

Structural Funds, National Inclusion Plans and NGOs

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Introduction

The Maltese archipelago consists of three major Islands, mainland Malta (246 sq km), Gozo (67 sq km) and Comino (2.7 sq km). The country is located on the periphery of the European Union, in the Mediterranean Sea, about 100 kilometers south of Sicily and 300 kilometers east of Tunis. Although Malta is one of the smallest countries in Europe with an approximate total population of 402,700 (2005), it is by far the most densely populated Member State in the European Union with an average population density of almost 11 times the EU25 average. Malta's population density is further accentuated by the large annual influx of tourists and a considerable number of asylum seekers arriving in Malta through irregular means.

Malta has become an official member of the European Union in 2004. Therefore, EU Funding Opportunities under the Operational Programmes are relatively a recent phenomenon for Malta. In 2004, Malta has also issued its first National Action Plan Report on Poverty and Social Exclusion (2004-2006) and has since published the National Report on Strategies for Social Protection and Social Inclusion for the 2006-2008 year period together with the reports' light updates. Inevitably, apart from national funding, most social inclusion policies, including those relating to enhancing employability are funded under the European Social Fund, although Malta does sporadically also benefit from other specific funding opportunities (such as Progress) in the area of social inclusion, anti-discrimination and equality.

Characterised by a social fabric which still values strong community and family ties, Malta upholds a strongly entrenched social welfare system that actively protects those at risk-of-poverty and social exclusion. However, in view of Malta's changing social milieu, characterized by demographic changes and globalisation trends, EU funding opportunities in the area of social protection and inclusion enhance prospects for social cohesion and help to counteract social inclusion challenges, posed by negative trends.

1. Malta's experience

As already stated above, Malta's history with regards to EU structural funding is relatively recent, although, it benefited from various pre-accession funds. Malta's strategy under Programming Period 2004-2006 envisaged an urgent need to address the socio-economic infrastructure, (in particular the environment and transport sectors), the productive sector (to restructure and diversify and compete within the internal market) as well as addressed the issue of human resource development, particularly in the area of vocational educational training.

Malta started to tap into ESF funding with the aim of strengthening social and economic cohesion and promoting of social inclusion through improving employment opportunities, providing financial resources to empower people for more and better jobs, combating unemployment, and promoting education and training, along with enhancing quality and productivity at work, since the year

2004. In this 2004-2006 programming period, the Ministry for the Family and Social Solidarity upheld the role of the Intermediary Body for all ESF projects even for those which were not directly related to issues of social welfare. Within this period, a total of 50 Projects, 5 of which were administered by NGOs were awarded funds. As a direct result of such measures, more than 7,000 people were trained.

The management of the Structural Funds in Malta is carried out by the Planning and Priorities Co-ordination Division (PPCD) within the Office of the Prime Minister. For the programming period 2007-2013, Malta upholds two operational programmes as part of its Cohesion Policy; Operational Programme I entitled; 'Investing in Competitiveness for a Better Quality of Life' which has the overall objective of advancing a more competitive society through a stronger and more sustainable economy and Operational Programme II entitled: 'Empowering People for More Jobs and a Better Quality of Life' aimed at enhancing prospects of employability. Therefore, although Malta does not uphold a particular Operational Programme focusing specifically on combating discrimination, however the latter programme with its emphasis on creating more jobs, meets the relevant requirements for mainstreaming employment opportunities as well as for providing opportunities and access to the social inclusion of vulnerable groups within the labour market. This programme upholds 4 major priority areas namely; Priority Axis I – Improving education and skills; Priority Axis II – Investing in the employability and adaptability of the workforce; Priority Axis III – Promoting an equal and inclusive labour market and Priority Axis IV – Strengthening of institutional and administrative capacity.

A major beneficiary under this Operational Programme in the area of employment is the Employment and Training Corporation (ETC). The corporation has in fact engaged on a large number of projects aimed at enhancing employability, particularly with regards to increasing the employment rate of older persons, women and vulnerable groups (including amongst others; homeless people, asylum seekers, victims of domestic violence, people with addictive and mental health difficulties and young persons at risk). Furthermore, a good number of these projects were carried out in strong collaboration with voluntary organisations and entities which provide on hands services to such disadvantaged groups. Apart from the ETC, which is government's official entity dealing with employment related issues, a number of other public and voluntary entities also benefit directly from structural funding to enhance social inclusion and combat discrimination.

To enhance the capacity building and the prospects of the voluntary sector to benefit from EU funding opportunities, as well as to assist potential and prospective entities to familiarise themselves further with the various mechanisms involved in applying for EU funding and implementing projects financed through EU Structural Funds, the PPCD has organised a series of information sessions, on the drawing up of Application Forms pertaining to projects under Operational Programmes I and II. Similar training programmes aimed at optimizing the possibilities of EU funding in the area of social welfare have also been organized by the Policy Development and Programme Implementation Directorate within the Ministry for the Family and Social Solidarity to voluntary organisations involved in the social welfare sector. Furthermore, in 2007, through the coordination of the 'Malta Resource Centre for Civil Society NGOs' and the support of PPCD, a local voluntary organization SOS Malta has also launched a technical assistance training programme for NGOs, and civil society organisations on EU Structural Funds. This training programme is specifically aimed at training voluntary organisations to plan, access and manage EU Structural Fund projects, in the area of social inclusion and protection. Furthermore, the government is committed to help NGO's embark on such projects by providing

upfront the 85% EU co-financing share in order to alleviate their cash flow during the project life-cycle.

Such [emphasizes]tion of NGOs with EU Funding Regulations and Guidelines [emphasizes] the importance and necessity of adopting a good governance approach by increasing efficiency, accountability and transparency. This in itself is seen to promote and encourage such aspects of good governance within the voluntary sector.

2. Similarities and Differences of the programme to Malta's scenario

Although Malta like any other country upholds its particular characteristics and unique socio-cultural context which inevitably impact on the managing structures adopted, for enhancing and ensuring the effective promotion of social inclusion and protection measures, it nonetheless observes a number of similarities between the Multi-regional Operational Programme to combat discrimination adopted by the host country and the management of structural funding structure adopted by Malta.

Both the Spanish and Maltese models have utilised structural funding primarily at increasing employability prospects. Furthermore, apart from increasing the labour market integration of vulnerable groups, which disadvantaged groups are observed to be relatively common across the two country scenarios, such funding opportunities have also been aimed at increasing measures for promoting work life balance initiatives and investing in inclusive labour market through supported employment schemes. Malta has also utilised structural funding opportunities to improve administrative efficiency and promote trans-national co-operation through the creation of co-operation and interchange of good practice examples.

Notwithstanding such similarities, this exercise also observes a number of key differences, which amongst others relate to the structure for managing Structural Funds, the role of NGOs as well as the priority areas addressed in the NAP Inclusion Reports.

A major difference relates to the fact that due to its smallness, Structural Funds in Malta are centrally administered in such a way that they are not channelled through multi-regional Operational Programmes. The management of these Structural Funds in Malta is as already stated, in fact carried out by the PPCD within the OPM.

Although local NGOs do not uphold the status of Managing Organisations with regards to the structural funding, however NGOs involved in the areas of social inclusion and anti-discrimination are duly represented in the Monitoring Committee for funding under the respective Operational Programmes. The NGOs represented on these committees have been democratically elected through nominations and selection by other NGOs working in the area of social protection and inclusion after an open call by the Ministry for the Family and Social Solidarity.

Furthermore, although Malta does not uphold the model of the 'Luis Vives National Aggregation of Foundations for the Promotion of Social Action', within the framework of structural funding for managing the global subsidy of such programmes and contribute towards the strengthening of the entities belonging to the third sector which operate in the field of labour inclusion, Malta however endorses a number of voluntary entities aimed at supporting and strengthening NGOs

through information initiatives, training activities and the provision of technical support for managing structural funded programmes. Such entities include amongst others the Malta Resource Centre and EAPN, Malta.

3. Potential transferability of the programme to Malta

Such an innovative approach in the area of structural funding aimed at enhancing the priorities of the NAP Inclusion with the involvement of NGOs appears to be a good practice example that Malta may eventually adopt for consideration.

Such a programme has provided insight into the reality in which such a structural programme aimed at combating discrimination and enhancing inclusion can operate. It has also provided insight into the incorporation of new methodologies aimed at combating discrimination and promoting equality apart from empowering entities working in the area through active participation and funding opportunities.

Furthermore, such an initiative is observed to have successfully facilitated networking, not only between government and the voluntary sector but also between the voluntary sector and the corporate private sector whereby NGOs come to endorse the role of service providers, through supplying human resources and investing in human capital. The benefits achieved through such an initiative, is observed to contribute to the overall objectives of the Maltese NAP Inclusion.

As a result, such a programme surely merits further analysis with a view to consider its transferability within the local context particularly as a complementary instrument to the NAP Inclusion. However, any transferability practices must be addressed in such a way as to take due consideration to the particular socio-cultural and demographic scenario within the local context.

4. Major policy issues raised and debated in Malta

The main questions and debates raised in Malta with regards to Structural Funds, national inclusion plans and the involvement of NGOs relate to:

- Ensuring that Malta through both its public and voluntary sectors makes the best possible use of structural funding opportunities.
- Enhancing the capacity building of NGOs to be in a better position to tap into EU funding initiatives. This is particularly relevant for the case of Malta since a large number of voluntary entities working in the area of social protection and social inclusion are run by volunteers. Furthermore, most entities are limited in their human and material resources.
- Challenges of enhancing networking within the social welfare sector.
- Promoting further a culture of civil society involvement and participation in the NAP consultation processes.
- Consolidating the use of indicators for evaluation and monitoring purposes.

5. Potential contribution of such a policy to the objectives and strategy of Malta's National Strategy Reports on Social Protection and Social Inclusion

Malta's national Action Plan for the period 2006-2008 focuses on four major and over-arching policy priorities, namely:

1. Empowering social cohesion
2. Building stronger communities
3. Strengthening the voluntary sector; and
4. Networking the social welfare sector.

These policy priorities cut across diverse population groups, situations and needs, in a way as to promote a comprehensive social inclusion strategy for both the general population as well as to identified vulnerable groups, including; the long term unemployed, single parents, irregular migrants, drug and alcohol dependents, persons with mental health difficulties, victims of domestic violence, persons with a disability, older persons, children, and young people at risk

The NAP Inclusion recognises that a pro-active social inclusion policy requires going beyond a social protectionist vision, so as to ensure that provision of services facilitates participation and inclusion. As a result, the provision and access to social welfare services should not only provide a safety net for the most vulnerable members of society but also aim at strengthening the potential of each citizen to lead them towards greater independence from the State. In this sense, and in the light of ever changing demographic and economic realities, services are being increasingly tailor-made to facilitate further the entry of beneficiaries into the labour market, such as through employment activation schemes for women, training programmes to increase employability for vulnerable groups and the development of available and affordable child-care facilities which allow for greater compatibility between work and family life. Furthermore, such services are being complemented by measures that provide for more flexible working arrangements, such as tele-working.

The achievement of these social inclusion objectives is observed to be significantly determined by the access and provision of high quality services, as well as through adequate and sustainable funding opportunities. Consequently, the topic of this peer review is observed to be highly relevant for the Maltese context.

Thus, although Malta does not officially uphold a specific operational programme to combat discrimination for the social-labour market inclusion and access to employment for vulnerable groups, such strategic goal is successfully addressed through its Operational Programme II. Furthermore, such goal is attributed high policy attention with regards to various administrative, legal and political considerations. Whilst policy initiatives and the enacting of legislative measures are generally carried out through national funding, however actual projects under the Policy Objectives of the NAP are generally carried out with the help of Structural Funds particularly those relating to actual initiatives aimed at enhancing employability and social inclusion.

In recognition of the important role played by civil society and in the acknowledgement that non-governmental organisations represent citizens' interests and implement social community projects which are essential for Malta's development and progress, the NAP Report on Social Inclusion (2006-2008), underlines the relevance of strengthening the voluntary sector through the adoption of measures to facilitate its work and activities. In view of this priority focus, Malta has endorsed and consolidated a number of measures that strengthen the voluntary sector. Furthermore, apart from the enactment of legislative structures, the strengthening of the voluntary sector and civil society has also taken place through developments in actual policy measures and administrative/operational structures aimed at empowering, regulating and facilitating the efforts and commitment of voluntary organisations as well as promote transparency, accountability, networking and collaboration with a view to enhance the effectiveness and capacity building of the Maltese voluntary sector. In order to further enhance the effective work undertaken by NGOs as well as strengthen collaboration and networking, effort has been directed at encouraging the voluntary sector to respond more emphatically to national priorities as identified in National Action Plan reports. To this effect, and to mobilize and intensify synergies, promotion of the National Report on Strategies for Social Protection and Social Inclusion (2006-2008) has been promoted through diffusion of information and awareness campaigns aimed at informing the general public and civic society on the identified priority areas and the relevance of engaging on issues involved which have been deemed to merit particular priority focus and attention.

Furthermore, it is recognised that apart from adequate resources and funding opportunities, the provision of high social inclusion measures also extensively relies on the disposition and ability of all stakeholders to co-ordinate their initiatives with a view to achieve common goals and objectives. Although Malta provides a vast array of social welfare, health, education and employment services to enhance the overall well-being of vulnerable groups, however, networking between service providers needs to be strengthened. In view of this, government has set a number of structures on an intra and inter-ministerial as well as inter-sectoral level to enhance networking and collaboration among stakeholders. Whilst it is acknowledged that such measure is a lengthy and taxing process that requires commitment and motivation from all parties involved, it is also recognised that the synergy promoted by networking should help mobilise and streamline efforts to achieve common goals, reduce gaps and overlaps, and enhance service outcomes through cost effectiveness and improved quality.

6. Key issues and main questions proposed for debate

The structural funding model explored in this peer review undoubtedly puts forward a number of key elements, which relate amongst others to the interlinks between the NAP Inclusion and structural funding as well as the relevance of networking and co-working between public and voluntary entities in the area of social inclusion. In seeking further clarifications on the running of such an innovative model, Malta seeks to put forward the following issues for debate.

The use of the term 'discrimination' as adopted in Malta generally refers to discrimination on the basis of gender, race, religion, ethnic minorities, age and disability which form of discrimination may not be limited solely to access to the labour market. Although discrimination within this context may expose people to risk of social exclusion and poverty, yet Malta tries to promote social inclusion among all those who for one reason or another are considered to be more vulnerable than others and more prone to be disadvantaged. It is observed that in the document by the host country, discrimination is used in a wider sense than that in which it is used in Malta

and appears to incorporate all those people who because of their vulnerability may be disadvantaged and at risk of social exclusion. Furthermore, it seems to be by and large limited to access to the labour market. Whilst it is true that such vulnerable groups of people may need particular social inclusion attention to access the labour market, what about other social inclusion measures aimed at promoting greater social cohesion and stronger protection measures?

The 'Multi-regional Operational Programme to Combat Discrimination' model is a highly interesting programme since it actively involves stakeholders in the management of structures and service delivery, however the issue of how and why such organisations are chosen to represent other civil society entities working in that same particular area inevitably raises contentious issues, notwithstanding the fact that such selection is sensibly based on the NGOs long history and work experience, proven social credibility, and demonstration of administrative capacity. In this regard, it is enquired whether such complex issues could have been partly resolved through the adoption of a coalition of NGOs working in the area rather than individual NGOs? Furthermore, in view of the structure adopted, can other NGOs apply to benefit under such funding opportunities or are they automatically excluded since they are already implicitly represented by listed NGOs?

Furthermore, clarification is needed as to how and to what extent are the voluntary entities upholding such a pro-active advisory and executive role in the managing of the Operational Programme to combat discrimination involved in the identification of primary areas within the NAP Inclusion?

7. Measuring success of policies in this field in Malta

The fact that the at-risk-of-poverty rate (14.9%, compared to 15% in 2000) and the employment rate have been retained relatively stable over the years reflects not only Malta's commitment to social protection and social inclusion measures but also to a large certain extent the relatively success of such policies and initiatives towards reaching the goals of the Lisbon Strategy.

The total employment rate in Malta has in fact registered an increase from 53.9% in 2005 to 54.8% in 2006. Whereas employment rates improved during 2005-2006, unemployment rates during the same period remained stable at 7.3%. Similarly, the long-term unemployment rate also stabilised at 3.4% in 2006. (NSO data). In terms of unemployment vis-à-vis age, the percentage of people aged 18-59 living in jobless households in 2006 stood at 6.7% reflecting a positive decline of 1.5 percentage points over the 8.2% recorded for 2005. The share of children (0-17 years of age) living in jobless households also declined by 0.7 percentage points, from 8.9% in 2005 to 8.2% in 2006. Although the incidence of women in formal employment has risen from 33.7% in 2005 to 34.9% in 2006 (Eurostat, 2006), similar to the employment rate of older persons (30.0% in 2006 for the 55-64 age bracket), it is still low compared to the average male employment rate which has similarly registered an increase from 73.8% in 2005 to 74.5% in 2006 (Eurostat, 2006). Another positive development is the decline recorded in the unemployment rate of young people throughout the period 2002-2006 (a decline from 18.8% in 2001 to 16.3% in year 2006). This may be partly attributed to the education reform efforts that have led to a decrease in early school leaving from 54.2% in 2000 to 41.7% in 2006 (Eurostat, 2006).

Apart from the adoption of sustainable and adequate social inclusion and protection policies, this stable risk of poverty and employment rate is to a large extent attributed to structural funding initiatives undertaken under ESF funding. Furthermore, apart from increasing employability, such initiatives also contribute to help retain people in the labour market through making it easier for them to engage in gainful employment such as through the provision of adequate and affordable child-care facilities and measures for better work-life balance. Notwithstanding such affirmative results, however, Malta acknowledges the need to continue to consolidate its measures to strengthen indicators pertaining to enhancing the social protection and inclusion of vulnerable groups so as to be in a better position to evaluate and assess the benefits reaped through structural funded initiatives.