emissions – 7
Increased trained fishers	No of fishers which had received formal training on professional skills during the period 2004-2006 - Nil	Number of fishers having received formal training during the period 2007-2013 - 30	Min. 50% of trainees satisfied or very satisfied with training received
	No of fishers which had received formal training for occupations outside sea fishing in 2006 - Nil	Number of fishers receiving formal training for occupations outside sea fishing during the period 2007-2013 - 30	Min. 50% of trainees satisfied or very satisfied with training received

- **Priority Axis 2** – Aquaculture, , processing and marketing of fishery and aquaculture products.

Objective	Context indicator	Output Indicator	Result Indicator
To achieve diversification of cultivated species	Number of different species currently being cultivated in 2006 – 3	Number of new species cultivated by 2015 - 1	Accompanying investment by recipient farms by 2015
To reduce the negative impact on the environment	Number of environment protection projects undertaken by 2006 - 1	Number of fish farms that undertake environmentally friendly initiatives by 2015 - 3	% of projects undertaken by fin-fish farms that have an element of environmental protection – 25%
To increase the competitiveness of aquaculture operations	Number of different species exported in 2006 - 2	Number of new species cultivated and exported by 2015 - 1	Increase in average quantity of exports during the period 2007 – 2015 – (+10%)
	Average number of fry commercially produced in 2006 – Zero	Number of fish farms commercially producing fry - 1	Average number of fry commercially produced in 2015 – 1 million
To enhance the processing and packaging facilities of the aquaculture and fisheries industries	Number of processing and packaging facilities in place in 2006 – 5	Number of new processing and packaging facilities in operation by 2015 – 2	More modern fish processing and packaging industry – 80% of all plants are either new or modernised by 2015
	Number of processing and packaging facilities in place in 2006 – 5	Number of existing plants undertaking action to modernise their processing facilities during period 2007-2015 – 2	More modern fish processing and packaging industry – 80% of all plants are either new or modernised by 2015
To enhance the promotion and marketing of species and products of interest to the market	Average quantity of exports (aquaculture and fisheries products) during the period 2004-2006 – 301,972 Kgs	Number of promotion and marketing projects undertaken – 1	Increase in average quantity of exports (aquaculture and fisheries products) during the period 2007 – 2015 – (+10% on the

			average quantity registered during the period 2004-2006)
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Priority Axis 3 – Measures of common interest

Objective	Context indicator	Output Indicator	Result Indicator
Upgrading of fisheries infrastructure at designated ports	Number of ports having the necessary landing and storage facilities in 2006 - 1	Number of upgrading projects on major infrastructural facilities undertaken by 2010 - 1	Number of ports available for the landing and storage of fish - 7
Relocation of fish markets	Number of fish market areas in 2006 - 1	–Number of newly developed fish markets by end of 2015 - 1	All fish markets in operation by 2015 are new
Facilitating marketing and promotional campaigns	Average national per capita consumption of fish (kg/year) during period 2000-2006 – 6.58kgs	Number of marketing and promotional campaigns organised during the period 2007-2015 – 4	Increase in the average national per capita consumption of fish (kg/year) during period 2007-2015 – +3%

Priority Axis 5 – Technical assistance for the administration and implementation of the OP

Objective	Context indicator	Output Indicator	Result Indicator
To provide technical support for the effective implementation of the OP		1 ex-ante evaluation, 1 interim evaluation.	More efficient management of the OP
		Enhanced software system	
		Information concerning the EFF OP on website	Public access to information concerning the OP

4.5 Calendar of implementation

The calendar of implementation below has been designed in accordance with the general theme of the Operational Programme, which takes into consideration the conservation and limitation of the environmental impact of fishing, fisheries structures and fleet management and market developments, and the financial provisions and general objectives for the period.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Preparation and Approval of OP										
Ex-Ante Evaluation										
Priority Axis 1:										
Permanent cessation of fishing activities										
Temporary Cessation of fishing activities										
Investments on board fishing vessels										
Socio-economic										
Priority Axis 2:										
Productive investments in aquaculture										
Improving the aquatic environment										
Processing & marketing										
Priority Axis 3:										
Port Facilities, landing sites, shelters & fish markets										
Development of new markets & promotional campaigns										
Priority Axis 5:										
Technical Assistance										
Interim Evaluation										
Ex-Post Evaluation										

4.6 Intermediary objectives of the Operational Programme

The following are the Intermediary (2010) objectives set for this OP.

Intermediate Objective	Context Indicator	Output Indicator	Result Indicator
Adjustment of fishing effort	Gross Tonnage of vessels in fishing vessel register in 2006 – 15,166 GT	Gross Tonnage of vessels to be scrapped by 2010 – The equivalent of two 10m Vessels	Reduction in fishing capacity of declining species (Blue Fin Tuna & Swordfish) by 2010
Improvement of port infrastructure	Number of ports having the necessary landing and storage facilities in 2006 – 1	Number of upgrading projects on major infrastructural facilities commenced by 2010 – 1	Increase of the average annual port capacity by 2010
Enhancement of fish processing and packaging operations	Number of processing and packaging facilities in place in 2006 – 5	Number of existing plants that have commenced action to modernise their processing facilities – 2	More modern fish processing and packaging industry – Projects started are 60% complete

4.7 Rationale for Intermediate impact indicators

The Intermediate impact indicators chosen for this OP reflect the areas of immediate priority for the continued development of the Maltese fishing industry. The three priority areas can be listed and described as follows:

Reduction of the fishing effort for more sustainable fisheries

The most important species for Maltese fishers in terms of capture fishes are the Blue Fin Tuna and the Swordfish. Both species are considered to be declining species within the Mediterranean Sea and thus a reduction of the fishing effort in general and a reduction of fishing effort in particular to the two main species is required. This will assist in putting the Maltese fisheries industry on a more sustainable footing.

Enhancement of fish processing and packaging operations

In view of the need to reduce the fishing effort it is clear that for sustainability to be maintained whilst at the same time increasing the per capita consumption of fish a shift from capture fishes to aquaculture species will need to take place over the coming years. The Maltese aquaculture industry has over the last few years continued to expand as the demand for aquaculture species has continued to increase. This expansion is being accompanied by research efforts to introduce new species in terms of aquaculture to provide consumers with a wider choice whilst at the same time reducing the pressure on wild stocks. For this thrust to be successful it is essential that the local aquaculture industry expands its fish processing and packaging operations and becomes well geared to take up the challenge especially in terms of becoming more competitive and offering consumers a wider choice of products. This will however require local operators to undertake a restructuring / modernisation effort over the coming 7 years.

Improvement of the port infrastructure

Having key infrastructure in place is considered to be vital for the continued development of the fishing industry. In order to maintain the quality of the fish landed and for local fishers to be able to supply their catch at competitive prices it is essential that up to scratch landing and storage facilities are made available in different ports across the country.

5. Evaluation of the Operational Programme

The Operational Programme will be subject to an ex ante, interim and ex post evaluation in accordance with the provisions of Articles 48, 49 and 50 of Council Regulation 1198/2006. The aim of the evaluations is to improve the quality and effectiveness of the assistance from the EFF and the implementation of the OP. They will also appraise their impact with respect to the guiding principles set out in Article 19, the relevant parts of the National Strategic Plans and specific problems affecting Malta, while taking account of the needs of sustainable development in the fisheries sector and the environmental impact.

Evaluations will be carried out by assessors independent of the authorities referred to in Article 58.

5.1 Summary of ex ante evaluation

The ex-ante evaluation was prepared by Pricewaterhouse Coopers and had the following as its terms of reference:-

- To appraise the socio-economic analysis and the appropriateness of the ranking of the main disparities identified;
- To evaluate the economic rationale of the strategy and its consistency;
- To appraise the coherence of the strategy with the National Strategic Plan for Fisheries 2007-2013 (hereafter NSP) and other relevant sectoral policies;
- To evaluate the expected results and impacts;
- To appraise the proposed implementation systems.

The report is structured in such a manner as to reflect the appraisal and evaluation of the main sections of the OP. More specifically the ex-ante report is structured accordingly:-

- Appraisal of the situation analysis and the relevance of the strategy to the needs identified;
- Evaluation of the rationale of the strategy and its consistency;
- Appraisal of the coherence of the strategy with the National Strategic Plan, the Community Fisheries Policy and Community Strategic Guidelines;
- Evaluation of the expected results and impacts;
- Appraisal of the proposed implementation systems.

The ex-ante evaluation found that the socio-economic analysis articulates the fundamental needs and structural weaknesses of the fisheries sector highlighting the central themes of the Operational Programme; i.e. the restructuring of the fishing capacity in line with safeguarding declining species and the development of the aquaculture industry. The evaluation has highlighted some areas whereby the analysis might be strengthened.

The Operational Programme has identified a number of areas that have environmental implications and provides a useful basis to highlight the relevance of interventions to Malta's strategic needs.

Overall it is clear that much of the rationale for intervention in the programme can be justified on the basis of public goods provision particularly given the strong emphasis on the support to the sector in terms of physical infrastructure and the development of aquaculture, processing and marketing activities. However, additional cross reference to the NSP may be required.

Although the programme rationale emerges broadly from the three general objectives, there is a need for a general link to the rationale for the choice of these objectives.

Overall there is a high degree of consistency between the different priorities and programme objectives. Given the nature of the objectives, the main focus of the programme is centred on the promotion of sustainable growth in the sector. This can be clearly identified in the focus of the entire priority axis. It is generally considered that the Operational Programme has achieved a balanced mix between economic, social objectives and therefore the ex-ante report does not propose a reallocation of financial resources across priorities.

Overall, the allocations to priority axis are considered adequate given the strong importance attached to the development of the fleet, the development of aquaculture, processing and marketing sectors and the development of the fisheries infrastructure. However given the nature and extent of interventions envisaged by this Operational Programme and the first time experience in the implementation and management of EFF funds, significant build up of administrative capacity is recommended.

The ex-ante has found that the programme is coherent with the objectives emerging from the National Strategic Plan for Malta 2007-2013 and the objectives and Priority Axis enclosed in the Operational Programme reflect positively the main thrusts of the Common Fisheries Policy in terms of the conservation and limitation of the environmental impact of fishing, fisheries structures and fleet management and market developments.

With reference to the focus of the Cohesion Policy emerging from the Community Strategic Guidelines pertaining to the fisheries sector and referring to the Lisbon and Gothenburg agendas, the emphasis on economic restructuring of fisheries-dependent coastal areas is found to be closely linked with the objectives and priorities of the Operational Programme.

Having considered the strategic thrust of the Programme and its underlying objectives, the ex-ante evaluation recommends curtailing the three impact indicators down to two to avoid duplication between some of the proposed indicators and ensure that the programme remains focused on the realisation of its intended benefits.

5.2 Summary of the Strategic Environmental Assessment

1. A Strategic Environmental Assessment (SEA) in accordance with the Strategic Environmental Assessment Regulations, 2005 (Legal Notice 418 of 2005) was carried out on the Fisheries Operational Programme (FOP), the first version of which was completed in January 2008.
2. A scoping report was prepared in December 2007 and sent to the SEA Audit Team. The scoping report was subjected to public consultation. No comments were received during this consultation period.
3. The first draft of the Environmental Report was made available to the public in January 2008. No comments were received on the Environmental Report during the consultation period.
4. A second draft of the Environmental Report was prepared in October 2008 in response to changes made to the FOP.
5. The Environmental Report includes the following:
 - A brief description of the FOP and related documents;
 - A description of the SEA methodology adopted;
 - Baseline environmental information and trends;
 - Specific SEA objectives based on key environmental issues, and used as criteria against which the environmental assessment was made;
 - An assessment of the FOP objectives and how these relate, if at all, to the SEA objectives – this assessment helps identify which environmental aspects are likely to be impacted;
 - An assessment of environmental effects and proposed mitigation measures;
 - An assessment of programme alternatives; and
 - A framework for a monitoring plan.
6. The environmental assessment concluded that, overall the FOP is not expected to result in any major negative environmental impacts and some major positive impacts were identified. The impact assessment includes a degree of uncertainty given that details of interventions that will eventually be funded are not yet known and therefore the assessment is based on the spirit of the measures, as described in the FOP, taking into consideration their objectives, scope, and actions.
7. Impacts were assessed for each Measure and across each Axis. Overall, Axis 1 is expected to give rise to positive environmental impacts as measures chosen aim to ensure the sustainable utilisation of fisheries resources and therefore positive impacts on marine habitats and to the fish stocks can be expected.
8. Whilst Axis 2 aids in reducing pressure on fisheries, negative environmental impacts are also associated with aquaculture operations. The SEA identified

that in order to improve management of aquaculture operations, fish farm operators seeking funding under Measure 2.1 are encouraged to also apply for funding under Measure 2.2.

9. Axis 3 has the largest budget allocation. Development in ports may result in landscape impacts, and the SEA identified that the significance of such impacts should be assessed at the project level where relevant.
10. The SEA included an Alternatives Assessment, which took into consideration measure selection under each Axis, the environmental impact expected from the existing plan and the fund allocation across the Axes. Since the assessment concluded that the FOP could potentially result in an overall positive impact (depending on implementation), the assessment of alternatives aimed at identifying how this positive impact could be enhanced.

6. Programme's Priority Axis

6.1 Coherence and Justification of the Priority Axis

The preparation of the operational programme has been drawn up with consideration to Article 19 of Council Regulation (EC) No 1198/2006: Guiding principals for the Operational Programme.

The Operational Programme has also been designed to support the implementation of the objectives of the National Strategic Plan. The Maltese fishing industry as outlined in Chapter 3⁸ of this OP is facing a number of challenges. These relate to the general sustainability of the fishing industry and more specifically to over fishing, an aging fleet, pressure on the environment, work conditions for fishers and operators in the aquaculture sector as well as the need for training of fishers.

It is envisaged that the Priority Axis chosen (Axis1, 2, 3 and 5) and the actions that will take place under each measure will specifically address the challenges listed above. More specifically, actions undertaken will address the sustainability of stocks, the protection of the environment, the upgrading of vessels, the upgrading of port infrastructure, the modernisation of aquaculture and fish processing operations and the provision of training both for fishers still in the industry as well as for fishers wishing to take up activities outside the industry. Technical assistance for the implementation of the OP will also be provided.

⁸ See SWOT analysis section 3.5

6.2 Description of Each Priority Axis

Priority Axis 1: Measures for the Adaptation of the Maltese Fishing Fleet

Support from EFF under this axis is available from the following measures:

- Public aid for permanent cessation of fishing activities
- Public aid for temporary cessation of fishing activities
- Investment on board fishing vessels and selectivity
- Small scale coastal fishing
- Socio-economic compensation for the management of the Community fishing fleet

The EFF will be used to support the following actions foreseen in the National Strategic Plan for Fisheries 2007-2013:

- Adjustment of fishing effort
- More selective fishing gear
- Modernisation of fishing vessels
- Provision of socio-economic compensation for management of the fleet

Priority Axis 2: Aquaculture, , Processing and Marketing of Fishery and Aquaculture Products

Support from EFF under this axis is available from the following measures:

Aquaculture

- Measures for productive investments in aquaculture
- Aqua-environmental measures
- Public health measures
- Animal health measures

Processing and Marketing

- Improving working conditions
- Improving and monitoring public health and hygiene conditions or product quality
- Producing high quality products for niche markets
- Reducing negative impacts on the environment
- Improving the use of little-used species, by-products and waste
- Producing or marketing new products, applying new technologies, or developing innovative production methods
- Marketing products mainly originating from local landings and aquaculture
- Develop market opportunities
- Supporting lifelong learning in areas such as marketing, collaborative supply chains, improvements in quality and public health

Development of Aquaculture

The EFF will be used to support the following actions foreseen in the National Strategic Plan for Fisheries 2007-2013:

- Closing the production cycle of existing aquaculture production
- Achieving the diversification of cultivated species
- Reduction of the negative impact of existing operations on the environment

Development of the processing and marketing sectors

The EFF will be used to support the following actions foreseen in the National Strategic Plan for Fisheries 2007-2013:

- Investment in processing and packing facilities for fisheries and aquaculture products
- Development of marketing and promotional campaigns

Priority Axis 3: Measures of Common Interest

Support from EFF under this axis is available from the following measures:

- Collective actions
- Protection and development of aquatic flora and fauna
- Fishing ports, landing sites and shelters
- Developments of new markets and promotional campaigns
- Pilot projects
- Modification for re-assignment of fishing vessels

The EFF will be used to support the following actions foreseen in the National Strategic Plan for Fisheries 2007-2013:

- Construction of amenities and other fisheries related infrastructure at designated ports
- The relocation of fish markets
- Establishing Producer Organisations

Priority Axis 5: Technical Assistance

Support from EFF under this axis is available from the following measures:

- Preparation, management, monitoring, evaluation, publicity, control and audit of the Operational Programme
- Networking activities
- Improvement of administrative capacities of the Member States⁹

The EFF will be used to support the following actions foreseen in the National Strategic Plan for Fisheries 2007-2013:

⁹ This is possible as long as all regions are eligible under the Convergence objective.

- Strengthening of the administrative and management capabilities of the relevant national authorities.

6.3 Description of Main Measures

The following are the measures identified by the Maltese authorities as well as through stakeholder engagement that will receive support through the EFF.

Priority Axis 1: Measures for the Adaptation of the Community Fishing Fleet

Objective	Baseline	Target by 2015
Adjustment, of the fishing capacity	Gross tonnage of vessels in Fishing Vessel Register by end 2006 – 15,166 GT	Gross tonnage of vessels to be scrapped – 200 Average kW to be scrapped 1,252 6% reduction in fishing capacity of Malta fleet sector for declining species (Blue Fin Tuna & Swordfish)
Modernisation of the fishing fleet	Number of vessels in the Fishing Vessel Register in 2006 which had already undertaken modernisation during the period 2004-2006 - 7	Number of vessels to be modernised by 2015 – 15 vessels
	Total engine power of all vessels in the Fishing Vessel Register in 2006 - 98,744 kW	Number of vessels with engines replaced for lower emissions by 2015 – 7 (876 kW)

Contribution from the EFF

Subject to the maximum rate of contribution established in Article 53 of the EFF and the aid intensity limits established in Annex II of the same regulation, the average co-financing rate for Priority Axis 1 is 75%

Measure 1.1: Public aid for permanent cessation of fishing activities

The EFF shall contribute to financing of the permanent cessation of fishing activities of fishing vessels.

Priority	Axis 1 – Measures for the adaptation of the fleet
Measure	Public aid for permanent cessation of fishing vessels
EFF reference	Art. 23

Rationale

The rationale for this measure is the sustainable utilisation of fisheries resources and fleet management. Malta faces a number of challenges in terms of:

- Obtaining a balance between its fishing capabilities and its available fisheries resources
- An aging fishing fleet
- The seasonal nature of the fishing activity

The actions taken under this measure shall be implemented within the framework of a fishing effort adjustment plan elaborated in line with Article 21 and 22 of the EFF Regulation.

The already-existing management plan (presented to the Commission on the 30th of May 2008)¹⁰ shall be developed further into a fishing effort adjustment plan in line with the objectives of this measure and the applicable EFF provisions. This fishing effort adjustment plan shall be developed by the Fisheries Division and discussed with the Fish Advisory Board (FAB) as per procedure established in Art 5 of the Fisheries Management and Conservation Act. Once approved by the FAB, the proposed plan will be sent to the Minister for Resources and Rural Affairs for his opinion. Once the plan is endorsed by the Minister, it is published in the Government Gazette and becomes public policy.

General objective

The general objective of the measure is to adjust the fishing capacity of the Maltese registered fishing fleet as well as to manage the fishing effort in accordance with the aims of the CFP. This measure will as a priority target long-line vessels that fish for highly migratory fish stocks, taking into account in particular the recovery plan for Bluefin tuna. This should lead to a reduction in the fishing effort for threatened species such as Swordfish and Blue Fin tuna.

¹⁰ Article 19 CR 1967/2006

Specific objectives

The specific objectives of the measure are:

- The permanent withdrawal of vessels from the fishing fleet and from the Community fleet register.
- The reassignment of fishing vessels into non-fishing activities

Beneficiaries

The beneficiaries of this measure are legal and natural persons who are registered as owners of a fishing vessel and have a valid licence for commercial fishing in the A or B categories of the Malta fishing register at the time of application.

Eligible actions

The actions that are eligible under this measure are:

- The complete scrapping of a fishing vessel with deletion of the relative fishing capacity related to the vessel from the Malta fishing vessel register. Both fishing rights and vessel will be compensated. Direct reference is made to Art 4(1) of Commission Regulation (EC) 498/2007 whereby scrapping of the vessel means there will be a permanent cancelling of the related fishing licence and the permanent deletion of the vessel from the Community fleet register.
- The reassignment of the vessel under the flag of a Member State and registered in the Community for activities outside fishing with deletion of the relative fishing capacity related to the vessel from the Malta fishing vessel register. Only fishing rights will be compensated.
- The reassignment of the vessel for the purpose of the creation of artificial reefs with deletion of the relative fishing capacity related to the vessel from the Malta and the Community fishing vessel register. Both fishing rights and vessel will be compensated. Direct reference is made to Art 23 1 (c) of Council Regulation (EC) 1198/2006, whereby Member States shall ensure that any such operation as described above will be preceded by an environmental impact assessment.
- Information and publicity actions relating to actions taken under this measure.

As per Art 23.2 of the EFF Regulation, the permanent cessation of fishing activities of fishing vessels shall be programmed in the form of national decommissioning schemes which shall not exceed two years from the date of entry into force.

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- Applicant must be the owner of the vessel and own a valid licence for commercial fishing within A or B categories of the Malta fishing vessel register.
- Vessels that are to be scrapped must be active vessels and must have shown fishing activity through landings and registration of catches in the last 2 years.
- Vessel older than 5 years of age
- Vessel has not received funding for modernisation from other EU funds in the last 5 years.
- Additional criteria as defined by the relevant authority.

Calculation of premiums for the scrapping of vessels

The premiums to be paid for the permanent cessation of fishing vessels will be reflective of both the value of the vessels as well as the value of the fishing licences. The premiums for the reassignment to non-fishing activities will be calculated in the same way.

The value of the vessel will be calculated via a formula that will be worked according to length of the vessel plus a coefficient that will be worked out for the material of the hull and the age of the vessel.

The value of the licence will be calculated on the basis of the turnover of the fishing vessel plus a coefficient that will be worked out according to the sector the vessel belongs. The Monitoring Committee will approve a scale of assistance fixing the maximum premium to be granted.

Measure 1.2: Public aid for temporary cessation of fishing activities

The EFF shall contribute to the financing of aid measures for the temporary cessation of fishing activities for fishers and owners of fishing vessels.

Priority	Axis 1 – Measures for the adaptation of the fleet
Measure	Public aid for temporary cessation of fishing activities
EFF reference	Art. 24

Rationale

The rationale for this measure is the sustainable utilisation of fisheries resources and fleet management. Temporary cessation of fishing activity may from time to time be required either due to unforeseen circumstances or else as part of the actions taken to manage the fisheries resources. This cessation envisaged by this measure should not however be of a permanent nature and therefore support within the time limits stipulated in Article 24 (1) will be provided to ensure the continued viability and existence of the fisheries sector.

General objective

The general objective of this measure is to provide temporary support to fishers and owners of vessels who in the context of the fishing adjustment plans referred to in Article 21(a) must temporarily cease their fishing activities.

Specific objectives

The specific objectives of the measure are to provide temporary support:

- In the context of the fishing effort adjustment plans referred to in Article 21(a)(iv) of Regulation No 1198/2006 and management plans adopted at national level within the framework of Community conservation measures and where such plans provide for gradual reductions in fishing effort
- In the event of a natural disaster, closures of fisheries decided by the relevant Maltese Authorities or other Member States for reasons of public health or other exceptional occurrence which is not the result of resource conservation measures

Beneficiaries

The beneficiaries of this measure are legal and natural persons who are registered as fishers and / or are owners of a fishing vessel and have a valid licence for commercial fishing at the time of application.

Eligible actions

The eligible action foreseen by this measure is the full cessation of all fishing effort which is approved / sanctioned by the relevant national authority. A recurrent seasonal suspension of fishing shall not be taken into account for the grant of allowances under this measure.

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be registered as a fisher and / or an owner of an active vessel and own a valid licence for fishing in Category A and B in the Malta fishing vessel register
- The temporary cessation of activities must be as a result of occurrences as listed in Article 24 (1) of Regulation No 1198/2006.
- Additional criteria as may be defined by the relevant authority.

Calculation of premiums for temporary cessation

The premiums to be paid for the temporary cessation of fishing vessels will be reflective of the fixed costs incurred by vessel owners when the vessel is tied-up in port; whenever appropriate, the financial costs related to loans covering the period of the temporary cessation; part of the loss of revenue incurred by fishers and vessel owners; part of the basic salary currently received by fishers.

Concerning the establishment of the premiums for fishers, the criterion used will be a percentage of the basic net income currently received by the fishers. The Monitoring Committee will approve a scale of assistance fixing the maximum premium to be granted.

Measure 1.3: Investments on board fishing vessels and selectivity

The EFF may contribute to the financing of equipment and the modernisation of fishing vessels of five years of age or more.

Priority	Axis 1 – Measures for the adaptation of the fleet
Measure	Investments on board fishing vessels and selectivity
EFF reference	Art. 25

Rationale

The Maltese fishing fleet has a number of vessels which are in need of significant investment to ensure that fishermen have a safe and sound environment whilst working on board. Some vessels are also in need of additional equipment to enable them to fish safely further away from shore as well as in international waters. The

rationale of this measure is to achieve a modernisation of the current fleet and to achieve greater on board security.

General objective

The general objective of this measure is to enhance safety and improve working conditions on board fishing vessels. It is also aimed at safeguarding the environment by reducing the impact of fishing.

Specific objectives

The specific objectives of the measure are to assist investments on board vessels that will lead to:

- Improved safety and working conditions on board.
- Enhanced hygiene and product quality.
- Improved energy efficiency.
- Increased selectivity of fishing gear.
- A reduction of fishing impact on the environment and on non-commercial species.

Beneficiaries

The beneficiaries of this measure are legal and natural persons who are registered as fishers and / or are owners of a fishing vessel in the Malta fishing vessel register and have a valid licence for fishing in the A and B categories.

Eligible actions

The actions that are eligible under this measure are:

- Investment in equipment that will lead to the achievement of any one or more of the specific objectives listed above.
- To increase mesh sizes and hook sizes for trawl nets, bottom-set nets and long lines in order to avoid further increases in mortality rates for juveniles and to substantially reduce the amount of discards of dead marine organisms by fishing vessels. In this regard, specific reference is made to Art 25.7(b) and 25.8(a) of the EFF Regulation.
- The replacement of an engine per vessel as per the conditions listed in Article 25 (3) of Regulation No 1198/2006.

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be the registered as an owner of an active vessel and own a valid licence for fishing within A or B categories of the Malta fishing vessel register.

- The vessel on which the proposed investment will take place must be five years or older.
- Vessel has not received funding for modernisation from other EU funds in the last 5 years.
- The proposed investment cannot contribute towards increasing the vessel's fishing capacity and capability.
- Additional criteria as may be defined by the relevant national authority.

Measure 1.4: Socio-economic compensation for the management of the Community fishing fleet

The EFF may contribute to the financing of socio-economic measures proposed by Member States for fishers affected by developments in fishing.

Priority	Axis 1 – Measures for the adaptation of the fleet
Measure	Socio-economic compensation for the management of the community fishing fleet
EFF reference	Art. 27

Rationale

Given the pressure on specific fisheries resources around the Maltese Islands and given the fishing capacity found within the Maltese fleet it is vital that the fishing industry is managed in a sustainable manner. This will help ensure the long-term sustainability of specific stocks. The sustainable management of the industry can, amongst others, also be achieved by diversifying the activities within the industry, by upgrading the skills of the active fishers and by supporting the transfer of skills to occupations outside the fisheries industry

General objective

The general objective of the measure is to support the management of the Community fishing fleet through the diversification of skills and activities and the upgrading of professional skills.

Specific objectives

The specific objectives of the measure are:

- The diversification of activities by fishers.
- The upgrading of professional skills through lifelong learning.
- The provision of training to fishers for occupations outside sea fishing.
- The promotion of equal rights for men and women in the fisheries industry.
- The continued and increased participation of young (<40) fishers.

Beneficiaries

The beneficiaries of this measure are legal and natural persons with residence in Malta and who are registered as fishers and / or are owners of a fishing vessel in the Malta fishing vessel register and have a valid licence for fishing in the A and B categories.

Eligible actions

The actions that are eligible under this measure are:

- The provision of training to upgrade the professional skills for fishers and for young fishers in particular
- The provision of training to fishers in occupations outside sea fishing
- A non-renewable compensation to fishers as per Article 27 (1) (e) of Regulation 1198/2006
- The payment of a premium to fishers younger than 40 years as per Article 27 (2)

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be the registered with the competent authority as a fisher in Malta.
- The non-renewable compensation will only be given to fishers who have worked on board a vessel for 12 months as fishers provided the fishing vessel on which they have worked has been the object of permanent cessation of fishing activities as per Article 23 of Regulation No. 1198/2006.
- Fishers younger than 40 years old who acquire for the first time part or total ownership may also benefit from individual premiums as per the conditions set out in Article 27 (2) and (3) of Regulation No. 1198/2006.
- Additional criteria as may be defined by the relevant national authority.

Method of calculation of compensation

The socio-economic compensation to be paid will be based on the allowances paid by the Social Security Department to registered unemployed people. The rates paid will vary according to whether the fisher/owner involved forms part of a 1, 2, 3, 4 or 5 person family with the rate increasing accordingly. The Monitoring Committee will approve a scale of assistance fixing the maximum premium to be granted.

Priority Axis 2: Aquaculture, Processing and Marketing of Fishery and Aquaculture Products

Objective	Baseline	Target by 2015
To achieve diversification of cultivated species	Number of different species currently being cultivated in 2006 - 3	Number of new species cultivated - 1
To reduce the negative impact on the environment	Number of environment protection projects undertaken by 2006 - 1	Number of fish farms that undertake environmentally friendly initiatives- 3
		25% of projects undertaken by fin fish farms have an element of environmental protection
To increase the competitiveness of aquaculture operations	Number of species exported in 2006 - 2	Number of new species exported - 1
	Quantity of export in 2006 - 238,992 kg	Increase in average quantity of exports during the period 2007-2015 – 10%
	Average number of fry commercially produced in 2006 - nil	Average number of fry commercially produced – 1 million
	Number of fish farms commercially producing fry - nil	Number of fish farms commercially producing fry - 1
To enhance the processing and packaging facilities of the aquaculture and fisheries industries	Number of processing and packaging facilities in place in 2006 -5	Number of new processing and packaging facilities in operation - 2
		Number of existing plants undertaking action to modernise their processing and/or packaging facilities during period 2007-2015 - 2
		80% of all plants are either new or modernised by 2015
To enhance the	Average quantity of	Increase of average

promotion and marketing of species and products of interest in the market	exports (aquaculture and fisheries products) during period 2004-2006 – 301,972 kg	quantity of exports (aquaculture and fisheries products) during 2007-2015 – 10%
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Contribution from the EFF

Subject to the maximum rate of contribution established in Article 53 of the EFF and the aid intensity limits established in Annex II of the same regulation, the average co-financing rate for Priority Axis 2 is 30%.

Aquaculture

Measure 2.1: Productive investments in aquaculture

The EFF may support investments in the construction, extension, procurement of equipment and modernisation of production installations, in particular with a view to improving working conditions, hygiene, human or animal health and product quality, reducing negative environmental impact or enhancing positive effects on the environment.

Priority	Axis 2 – Aquaculture, Processing and Marketing of Fishery and Aquaculture Products
Measure	Productive investments in aquaculture
EFF reference	Art. 29

Rationale

Malta has an aquaculture industry which mainly deals with the production of Sea Bass and Sea Bream as well as Tuna Penning. The operations concerning the production of Sea Bass and Sea Bream started in the late 1980s and after a downfall in demand in the late 90s early 2000, production has once again started to pick up. A number of these facilities are quite old and require investment to modernise both in terms of structures as well as in terms of equipment to become more efficient and competitive. In terms of Tuna Penning, this industry started in the year 2000 and has now a number of farms in operation.

Investment in additional structures and equipment is needed in view of the expected increase in production being forecasted over the coming years. Malta has a very limited coastline the majority of which is not utilisable in view of the high cliffs. Malta also has one of the highest population densities in the world. This fact is further exacerbated with the visit of some 1.2 million tourists per year with the peak occurring during the summer months. Therefore, pressure on the coast and marine environment is considerable and is subject to further pressure from the aquaculture activities.

General objective

The general objective of the measure is to improve sector competitiveness and reduce the negative impact of aquaculture on the environment.

Specific objectives

The specific objectives of the measure are:

- The modernisation of existing aquaculture facilities.
- The development of new species that can be commercialised.
- The development of a land-based hatchery.
- The development of new aquaculture facilities exclusively involved in the rearing and commercialisation of new species.
- The development and implementation of aquaculture methods that will mitigate the negative impact on the environment.
- The enhancement of the working and safety conditions of aquaculture workers.
- Ensuring that the work environment is conducive to equal access by men and women to the industry.

Beneficiaries

The beneficiaries of this measure are micro, small and medium-sized enterprises as defined in Commission Recommendation 2003/361/EC that are legal and natural persons registered with the relevant authorities for aquaculture activities in Malta. Additional points will be awarded for applicants that fall within the definition of micro and small-sized enterprises.

Eligible actions

The actions that are eligible under this measure are:

- Investment in new equipment aimed at modernizing current establishments as well as enhancing security.
- Investment in the construction of a land-based hatchery.
- Investment in the construction of new establishments and the required equipment.
- Investment in new equipment aimed at mitigating any possible negative impacts of aquaculture operations.
- Investment in the development and commercialisation of new species.
- Investment in the development and implementation of new aquaculture methods aimed at reducing environmental impact.
- Spatial planning/mapping of aquaculture sites.

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be a micro, small or medium-sized enterprises as defined in Commission Recommendation 2003/361/EC and registered with the relevant authorities as an aquaculture operation in Malta.
- The operation benefiting from this assistance cannot involve capture based stocks.
- Where required, an Environmental Impact Assessment will be requested to ensure that no counter-productive effects on the environment take place.
- All proposed projects must be shown to be economically feasible.
- In the case of the development of new species, market forecasts must also be made available.
- Additional criteria as may be defined by the relevant national authority.

Measure 2.2: Aqua-environmental measures

The EFF can support granting compensation for the use of aquaculture production methods that help to protect and improve the environment and to conserve nature.

Priority	Axis 2 – Aquaculture, Processing and Marketing of Fishery and Aquaculture Products
Measure	Improving the aquatic environment
EFF reference	Art. 30

Rationale

Aquaculture operations put pressure on both the coastal and marine environments within which they operate. Given the limited coastline available it is very important that all possible measures to mitigate this environmental impact are taken. Therefore support will be given to initiatives that contribute towards the protection and improvement of the environment.

General objective

The general objective of the measure is to support initiatives and aquaculture production methods that assist in reducing the negative impact of aquaculture on the environment.

Specific objectives

The specific objectives of the measure are:

- To promote specific methods of aquaculture production that help to protect and enhance the environment including natural resources, genetic diversity and management of landscape.

- To encourage participation in the Community eco-management and audit scheme.

Beneficiaries

The **only beneficiaries** of this measure are micro, small and medium-sized enterprises as defined in Commission Recommendation 2003/361/EC that are legal and natural persons registered with the relevant authorities for aquaculture activities in Malta.

Eligible actions

The actions that are eligible under this measure are:

- The implementation of aqua-environmental methods aimed at protecting and enhancing the environment and producing more eco-friendly aquaculture products

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be a micro, small and medium-sized enterprises as defined in Commission Recommendation 2003/361/EC and registered with the relevant authorities as an aquaculture operation in Malta.
- All applicants must commit themselves for a minimum of five years to aqua-environmental requirements that go beyond the mere application of good practice.
- Additional criteria as may be defined by the relevant national authority.

Calculation of compensation

The compensation to be given for the application of aqua-environmental methods will be based on the following criteria:

- The demonstrable loss of revenue being incurred due to the application of the aqua-environmental methods.
- The demonstrable additional costs that will be incurred due to the application of the aqua-environmental methods.

In order to receive compensation under this Article, beneficiaries of compensation must commit themselves for a minimum of five years to aqua-environmental requirements which go beyond the mere application of normal good aquaculture practice. Furthermore where required, the environmental benefits of actions proposed under this measure must be demonstrated by a prior assessment conducted by the competent designated bodies.

Measure 2.3: Investments in processing and marketing

The EFF may support investments in processing and marketing of fisheries and aquaculture products.

Priority	Axis 2 – Aquaculture, Processing and Marketing of Fishery and Aquaculture Products
Measure	Investments in Processing and Marketing
EFF reference	Art. 34

Rationale

The efficient processing and effective marketing of products are two extremely important elements for the fisheries and aquaculture industry in Malta to be successful. Whilst the aquaculture industry in Malta continues to develop on a more sustainable basis, it is also true that international competition in the sector continues to increase. It is therefore vital that the sector continues to improve its competitiveness via the introduction of more efficient processing methods, the development of new products and their effective marketing.

General objective

The general objective of the measure is to increase the competitiveness of the fisheries and aquaculture industry in Malta and to promote the creation of sustainable jobs.

Specific objectives

The specific objectives of the measure are:

- To enhance the efficiency of the operations of enterprises involved in processing and marketing of fish products.
- To enhance product quality and presentation.
- To improve public health and hygiene conditions.
- To develop and market new products.
- To support the marketing of products originating from less saleable local landings.
- To improve working conditions of people employed in the sector.
- Ensuring that the work environment is conducive to equal access by men and women to the industry.
- To improve the management and use of by-products and waste.

Beneficiaries

The beneficiaries of this measure are micro, small and medium-sized enterprises as defined in Commission Recommendation 2003/361/EC that are legal and natural persons registered with the relevant authorities for aquaculture activities in Malta. Additional points will be awarded for applicants that fall within the definition of micro and small-sized enterprises.

Eligible actions

The actions that are eligible under this measure are:

- Investment in facilities and equipment including both hardware and software with the aim of achieving one or more of the objectives as per Article 35 (1) of the EFF Regulation.
- Investment in refrigeration vehicles and other refrigeration equipment necessary for the operations of enterprises operating at wholesale level.
- Investment in health, hygiene and safety measures.
- Investment in the marketing of products originating from local landings and aquaculture.
- Investment in the development of brand names for local products.

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be a micro, small and medium-sized enterprises as defined in Commission Recommendation 2003/361/EC and registered with the relevant authorities as an aquaculture operation in Malta.
- Proposed investments must be for the production of products intended only for human consumption. An exception is made for investments in processing and marketing of products derived from fisheries and aquaculture product waste.
- No assistance will be given for investments relating to the retail trade.
- Additional criteria as may be defined by the relevant national authority.

Priority Axis 3: Measures of Common Interest

Objective	Baseline	Target by 2015
Upgrading of fisheries infrastructure of designated ports	Number of ports having the necessary landing and storage facilities in 2006 – 1	Number of ports available for the landing and storage of fish – 7
Relocation of fish markets	Number of fish market areas in 2006 - 1	Number of newly developed fish markets by end of 2015 - 2
Facilitating national marketing and promotion campaigns	Average national per capita consumption of fish during period 2004-2006 – 6.58 kg/year	Increase in the average national per capita consumption of fish (kg/year) during period 2007-2015 – 3%

Contribution from the EFF

Subject to the maximum rate of contribution established in Article 53 of the EFF and the aid intensity limits established in Annex II of the same regulation, the average co-financing rate for Priority Axis 3 is 75%.

Measure 3.1: Fishing ports, landing sites and shelters

The EFF can support investments in existing public or private fishing ports with the aim of improving the services offered.

Priority	Axis 3 – Measures of Common Interest
Measure	Fishing ports, landing sites, shelters & fish markets
EFF reference	Art. 39

Rationale

Malta has established 1 designated fishing port in line with Article 22 of Council Regulation 1967/2006. These designated fishing port will be ‘changed’ from their current status or role which is that of landing sites. In view of the obligation of CR1967/2006, prior landing sites had to become designated ports. In view of this obligation and in view of the heavy workload these ports are expected to handle, it is clear that additional investment will be required. Furthermore investment in the ports will be aimed at improving and guaranteeing the necessary hygiene standards by providing the required covered areas and temporary cold storage for both approved and withheld landings. In parallel, the organisational structure of the fisheries protection group has been reviewed to include inspectors for each port, thus enhancing enforcement of control in the designated landing areas.

Investments will also be carried out to relocate or upgrade existing fish markets.

General objective

The general objective of the measure is to improve the existing fishing ports and landing sites whilst meeting standards as well as improving the conditions under which products are auctioned.

Specific objectives

The specific objectives of the measure are:

- To develop the necessary infrastructure at designated fishing ports.
- To improve the conditions for the landing and storage of fish.
- To improve the conditions for the organisation and sale of fish products

Beneficiaries

The beneficiaries of this measure are Public Sector bodies, Producer Organisations and other recognised organisations concerned exclusively with fisheries and aquaculture and are recognised and registered in Malta.

Eligible actions

The actions that are eligible under this measure are:

- The restructuring and development of port infrastructure necessary for the functioning of the fisheries industry.
- The development of infrastructure within ports necessary for the proper landing and storage of fish.
- The relocation of fish markets.
- The introduction / improvement of software and hardware to be used for the organisation of the fish markets.

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be a Public Sector body, Producer Organisation or any other recognised organisation concerned exclusively with fisheries and aquaculture and is recognised and registered in Malta.
- Investments are carried out in designated ports and are in the interest of fishers and aquaculture operators using these ports.
- Projects proposed must be economically feasible.
- Projects proposed must show how they will contribute in a tangible manner towards enhancing services to fishers and aquaculture operators using these ports.
- Additional criteria as may be defined by the relevant national authority.

Measure 3.2: Development of new markets and promotional campaigns

The EFF can support measures of common interest intended to implement a policy of quality and value enhancement, development of new markets or promotional campaigns for fisheries and aquaculture products.

Priority	Axis 3 – Measures of Common Interest
Measure	Development of new markets and promotional campaigns.
EFF reference	Art. 40

Rationale

The awareness of the benefits of consuming fresh fish is generally low amongst the Maltese population whilst consumption itself is largely restricted to 3 or 4 main species. There exists a need for the promotion of the health benefits of eating fish and

even more of eating fresh fish. There is also a need to expand the consumption of some ‘underutilised’ fish species as this will, amongst other things, help ease the pressure on the main species consumed so far and decrease discards. This is especially relevant for Swordfish and Tuna, both of which are under considerable pressure in terms of fish stock.

General objective

The general objective of the measure is to support and promote the consumption of fish and fish products.

Specific objectives

The specific objectives of the measure are:

- To create more awareness of the benefits of consuming fish.
- To create or improve the demand for underutilised fish and aquaculture species.
- To develop new markets.
- To promote and support the use of fishing methods that have a low impact on the environment.
- To obtain market data concerning the consumption of fish.

Beneficiaries

The beneficiaries of this measure are Producer Organisations and other recognised organisations concerned with fisheries and aquaculture that are recognised and registered with the relevant authorities in Malta, or any other Local Council or NGO with a demonstrable interest in fisheries

Eligible actions

The actions that are eligible under this measure are:

- The design and implementation of promotional campaigns aimed at enhancing the knowledge about the benefits of consuming fish.
- The design and implementation of promotional campaigns aimed at enhancing the demand for currently underutilised fish and aquaculture species.
- The design and implementation of promotional campaigns aimed at promoting fish and aquaculture products obtained using environmentally friendly methods.
- The carrying out of market surveys.
- The organisation of fish fairs, festivals and exhibitions.

Admissibility conditions

The following admissibility conditions will be applied to this measure:

- The applicant must be a Producer Organisation or any other recognised organisation concerned with fisheries and aquaculture and is recognised and registered with the relevant authorities in Malta, or any other Local Council or NGO with a demonstrable interest in fisheries
- Promotional campaigns or initiatives must be subject to the conditions as set out in Article 40 (2) of Regulation 1198/2006.
- Additional criteria as may be defined by the relevant national authority.

Priority Axis 5: Technical Assistance

Objective	Baseline	Target by 2015
To provide support for the effective implementation of the OP and the CFP	Insufficient staff numbers and equipment	Efficient management of the OP Enhanced software system
	Information to be provided (Article 51 of EFF Basic Regulation 1198/2006)	Public access to information concerning the EFF OP on the website.

Contribution from the EFF

Subject to the maximum rate of contribution established in Article 53 of the EFF and the aid intensity limits established in Annex II of the same regulation, the average co-financing rate for Priority Axis 5 is 75%.

The EFF may finance the preparatory, monitoring, administrative and technical support, evaluation and audit measures necessary for implementing Regulation 1198/2006.

Priority	Axis 5 – Technical assistance
Measure	Provision of technical assistance for the implementation of Regulation 1198/2006.
EFF reference	Art. 46

Rationale

The effective implementation of the OP requires adequate and active technical support. Technical support includes activities relating to the preparation, management, monitoring, evaluation, publicity, control and audit of operational programme assistance. The provision of this technical support will help ensure that there will be an increased awareness of the OP and its components, the quality of implementation will be enhanced and the monitoring and control of the implementation phase is more efficient.

General objective

To provide technical assistance for the effective implementation of Regulation 1198/2006.

Specific objectives

The specific objectives of the measure are:

- To gather information via evaluations, studies and reports in relation to the operation of the EFF.
- To foster effective programme management.
- To develop efficient and effective monitoring and evaluation systems of the OP including through the installation of computerised systems.
- To disseminate information concerning the EFF.

Beneficiaries

The beneficiary is the Operational Programme Managing Authority.

Eligible actions

The actions that are eligible under this measure are:

- Increasing and improving the administrative capacity for the implementation and the management of the OP.
- All actions relating to the administration, management and implementation of the OP.
- All actions relating to the dissemination of information on the implementation of the OP.
- All actions relating to the meeting of publicity obligations of the OP.

Admissibility conditions

The following eligibility criteria will be applied to this measure:

- Applicants of actions must show how such actions will contribute in concrete terms towards the administration, management and implementation of the OP.
- Applicants of actions concerning the dissemination of information must show in concrete terms how such actions will contribute in concrete terms towards enhancing the knowledge about the OP.
- Applicants of actions concerning publicity must show in concrete terms how such actions will contribute in raising the profile and exposure of the OP.
- Additional criteria as may be defined by the relevant national authority.

6.4 Consistency with other Funds and Programmes

The EFF OP which has the central theme of improving the competitiveness and sustainability of the fishing industry will run in parallel with other European funding initiatives. In some instances these initiatives address similar or complementary actions and therefore it is important that there is no overlap between the types of activities that will be funded. In order to avoid this, this OP has taken into account the priorities and measures of the different funding programmes and has sought to address those areas exclusively eligible for funding from the EFF.

The following section will seek to demonstrate the complementarity and consistency of the EFF OP with the other main funding programmes.

EFF and cohesion policy

EFF and the National Strategic Reference Framework (NSRF) 2007 – 2013

The linkage between the NSRF Strategic Objectives and the EFF is highlighted on two main focus areas; the issue of competitiveness of the fisheries sector and sustainable environmental development. Under the EFF OP, the importance of having a competitive sector will be actively pursued. Similarly, the importance of the physical and natural environment is underlined through the specific objectives highlighted in the NSP and the EFF OP. As a result, NSRF Strategic Objective 1 *sustaining a growing knowledge-based competitive economy* and NSRF Strategic Objective 2 *improving Malta's attractiveness and the quality of life* are consistent with the EFF OP. NSRF objective 3 *Investing in human capital* will contribute to the upgrading of human resources in the sector, particularly at the vocational level in order to make the sector a more viable career choice. The NSRF fourth objective is to address Gozo's regional distinctiveness whereby accordingly Government committed to ensure a minimum of 10% of funds be allocated to Gozo.

EFF and Operational Programme I Cohesion Policy 2007 – 2013

Operational Programme I 'Investing in Competitiveness for a Better Quality of Life' has two objectives – Sustaining a growing, knowledge-based, competitive economy and Improving Malta's attractiveness and quality of life. The central themes of the EFF OP are to improve the competitiveness of the fishing industry in a sustainable manner as well as improving the quality of life via the protection of the natural environment and the enhancement of the working environment of people in the industry.

Objective 1 of the OP I is supported by Priority Axis 1 'Enhancing knowledge and innovation' and Priority Axis 2 'Promoting sustainable tourism'. The EFF OP also has training of human resources and the development of environmentally friendly tourism activities as part of its thrust.

Objective 2 of the OP I is in turned sustained through Priority Axis 3 ‘Developing the TEN-T, Priority Axis 5 ‘Safeguarding the environment’ and Priority Axis 6 ‘Urban regeneration and improving the quality of life’. In terms of the EFF OP there are no parallel actions taking place in terms of investment in TEN-T and services of general economic interest. In terms of actions to safeguard the environment, OP I is mainly focused on the development of physical infrastructure aimed at managing solid waste and storm water. With regards to the EFF OP, actions to safeguard the environment are more aimed at changing behaviours and practices rather than at the development of physical infrastructure. Measures for safeguarding the environment can be found under Priority Axis 2 of the EFF OP. In terms of urban regeneration and improving the quality of life (OP I Axis 6), the EFF OP also has complementary actions under Priority Axis 2.

EFF and Operational Programme II Cohesion Policy 2007 – 2013

Operational Programme II ‘Empowering people for more jobs and a better quality of life’ has as an overall objective the raising of the overall employment rate. This overall objective will be achieved through the attainment of two operational objectives which are 1) Investing in human capital and 2) strengthening the labour market structures. Investment in human capital aims to improve the quality of education and skills level of the labour force to achieve the necessary flexibility in the labour market for it to be in a better position to respond to the needs of Malta’s economic growth and development. This objective includes support to enterprises to help them face the ever changing challenges of the market and sustaining a growing competitive economy. In this sense the EFF OP provides complementary supporting actions under Priority Axis 2 ‘Aquaculture, processing and marketing of fishery and aquaculture products’.

The operational objective of strengthening labour market structures aims to increase the employment rate by ensuring that those facing difficulties or barriers to enter work or to retain employment are supported. The EFF OP aims to safeguard jobs in the marine fishing industry and to increase employment in the aquaculture industry and in fishery related activities although it must be said that the actions / measures proposed are not specifically designed as support to people facing difficulties to enter the work force and are thus somewhat distinct.

EFF and the Rural Development Plan 2007 – 2013

The European Fisheries Fund and EAFRD have little in common in that both objectives and target groups differ significantly. The possible exception is aquaculture in land based systems where a combination of agriculture and aquaculture development is pursued in particular for leisure/recreational purposes. However, such initiatives will not be funded through the EAFRD programme. There exists a possibility for overlap between the EAFRD and the EFF, under axis 4 of the EFF which focuses on the sustainable development of fisheries areas. However this is not the case here as Axis 4 is not implemented in this OP.

Complementarity with other Community Instruments

EU regulations governing the European Fisheries Fund (EFF), the European Agricultural Fund for Regional Development (EAFRD) and the Structural Funds specify that the respective strategies and operational programmes must set out how the different funding streams will complement each other. In Malta the Managing Authority for the Structural Funds is the Planning and Priorities Control Division (PPCD) within the Office of the Prime Minister (OPM), the Managing Authority for the EAFRD is the Rural Development Unit, MRRA whilst for the EFF the Managing Authority is the EU Affairs Directorate, MRRA.

The NSRF, the NSP and the RDP have all been developed with particular attention being given to areas where programme activity could indeed overlap.

Complementarity of actions will be regularly reviewed through quarterly evaluations and an annual meeting of the three managing authorities as listed above. A report on joint implementation of the different Funds will be presented to the Commission as part of the annual reporting exercise. The strategic and operational fit between the programmes will also be part of any mid-term evaluation.

7. Financial Provisions

Table 1: Financial Table for Operational Programme by Annual Commitment of the EFF.

Year	EFF
2007	0
2008	1,422,356
2009	1,356,456
2010	1,250,716
2011	1,271,388
2012	1,426,192
2013	1,645,221
Total	8,372,329

EUR in current prices

Table 2: Financial Table for Operational Programme by Priority Axis

Priority	Total Public a=(b+c)	EFF Contribution (b)	National Contribution (c)	EFF co-financing rate (d)=(b)/(a)*100
Priority Axis 1:	2,900,000	2,175,000	725,000	75
Priority Axis 2:	2,347,000	1,760,250	586,750	75
Priority Axis 3:	5,460,105	4,095,079	1,365,026	75
Priority Axis 5:	456,000	342,000	114,000	75
Total	11,163,105	8,372,329	2,790,776	

EUR in current prices

8. Implementing Provisions

Main Implementing Bodies

The provisions for the implementation of this OP will be in line with , Chapter 1 Management and control systems, and Articles 57 and 58 of Council Regulation (EC) 1198/2006 - General principles of the management and control systems, establishing both the general principles of the management and control systems as well as the designation of the relevant authorities.

Hence, a Managing Authority to manage the OP, a Certifying Authority to certify statements of expenditure and applications for payments before they are sent to the European Commission and an Audit Authority, which must be independent of the Managing Authority and the Certifying Authority, responsible for verifying the effective functioning of the management and control system. Furthermore one Intermediate Body under the responsibility of the Managing Authority is designated to implement the grant schemes of the OP.

8.1 Member State's definition of bodies in accordance with Article 58

The Managing Authority

The EU Affairs Directorate within the Ministry for Resources and Rural Affairs (MRRA) is entrusted with the management, and overall coordination of the OP. The Division is set up in line with the established national procedures of the Government of Malta.

The EU Affairs Directorate will carry out the tasks and functions of a Managing Authority in full accordance with the institutional, legal and financial systems of Malta and Article 59 of Council Regulation (EC) No. 1198/2006. The EU Affairs Directorate had carried out the function of Intermediate Body on behalf of the Managing Authority for the 2004-2006 FIFG funding programme.

The Intermediate Body (Grant Schemes)

The Operations Directorate within the Ministry for Resources and Rural Affairs will carry out the functions of Intermediate Body for Grant Schemes only as delegated by the Managing Authority in accordance to Article 58 (2) of Council Regulation (EC) No. 1198/2006. The Intermediate Body is responsible for the entire implementation of the Aid Schemes – including: the launching of calls to Beneficiaries, the selection of operations, drawing up grant agreements with Beneficiaries, monitoring, reporting, verification of expenditure; publicity and information (also to Beneficiaries) and closure of the scheme. The tasks to be delegated to the Intermediate Body are outlined in an Agreement drawn up between the Intermediate Body and the Managing Authority.

The Certifying Authority

The European Union (Paying Authority) Directorate within the Ministry of Finance, the Economy and Investment (MFEI) is the designated Certifying Authority for EFF. The Certifying Authority will carry out its functions as per Article 60 of Council Regulation (EC) No. 1198/2006 and draw up statements in accordance to the Annexes of Commission Regulation (EC) No 498/2007. The body designated as Certifying Authority for the EFF Operational Programme has also acted as the Paying Authority for the Single Programming Document, the Cohesion Fund and the Community Initiative Equal for the financial period 2004-2006. The same body will also act as Certifying Authority for Operational Programme I and Operational Programme II for the 2007-2013 programming period.

The Audit Authority

The Internal Audit and Investigations Directorate (IAID) within the Office of the Prime Minister will act as the Audit Authority in full accordance with the institutional, legal and financial systems of Malta and Article 61 of Council Regulation (EC) No. 1198/2006.

The IAID as the Audit Authority is the sole audit body responsible for system audits, audits of operations and the closure declaration. The Audit Authority reports to the Internal and Audit Investigations Board within the Cabinet Office, Office of the Prime Minister. The Audit Authority is entrusted with verifying the effective functioning of the management and control system of the OP. The Audit Authority is functionally independent of the Managing Authority and the Certifying Authority of the OP.

The IAID shall also be responsible for the drawing up of the report setting out the results of an assessment of the setting up of the systems and giving an opinion on their compliance with Articles 57 to 61 as per Article 71 of the EFF Regulation.

Monitoring Committee

A Monitoring Committee for this OP will be set up in agreement with the Managing Authority after consultation with the partners pursuant to Article 8 of the basic regulation.

The Monitoring Committee shall draw up its rules of procedures within the institutional, legal and financial framework of Malta and adopt them in agreement

with the Managing Authority in order to exercise its missions in accordance with Council Regulation EC/1198/2006.

The Monitoring Committee will be chaired by a representative of the Maltese Government and its composition will be decided by Malta in conformity with Article 8(1) and in agreement with the Managing Authority. The Managing Authority will carry out the role of secretariat to the Monitoring Committee, while the Monitoring Committee is responsible to carry out the tasks and actions detailed in Articles 65.

8.2 The authority responsible for receiving payments from the Commission

The European Union (Paying Authority) Directorate within the Ministry of Finance, the Economy and Investment (MFEI) is entrusted with receiving payments made by the Commission in relation to the priorities of this Operational Programme (the financing body). The Financing Body shall be responsible for receiving payments and will carry out the following tasks:

- Open and manage a bank account at the Central Bank of Malta for the posting of payments by the European Commission in relation to the Operational Programme.
- Transmit an original copy of the Financial Identification Form of the bank account to the European Commission.
- Liaise with the Managing Authority and the competent authority on financial estimates as regards distribution.

8.3 The authority responsible for making payments to the beneficiaries

The Treasury within the Ministry for Finance Economy and Investment is the body responsible for reimbursing final beneficiaries with payments. The Treasury is set up in line with the established national procedures of the Government of Malta.

8.4 The exchange of data

The experience gained in the previous programming period will be utilised in the implementation of the Operational Programme. In this regard the computerised data management system currently in use for the 2004-2006 Structural Funds will be modified and enhanced for the exclusive purpose of this Operational Programme. The system will be web-based and operating on the secure framework of the Government of Malta.

The local system will interface with the Structural Funds Common Database 2007 (SFC07) through Web-Services thus facilitating automatic data transfer. The system allows for a multi-user group environment with distinct roles and operations. The

system issues a number of standard and customised reports to meet the needs of the various data groups.

The local system is designed to perform the following functions:

- Programme Management
- Project Management
- Contract Management
- Payment Management

8.5 System of financial flows

The Certifying Authority shall at any time have full access to the central information system, and will be informed by the Managing Authority of all changes to the management and control system. The auditing executive will also notify the Certifying Authority of all statements and recommendations in accordance with systemic and sample audits, as well as all irregularities reported to the audit executive.

The contribution from the EFF shall be defined at the measure-level in relation to total public expenditure. The Managing Authority shall ensure that beneficiaries receive the total amount of the public contribution as quickly as possible and in full.

Each claim for reimbursement addressed to the Certifying Authority shall be prepared by the payment body for beneficiaries, and approved by the spending unit supervised by the Managing Authority. The approved reimbursement claim must be accompanied by documents providing evidence of the control procedure, pursuant to Article 78 of the basic regulation.

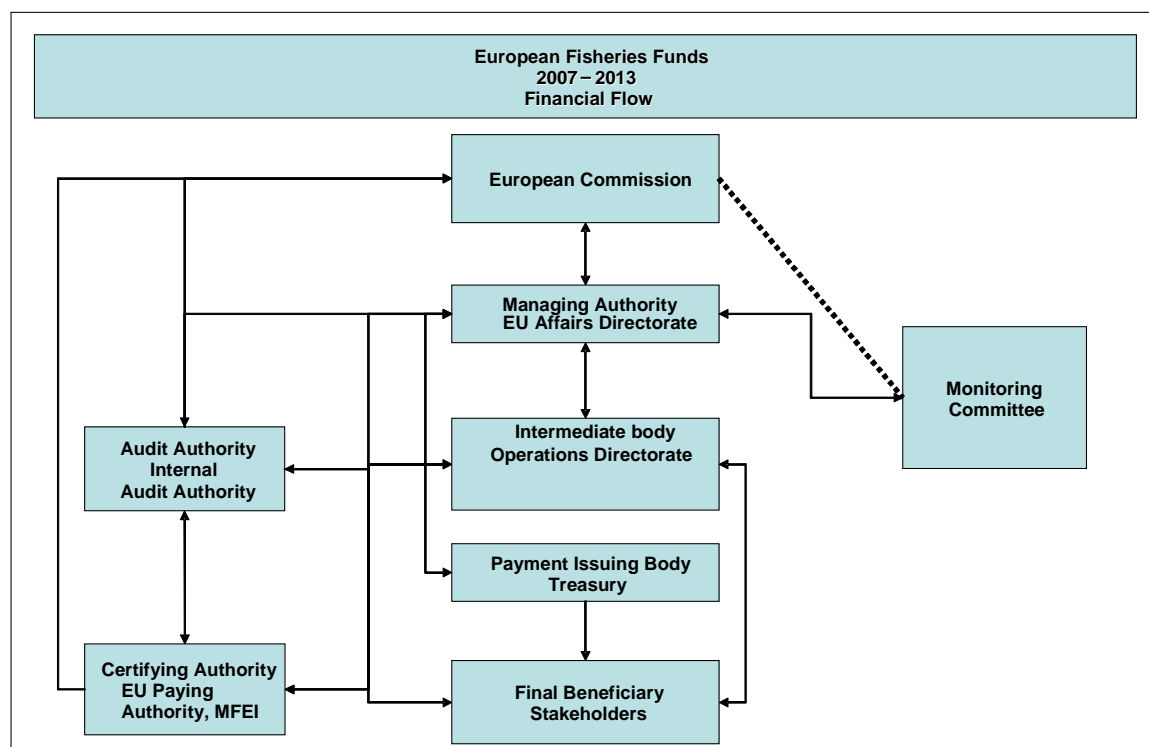
The Payment Issuing Body checks all individual claims for reimbursement in accordance with the requirements set out in Article 60 of the basic regulation, taking into account current information supplied by the Managing Authority and Audit Executive.

The Certifying Authority submits a certified statement of expenditure and application for payment to the Commission, based on accepted and executed reimbursement claims.

The payment of Commission contributions is carried out in accordance with Article 75 of the basic regulation to the authority competent to receive Commission payments. In Malta this is the EU Paying Authority within the Ministry of Finance, the Economy and Investment (MFEI).

Payments will take the form of: pre-payment (Article 81 of the basic regulation), interim payment (Article 82 of the basic regulation) and payment of balance (Article 86 of the basic regulation).

The European Union (Paying Authority) Directorate within the Ministry of Finance, the Economy and Investment (MFEI) will be responsible for the organisation of financial transactions with the Commission, i.e. the authority that performs the Certifying Authority function. In addition to the transfer of funds from the Commission interest and any reimbursement of funds are written to a special account.



The names of the Departments and structure of the organisation can be changed.

8.6 The monitoring and evaluation system

The procedures and arrangements for monitoring and evaluation are set out below.

The Monitoring Committee

The Ministry for Resources and Rural Affairs shall appoint a Monitoring Committee for the Operational Programme, in agreement with the Managing Authority after consultation with the partners pursuant to Article 8.

The Monitoring Committee shall draw up its rules of procedure within the Maltese institutional, legal and financial framework concerned and adopt them in agreement with the Managing Authority in order to exercise its missions in accordance with the EFF Regulation.

The Monitoring Committee shall be chaired by a representative of the Ministry for Resources and Rural Affairs or the Managing Authority. Its composition shall be decided by the Ministry for Resources and Rural Affairs in conformity with Article

8(1) and in agreement with the Managing Authority. It is expected that this committee will also be made up of the following elements:-

The Permanent Secretary MRRA (or designate) as Chairman,
The Managing Authority,
The Intermediate Body
The EU Paying Authority,
The Internal Audit and Investigations Directorate
The Project Leader,
Fish and Farming Regulation and Control Department
A representative of the *Koperattiva Nazzjonali tas-Sajd* Ltd. (National Fisheries Cooperative),
A representative of the *Għaqda Koperattiva tas-Sajd* Ltd. (Fisheries Cooperative),
A representative of the Environment Protection Directorate (MEPA),
A representative of the Malta Maritime Authority,
A representative of the National Commission for the Promotion of Equality,
A representative of the NGO *Flimkien Għal Ambjent Ahjar*
A representative of the NGO Nature Trust
A representative of the European Commission (in an advisory capacity).

Monitoring Principles

1. Monitoring shall consist of the examination of the correct implementation of the operational programme.
2. Monitoring shall be carried out in the first instance by the Monitoring Committee and the Managing Authority.
3. The Commission shall participate in the monitoring through its participation in the monitoring committee and the annual review of the operational programme which shall include, in particular, the analysis of the annual implementation and control reports.
4. Data exchange between the Commission and the Member States for this purpose shall be carried out electronically in accordance with the implementing rules referred to in Article 102.

The Monitoring Committee's Tasks

The Monitoring Committee shall carry out the required tasks as per Article 65.

Monitoring the Fisheries Operational Programme by the Managing Authority for the Fisheries Operational Programme

Information and data on the Fisheries Operational Programme will be used, in accord with Article 67 of the EFF, by the Managing Authority for the Fisheries Operational Programme for compiling the proposals for the annual and final reports on the realisation of the Fisheries Operational Programme. These reports will be submitted to

the Monitoring Committee for the Fisheries Operational Programme, the Policy Programme Directorate, the Ministry for Resources and Rural Affairs, the IAID, the EU Paying Authority and other institutions. Data collection and physical monitoring will be made on a quarterly basis. Firstly in 2008, and then annually, the Managing Authority for the Fisheries Operational Programme submits an Annual Report on the progress made in attaining the aims of the Fisheries Operational Programme to the Commission by the 30.6. The final report on attaining the aims of the Fisheries Operational Programme is submitted to the Commission by the Managing Authority by 31.3.2017.

Monitoring system

The Managing Authority for the Fisheries Operational Programme defines the requirements for the data structures necessary for monitoring the indicators for the individual measures. The monitoring data will be provided by the subsidy applicant, subsidy beneficiary and institutions connected to administrating the Fisheries Operational Programme. This primarily concerns indicators of a quantitative character.

Evaluation of the operational programme

The operational programme shall be subject to *ex ante*, interim and *ex post* evaluations in accordance with the provisions of Articles 48, 49 and 50.

***Ex ante* evaluation**

The *ex ante* evaluation shall aim to ensure the coherence between the guiding principles set out in Article 19, the relevant part of the national strategic plan and the operational programme as well as to optimise the allocation of budgetary resources under the operational programme and to improve programming quality.

Malta shall carry out an ex-ante evaluation in accordance with the principle of proportionality and in conformity with the evaluation methods and standards which are to be defined in accordance with the procedure provided for in Article 47(5).

Interim evaluation

The interim evaluation shall aim to examine the effectiveness of all or part of the operational programme with the aim of adjusting it to improve the quality of assistance and its implementation.

Malta shall carry out the interim evaluation in accordance with the principle of proportionality and in time for the findings to be taken account of during the strategic debate that is to be organised by the Commission by 31st December 2011.

Ex post evaluation

The *Ex post* evaluation shall examine the degree of utilisation of resources, the effectiveness and efficiency of the operational programme and its impact in relation to the objectives set out in Article 4 and the guiding principles set out in Article 19. It shall identify the factors which contributed to the success or failure of the implementation of the operational programme, including from the point of view of sustainability, and best practice.

The *ex post* evaluation shall be performed at the initiative and under the responsibility of the Commission in consultation with the Member State and the Managing Authority, which shall collect the information necessary for its implementation. The *ex post* evaluation shall be completed not later than 31 December 2015.

8.7 Partnership

Initial discussions were held during October and November 2005 with the aim of establishing the objectives and priorities of Malta's National Strategic Plan for fisheries and aquaculture for the period 2007 to 2013 in light of discussions of the new European Fisheries Fund and in the context of discussions on the financial perspectives for the same period.

Internal consultations were held between the various heads of section in the Fisheries and Aquaculture Branch (Data collection, Aquaculture, Fleet policy and Funds) to ensure that adequate preparations were made for the drafting of Malta's National Strategic Plan for fisheries. Consultations were also held with other relevant entities such as MEPA and the Policy and Planning Division in the Office of the Prime Minister.

In line with Article 8 (Partnership) of the European Fisheries Fund Regulation, informal meetings were also held during the same period with the Fishers' Co-operatives, the Malta Aquaculture Producers Association and with the industry.

As a result of these discussions, an initial draft of Malta's National Strategic Plan was formulated. This was presented informally to the Commission at the end of December 2005. It was also submitted for reactions to the Minister for Rural Affairs and the Environment, the Parliamentary Secretary for Rural Affairs and the Environment and the Permanent Secretary within the same Ministry.

This initial draft was also presented to the Fisheries Board on 1st December, 2005. According to the Fisheries Conservation and Management Act of 4 June 2001, Article 5, this board is chaired by the Director of fisheries and is composed of one representative each of commercial fishers, the leisure fishers association (Ghaqda dilettanti tas-sajd), fish market traders, fish retailers, the armed forces of Malta and

from the department for the protection of the environment. Four members are nominated by the fishers' co-operatives while the final three other members on this board represent civil society. Subsequently, the National Strategic Plan was also submitted and presented to the fishers' co-operatives separately.

The second draft which incorporated all feedback received from the Commission, the Ministry and the sector was then finalised by the end of August 2006.

This second draft was also forwarded to the Ministry for Resources and Rural Affairs and to the Policy and Planning Division of OPM for their feedback. After taking into consideration all the feedback received, the National Strategic Plan was concluded in July 2007 and submitted to the Commission for final approval in September, 2007.

A Strategic Environmental Assessment (SEA) in accordance with the Strategic Environmental Assessment Regulations, 2005 (Legal Notice 418 of 2005) was carried out on the Fisheries Operational Programme (FOP), the first version of which was completed in January 2008.

A scoping report was prepared in December 2007 and sent to the SEA Audit Team. The scoping report was subjected to public consultation. No comments were received during this consultation period.

The first draft of the Environmental Report was made available to the public in January 2008. No comments were received on the Environmental Report during the consultation period.

A second draft of the Environmental Report was prepared in October 2008 in response to changes made to the FOP.

With respect to the drafting of the Operational Programme similar consultations were also held. More specifically consultations with the following organisations took place prior and during the drafting of the OP. The respective organisations were informed that the OP was being drafted and they were invited to give any comments they feel may be of relevance to the OP. Once the first draft was complete, a copy of such draft was sent to each of the organisations. A consultation period for reactions / comments was provided for. The following are the organisations that were invited to participate in the consultation process:

- National Council for the Promotion of Equality
- National Consumer Association
- Fishers' Cooperatives (2)
- Malta Aquaculture Producers Association
- Ghaqda Dilettanti tas-Sajd
- Malta Environment and Planning Authority
- Environment Protection Department
- Malta Maritime Authority
- General Retailers Trade Union (Hawkers section)
- Ministry of Gozo

Summary of consultations

Whilst most of the entities provided some form of informal (verbal) feedback only two entities provided formal (written) feedback during the consultation period. The two entities were the National Council for the Promotion of Equality (NCPE) and the Malta Maritime Authority (MMA).

In general, the NCPE has looked at issues concerning the treatment of gender in the proposed OP, its actions and objectives. In particular the NCPE has asked that all data where possible should be gender disaggregated and that where unofficial data will be collected this should be done keeping both genders in mind. The organization also requested that gender neutral language should be used throughout the OP and then went on to mention specific instances where such gender corrections are needed. It also emphasised the need to recognize the work of wives and female relatives of fishers. This they feel needs to be done to improve their quality of life.

NCPE also asked that all activities envisaged by the OP should be open to both genders and that women's increased participation is sought to change the industry structure. Furthermore it requested that all evaluation studies undertaken vis-à-vis the OP should be gender mainstreamed and take into account both gender perspectives.

The Malta Maritime Authority as would be expected reacted more to port related activities suggested in the OP. Whilst raising no objections to what is being proposed in the OP, the MMA requested that the Authority is consulted when the OP is being implemented so as to minimize the impact of port related actions on its own operations. The MMA then highlighted the subsidiary legislation found under the Malta Maritime Act which refers to the various obligations of fishing vessels such as the obligation of fishing vessels over 45 meters to have an Automatic Identification System (AIS). The MMA also provided some feedback concerning some environmental aspects of the OP. More specifically it makes reference to EU Directive 2000/59 which requires that all fishing ports should be covered by a waste management plan.

In line with Article 8, the element of Partnership will be maintained throughout the programming period 2007-2013 as well as during the ex-post evaluation. A formal structure of consultation headed by the Director General, Veterinary and Fisheries, Administration and Operation will be set up. This will involve all the relevant authorities, the fishers' cooperatives, the Malta Aquaculture Producers Association and relevant NGOs (e.g. Nature Trust) and will meet every six months. During these consultation meetings an overview of how the OP is being implemented and the planned activities for the next six months will be given and the feedback of the participating stakeholders will be sought. This feedback will be officially recorded and useful suggestions will be taken up with the aim of achieving a more efficient implementation of the OP. The consultation partners will also be asked to contribute towards the interim and ex post evaluations.

8.8 Information and publicity

In accordance with Article 51 of the EFF, Malta shall provide information on and publicise the operational programme and operations and the Community contribution.

The information shall be addressed to the general public. It shall aim to highlight the role of the Community and ensure the transparency of assistance from the EFF.

Content of information for potential beneficiaries

As per Article 29 of the Implementing Regulation the EU Affairs Directorate as the Managing Authority responsible for the Operational Programme, shall provide the following information for potential beneficiaries:

- The conditions of eligibility to be met in order to qualify for financing assistance under the OP;
- A description of the procedures employed for examining applications for funding and of the relevant time periods;
- The selection criteria;
- The contacts at national and / or local level who can provide information on the OP.

In disseminating this information the Managing Authority will involve any of the following:-

- National authorities such as the Ministry for Resources and Rural Affairs;
- Trade associations such as Fishers Cooperatives;
- Non-Governmental Organisations;
- Information centres in Malta on the European Union

Content of information for general public

The EU Affairs Directorate as the Managing Authority responsible for the operational programme, shall provide the following information for the general public:

- The nature of measures / actions that will be undertaken within the OP;
- The amount of EU financial assistance being provided from the EFF;
- The achievements of the OP each year;
- The start and / or conclusion of projects undertaken;
- The list of beneficiaries and the projects they participated in as well as the amounts they benefited from.

The Maltese authorities shall notify the Commission each year of the information and publicity initiatives undertaken in relation to the EFF.

In view of the above, it is estimated that a budget of 20,000 euros will be required.

In addition, the beneficiaries of EFF actions foreseen in this OP shall be responsible for informing the public about the assistance obtained in line with the provisions of Articles 32 and 33 of the EFF Implementing Regulation. The carrying out of such

responsibilities shall be a condition for the granting of EFF aid and the related publicity budget shall be presented as a specific component of each project concerned.

9. Annexes

Annex I - Fisheries data

Landings 2004 – 2006

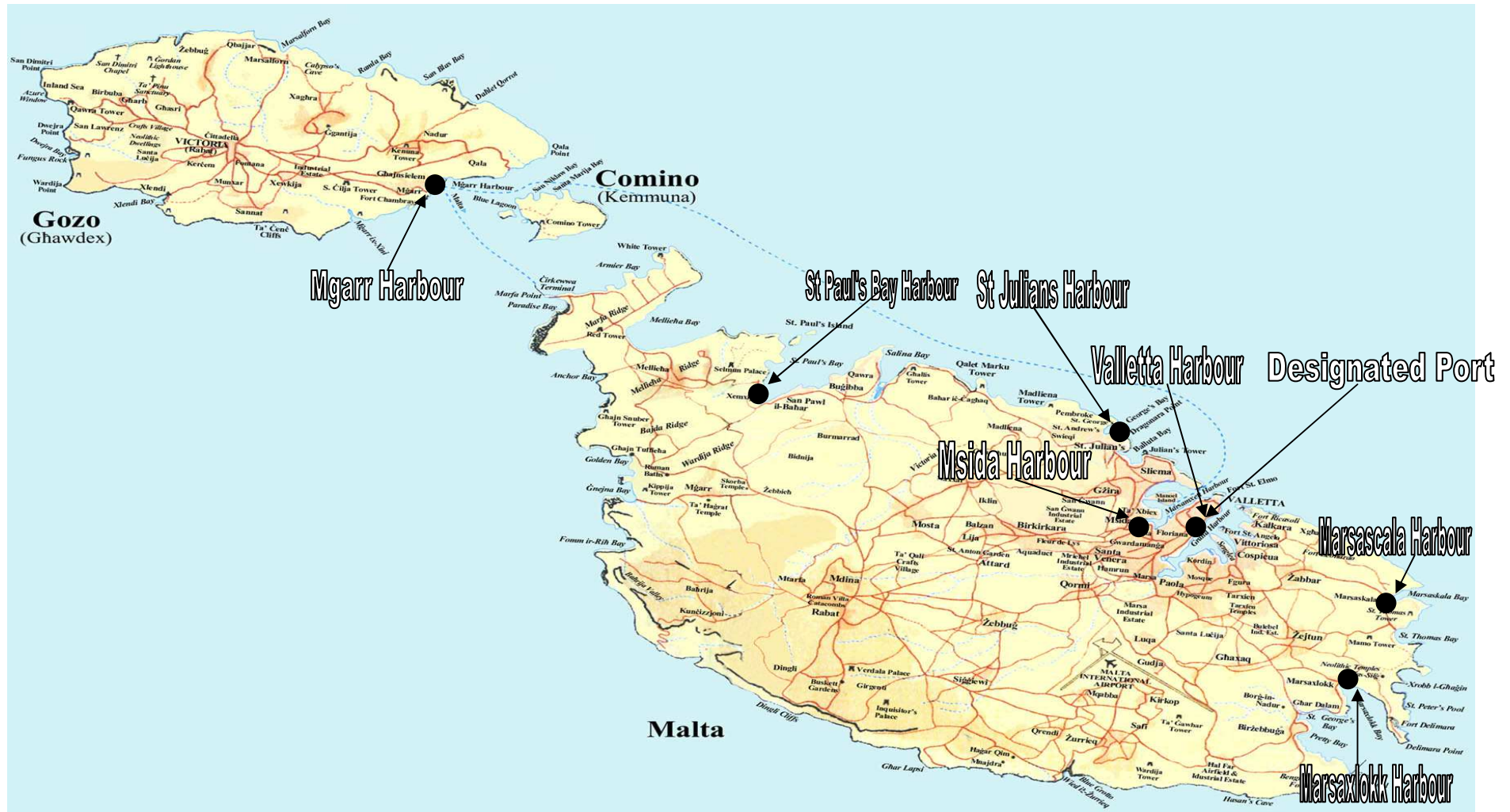
(listed in descending order by average weight of landings)

<i>SPECIES</i>	<i>SPECIES</i>	<i>2004</i>			<i>2005</i>			<i>2006</i>		
<i>MALTESE NAME</i>	<i>ENGLISH NAME</i>	<i>Weight (kg)</i>	<i>Value (Lm)</i>	<i>Value (€)</i>	<i>Weight (kg)</i>	<i>Value (Lm)</i>	<i>Value (€)</i>	<i>Weight (kg)</i>	<i>Value (Lm)</i>	<i>Value (€)</i>
LAMPUKI	DOLPHIN FISH	472700	335415	781307	447095	362507	844414	559098	375683	875105.8
TONN	BLUE-FIN TUNA	227774	461268	1074465	301443	712163	1658894	227008	578793	1348225
PIXXISPAD	SWORDFISH	174342	486982	1134363	323314	765935	1784149	239181	748423	1743356
GAMBLI	SHRIMPS\PRAWNS	26179	198202	461686	30146	182689	425551	32123	206925	482005.5
DOTT/HNIEZER	STONE BASS	30610	85650	199511	24170	74289	173047	19224	64258	149680.9
MAZZOLA	DOG FISH	20361	20236	47137	18610	19790	46098	19618	20437	47605.4
VOPI	BOGUE	15629	14464	33692	21088	19211	44750	17286	15370	35802.46
CIPPULLAZZ	SCORPION FISH	11317	60201	140231	11983	62172	144822	18757	89909	209431.6
FANFRI	PILOT FISH	4466	6747	15716	10098	15080	35127	13196	14369	33470.76
ALONGA	ALBACORE	10354	8246	19208	14565	11117	25896	14522	11822	27537.85
PAGRI	COMMON SEA BREAM	6687	37907	88300	5849	32080	74726	9083	48459	112879.1
RAJ	SKATE	5269	3191	7433	6497	4821	11230	7539	5157	12012.58
KAVALLI	MACKEREL	4313	4349	10130	12143	10235	23841	6139	4758	11083.16
QARNIT	OCTOPUS	4284	9825	22886	6804	13731	31985	4580	10774	25096.66
TUMBRELLI	FRIGATE MACKEREL	7615	1596	3718	4373	1015	2364	1408	411	957.3723
MURUNA	SIX-GILLED SHARK	4151	4762	11092	3484	3796	8842	5775	5583	13004.89
ACCOLA	AMBERJACK	5324	10907	25406	5094	13687	31882	3364	9785	22792.91
MERLUZZ	HAKE	2197	4385	10214	6867	14020	32658	4678	9269	21590.96
SKORFON	SCORPION FISH	2289	6417	14948	6033	16460	38341	6876	18700	43559.28
TRILL	RED MULLET	3375	8629	20100	3182	8743	20366	5356	15582	36296.29

SARGI	WHITE BREAM	2057	9123	21251	2495	10828	25222	2772	10001	23296.06
SAWRELL	HORSE MACKEREL	2446	2246	5232	3801	3675	8560	2746	2186	5092.009
KLAMARI	SQUID	890	4098	9546	4416	15167	35330	5606	17911	41721.4
TUNNAGGI	SMALL BLUE-FIN TUNNY	268	304	708	4084	4858	11316	6340	4726	11008.62
GRINGJIET	CONGER	1739	1541	3590	2227	2512	5851	1718	1389	3235.499
LIPP	LING	2112	3779	8803	2293	3940	9178	2519	4099	9548.1
SICC	CUTTLE FISH	541	1122	2614	3507	7534	17549	3885	8668	20191.01
LIZZ	BARRACUDA	1648	2396	5581	2123	3498	8148	3435	4620	10761.7
PAGELL	PANDORA	647	1676	3904	1468	3869	9012	2813	6464	15057.07
BAZUK	BLUE SPOTTED BREAM	1304	6874	16012	1929	10531	24531	2962	15451	35991.14
KUBRIT	LITTLE TUNNY	955	672	1565	1335	1580	3680	1464	1461	3403.214
MAKKU	PELLUCID SOLE	448	830	1933	2209	1750	4076	1522	1708	3978.569
DENCI	DENTEX	1238	5026	11707	1390	6716	15644	1287	5894	13729.32
SERRAN	COMBER	862	832	1938	1524	1501	3496	1089	835	1945.026
KAHLI	SADDLED BREAM	783	2502	5828	919	2756	6420	2029	4929	11481.48
PASTARDELLA	SPEAR-FISH	730	844	1966	972	1083	2523	3357	4145	9655.251
CERVJOL	AMBERJACK JUV.	1268	1869	4354	740	989	2304	2030	2710	6312.601
GALLINI	GURNARD	179	591	1377	1060	4294	10002	1027	3565	8304.215
MUNQARA	PICAREL	1124	528	1230	650	526	1225	25	12	27.95248
TRACNI	SPOTTED WEEVER	119	261	608	1900	4027	9380	1109	2020	4705.333
IMREJJEN	MORAY EELS	338	281	655	1517	1278	2977	449	318	740.7406
XILEP	SALEMA	1024	589	1372	895	475	1106	1149	602	1402.283
ARZNELL	PICAREL	299	241	561	886	542	1263	350	255	593.9901
PLAMTI	ATLANTIC BONITO	569	836	1947	1045	1226	2856	2806	3230	7523.875
CERNA	GROUPEL	967	3581	8341	674	1996	4649	707	2366	5511.297
ZAGHRUN	ROUGH SHARK	411	235	547	848	880	2050	300	191	444.9102
GATTARELLI	SMALL SPOTTED DOG FISH	276	308	717	996	850	1980	130	846	1970.65
ALJOTTA	MIXED FISH	285	954	2222	444	425	990	605	554	1290.473
TOTLI	SQUID	84	88	205	646	1143	2662	409	952	2217.563
PIXXIPLAMTU	PORBEAGLE SHARK	469	442	1030	608	1080	2516	0	0	0
BOLL	COMMON STING RAY	528	332	773	436	389	906	763	589	1372.001

AWRAT	GILTHEAD BREAM	581	757	1763	236	569	1325	802	1515	3529
HUTA KAHLA	BLUE SHARK	0	0	0	479	493	1148	472	515	1199.627
REBEKKINI	LONG NOSE SKATE	50	37	86	503	368	857	302	183	426.2753
SAN PIETRU	JOHN DORY	0	0	0	633	2675	6231	793	3316	7724.201
PETRICI	ANGLER FISH	0	0	0	708	815	1898	769	1504	3503.377
GURDIEN	THRESHER SHARK	0	0	0	339	525	1223	0	0	0
CINTORINI	SCARBARD FISH	0	0	0	216	190	443	851	687	1600.279
XKATLU	ANGEL FISH	0	0	0	202	231	538	100	97	225.9492
AWWISTA	CRAYFISH	15	101	235	224	1288	3000	142	1118	2604.239
MULETT	GREY MULLET	0	0	0	201	172	401	386	287	668.5301
HUT IEHOR	OTHER SPECIES	1332	826	1924	19932	25069	58395	8379	16372	38136.49
	<i>TOTALS</i>	<i>1069826</i>	<i>1826101</i>	<i>4253671</i>	<i>1338553</i>	<i>2477854</i>	<i>5771847</i>	<i>1285210</i>	<i>2392758</i>	<i>5573626</i>

Annex II: Locations of the main Maltese fishing ports and sites



<u>Valletta Area</u> : Msida/Gzira, St. Julians/Sliema, Valletta, Marsa, Kalkara
<u>Southwest Area</u> : Marsaxlokk, Marsascale, Birzebbugia
<u>West Area</u> : Gnejna, Ghar Lapsi
<u>Northeast Area</u> : St. Paul's Bay, Mellieha, Bugibba/Qawra
<u>Gozo and Comino</u> : Mgarr, Marsalforn, Xlendi
Other

Annex III - General geographic data

Area:	320km ²
Water area:	N/A
Shelf area:	13,000km ²
Length of continental coastline:	140km
Population (2004):	402,668

Annex IV - General legal framework

As a European Union member state Malta follows all relevant legislation within the framework of the EU Common Fisheries Policy. At national level the current legislation in force related to fisheries and aquaculture is summarised in the following table:

Directly related to Fisheries & Aquaculture
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Chapter 425	Fisheries Conservation & Management Act
Chapter 146	Agriculture and Fishing Industries (Financial Assistance) Act
Chapter 129	Tunny Fishery (Shares) Act
Subsidiary Legislation 425.07 (2004)	Fishing Vessels Regulations
Subsidiary Legislation 425.01	Fishery Regulations
Subsidiary Legislation 425.02	Fish Marketing Regulations
Subsidiary Legislation 425.04	Slipway (Use) Regulations
Subsidiary Legislation 425.05	Fisheries Officers (Remuneration) Regulations
Subsidiary Legislation 425.06	Marine Vegetation Licence Regulations
Subsidiary Legislation 425.03	Tunny Fish (Importation) Restriction Order
Subsidiary Legislation *****	Berthing Regulations
Subsidiary Legislation 36.34	Aquaculture Regulations
Subsidiary Legislation 231.12	Sale of Fish Regulations
Subsidiary Legislation 231.43	Fish Packing and Processing Establishment Regulations
Subsidiary Legislation 36.26	Prohibition of Sale of Sea-Food Regulations
Subsidiary Legislation 35.01	Fees leviable by Government Departments Regulations (Sections 5b & Ministry for Agriculture & Fisheries - Fisheries section)
Subsidiary Legislation 35.10	Fees for Abattoir and Veterinary Services Regulations (Section II)
Subsidiary Legislation 117.12	Price Control of Fish Regulations
Subsidiary Legislation 35.13	Fees Levied at Agricultural Produce Marketing Centres Regulations
OTHER LEGISLATION OF IMPORTANCE TO FISHERIES & AQUACULTURE	
Chapter 348	Environment Protection Act

Chapter 226	Territorial Waters and Contiguous Zone Act
Chapter 194	Continental Shelf Act
Chapter 352	Malta Maritime Authority Act
Chapter 356	Development Planning Act
Chapter 234	Merchant Shipping Act
Chapter 271	Marine Pollution (Prevention and Control) Act
Subsidiary Legislation 231.32	Residues in Meat Regulations
Subsidiary Legislation 231.34	Maximum Residue Limits in Veterinary Medicinal Products Regulations
Chapter 10	Code of Police Laws (Section 130)
Subsidiary Legislation 128.01	Police Licenses Regulations (Section 15)

Annex V – List of Natura 2000 and Marine Protected areas

Il-Ballut (l/o Marsaxlokk)
Is-Simar (l/o San Pawl il-Bahar)
Buskett – Girgenti Area
Xlendi – Wied tal-Kantra Area
Il-Magħluq tal-Bahar (l/o Marsaskala)
Wied il-Mizieb
Il-Maqluba (l/o Qrendi)
Il-Ballut tal-Wardija (l/o San Pawl il-Bahar)
L-Imgiebah / Tal-Mignuna Area
Rdumijiet ta' Malta (Coastal Cliffs)
L-Ghadira Area
Ir-Ramla Area
Dwejra
Qawra Area
Inkluz Hagret il-General
Għajn Barrani Area
Ix-Xagħra tal-Kortin
Is-Salini
Kemmuna,
Kemmunett
Il-Hagriet ta' bejn il-Kmiemen
L-Iskoll ta' taht il-Mazz
Ramla tat-Torri / Rdum tal-Madonna Area
L-Ghadira s-Safra
Pembroke Area
Ic-Cittadella
Filfla
Il-Gzejjer ta' San Pawl.