

# Operational Programme I Cohesion Policy 2007-2013

*Investing in Competitiveness for a  
Better Quality of Life*

Ex Post Evaluation  
Work Package 9: Culture and Tourism

# The Context

- Malta lies 80 km south of Italy, 284 km east of Tunisia, and 333 km (north of Libya. The country covers just over 316 km<sup>2</sup> (122 sq mi), with a population of just under 450,000.
- Malta's location has historically given it great strategic importance as a naval base, and a succession of powers, including the Phoenicians, Romans, Normans, Spanish, Knights of St. John, French and British, have ruled the islands.
- Malta became took its independence in 1964 and became a republic in 1974

# Operational Programme I (OPI)

- Operational Programme I – Investing in Competitiveness for a Better Quality of Life is a multi fund Operational Programme: ERDF and CF. Total Public Eligible allocation €856 Million
- Priority Axis 2 – Promoting Sustainable Tourism focuses specifically on enhancing Malta's **competitiveness** in the tourism sector and preserve its cultural assets. Total Public Eligible allocation €120 Million (14% of the OP Allocation)

# OPI: Strategic Direction

## National Strategic Reference Framework (1)

- Identifies tourism and culture as one of the main pillars of economic activity in Malta and every effort should be directed at consolidating and improving the contribution of this industry to the socio-economic well being of the Maltese islands
- Refers to a sustainable tourism industry which rests on the need to safeguard the country's heritage sites, as well as the natural heritage
- Highlights the need of a better seasonal spread of tourist flows together with increased income generated through tourism which would sustain existing jobs and eventually create more and better jobs

# OPI: Strategic Direction

## National Strategic Reference Framework (2)

- Stresses on the importance of involvement of both government and non-government organisation to implement the strategy
- Highlights the rationale for supporting tourism enterprises which is based on the need to increase the competitiveness of tourism service providers

**Hence the link with Cohesion Policy and EDRF which aims at Modernising and diversifying economic structures; Creating sustainable jobs and Stimulating economic growth**

# OPI : Strategies

## National Tourism Strategy

- The Tourism Policy for the Maltese Islands 2007-2011 relates to four key areas, namely: (i) governance; (ii) competitiveness; (iii) sustainability; and (iv) macroeconomic matters
- It had been subsequently updated to cover the 2007-2011 period which advocated measures and actions aimed at boosting Malta's accessibility, improving our tourism product offering and at ensuring that the marketing efforts are more effective
- The 2012-2016 policy presents a strategic and objective framework which aims at creating a stronger competitive edge, higher value-added higher quality and excellence in tourism

# OPI : Strategies

## National Strategy for Cultural Heritage

- Give maximum coherence and effectiveness to Government's action in the cultural heritage sector, thereby reversing the existing trend to act in an isolated and fragmented manner
- Create a greater symbiosis between Central Government investment on one hand, and the significant contribution of Local Councils, Voluntary Organisations and Private Enterprise
- The 2006 strategy was followed by 'The second National Strategy for the Cultural Heritage' (2012), with similar objectives but focusing on more specific operational initiatives including scientific research, cultural heritage management, conservation and public participation

# The Rationale and link with ERDF

- As seen above, the objectives and strategic direction of investments in Tourism and Culture are aligned
- There is an Economic argument behind the investments since these investments are a strategic part of the Maltese Economy since it has a direct contribution to the country :
  - Employment as a % of the country workforce;
  - Contributed significantly to Malta's GDP; and
  - The share of SME that are directly linked to this sector



# Statistical data related to Tourism and Culture (1)

- Inbound tourism from January to December (2014) amounted to 1,714,533 with an estimated tourism expenditure in 2014 was estimated at €1.5 billion (circa 17% of total exports)
- 14.8% of the gainfully employed are directly employed in this sector. Total employment is estimated to be 26.4% of the gainfully employed
- The direct contribution of Tourism and Culture to GDP is calculated as 13.6% with a total contribution of 25.5%
- In terms of investment, investment in the sector amounted to 13.6% of GDP

# Conclusion

- The projects being financed through PA 2 are most in their final stages of implementation. Hence why evidence is limited.
- Still taking into consideration the sector contribution to the economy it is clear that investments in tourism and culture are an important part of Malta development and hence why there is added value in ERDF support to tourism and cultural investments.

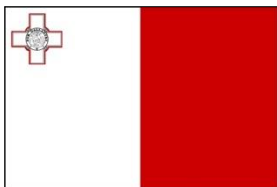


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MALTA 2007-2013



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AUBERGE D'ARAGON, INDEPENDENCE SQUARE, VALLETTA, MALTA

## Thank you



Operational Programme I – Cohesion Policy 2007-2013  
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