



The European Social Fund in Malta, 2007-2013

Malta's ESF programme is focusing on employment, education and training to help the country keep pace with changes in the global economy by enhancing its human resources skills. A key objective is fostering access to the labour market by encouraging workers to invest in themselves through embracing lifelong learning, while helping those most in need to find jobs through better access to better training. Special attention is given to opportunities for women and to training in information and communication technologies.

The European Social Fund in brief

The European Social Fund, created in 1957, is the European Union's main financial instrument for investing in people. It supports employment and helps people enhance their education and skills. This improves their job prospects.

These are the five priorities of ESF funding:

- Helping workers and enterprises adapt to changing circumstances in the economy
- Enhancing access to employment and participation in the workforce
- Improving training and skills, both for individuals, and through better education and training systems
- Promoting partnerships between actors such as employers, trade unions and non-governmental organisations, for reform in the fields of employment and inclusion in the labour market
- Reinforcing the social inclusion of disadvantaged people and combating discrimination in the labour market

Member States and regions devise their own ESF Operational Programmes in order to respond to the real needs 'on the ground'. Over the period 2007-2013, the ESF spends over 10 billion euros per year across all Member States. This represents more than 10% of the European Union's total budget.



The socio-economic and employment situation in Malta

Compared to the rest of the EU, the economy of Malta has fallen behind since 2000. GDP per capita fell from around 77% of the EU-25 average in 2000 to just under 70% in 2005. Employment rates remain below EU averages and there are clear disparities between male and female employment.

Malta was hit hard by the rise of globalisation and has been undergoing harsh restructuring over the past few years. In turn, this has led to job losses in the public sector and a number of manufacturing industries; however, new opportunities have resulted in higher employment in the service sector and knowledge economy. As a result, there has been a slight increase in the number of people in work. At the same time, unemployment appears to have stabilised, due in part to more young people pursuing further education – although there is much more to be done in this respect. After an increase in growth during 2005-2007, the collapse of global demand as a consequence of the economic and financial crisis affected the Maltese economy, which is highly dependent on exports and imports. Nevertheless, the impact seems less relevant in terms of economic deceleration than in other EU countries.

As for the employment situation, overall employment in 2009 stood at just 54.9%, well below the EU target of 70% – chiefly due to the low employment rate among women. At 37.7%, female employment is the lowest in the EU, well below the EU average of 52%. This can be partly explained by cultural and childcare issues – the latter has traditionally required the full-time availability of mothers. Furthermore, the employment rate for the 55-64 years age group is very low, at 28.1%, compared to the EU average and Lisbon target. The expected negative evolution of economy in 2009 led to a worsening of labour market conditions and a deceleration of the employment rate by 0.6%. The unemployment rate reached 7.0% in 2009, having decreased constantly for several years, and may increase further in 2010. Almost half the unemployed in 2008 fell into the 15-24 years age group, partly because the traditional destinations for young school leavers (factories and clerical jobs) have undergone restructuring and are thus creating fewer jobs. Moreover, certain kinds of work – for example, in the construction industry – are less attractive to the younger generation. In Malta, around 39% of youth leave school early (2008), many more than the EU average of around 15%; and only 54.2% of 20-24-year-olds have completed upper secondary school successfully, against an EU average of 77%. The number of 19-year-olds at university is low, around 23% in 2005. This is less than in many other European countries, and the government has pledged to increase participation to 30% by 2010. Participation in science and engineering courses is also low.

Malta's ESF priorities

As a small country with limited natural resources outside of tourism, Malta's economy is more dependent than others on the quality of its workforce and its ability to adapt to changes in the economic environment. This is the reason for a clear focus on building a culture of education and training among its people.

The Maltese ESF programme focuses on boosting participation in education and training and therefore building skills and adaptability. Encouraging a culture of lifelong learning and helping more women into work are key priorities. Resources are focused to reflect this, not least in the areas of anti-discrimination, childcare and re-training when returning to work, all with a view to steadily building up female employment rates.

Because Malta has fewer university students than other EU countries, people will be encouraged to pursue further education, especially in the fields of science, engineering and ICT, which are sectors that are so valuable to the economy and vital for modernisation.

The priorities of the Maltese ESF Operational Programme are:

Priority 1: Improving education and skills

- Boosting participation in education across all levels and subjects, thus upgrading the knowledge and skill levels of the labour force
- Increasing student participation rates in science, technology and ICT in higher education
- Improving the quality and relevance of education and training

Priority 2: Investing in employability and adaptability of the workforce

- Ensuring that companies and employees can adapt to the needs of the economy: upgrading skills and broadening perspectives
- Increasing participation rates in lifelong learning

- Reinforcing institutional capacity and the efficiency of public administrations, local government, social partners and civil society
- Strengthening the efficiency and effectiveness of the public sector
- Contributing towards the development of effective partnerships in a wide range of policy areas

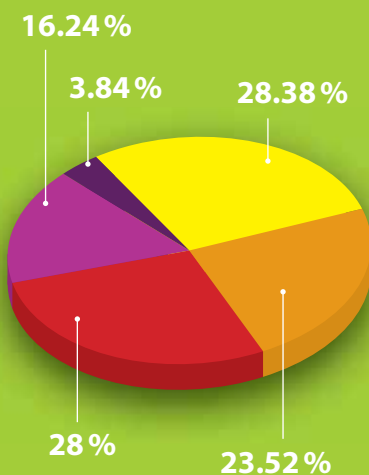
Priority 3: Promoting an equal and inclusive labour market

- Promoting stable and quality employment among the long-term unemployed. Helping women into work
- Providing special assistance to disadvantaged groups, while addressing market distortions
- Helping individuals to access the labour market and to keep their skill sets up to date

The Planning and Priorities Co-ordination Division (PPCD) within the Office of the Prime Minister (OPM) is entrusted with the management and overall coordination of this Operational Programme.

Priority 4: Strengthening of institutional and administrative capacity

Financial plan for the European Social Fund in Malta, 2007–2013 (euro)



			
Priority axis	Community funding	National counterpart	Total funding
Improving education and skills	31 790 000	5 610 000	 37 400 000
Investing in the employability and adaptability of the workforce	26 345 750	4 649 250	 30 995 000
Promoting an equal and inclusive labour market	31 365 000	5 535 000	 36 900 000
Strengthening of institutional and administrative capacity	18 194 250	3 210 750	 21 405 000
Technical assistance	4 305 000	759 705	 5 064 705
Total	112 000 000	19 764 705	131 764 705

Some earlier ESF projects in Malta, 2004-2006

The 'Training and Employment Exposure Scheme (TEES)' helped unemployed people over 40 years old to gain access to the labour market and increase their employability. This one-year scheme moved participants from specialised training directly into work placements. Of the 460 participants, 285 are now employed – 237 found employment through the project, 40 found alternative employment, and eight are now self-employed.

The project 'Tourism and Support Services Training Programme' focused on transport and tourism service providers and provided tailored training for owners, managers and SMEs in these sectors. The main objectives were to modernise the services provided by the current workforce, improve standards and working practices in the tourism industry, and update employee skills in a number of areas. More than 40 training programmes were carried out, helping a total of around 800 people.

'Initiating and Managing Community Based Lifelong Learning Centres' established community-based lifelong learning centres to support those most at risk of social exclusion. The project trained instructors who then ran individual courses. A variety of programmes were delivered in subjects ranging from ICT to personal development – a total of 214 courses were attended by almost 1 900 participants.

ESF contacts

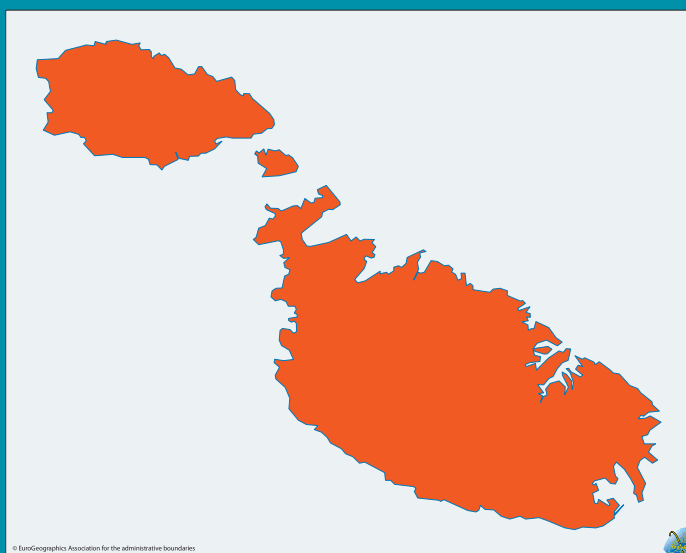
In Malta

Managing Authority of the ESF programme
Office of the Prime Minister
Planning and Priorities
Co-ordination Division,
12 St Paul's Street
MT-Valletta CMR 02
Tel: +356 22001142
Fax: +356 22001141
E-mail: info.ppcd@gov.mt
Website: www.ppcd.gov.mt

At the European Commission

Information service of DG Employment,
Social Affairs & Equal Opportunities
Communication Unit
BE-1049 Brussels
Fax: +32 (0)2 296 23 93
E-mail: empl-info@ec.europa.eu
<http://ec.europa.eu/esf>

Eligible regions 2007-2013



The level of ESF funding differs from one region to another depending on their relative wealth.

 Malta is eligible under convergence objective with a GDP per head of less than 75% of the EU-25 average.