Council of the European Union

Brussels, 16 September 2021
(OR. en)

Interinstitutional File:
2021/0298 (NLE)

11938/21
ADD 1

ECOFIN 854
CADREFIN 411
UEM 263
FIN 700

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	16 September 2021
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2021) 584 final
Subject:	ANNEX to the Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Malta

Delegations will find attached document COM(2021) 584 final.

Encl.: COM(2021) 584 final

EUROPEAN
COMMISSION

Brussels, 16.9.2021
COM(2021) 584 final

ANNEX

ANNEX

to the

Proposal for a Council Implementing Decision

on the approval of the assessment of the recovery and resilience plan for Malta

{SWD(2021) 269 final}

ANNEX

SECTION 1: REFORMS AND INVESTMENTS UNDER THE RECOVERY AND RESILIENCE PLAN

1. DESCRIPTION OF REFORMS AND INVESTMENTS

1. COMPONENT 1: ADDRESSING CLIMATE NEUTRALITY THROUGH ENHANCED ENERGY EFFICIENCY, CLEAN ENERGY AND A CIRCULAR ECONOMY

This component of the Maltese recovery and resilience plan (RRP) contributes to addressing challenges related to the steep increase in energy consumption and waste generation resulting from a rapid population, employment and GDP growth in recent years. Specific characteristics of Malta, including its small size, high population density, limited land space, lack of economies of scale, its dependence on single distributors and suppliers, as well as the scarcity of natural resources, all exacerbate these challenges.

The objectives of the component are to invest in the decarbonisation of a number of buildings, provide renewable energy solutions in public spaces, whilst introducing reforms to develop a long-term building renovation strategy and improve waste management.

The investments consist of the renovation of a number of private sector and public buildings, public schools and hospitals that aim to improve the energy performance of these buildings, reduce energy consumption and carbon emissions. The component also aims to construct a near carbon-neutral school that shall also include the use of renewable energy systems, as well as renewable energy investments in roads and public spaces. The reform to develop a long-term building renovation strategy complements these investments, by creating a framework that promotes the renovation of Malta's building stock by 2050. The component also foresees the design of an enhanced waste policy, including the re-organisation of waste collection, to limit waste and improve circularity.

The component contributes to addressing the country-specific recommendations on investment in the green and digital transition, in particular on the clean and efficient production and use of energy and waste management (country-specific recommendations 3 2019 and 3 2020).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01).

A.1. Description of the reforms and investments for non-repayable financial support

Reform C1-R1: Develop a long-term renovation strategy

The objective of the reform is to strengthen the institutional framework and ensure the availability of skilled workforce in the building and construction industry.

The reform shall establish a Regulator for Buildings, responsible for an integrated regulation and sustainable management of the building and construction industry having various responsibilities including issuance and enforcement of good practices guidelines and methodologies, policies and regulations, providing a centralised office for receipt and processing of complaints and monitoring the performance, safety and quality of buildings and construction works in Malta. It shall ensure the required staffing for the Regulator and that is it is fully operational. It shall increase the availability of qualified staff by extending skilling and upskilling measures to new professional categories with a view to obtain a skill card with specific priority related to the acquisition of the necessary skills for supporting the buildings renovation projects based on skills demand and supply forecasts. The reform measures are included in the long term renovation strategy aiming to renovate Malta's building stock with a view to enhancing energy performance, increasing the use of renewable energy, reducing emissions and achieving decarbonisation of the building stock by 2050.

The reform shall be implemented by 30 June 2023.

Reform C1-R2: Fostering effective waste management through a robust waste governance framework including reforming the waste collection system

The objective of the reform is to improve waste management and further the transition towards a circular economy.

The reform shall consist of the transition to a regionalised and harmonised national waste collection system, the extension of the Extended Producer Responsibility to new sectors and of measures addressing construction and demolition waste.

The reorganisation of waste collection shall consolidate waste collection services in five regions across Malta and Gozo (from an existing fragmented framework spread between 68 local councils). The reform shall lead to increased economies of scale, increased separate collection, a better utilisation of the relevant vehicle fleet and an optimisation of the investment costs.

Legislation shall enter into force to extend Extended Producer Responsibility obligations to additional waste streams, such as tyres and textiles. The feasibility and scope of such extension shall be decided on the basis on an independent study. This process shall also be supported by the entry into force of legislation targeting Single-Use Plastics (SUP).

A Construction and Demolition Waste Strategy shall be adopted, which shall identify options for the management of waste arising from construction and demolition activities, with a view

to shifting the treatment of such waste away from disposal to the preparing for re-use and recycling. To implement such Strategy: (i) a new regulatory framework for the management of the construction and demolition waste shall enter into force, (ii) standards shall be adopted for the construction industry to reduce the construction and demolition waste generated and ensure that the waste generated is suitable for treatment in line with the waste hierarchy; and (iii) conditions shall be put in place for the recovery of suitable construction and demolition waste in the strictly necessary amounts for the backfilling of quarries, which have been declared as partly exhausted, exhausted or inactive, in order to restore them to their original state.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01).

The reform shall be implemented by 31 December 2025.

Investment C1-I1: Investment in the renovation and greening of public and private sector buildings, including deep retrofitting through energy and resource efficiency measures

The objective of the investment is to improve energy efficiency, reduce energy demand, lower carbon emissions and limit energy waste through the retrofitting of public and private sector buildings.

The investment shall consist of the renovation, including deep retrofitting, of at least 9,232m^2 of public buildings and at least 40,605m^2 of private sector buildings, including commercial and non-residential buildings. The final renovated surface area of private buildings shall depend on eligible costs under the grant scheme. The public buildings to be renovated shall be selected on the basis of the highest potential for energy savings while taking into account additional trade-offs related to logistical issues that may have an impact on the realistic implementation of the interventions. Building specificities and requirements for private buildings are still to be determined. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in

accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 31 December 2025.

Investment C1-I2: Investment in the renovation and deep retrofitting of public hospitals

The objective of the investment is to improve energy efficiency, reduce energy demand, lower carbon emissions, limit energy waste and provide a model for other similar buildings, through the retrofitting of one public hospital. In addition, the investment shall also improve the well-being of the patients and increase the service quality level.

The investment shall consist of the renovation and deep retrofitting of at least 9,167m^2 of the Mount Carmel public hospital. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 31 March 2026.

Investment C1-I3: Investment in the renovation, deep retrofitting and renewable energy in public schools

The objective of the investment is to improve energy efficiency, reduce energy demand, lower carbon emissions and limit energy waste in two public schools. The investment shall make the selected schools carbon neutral, increase the use of renewable energy and improve the learning environment within these schools through the optimisation of indoor health, air quality and comfort.

The investment shall consist of the renovation, including deep retrofitting, of two public schools (St Benedict College Għaxaq Primary School and Gozo College Nadur Primary School), covering a total area of at least 9,710m^2. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 31 December 2023.

Investment C1-I4: Investment in the construction of a pilot near carbon neutral school to serve as a model for the future and provide a future-proof learning experience to students

The objective of the investment is to build one new near carbon neutral school, St. Theresa College Msida Primary School, complying with standard requirements of high-energy efficiency, taking into account resource efficiency, climate adaptation measures, adoption of digital technologies and affordability. This is meant to serve as a pilot project for future investments and to showcase the optimisation of indoor health, air quality, high energy efficiency, low carbon emissions and extensive use of renewable energy systems. Equal access for persons with disabilities shall also be ensured.

The investment shall consist of the construction of a near carbon neutral pilot school amounting to a total area of approximately 14,499m^2, with a capacity of 500 students, 40 classes, a childcare centre able to take approximately 120 children, a library (capacity of 300 people), and a hall that shall also be available for the community. The construction shall ensure that a Primary Energy Demand of at least 20% lower than the Nearly-Zero Energy Building requirement is met.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147))

generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 31 December 2023.

Investment C1-I5: Renewable energy investments in roads and public spaces

The objective of this investment is to generate green energy through renewable sources. Malta's small size limits the possibility of onshore energy generation. However, given the importance of solar power on the islands, different options have been explored that go beyond the traditional roof-top investment.

The investment shall consist of the installation of photovoltaic infrastructure in roads, footpaths and other public open spaces with an installed capacity of 143kW. The energy produced shall be used, in particular, to feed renewable energy for street lighting as well as pedestrian crossings, charging points for electric cars and e-bikes, USB charging points, security cameras, Wi-Fi hotspots, and other road technologies.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 30 June 2024.

A.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.1	C1.R.1	Milestone	Entry into force of the Building and Construction Authority Act	Provision in the Act indicating the entry into force of the Building and Construction Authority Act No. XIV of 2021				Q2	2021	Entry into force of the Building and Construction Authority Act with the aim to establish a Regulator for Buildings. The authority shall be responsible for the regulation, improvement and sustainable management of the building and construction industry in Malta.
1.2	C1.R.1	Milestone	Building and Construction Authority- fully operational	The Building and Construction Authority is fully operational in line with ACT No. XIV of 2021				Q1	2023	The Building and Construction Authority is foreseen to be fully operational in line with ACT No. XIV of 2021. In line with established administrative procedures the Authority shall be resourced to enable it to effectively fulfil its mandate under the Act.
1.3	C1.R.1	Milestone	Training and certification of professionals in the construction industry	Launch of training and certification of professionals in the construction industry				Q4	2022	Open call for applications for a training and certification program for professionals and tradesmen of various levels in the buildings and construction industry to enhance the capacity for renovation courses. It shall target an array of professionals and tradesmen at various levels within the local construction eco-system.
1.4	C1.R.1	Target	Professionals in the construction industry trained and certified		Number	0	500	Q2	2023	Number of professionals in the construction industry trained and certified with skills card.
1.5	C1.R.2	Milestone	Entry into force of the updated Environment Protection Act	Provision in the Act indicating the entry into force of the Act				Q4	2021	Entry into force of the updated Environment Protection Act whereby the importation, production, sale and distribution of certain single use plastic (SUP) items, namely plastic bags, cutlery, straws and plates shall be prohibited.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.6	C1.R.2	Milestone	Study on the feasibility of expanding Extended Producer Responsibility obligations to additional waste streams	Publication of a study on the feasibility of expanding Extended Producer Responsibility obligations to additional waste streams				Q4	2024	Study on the feasibility of expanding Extended Producer Responsibility obligations to additional waste streams published. The aim of this study is to assess the feasibility of extending the Extended Producer Responsibility obligations, which are currently in place for some waste streams, to additional waste streams, including tyres and textiles. The study shall be carried out by an independent contractor, selected through public procurement.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.7	C1.R.2	Milestone	Entry into force of legislation that may be deemed appropriate by the study on the feasibility of targeting new waste streams through Extended Producer Responsibility	Provision in the Act indicating the entry into force of the Act				Q4	2025	Entry into force of new legislation for the waste streams deemed appropriate by the study on the feasibility of expanding Extended Producer Responsibility obligations to additional waste streams.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.8	C1.R.2	Milestone	Adoption of the Construction and Demolition Waste Strategy for Malta	Online publication of the Construction and Demolition Waste Strategy for Malta				Q4	2021	Adoption of the Construction and Demolition(C&D) Waste Strategy. The Strategy shall be in line with the EU waste legislation and EU Construction and Demolition Waste Protocol. The Strategy shall identify specific measures in four main priority areas: 1. Planning and design: aiming to tackle the problem at source by demolishing or constructing in a sustainable manner; 2. Waste management: measures to improve waste logistics both at the development site as well as off-site; 3. Quality management: measures associated with increasing the confidence in C&D waste management practices as well as improving the quality of C&D recycled materials; and 4. Policy and regulatory framework: shall propose improvements in policy and framework conditions in order to break the link between development and waste generation. The proposed regulatory framework shall comply with the EU legislation and guidelines on construction and demolition waste. The measure shall not lead to a significant increase in the disposal of waste, or create disincentives to preparing for reuse and recycling of waste.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.9	C1.R.2	Milestone	Adoption of standards for the Construction Industry	Adoption of standards for the construction industry				Q4	2022	Adoption of standards for the construction industry. Standards shall concern: 1) Best practices for (de)construction, aimed at reducing the Construction and Demolition (C&D) waste generated and ensuring waste generated is suitable for treatment in line with the waste hierarchy provided in the Article 4 of the Directive 2008/98/EC on waste. 2) The classification of C&D waste by type, material, composition and weight, aimed to encourage on-site separation as well as improve the quality of the waste streams for subsequent re-use or recycling; 3) Appropriate excavation works, with the aim to re-use excavated rock for the purposes of construction; 4) Dimensions of internal and external apertures of residential dwellings aimed at encouraging the re-use of fittings as well as reduce diversification bringing about economies of scale. These standards shall be incorporated within the regulatory framework and compliance with these standards shall be an essential requirement prior to the issuance of an executable Development Permit.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.10	C1.R.2	Milestone	Entry into force of a new regulatory framework for the management of construction and demolition waste	Provision in the new regulatory framework indicating the entry into force of the new regulatory framework				Q4	2023	Entry into force of a new regulatory framework for the management of construction and demolition waste in Malta. The regulatory framework shall be developed and discussed with all actors involved along the construction and demolition chain. The regulatory framework shall comply with the EU waste legislation and EU Construction and Demolition Waste Protocol and Guidelines. The main objective of the regulatory framework is to set in place a legal framework that would focus on the construction industry in a holistic manner, from the placement on the market of construction products to the management of waste generated from such industry, taking into consideration the industry's environmental impact at each stage. The regulatory framework shall be structured on the four main priority areas indicated in the strategy to ensure a shift towards a more circular economy: (i) the prevention and better management of C&D waste at each stage of the development, that is at the demolition, excavation and construction stages; (ii) the separation of waste at source; and (iii) promoting the development of secondary markets for end-of-life resources, as well as ensuring that there is a shift from recovery and disposal to reuse and recycling. In addition, the said regulations shall clearly identify and define the roles and responsibilities of the actors (such as developers, contractors, architects and property owners) involved in the sector.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.11	C1.R.2	Milestone	Recovery of construction and demolition waste through backfilling void spaces (quarries)	Conditions are in place for the recovery of construction and demolition waste in void spaces				Q4	2022	The following conditions are in place for the recovery of construction and demolition waste in void spaces to restore them in their original state with high environmental standards: (i) the Environment and Resource Authority, in collaboration with the Planning Authority has identified the quarries, which have been declared as partly exhausted, exhausted or inactive and determined the volume contained therein; (ii) a set of terms of reference for the restoration of void spaces to their original state; and (iii) mechanisms to incentivise the crushing of material prior to backfilling, such as including the crushing of material prior to backfilling as a requirement when publishing call for tenders involving construction works by Government entities. The definition of such mechanisms shall be determined following consultation with stakeholders, including potential beneficiaries, the relevant authorities and also other primary stakeholders. The measure shall not lead to a significant increase in the disposal of waste, or create disincentives to preparing for reuse and recycling of waste. The waste used for backfilling shall be suitable non-hazardous waste substituting non-waste materials and shall be limited to the amount strictly necessary, in line with Article 3(17a) of Directive 2008/98/EC on waste.
1.12	C1.R.2	Milestone	Setting up of five municipal regional bodies responsible for waste collection across Malta and Gozo	Responsibility for collection shifted to regions, including collection of recyclables and all waste collection centres are fully operational.				Q4	2022	Responsibility of waste collection shall shift from 68 Local Councils to five regions: a) Central (including 13 Local Councils), b) Southern (14 Local councils), c) South Eastern (15 Local Councils), d) Northern (12 Local Councils), e) Gozo (14 Local Councils).The transition of waste collection to five centres is completed. The five centres are fully operational and in charge of collecting waste.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.13	C1.R.2	Milestone	Entry into force of revised legislation on packaging material to allow for the regional collection of packaging waste	Provision in the revised legislation indicating the entry into force of the revised legislation				Q4	2022	Entry into force of revised legislation on packaging material which allows for the regional collection of packaging waste. This shall build on the legislation for the regional collection of waste which was established through the Local Government Act. Regional councils shall be responsible for the logistics to enable economies of scale, whilst the producers shall be responsible for the financing.
1.14	C1.I.1	Milestone	Energy Performance Audit of Public Buildings	Completion of Energy Performance and Energy Audit of public buildings				Q2	2022	Completion of energy Performance Audit of public buildings selected for retrofitting and energy efficiency, in compliance with Directive 2010/31/EU in order to establish the Energy Performance Certificate class of the selected buildings and identify the applicable Energy Efficiency renovation measures. The public buildings supported by this measure shall have an area of at least 9 232 m^2.
1.15	C1.I.1	Milestone	Contracted services for the renovation of public buildings	Contracts signed for the procurement of renovation services for selected public buildings covered by this investment				Q2	2023	All contracts signed for the procurement of renovation services of public buildings with an area of at least 9 232 m^2. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.
1.16	C1.I.1	Target	Public buildings renovated		m^2	0	9 232	Q4	2025	Renovation of the public buildings supported is completed, covering at least 9 232 m^2. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.
1.17	C1.I.1	Milestone	Launch of call for applications for grants targeting the renovation of private sector buildings	Grants targeting the renovation of private sector buildings, including commercial and other non-residential buildings launched				Q1	2022	Launch of call for applications for the selection of applicants for grants targeting the renovation of private sector buildings for retrofitting and energy efficiency (including commercial/non-residential buildings). The area financed under this investment shall be of at least 40,605m^2.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.18	C1.I.1	Target	Private sector buildings renovated		m^2	0	40 605	Q4	2025	Completion of renovation of at least 40 605 m^2 in private sector buildings supported by the grants targeting the renovation of private sector buildings. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.
1.19	C1.I.2	Milestone	Energy Performance Audit of Mount Carmel Public Hospital	Completion of Energy Performance and Energy Audit of Mount Carmel Public Hospital.				Q2	2022	Completion of Energy Performance Audit at Mount Carmel Hospital in compliance with Directive 2010/31/EU to establish the Energy Performance Certificate class of the respective blocks and identify the applicable Energy Efficiency renovation measures.
1.20	C1.I.2	Milestone	Contracted services for the renovation and deep retrofitting of Mount Carmel Public Hospital	All contracts signed for the renovation of Mount Carmel public hospital.				Q4	2023	All contracts signed for the procurement of renovation services for Mount Carmel Public Hospital of at least 9,167m^2. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.
1.21	C1.I.2	Target	Blocks of Mount Carmel hospital renovated		m^2	0	9 167	Q1	2026	Renovation of blocks at Mount Carmel Hospital covering an area of at least 9 167m^2. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.
1.22	C1.I.3	Milestone	Energy Performance Audit of two Public Schools	Completion of assessment of overall Energy Performance and Energy Audit of two public schools				Q4	2021	Completion of energy performance audit of two public school buildings (St. Benedict College Għaxaq Primary School and Gozo College Nadur Primary School) in compliance with Directive 2010/31/EU to establish their Energy Performance Certificate class and identify applicable Energy Efficiency renovation measures. Completion shall mean the delivery of an audit report.

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1.23	C1.I.3	Milestone	Contracted services for the renovation of two Public Schools	Contracts signed for the renovation of two Public Schools.				Q1	2022	All contracts signed for the procurement of renovation of two public school buildings (St. Benedict College Għaxaq Primary School and Gozo College Nadur Primary School) covering a total area of more than 9 710 m^2. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.
1.24	C1.I.3	Target	Two public schools renovated		m^2	0	9 710	Q4	2023	Renovation works of two public schools (St. Benedict College Għaxaq Primary School and Gozo College Nadur Primary School), which together cater for around 500 students, shall be completed. The renovation shall achieve a reduction of primary energy demand (PED) of at least 30%.
1.25	C1.I.4	Milestone	Contracted services for construction works of a near carbon neutral school	Contracts signed for the construction of a near carbon neutral School.				Q1	2022	Signed contracts for the procurement of construction works for the near carbon neutral school. The construction shall ensure that a Primary Energy Demand (PED) that is at least 20% lower than the NZEB requirement is met.
1.26	C1.I.4	Target	Construction of a near-carbon neutral school completed		m^2	0	14 499	Q4	2023	Construction works of the near-carbon neutral school are completed. The school is estimated to cater for around 500 students and to have a land surface area of at least 14 499 m^2. The construction shall ensure that a Primary Energy Demand (PED) that is at least 20% lower than the NZEB requirement is met.
1.27	C1.I.5	Target	Installation of photovoltaic infrastructure in public open spaces		kW	0	143	Q2	2024	Installed generation capacity of photovoltaic infrastructure in roads, footpaths and other public open spaces in Malta and Gozo.

B. COMPONENT 2: DECARBONISING TRANSPORT

This component of the Maltese RRP contributes to addressing the challenge of road traffic congestion, greenhouse gas and pollutant emissions, and the need to make the transport sector more sustainable.

The objective of the component is to shift traffic from road to more sustainable modes and decarbonise road transport through electrification, in line with Malta's National Energy and Climate Plan for 2030, the 2050 Low Carbon Development Strategy, Malta's National Reform Programme (2020) and Malta's National Transport Strategy.

Reforms in this component improve transport planning, expand the use of public transport and implement actions of the Sustainable Urban Mobility Plan for the Valletta region. They also designate regeneration areas, promote remote working in the public sector, and increase the efficiency of the public sector vehicle fleet. Investments comprise the construction of a ferry landing place, a scrappage scheme supporting the purchase of zero-emission electric vehicles in the private sector, a renewal of the public sector vehicle fleet with zero-emission electric vehicles, and the purchase of zero-emission electric buses for public transport.

The component contributes to addressing the country-specific recommendations to focus investment on the green transition (country-specific recommendation 3 2020), sustainable transport (country-specific recommendations 3 2019 and 3 2020) and reducing traffic congestion (country-specific recommendation 3 2019).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01).

B.1. Description of the reforms and investments for non-repayable financial support

Reform C2-R1: Stimulating the adoption and implementation of policies promoting the sustainability of the transport sector, including by encouraging the use of collective and multimodal transport

The objective of the reform is to support the decarbonisation of the transport sector through promoting better transport planning. It shall help speed up the transition of the transport sector towards zero carbon, reduce congestion and contribute to achieving climate neutrality by 2050.

The reform shall consist of: (i) the completion of a study, Malta's National Household Travel Survey, and (ii) an awareness raising campaign to promote sustainable transport.

The study shall quantify current travel patterns, behaviour and gauge public opinion on new potential actions to be included in the updated Transport Master Plan. Completion of the survey refers to the moment where the data collection and analysis for the survey have been carried out and findings have been identified in written form.

The awareness raising campaign shall be a nation-wide campaign targeting all sectors of the society. It shall promote greener modes of transport, including multimodality for essential travel, and a more sustainable mobility system across Gozo and Malta. It shall use different media, including print, TV and social media.

The reform shall be implemented by 31 December 2025.

Reform C2-R2: Promoting further use of collective road public transport

The objective of this reform is to promote the use of public transport as a means to reduce emissions and address congestion.

This reform shall grant free access to scheduled road public transport services to new cohort groups that shall comprise at least 103,000 people.

The selection of cohort groups shall be underpinned by the National Household Travel Survey (NHTS). The NHTS shall quantify the potential amount of modal shift from private cars to public bus transport as a direct result of the introduction of fare free bus travel.

The reform shall be implemented by 31 December 2023.

Reform C2-R3: Expediting the finalisation and implementation of a Sustainable Urban Mobility Plan (SUMP) for the Valletta Region

The objective of this reform is to foster sustainable mobility in Malta through better transport planning and the implementation of sustainable mobility solutions.

The reform shall consist of the online publication of the Sustainable Urban Mobility Plan (SUMP) for the Valletta Region and its implementation. The plan shall focus on the northern and southern harbour regions which capture over 40% of the total population of the Maltese Islands. The SUMP shall seek to improve the quality of life and mobility in Malta by facilitating cost-effective, energy-efficient, and seamless mobility. Publication shall consist of publishing the SUMP on the website of the Ministry of Transport.

In order to implement the SUMP, the reform shall implement measures from the SUMP in at least nine local administrative units within the Valletta region, with at least one measure per local administrative unit. Eligible types of interventions are: peripheral parking schemes that encourage more sustainable modes of transport including cycling and walking in the city core, the localisation and implementation of local transport hubs, cycling infrastructure, car sharing among several people and on demand transport services, the deployment and use of electric vehicles and charging infrastructures in densely populated urban areas, and urban logistics, such as through the implementation of last mile solutions, including for commercial purposes and supporting alternative mobility solutions.

The reform shall be implemented by 30 June 2025.

Reform C2-R4: Reducing the socio-economic and environmental impact of vehicles in urban areas

The objective of this reform is to establish car free spaces across Malta and Gozo that are open to the public. The aim of this reform is to promote the regeneration of public squares and community spaces of village and town cores and reduce the dependency on private vehicles. Through the completion of regeneration areas, this reform shall foster safe and quiet space for residents, the elderly, children and families, amongst others, to spend their free time out in the open. It shall create more opportunities for local businesses and merchants and spaces for artists and local organisations to organise activities.

The actions shall be permanent, but their availability may be limited to selected periods. Selected periods may be certain times of the year, certain days of the week, or certain hours of the day.

The reform shall consist of the completion of at least three regeneration areas in urban areas over a span of three years, with at least one area per year. A regeneration area is a car-free area where Local Councils shall promote walking, cycling and public transport, in parallel with other educational campaigns to avoid unnecessary travel, which shall result in additional free and unencumbered open public space. In these areas, priority shall be given to pedestrians and bicycles for essential travel triggering a shift to cleaner and sustainable ways of transport. The selection of regeneration areas shall be consistent with the measures outlined in Malta's Transport Master Plan.

The reform shall be implemented by 30 June 2025.

Reform C2-R5: Promoting remote working in the public service

The objective of this reform is to enhance remote working in the public sector. The possibility to work from home or through regional hubs is expected to reduce journeys to and from work and therefore traffic congestion.

First, this reform shall consist of the establishment of 15 office facilities that enable remote work for public service officials across the Maltese Islands. Such office spaces will be operational for remote working and shall accommodate at least 140 workstations in total across the 15 office facilities.

Second, this reform shall consist of the publication of the Remote Working Policy for Government Employees. The policy shall outline the eligibility criteria, conditions, requirements for approval and application guidelines governing this initiative that promotes work-life balance and contributes towards sustainability.

The reform shall be implemented by 31 March 2022.

Reform C2-R6: Enhanced mobility management in the public service

The objective of this reform is to improve the mobility management in the Maltese public service, leading to a more efficient and greener public mobility service.

Currently the public service fleet used by Government departments in Malta consists of around 650 vehicles. They are operated in a decentralised manner as each Ministry or Department has its own pool of cars. The limited coordination is a barrier for efficient and effective transport services.

The first action of this reform shall entail a study to assess public service transport infrastructure currently in place across the Maltese Islands in general and specifically at the respective ministries and departments. The study shall examine the current situation and establish a baseline of existing shared mobility in the public service. It shall make recommendations to re-engineer the car sharing process leading to higher efficiency and identify, in terms of number and type, a cleaner fleet of government general-use vehicles. The study shall be carried out by an independent contractor following a public procurement procedure.

The second action of this reform shall consist of measures to increase shared mobility in the public service, such as developing and promoting ride sharing mechanisms. The objective is an increase of shared mobility in the public service by 10% from the baseline determined in the independent study on enhanced mobility management in the Maltese public service. Shared mobility is measured in terms of coordinated trips between at least two Government Departments.

The reform shall be implemented by 30 June 2025.

Investment C2-I1: New ferry landing place to promote alternative modes of transport at Buġibba, St Paul's Bay

The objective of the investment is to decarbonise the transport sector in Malta by promoting the use of intermodal transportation through new ferry services in Buġibba, St. Paul's Bay.

The investment shall consist of the construction of maritime infrastructure including ferry landing facilities, a passenger terminal, berthing and landing facilities and safer platforms, taking into account adverse weather conditions. The ferry terminal shall include a sheltered ticketing and waiting area for commuters. Complementing this investment, a bus feeder service shall be provided using the existing bus network.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, DNSH compliance is ensured through the installation of six feeder pillars for the charging of marine vessels on the inner side of the quay and five manholes for electrical charging for marine vessels on the outer side of the quay. Three pillars shall be also installed on the road side outside the area leading to the quay for cars of ferry patrons to be charged whilst the patrons use the ferry.

In line with the conclusions reached by the Maltese competent authorities during the assessment of the planning application for this measure in the light of Council Directive 92/43/EEC, further detailed assessment is considered necessary to assess the significance of the impact and implications vis-à-vis the relevant policies. This is relevant as the ferry landing is planned to be located in Natura 2000 sites, and thus the project should be subject to appropriate assessment under article 6(3) of Council Directive 92/43/EEC, in view of the site's conservation objectives and to ensure that it shall not adversely affect the integrity of the sites concerned.

In addition, all measures potentially likely to have significant effects on the environment shall be subject to an Environmental Impact Assessment (EIA), which shall be completed in accordance with Directive 2011/92/EU, as well as relevant assessments in the context of Directive 2000/60/EC, including the implementation of required mitigation measures, ensuring compliance with the DNSH Technical Guidance (2021/C58/01).

Any measures identified in the framework of the EIA under Directive 2011/92/EU as well as the assessments under Directive 2000/60/EC and Council Directive 92/43/EEC as necessary to ensure compliance with the DNSH principle shall be integrated into the project and strictly complied with at the stages of construction, operation and decommissioning of the infrastructure.

In addition, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of

Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol. This applies to unsalted material and, where feasible, salted material. To establish which salted material can be prepared for re-use, recycling or other material recovery, the economic operators shall carry out an assessment of the material. If the assessment confirms that re-use, recycling or other material recovery is not feasible, the economic operators shall dispose the material in accordance with local waste management regulations in an authorised landfill for inert waste.

The investment shall be implemented by 31 December 2025.

Investment C2-I2: Enhancing the uptake of electric vehicles in the private sector

The objective of this investment is to instigate a wider shift towards electric mobility and reduce emissions emanating from the road transport sector in Malta by promoting the uptake of electric vehicles in the private sector, including the commercial sector.

The investments shall consist of a grant scheme for the purchase of electric vehicles through the provision of 5,600 grants. The scheme shall support the purchase of new passenger, passenger care and goods carrying vehicles, minibuses/coaches, quadricycles/motorcycles and pedelecs.

The structure of the grant scheme shall be designed to increase the share of electric vehicles among the total vehicle fleet. The scheme shall take into consideration the following factors:

- Current market prices of electric light vehicles, new and used;
- Price differential between used electric light vehicles and new electric light vehicles;
- Price differential between comparable vehicle models electric light vehicles and internal combustion engine vehicles;
- Market supply / model availability of new electric light vehicles available as Right-Hand Drive;
- Market demand as indicated by the yearly uptake of grants made available since 2016.

In designing and implementing the scheme, particular attention shall be given to increasing the uptake of electric vehicles in Gozo, in line with the objective to accelerate Gozo's transition towards climate neutrality.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01). In particular, only zero-emission vehicles shall receive financial support.

The investment shall be implemented by 31 December 2024.

Investment C2-I3: Decarbonising the public service fleet

The objective of this investment is decarbonising the transport sector in Malta by promoting the uptake of electric vehicles in the public service.

The investment consists of the purchase of electric vehicles in order to replace internal combustion engine vehicles and achieve a share of electric vehicles in the public service fleet used by Government departments of 38%. In conjunction with reform C2-R6: Enhanced mobility management in the public service, the investment shall result in a cleaner and reduced public service vehicle fleet on the road network, reducing emissions and congestion.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01). In particular, only zero-emission vehicles shall receive financial support.

The investment shall be implemented by 31 December 2024.

Investment C2-I4: Part replacement of the public transport fleet

The objective of this investment is to decarbonise part of the public road transport sector in Malta.

The investment consists of purchasing 102 electric buses (12m) for the public road transport fleet. The financing shall cover the difference in the purchase price between internal combustion engine buses (12m) and electric buses (12m). These zero emission buses shall replace diesel buses in the current public transport stock (Euro 5 buses). This investment is complemented by the provision of free public transport to persons in different age cohorts to further enhance the use of collective transport (reform C2.R2).

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01). In particular, only zero-emission buses shall receive financial support.

The investment shall be implemented by 30 June 2025.

B.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
2.1	C2.R.1	Milestone	National Household Travel Survey	Completion of the National Household Travel Survey				Q4	2021	The National Household Travel Survey is completed. This survey shall aim to quantify current travel patterns, behaviour and gauge public opinion on new potential measures to be included in the updated Transport Master Plan. Completion of the survey refers to the moment where the data collection and analysis for the survey have been carried out and findings have been identified in a written report.
2.2	C2.R.1	Milestone	Completion of an Awareness Raising Campaign on sustainable zero and low-carbon transport	Completion of the awareness campaign				Q4	2025	The awareness raising campaign for the general public is completed. The campaign shall be a nation-wide initiative that targets all sectors of society. Different media shall be used including print, TV and social media. The aim of the campaign shall be to promote a behavioural shift in the use of transport modes. The Campaign shall promote greener modes of transport to promote multimodality for essential travel, and a more sustainable mobility system across the Islands.
2.3	C2.R.2	Target	Number of people in the new cohort groups with access to free public transport		Number	0	103 000	Q4	2023	Number of people belonging to the newly identified cohorts that may benefit from free public transport.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
2.4	C2.R.3	Milestone	Publication of the Sustainable Urban Mobility Plan for the Valletta Region	Online publication of the Sustainable Urban Mobility Plan for the Valletta Region				Q4	2022	Online publication of the Sustainable Urban Mobility Plan for the Valletta Region, setting out eligible interventions to be implemented through the Sustainable Urban Mobility Plan. Eligible types of interventions are: peripheral parking schemes that encourage more sustainable modes of transport including cycling and walking in the city core; the localisation and implementation of local transport hubs, cycling infrastructure, car sharing among several people and on demand transport services; the deployment and use of electric vehicles and charging infrastructures in densely populated urban areas and urban logistics, such as through the implementation of last-mile solutions, including for commercial purposes and supporting alternative mobility solutions.
2.5	C2.R.3	Target	Local Administrative Units within the Valletta Region with improved urban mobility solutions under the Sustainable Urban Mobility Plan		Number	0	9	Q2	2025	In at least nine local administrative units within the Valletta Region, at least one eligible type of interventions from the Sustainable Urban Mobility Plan for the Valletta Region is fully implemented.
2.6	C2.R.4	Milestone	Agreement with Local Councils Association on the regeneration areas in urban areas	Signed agreement for regeneration areas in urban areas				Q2	2021	The signing of agreement between Transport Malta and Local Councils Association for the selection of regeneration areas in urban areas. A regeneration area is an area where Local Councils promote walking, cycling and public transport, in parallel with other educational campaigns to avoid unnecessary travel which is expected to result in additional free and unencumbered open public space. The selection of regeneration areas shall be consistent with the measures outlined in Malta's Transport Master Plan.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
2.7	C2.R.4	Target	Regeneration areas created in urban areas for open and car free spaces		Number	0	3	Q2	2025	Completion of three regeneration areas in urban areas.
2.8	C2.R.5	Milestone	Publication of the Remote Working Policy for Government Employees	Publication of the Remote Working Policy Document for Government Employees				Q1	2022	Publication of a Remote Working Policy for Government employees. The policy shall outline the eligibility criteria, conditions, requirements for approval and application guidelines governing this initiative that promotes work-life balance and contributes towards sustainability.
2.9	C2.R.5	Target	15 office facilities that enable remote work for public service officials across the Maltese Islands operational		Number	0	15	Q4	2021	Number of offices in different localities being operational with facilities that enable remote work by public service workforce across all Ministries. Such office spaces shall accommodate at least 140 workstations in total across the 15 office facilities.
2.10	C2.R.6	Milestone	Completion of study on enhanced mobility management in the Maltese public service	Study with recommendations completed				Q1	2023	Completion of study about change in mobility management in the Maltese Public Service. The study shall examine the current situation and establish a baseline of existing shared mobility (coordinated trips between at least two Government Departments) in the public service; make recommendations to re-engineer the process leading to higher efficiency; and identify the number and type of a cleaner fleet of government general-use vehicles. The study shall be carried out by an independent contractor following a public procurement procedure. The study shall be shared with the European Commission.
2.11	C2.R.6	Target	Increase in shared mobility in the public service		% (Percentage)	0	10	Q2	2025	This target measures the improvement in shared mobility (coordinated trips between at least two Government Departments) in the public service from the baseline determined in the independent study on enhanced mobility management in the Malta public service.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
2.12	C2.I.1	Milestone	Planning Authority Permit	Planning permit issued				Q2	2022	Issuance of Planning Authority Permit (including the implementation of all mitigation measures arising from Appropriate Assessments (arising from Directive 2011/92/EU, Directive 2000/60/EC and Council Directive 92/43/EEC) and Environment & Resources Authority Conditions to address DNSH requirements in accordance with the DNSH Technical Guidance (2021/C58/01)) for the New Ferry Landing Place as well as amenities and facilities promoting modal shift. In order to comply with the DNSH Technical Guidance (2021/C58/01), six feeder pillars shall provide for the electric charging of marine vessels on the inner side of the quay, five manholes shall provide for the electrical charging of marine vessels berthed on the outer side of the quay, and three pillars shall provide for electric charging for cars on the road side outside the area leading to the quay.
2.13	C2.I.1	Milestone	Contracted services for construction works for New Ferry Landing Place & amenities/ facilities	Contract signed				Q3	2022	Signed contract for construction works for the new ferry landing place in Buġibba, St Paul's Bay, following a competitive call for tenders. In order to comply with the DNSH Technical Guidance (2021/C58/01), six feeder pillars shall provide for the electric charging of marine vessels on the inner side of the quay, five manholes shall provide for the electrical charging of marine vessels berthed on the outer side of the quay, and three pillars shall provide for electric charging for cars on the road side outside the area leading to the quay.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
2.14	C2.I.1	Milestone	New Ferry Landing Place & mobility amenities/ facilities completed with operational ferry services	Completion of a new ferry landing place & mobility amenities/facilities				Q4	2025	Completion of works for the New Ferry Landing Place & mobility amenities/facilities facilitating modal shift as attested by the architect's certificate of completion of works. Works shall include structural works related to the construction of a new breakwater and demolition of the existing structure, structural works related slipway, quay accessories, such as ramps, gangways and fendering, services and utilities including the provision of charging stations, and the ferry landing terminal facility. Ferry services shall be fully operational.
2.15	C2.I.2	Milestone	Open call for applications for electric vehicles and bicycles in the private sector, including scrappage scheme	Launched open call for applications for electric vehicles and bicycles in the private sector, including scrappage scheme				Q1	2022	Launch of open call for applications for support to the purchase of new electric vehicles and bicycles in the private sector, including scrappage schemes for households and commercial undertakings. The calls shall include support for the purchase of new passenger, passenger care, goods carrying vehicles, minibuses/coaches, quadricycles/motorcycles and pedelecs.
2.16	C2.I.2	Target	Number of grants awarded for electric vehicles under the scheme for the private sector		Number	0	1 000	Q2	2023	This target measures the number of grants awarded under the Electric Vehicle Scheme in the private sector.
2.17	C2.I.2	Target	Number of grants awarded for electric vehicles under the scheme for the private sector		Number	1 000	5 600	Q4	2024	This target measures the number of grants awarded under the Electric Vehicle Scheme in the private sector. It entails the completion of the electric vehicle scheme.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
2.18	C2.I.3	Milestone	Contracted services for the supply of electric vehicles for the public service fleet	Contracts signed				Q3	2023	Signed contracts for the supply of electric vehicles for the public service that shall replace internal combustion engine vehicles currently in use.
2.19	C2.I.3	Target	Percentage of electric vehicles in the Government general use fleet		% (Percentage)	0	38	Q3	2025	38% of the public service fleet used by Government Departments shall be fully electric (zero emissions).
2.20	C2.I.4	Milestone	Memorandum of Understanding for the part replacement of the Malta public transport fleet	Signed Memorandum of Understanding				Q2	2022	Signed Memorandum of Understanding between the Ministry responsible for Transport and Malta Public Transport, agreeing the purchase of 102 fully electric buses for the part replacement of the public transport fleet.
2.21	C2.I.4	Target	Operational zero emission electric buses rolled out for the part replacement of the public transport fleet		Number	0	102	Q2	2025	The target measures the number of fully electric buses in active service by Malta Public Transport.

C. COMPONENT 3: DIGITALISATION

This component of the Maltese RRP addresses the challenges related to further increasing the digitalisation across the public and private sectors, notably in terms of improving the resilience, capacity and security of the government digital backbone, access to digital technology, range and quality of e-government services, uptake of those services by citizens and businesses, and digitalisation of the private sector. The component also contributes to addressing the challenge of improving Malta's performance in research and innovation (R&I), where Malta is ranked as a 'moderate innovator', according to the European Innovation Scoreboard 2021.[1]

The objective of the component is to fast track the digital transition, notably by strengthening the national policy framework, investing in the further digitalisation of the public administration and public services (to increase their range, quality and uptake), as well as supporting the digitalisation of SMEs. The component also aims to improve Malta's R&I performance.

The first reform in this component concerns developing and implementing the initiatives regarding the following three main aspects of the upcoming Malta's Digital Strategy 2021-2027: to reduce the digital divide, to promote digital skills, and to improve digital public services. The implementation of the strategies for the development of digital skills shall be supported through the use of other EU funding programmes, such as the European Social Fund Plus. The second reform relates to the implementation of Malta's smart specialisation strategy, with a particular focus on fostering business R&I and strengthening public-private cooperation. The investments are targeted at strengthening the government digital backbone and digital solutions, digitalising the Merchant Shipping Directorate, further digitalising the public administration and rolling out support measures to digitalise the private sector (namely, SMEs).

The component contributes to addressing the country-specific recommendations related to the digital transition (country-specific recommendation 3 2020) and to research and innovation (country-specific recommendations 3 2019 and 3 2020).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01).

C.1. Description of the reforms and investments for non-repayable financial support

Reform C3-R1: Deepening the digital transformation through policy reform, with a focus on reducing the digital divide and promoting digital skills

The objective of the reform is to develop and implement strategies and initiatives focussing on reducing the digital divide, promoting digital skills and improving digital public services.

The reform shall include the implementation of measures set out in Malta Digital Strategy 2021-27. In particular, the reform shall involve the launch of a programme aimed to support

[1] European Commission, 'European Innovation Scoreboard 2021', 21 June 2021.

families with low income to be connected and have access to computers as well as related knowledge, thus improving digital literacy, reducing digital divide and improving socio-economic cohesion. Also, the reform shall strengthen and promote human resource capacity through the launch of a scholarship scheme to encourage students to become professionals in the digital area, including in innovative technologies such as artificial intelligence. Finally, the reform shall facilitate the seamless delivery of public services across mobile and web, foster the use of emerging technologies, provide open access to public government databases and cultivate an ecosystem conducive to digitalisation.

The reform shall be implemented by 31 December 2023.

Reform C3-R2: Finalise and implement Malta's smart specialisation strategy, with a particular focus on fostering business R&I and strengthening public-private cooperation

The objective of the reform is to establish and implement a new policy framework for smart specialisation, with a focus on fostering business R&I and strengthening public-private cooperation.

The reform shall include the adoption of Malta's smart specialisation strategy 2021-2027, the key initiatives of which shall include the promotion of inter-agency collaboration in support of enterprises and inter-agency coordination in order to raise awareness on R&I funding schemes, as well as the simplification of procedures related to application for funding and provision of guidance to potential beneficiaries in a more targeted and effective manner. The reform shall also encourage public-private cooperation to transform research results into market-ready solutions. This reform shall complement the efforts in R&I undertaken through the Union's cohesion policy funds.

The reform shall be implemented by 31 December 2024.

Investment C3-I1: Strengthening the resilience, security and efficiency of the government digital backbone and investing in appropriate digital solutions, devices and tools

The objective of the investment is to improve the resilience and security of the government digital backbone and increase the homogeneity, standardisation and sharing of services across the government. Enhanced security and a flexible environment is critical for the government's continued digitalisation and business continuity. The digital backbone is intended to also serve as the horizontal interoperable foundation to enable the implementation of, for example, the once-only principle and sharing of data. In addition to the positive effect on digital public services, the investment shall improve the interface with businesses, for example, by facilitating licences.

The investment shall consist of designing, procuring and implementing within the digital backbone various digital solutions and components to further improve the backbone's overall security, resilience and capacity (for example, by improving the capacity and resilience of data centres, implementing tools for cloud security monitoring, data classification, privileged account management, adopting emerging technologies such as artificial intelligence, implementing a state-of-the-art Security Operations Centre and investing in tools and other infrastructure for cybersecurity). The investment into the tools shall be complemented by digital training provided to public officers and awareness campaigns, notably on cybersecurity. The investment shall also enable proof-of-concepts aimed at resulting in new and improved services to enhance the users' digital secure experience.

The investment shall be implemented by 31 December 2025.

Investment C3-I2: Digitalisation of the Merchant Shipping Directorate within Transport Malta

The investment aims to further digitalise the merchant shipping sector, which is of paramount importance to Malta. The investment in digital services and a cloud-based infrastructure shall help to ensure more efficient regulatory practices and improve the internal operations, customer relations and administration within Malta's Merchant Shipping Directorate.

The investment shall consist of the development of the following IT tools and systems: the document management system, including the digitalisation of physical files, vessel management system, digital maritime interface (both a public user interface and a private user interface), seafarers management system, maritime analytics tool and billing module. Furthermore, personnel shall be upskilled and reskilled to use the developed IT systems and tools. The investment shall also enable end-clients to apply for services directly through the system. Furthermore, the investment shall include the digitalisation of ship files. This investment shall build upon the previous technical work conducted under the Union's Structural Reform Support Programme and Technical Support Instrument.

The investment shall be implemented by 31 December 2025.

Investment C3-I3: Further digitalisation and modernisation of the public administration

The objective of the investment is for the public administration to provide better customer experience to citizens and business organisations, to increase the uptake of online services and ultimately to enhance the competitiveness of the Maltese economy. This investment shall also develop modern and remote means of working for public officers, which is expected to enable the public administration to be a model employer, whilst providing for business continuity, promoting gender equality (for example, by increasing flexibility) and caring for the environment.

The investment shall consist of a number of measures aiming at improving customer experience with online services:

- reengineering public and intra-facing services to improve their delivery process, in particular by transforming them into workflows, maximising automation opportunities and integrating with back-end systems. The reengineering process shall also involve clients to address their main needs and challenges.
- enhancing the front-end customer experience in the physical hubs (for example, by providing the customer care officers with the necessary digital tools and implementing the centrally managed queuing system) and online (for example, by utilising artificial intelligence solutions to facilitate processes through text-to-speech/speech-to-text sentiment analysis tools and natural language processing engines).
- creating a platform, which connects all stakeholders concerned in the property transfer process (such as banks, notaries, land registry, public registry, and utilities) and is based on a distributed ledger technology, to facilitate the process of transferring the ownership of property.
- setting up base and administrative registers for data sharing and reuse purposes in line with the Directive (EU) 2019/1024 on Open Data, to contribute towards the simplification of administrative processes and the attainment of the once-only principle; and

- introducing the National Single Window for customs to contribute to fully digitalising and automating the clearance of goods process.

The investment shall also serve to further develop remote working solutions for public officers, including by strengthening the Modern Digital Workplace, a remote work platform implemented in Malta since 2019. This part of the investment shall be composed of the provision of the necessary hardware and software to enable remote work for public officers.

The investment shall be implemented by 31 December 2025.

Investment C3-I4: Rolling out measures to intensify the digitalisation of the private sector

The investment aims to support companies in their digitalisation efforts by addressing gaps in funding opportunities. The investment shall support enterprises in acquiring new digital capabilities and digitalise operational processes such as product and process design, end-to-end procurement, supply chain/distribution and after-sales.

The investment shall consist of State grant schemes for businesses to invest in the digitalisation (including hardware, software and digital solutions) to enhance their operations and explore new business opportunities. The grant schemes shall support primarily SMEs (including micro-enterprises and the self-employed), thus ensuring complementarities with the support provided under other EU funding programmes.

Support shall be provided to companies operating in different economic sectors, including wholesale and retail, tourism (including culture) and manufacturing. In the tourism sector, the investment shall address not only operational logistics but also explore the possibility of using analytical tools and artificial intelligence to design and adapt hospitality packages and offering to maximise client experiences. Investment in digitalisation and other technologies shall also contribute towards better resource efficiencies in the tourism industry, including the use of water and electricity. In the manufacturing sector, the investment shall help enterprises to improve their efficiency, productivity, and customer experience, notably by exploiting emerging technologies such as digital twinning, predictive maintenance, track-and-trace, and modular design, amongst others. Finally, the scope of the investments supported in different sectors shall also cover product lifecycle management, life cycle analysis, Internet of Things, cybersecurity and data protection, cyber-physical systems, augmented reality, artificial intelligence, circular manufacturing, autonomous solutions, big data and data management, and decision support systems.

In order to ensure that the measure complies with the 'Do no significant harm' Technical Guidance (2021/C58/01), the eligibility criteria contained in terms of reference for upcoming calls for projects shall exclude the following list of activities: (i) activities related to fossil fuels, including downstream use[2]; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks[3]; (iii) activities related to waste landfills, incinerators[4] and mechanical biological

[2] Except projects under this measure in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the 'Do no significant harm' Technical Guidance (2021/C58/01).

[3] Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

[4] This exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the

treatment plants[5]; and (iv) activities where the long-term disposal of waste may cause harm to the environment. The terms of reference shall additionally require that only activities that comply with relevant EU and national environmental legislation may be selected.

The investment shall be implemented by 30 June 2026.

purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

5 This exclusion does not apply to actions under this measure in existing mechanical biological treatment plants, where the actions under this measure are for the purpose of increasing energy efficiency or retrofitting to recycling operations of separated waste to compost bio-waste and anaerobic digestion of bio-waste, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

C.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
3.1	C3.R.1	Milestone	Launch of a scholarship scheme for students to become ICT professionals	Online publication of the scheme				Q1	2022	In line with Malta Digital Strategy 2021-27, open a scholarship scheme to encourage students to pursue a career in niche ICT areas such as artificial intelligence.
3.2	C3.R.1	Target	Individuals supported to mitigate digital divide		Number	0	1 000	Q4	2023	A two-year pilot scheme shall be launched in 2021 to analyse the impact home internet connection and access to a computer is expected to have on low income families in respect to digital literacy, connectivity, integration of digital technology and computer skills. The pilot scheme shall target applicants with low income and limited means. Beneficiaries shall be provided with internet access and a computer, as well as training and guidance on their use when requested by them.
3.3	C3.R.2	Milestone	Adoption of Malta's Smart Specialisation Strategy	Online publication of the strategy				Q4	2021	Publication of national smart specialisation strategy. The strategy shall focus on a number of key initiatives including: - investment in research infrastructure; - supporting internationalisation, including through participation in Horizon Europe; - promotion of inter-agency collaboration in support of enterprises; and - incentives for industry stakeholders to innovate.
3.4	C3.R.2	Target	Inter-agency account management between Malta Enterprise and Malta Council for Science and Technology		Number	0	50	Q4	2024	Number of undertakings supported through the inter-agency account management between Malta Enterprise and Malta Council for Science and Technology (MCST). Enterprises shall be provided with information, guidance, and support with respect to R&D activities as well as exploring internationalisation through participation in European programmes, amongst others.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
3.5	C3.I.1	Target	Increased uptime of the Digital Backbone		% (Percentage)	99.7	99.8	Q4	2023	Percentage of uptime (total time that service is up, divided by the total number of hours during that period, excluding scheduled downtime) of the digital backbone (Government Network referred to as MAGNET and MITA Corporate Data Centres) measured by Malta Information Technology Agency (MITA).
3.6	C3.I.1	Milestone	Improved level in NIST cyber security framework	NIST level assessed as level 4 in an internal report as validated by an external body				Q4	2025	An internal assessment certifying that MITA infrastructure attains an overall level 4 in NIST. The report shall be rigorous and detailed, showing clearly how the level is achieved on each measure prescribed by the framework. The report shall be validated by an external body.
3.7	C3.I.2	Target	Digitisation of Ship files		Number	0	15 000	Q4	2024	Converting the physical files to digital files and make them available electronically on the Management Information System. At least 15 000 files scanned and made accessible for digital search and use.
3.8	C3.I.2	Milestone	Launch and availability to users of the developed IT tools and systems	The developed IT tools and systems are launched and made available for use				Q4	2025	The development of the following IT tools and systems is completed; they are launched and made fully available for use by users within and, where appropriate, outside the Merchant Shipping Directorate: • Document Management System, including the digitalisation of physical files • Vessel Management System • Digital Maritime Interface (includes a public user interface and a private user interface) • Seafarers Management System • Maritime Analytics • Billing Module. This should be attested by a report in the Management Information System.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
3.9	C3.I.2	Target	Delivery of Technical Training to personnel		Number	0	135	Q4	2025	Number of staff (change agents and operational personnel) trained in the use of the developed IT tools and systems, viz.: • Document Management System, including the digitalisation of physical files • Vessel Management System • Digital Maritime Interface (includes a public user interface and a private user interface) • Seafarers Management System • Maritime Analytics • Billing Module.
3.10	C3.I.3	Target	Expenditure incurred in relation to the modern digital workplace and solutions to improve the front-end customer experience		EUR	0	2 500 000	Q4	2022	At least a value of EUR 2 500 000 has been paid for contractual obligations relating to measures in relation to the modern digital workplace and solutions to improve the front-end customer experience.
3.11	C3.I.3	Target	Acquisition of additional Microsoft 365 (or equivalent) licences		Number	20 000	23 500	Q4	2025	Since 2019, MITA has been implementing the Modern Desktop Project which, by end 2019, enabled 12 000 public officers to use Microsoft 365 tools including Teams and OneDrive. The figure increased to 20 000 by end 2020. MITA shall further acquire additional 3 500 Microsoft 365 (or equivalent) licenses by the end of 2025.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
3.12	C3.I.3	Target	Acquisition of additional items of IT hardware and software		Number	0	2 000	Q4	2024	To enable additional users to work remotely, a number of users shall have their laptop replaced (2 000) since the current machines do not support the new technology. MITA shall also implement proof-of-concepts to add new features such as telephony (licenses to be procured for 2 000 users) and virtual desktop (licenses to be procured for 2 000 users). To support this implementation MITA shall also implement online identity verification and security for critical functions in business applications.
3.13	C3.I.3	Target	Increase in uptake of online services		% (Percentage)	63	71	Q4	2025	DESI indicator: Individuals who used the Internet, in the last 12 months, for interaction with public authorities, expressed as % of Internet users.
3.14	C3.I.4	Milestone	Launch of the calls for applications	Publication of the call				Q1	2022	Launch of calls for applications for business to receive grant support for digitalisation, including wholesale and retail, tourism (including culture) and manufacturing sectors. The terms of reference shall include eligibility criteria that ensure that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
3.15	C3.I.4	Target	Undertakings supported in digitalisation investments		Number	0	360	Q2	2026	The minimum number of undertakings that received support for digitalisation, including wholesale and retail, tourism (including culture) and manufacturing sectors, with grant agreements for EUR 15 000 000 being concluded and at least 90% of the budget being paid out to beneficiaries following the completion of their digitalisation projects. The investments supported shall include investments in hardware, software and digital solutions by SMEs; support for the tourism industry to enhance operations, including operational logistics, resource efficiency and the introduction of analytical tools and AI; and support for manufacturing enterprises including in optimising the use of existing technologies and exploiting emerging technologies and trends, data management and decision support systems, amongst others. Award of the contracts to the projects selected under the calls for applications mentioned in milestone 3.14, in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.

D. COMPONENT 4: HEALTH

This component of the Maltese RRP addresses the challenges faced by Malta's healthcare sector particularly in meeting the demands of an ageing population. The objective of the component is to increase the resilience and sustainability of the health sector whilst ensuring universal access, high quality of care and sustainable services.

The first reform aims at improving the management of the workforce. It addresses obstacles to the hiring and retention of foreign healthcare workers, also by improving their wellbeing. It also contributes to disease prevention related to children's health. The second reform addresses regulatory barriers that may hamper the full exploitation of the Blood, Tissue and Cell Centre.

The first investment consists of the establishment of a Blood, Tissue and Cell Centre within close proximity of the main hospital in Malta. The second investment consists of three projects enhancing the resilience of the health system through digitalisation and new technologies.

This component builds on previous actions aimed at increasing the variety of services offered to the population in Malta and at streamlining interactions between different services to ensure continuity of care.

The component contributes to addressing the country-specific recommendations on improving the resilience and fiscal sustainability of the healthcare system (country-specific recommendation 1 2019) and (country-specific recommendation 1 2020), especially in view of the global pandemic. The measures in this component are complemented by initiatives financed under other EU programmes to support capacity building for health professionals and further investment in the primary care centres.

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01).

D.1. Description of the reforms and investments for non-repayable financial support

Reform C4-R1: Develop and implement a health policy framework aimed at making the health system more sustainable and resilient, with a particular focus on health prevention and a strong workforce

The objective of this reform is to foster resilience in the health sector by ensuring a strong and sustainable workforce, and to enhance disease prevention related to children's health.

The reform shall consist of the development of a bespoke tool for workforce planning. The tool shall include features related to human resources budgeting, vacancies management and hiring facilitation.

The reform shall also implement measures to improve the wellbeing and integration of foreign health workers. The measures shall be identified on the basis of a study to be carried out by an independent contractor. The study shall establish the baseline value of the wellbeing

indicators MH1 and MH2 of the SF36 health survey methodology[6]. The measures shall lead to an improvement by 10% of the wellbeing indicators upon the baseline value established by the study.

The reform shall also: (i) assess the situation with obesity prevalence among 4-5 years old children, being a part of obesity surveillance programme amongst school children (ii) roll out a neonatal hearing screening programme to identify babies with hearing problems early in life. This shall allow for prompt intervention thereby minimising any developmental delay that may occur in these children as a result in their early years.

The reform shall be implemented by 31 December 2025.

Reform C4-R2: Review the national legislative framework related to the Establishment of a Blood, Tissue and Cell Centre for Malta.

The objective of this reform is to improve the national legislative framework related to the Establishment of a Blood, Tissue and Cell Centre for Malta.

The reform shall consist of the entry into force of specific legislation that address any gaps, barriers or bottlenecks that may hinder the full exploitation of the new Blood, Tissue and Cell Centre (see investment C4-I1) and that require national legislation to be changed. A prior independent study shall identify such gaps, barriers and bottlenecks taking into account the relevant European legislation and guideline.

The reform shall be implemented by 30 June 2024.

Investment C4-I1: Establishment of a Blood, Tissue and Cell Centre for Malta

The objective of this investment is to alleviate the dependency of Malta on other countries for the provision of blood, tissue and cell therapies needed in medical interventions and treatments, with a view to reducing the need for long-term therapies, lowering health costs and improve social well-being by offering services locally.

The investment shall consist of the establishment of a Blood, Tissue and Cell Centre. This shall include the design and construction of the building and the procurement of medical equipment and medical furniture. The Centre shall provide at least the following services: blood banking, tissues banking (bones, cornea, amnion), autologous stem cells transplant.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material

[6] SF-36 stands for the Short Form (36) Health Survey, which is a 36-item, patient-reported survey of patient health. MH1 and MH2 indicators are calculated based on the replies to the corresponding questions in the Mental Health section of the survey.

recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 31 December 2025.

Investment C4-I2: Enhancing the resilience of the health system through digitalisation and new technologies

The objective of this investment is to speed up the digital transition of Malta's health care system. Digitalisation and reliance on new technologies shall improve the quality of patient care, enhance patient experience by timely and transparent information provision, and reduce waiting time.

The investment shall consist of: (i) digitalisation of outpatient and operations management processes, by using machine learning, artificial intelligence and automation to fully enable effective resource utilisation, time management and workflows; (ii) transforming the tissue analysis histopathology workflow and reporting into an easily accessible advanced digital platform; (iii) improving radiotherapy delivery by acquiring a modern Magnetic Resonance Linear Accelerator machine which shall provide superior imaging quality combined with improved therapy delivery, thereby reducing treatment volumes and times and side effects for patients. The Magnetic Resonance Linear Accelerator machine combines technology for precise localisation of tumours and organs at risk and linear accelerators to deliver radiotherapy, with marked improvement in patient treatment.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 30 June 2025.

D.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4.1	C4.R.1	Milestone	Study on barriers and facilitators for better integration and wellbeing of the foreign workforce	Publication of the study on barriers and facilitators for better integration and wellbeing of the foreign workforce				Q2	2022	Publication of a study on the integration and wellbeing of the foreign workforce within the Public sector. The study shall: (i) study barriers and facilitators for a better integration and wellbeing of foreign workforce (including expectations, concerns, relationship with peers) (ii) consult all relevant stakeholders (including JobsPlus and Identity Malta) (iii) propose policy recommendations about measures to improve integration and wellbeing of foreign workforce. The study shall employ appropriate assessment tools and methodology for the measurement of wellbeing. The study shall examine the current situation and establish a baseline of existing wellbeing of foreign workers, based on MH1 or MH2 scores of the SF36 questionnaire, which is a 36-item, patient-reported survey of patient health. MH1 and MH2 indicators are calculated based on the replies to the corresponding questions in the Mental Health section of the survey. The study shall be carried out by an independent contractor engaged through public procurement procedures. The study shall be made available to the Commission through the Management Information System.
4.2	C4.R.1	Milestone	Bespoke tool for workforce planning	Bespoke tool for workforce planning in place and operational				Q2	2023	Tool for health workforce planning including features related to human resources, budgeting, vacancies management and hiring facilitation, is developed and operational.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4.3	C4.R.1	Milestone	Report on the implementation of measures and comparing wellbeing post-intervention compared to the initial assessment.	Online publication of the report on the implementation of measures and comparing wellbeing post-intervention compared to the initial assessment				Q4	2025	Publication of a report on the implementation of the policy recommendations elaborated in milestone 4.1 and on the achieved improvement of wellbeing of foreign workers, based on the methodology established in milestone 4.1
4.4	C4.R.1	Target	Improvement of the reported wellbeing of foreign workers		% (percentage)	0	10	Q4	2025	This target measures the improvement in reported wellbeing of foreign workers compared to the baseline established in milestone 4.1 measured in terms of the average MH1 or MH2 scores in the respective section of the SF36 questionnaire.
4.5	C4.R.1	Milestone	Report on obesity prevalence amongst 4-5 year olds in the Maltese population	Online publication of the report on obesity prevalence amongst 4-5 year olds in the Maltese population				Q4	2022	Publication of a report on childhood obesity, which shall feed into the obesity surveillance programme among children. The study shall examine the prevalence of obesity among the 4-5 year olds in the Maltese population. 10% of children in School Years 1-11 shall be sampled together with all the children attending 50% of the Kindergarten 2 centres. This assessment shall set a baseline for this young age group only and compare with older cohorts. This shall lead to policy recommendations, which may include awareness campaigns.
4.6	C4.R.1	Target	Implementation of neonatal hearing screening programme		% (percentage)	40	95	Q1	2023	The programme shall identify hearing problems in early years (New-born Hearing Screening Programme). The programme shall consist of the identification of those babies who are at risk for hearing impairment, in order to achieve early identification and rehabilitation. For the achievement of the target, at least 95% of babies born during the previous year shall be screened.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4.7	C4.R.2	Milestone	Review of the regulatory framework related to the Blood Bank, Tissue and Cell Centre	Online publication of review of the regulatory framework related to the Blood Bank, Tissue and Cell Centre				Q1	2022	The review shall: (i) scrutinise the regulatory framework related to blood, tissues and cells; and (ii) identify the legal changes required to remove any regulatory barriers and bottlenecks that may affect the functioning of the Centre. The study shall include a review of the following regulatory areas: 1. Blood, Tissue and Cell legislation; 2.Relevant environmental legislation; 3 Relevant organizational legislation (equal opportunities, data protection, ethics and patient rights, accessibility); and 4. State aid legislation. The review shall take into account the EU initiative on Revision of the Union legislation on blood, tissues and cells (https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12734-Blood-tissues-and-cells-for-medical-treatments-&-therapies-revised-EU-rules_en). The review shall be carried out by an independent contractor selected through public procurement procedures.
4.8	C4.R.2	Milestone	Entry into force of the revised regulatory framework related to the Blood Bank, Tissue and Cell Centre	Provision in the law indicating the entry into force of the revised regulatory framework related to the Blood Bank, Tissue and Cell Centre				Q2	2024	Entry into force of the revised regulatory framework related to the Blood Bank, Tissue and Cell Centre. The revised framework removes any regulatory barriers and bottlenecks that may affect the functioning of the Centre.
4.9	C4.I.1	Milestone	Contracted services for the construction of a Blood, Tissue and Cell Centre	Contract signed for the construction of a Blood, Tissue and Cell Centre				Q1	2023	Following public procurement, contract signed for the construction of a Blood, Tissue and Cell Centre.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4.10	C4.I.1	Milestone	Blood, Tissue and Cell Centre open to users	Blood, Tissue and Cell Centre open to users				Q4	2025	The facility is completed, certified to process blood, tissues and cells. It is open to users and operationally resourced to provide the envisaged services. The capacity of the facility includes at least: - 17,000 units of red blood cell concentrates; - 2,000 units of platelets (pooled) and 200 apheresis platelets; and - 100 units of bone.
4.11	C4.I.2	Milestone	Contract signed for the procurement of Magnetic Resonance Linear Accelerator equipment solution at Sir Anthony Mamo Oncology Centre	Contract signed for the procurement of Magnetic Resonance Linear Accelerator (MR Linac) equipment solution at Sir Anthony Mamo Oncology Centre				Q2	2022	Following public procurement, contract signed for the procurement of Magnetic Resonance Linear Accelerator equipment at Sir Anthony Mamo Oncology Centre within Mater Dei Hospital
4.12	C4.I.2	Milestone	Magnetic Resonance Linear Accelerator equipment operational and open to users	Magnetic Resonance Linear Accelerator equipment fully operational and open to users				Q2	2023	The Magnetic Resonance Linear Accelerator is operational and used for the treatment of patients at Sir Anthony Mamo Oncology Centre.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4.13	C4.I.2	Milestone	All contracts signed for the digital pathology services at the histopathology department at Mater Dei hospital	All contracts signed for the digital pathology services at the histopathology department at Mater Dei hospital				Q2	2022	Following public procurement, contracts signed for a turnkey digital pathology service at the histopathology department of Mater Dei Hospital. The procurement process shall include: (a) software to handle the pre-analytical phase and provide seamless automation of specimen processes (incl. real time tracking of cases) that integrates with the current laboratory information management system (LIMS); (b) gross specimen imaging facilities and enabling software; (c) high throughput digital slide scanners and digital case management system; (d) networking server solutions, to facilitate real-time online storage facilities and archiving of slides as well as network points at various stations within the sectioning and processing rooms; and (e) hardware, including PC's at locations other than the laboratory to enable conference calls and multidisciplinary team meetings.
4.14	C4.I.2	Milestone	Digital pathology services provided at the histopathology department at Mater Dei hospital	Digital pathology services provided at the histopathology department at Mater Dei hospital				Q2	2024	Digital pathology services provided at the histopathology department at Mater Dei Hospital operational and used by patients. The facility shall include the following minimum capabilities: an electronic tracking system from specimen reception to eventual authorisation of the case; the digitalisation of histological cases; integration of macro images and voice recognition at specimen dissection; automation of the verification processes at each stage of the laboratory processes; and automation of case assignment to respective consultants.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4.15	C4.I.2	Milestone	All contracts signed for the digitalisation of the new outpatient facility at Mater Dei hospital	All contracts signed for the digitalisation of the new outpatient facility at Mater Dei hospital				Q4	2022	Following public procurement, contracts signed for the digitalisation of the New Outpatient Facility at Mater Dei Hospital. The project shall leverage technology for a more versatile and efficient outpatient service at the Facility that includes : the scheduling of appointments and related logistical support; streamline patient and clinic scheduling; facilitate patient engagement and dialogue; enable end-to-end appointments through AI; and create an interface with other Ministry for Health ICT solutions.
4.16	C4.I.2	Milestone	Digitalisation of new outpatient facilities at Mater Dei hospital are operational and open to patients	Digitalisation of new outpatient facilities at Mater Dei hospital are fully operational and open to patients				Q2	2025	The digitalisation of the new outpatient facilities at Mater Dei is fully operational and open to patients. The Facility shall have advanced digital technology infrastructure that as a minimum shall enable (a) patient and clinic scheduling and re-scheduling; (b) dashboard facility for patient follow-up; (c) electronic patient engagement and dialogue; and (d) facility for end-to-end appointments through AI.

E. COMPONENT 5: ENHANCING QUALITY EDUCATION AND FOSTERING SOCIO-ECONOMIC SUSTAINABILITY

This component of the Maltese RRP contributes to addressing the challenges of high shares of early-school leavers and low-skilled adults, prevalent skills shortages, and the need to enhance the quality and inclusiveness of the education and training system. It further assesses the current pension and unemployment benefits system with a view to continue pursuing policy reforms to ensure their adequacy and sustainability. Its objective is to foster the resilience of Malta's workforce and society, also in light of the green and digital transitions.

Reforms in this component strengthen early school leaving intervention and prevention measures, expand guidance and opportunities for upskilling and reskilling for all adults and in particular for the low-skilled, enhance quality inclusive education for pupils with special needs, improve the education policy monitoring system and further develop the regular analysis and monitoring of the pension and unemployment benefits system to support its adequacy and sustainability. The investment comprises of the setting-up of a Centre for Vocational Education Excellence *(ITS Campus)* including a new faculty, practice facilities, an incubation centre that encourages entrepreneurship, a R&D centre that stimulates innovative ideas, and an early childhood education and care (ECEC) facility to encourage persons with unpaid care responsibilities, notably women, to attend courses. It shall be accompanied by the development of up-to-date training programmes to strengthen future-proof initial and continuous vocational education and training (VET) for the hospitality and tourism industry, one of Malta's key economic and employment sectors.

The component contributes to addressing the country-specific recommendations related to quality and inclusive education (country-specific recommendations 2 2020 and 3 2019), the labour market (country-specific recommendation 2 2020), and the pension system (country-specific recommendation 1 2019).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01).

E.1. Description of the reforms and investments for non-repayable financial support

Reform C5-R1: Strengthen early school leaving prevention measures, with a focus on skills acquisition

Together with additional measures outside of the RRP that aim to tackle the multi-faceted issue of early school leaving, such as counselling, extra-curricular activities and anti-bullying measures, the objective of this reform is to strengthen early school leaving intervention and prevention measures contributing towards decreasing the currently high early school leaving rate (MT 16,7% vs. EU 9,9%; 2020) to the national target of 12,7% by 2025.

The reform shall include the provision of accredited school-based literacy support programmes (*Reading recovery (RR) programme*) in the form of daily 30-minutes one-to-one sessions for the lowest achieving 6-7 years-old students. The programme shall enable children in need to reach age-expected levels in basic reading within 12 to 20 weeks. Educators shall receive respective training.

Following the adoption of the *Basic Skills Strategy*, the reform shall also entail the implementation of at least three (3) measures out of the twenty-four (24) measures outlined in the *Basic Skills Strategy* for learners of all ages.

Furthermore, the reform shall consist of the introduction of an early school leavers tracking system, the *Data Warehouse project*, with data access for institutions working on policy monitoring and guidance.

The reform shall be implemented by 31 December 2024.

Reform C5-R2: Strengthening skills development and recognition, with a particular focus on low-skilled adults

The objective of this reform is to expand upskilling and reskilling opportunities for all adults regardless of their employment status, including the low-skilled whose participation in lifelong learning is particularly low.

The reform shall consist of setting up an e-College offering comprehensive online courses as well as online coaches and help desk to assist learners. The e-college shall be complemented by a hub facility providing physical space with technical equipment and in-person coaching for adults who are lacking digital skills or equipment to access courses online. A mentoring and guidance unit shall also be set up to provide guidance services to adults seeking the best educational trajectory to match their upskilling and reskilling needs as well as counselling in general wellbeing.

The reform shall further include the implementation of three (3) measures included in the *Roadmap on developing an adult learning guidance system, including capacity building for adult learning professionals and establishing guidance networks.*

This measure is supported by an enhanced cooperation between the education and training system and employers brought about by reform 1 of Component 1 and reform 2 of Component 3 as well as by activities of the public employment service (*JobsPlus*) outside of the RRP.

The reform shall be implemented by 31 December 2024.

Reform C5-R3: Developing new education pathways towards inclusive and quality education

The objective of this reform is to enhance quality inclusive education.

The reform shall consist of the roll out of multi-sensory learning rooms (MSLR) for students with severe needs in colleges (International Standard Classification of Education (ISCED) level 1, primary education) and the setting up of two autism units in middle schools (ISCED level 2, lower secondary education), thus allowing for further integration of pupils with special needs into the mainstream school environment. The measure shall be accompanied by continuous training in inclusive pedagogy for teachers and learning support educators.

The reform shall also entail the implementation of at least twenty (20) measures (accounting for at least 50% of all measures) of the updated *National Inclusion Policy Strategy* leading to the achievement of smart targets identified in the Strategy.

The reform shall be implemented by 31 December 2025.

Reform C5-R4: Implementing an effective education policy monitoring system

The objective of this reform is to establish and implement an effective education policy monitoring system.

This reform shall entail the setting-up of a work plan with key performance indicators and related monitoring arrangements as well as a list of policy measures to be evaluated every year, facilitating the monitoring of progress made in the implementation of the education

policy framework. The work plan shall also outline a comprehensive evaluation system linked to school internal evaluation processes and involving all relevant stakeholders, including school staff. It further includes the recruitment of new personnel for the Policy Monitoring Unit which has been set up within the Ministry responsible for Education. The policy owners shall report their progress in implementing the specific measures according to the established work plan on a monthly basis. This information shall feed into the quarterly meeting of the Ministry's Strategic Management Board for discussion facilitating the policy implementation process. An internal report on the status of the policy implementation process shall be prepared annually.

The reform shall be implemented by 31 December 2025.

Reform C5-R5: Reinforcing the resilience of the labour market

The objective of this reform is to assess and periodically monitor the adequacy and coverage of unemployment benefits in Malta, to reinforce the resilience of the labour market as well as to enhance gender equality at large.

This reform shall include a study assessing the adequacy and coverage of unemployment benefits and recommending policy options to achieve better adequacy and coverage of benefits, both in terms of duration and effective access, whilst enhancing the incentive to work. Taking into account the study's recommendations, a monitoring process shall be rolled out in order to periodically take stock of the effectiveness of policy measures that are in place. The first report shall be completed by the end of 2024, which shall set a date for the publication of the next report within five (5) years.

Following the adoption of the *Employment Strategy*, the reform shall also entail the implementation of the *Employment Strategy* concerning at least: (i) older workers (aged 55-64), in particular activation of older women; (ii) low skilled adults; and (iii) the gender employment gap.

Following the adoption of the *Gender Equality and Mainstreaming Strategy Action Plan*, the reform shall further comprise of the implementation of key measures of the *Gender Equality and Mainstreaming Strategy Action Plan.*

The reform shall be implemented by 31 December 2025.

Reform C5-R6: Reviewing the sustainability and offering of Malta's pension system

The objective of this reform is to improve the long-term sustainability and adequacy of the pensions system.

This reform shall consist of the publication of an Action Plan outlining policy proposals, including legislative changes where relevant, to enhance the pension system's sustainability and adequacy, as a follow-up to the *Pensions Review Report* that assesses the current pension system and recommends policy actions, and the post-consultation feedback.

The reform shall be implemented by 31 December 2022.

Investment C5-I1: Setting up of a Centre for Vocational Education Excellence (ITS Campus)

The objective of this investment is to strengthen initial and continuous vocational education and training (VET) for the hospitality and tourism industry by increasing its attractiveness, labour market relevance and link with the digital and green transitions.

The investment shall consist of setting up of a Centre for Vocational Education Excellence by constructing a new Institute of Tourism Studies (ITS) campus including faculty, practice facilities and all supporting infrastructure. The new campus shall also incorporate an incubation centre encouraging entrepreneurship, a R&D centre that stimulates innovative

ideas, and an early childhood education and care (ECEC) facility encouraging persons with unpaid care responsibilities, notably women, to undertake tourism studies and engage and reintegrate within the hospitality and tourism industry. All facilities shall be adapted so that people with disabilities may make full use of them. The measure shall be accompanied by the development of up-to-date training programmes reflecting the emerging needs of the industry covering fields such as Sustainable and Eco-Tourism; Wellness and Medical Tourism as well as Digital Tourism and Artificial Intelligence in Tourism.

All buildings to be constructed under this investment shall be nZEB (near Zero Emissions Building) compliant.

It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the RRP in accordance with the Do No Significant Harm Technical Guidance (2021/C58/01). In particular, the measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material referred to in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC of 3 May 2000 replacing Decision 94/3/EC establishing a list of wastes pursuant to Article 1(a) of Council Directive 75/442/EEC on waste and Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Council Directive 91/689/EEC on hazardous waste (notified under document number C(2000) 1147)) generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy, Article 11.2 (b) of Directive 2008/98/EC on waste and the EU Construction and Demolition Waste Management Protocol.

The investment shall be implemented by 31 October 2025.

E.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.1	C5.R.1	Target	Number of students (6-7 years old) trained in the Reading Recovery (RR) Programme		Number	0	1 000	Q4	2024	The target audience shall consist of an average of 250 pupils (6-7 years old) annually trained in the Reading Recovery (RR) programme starting from 2021. Over the course of 2021 to 2024 a total of at least 1 000 students shall have successfully completed the RR Programme becoming independent readers and writers as testified by a test at the end of the programme.
5.2	C5.R.1	Target	Educators trained in the Reading Recovery (RR) Programme		Number	0	85	Q4	2023	A cohort of 85 school-based complementary education teachers working with the hardest-to-teach children shall participate in a year-long intensive training to learn to use the Reading Recovery (RR) methodology. During this period, teachers shall identify the lowest attaining children and work with these students for half an hour every day for up to a maximum of twenty (20) weeks and by the end of this programme at least 80% of the same students shall become independent readers and writers.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.3	C5.R.1	Milestone	Implementation of measures included in the *Basic Skills Strategy*	Following its adoption, measures included in the *Basic Skills Strategy* are implemented				Q4	2024	Following its adoption, at least three (3) measures out of the twenty-four (24) measures outlined in the *Basic Skills Strategy* for learners of all ages shall be implemented including: (i) The introduction of a 'Skills Checker' by the Directorate for Research, Lifelong Learning and Employability (DRLLE) in the form of an electronic application and also on the Directorate's website for self-measurement of literacy, numeracy and digital skills levels (Skills Checker to be relevant up to Level 3 MQF (Malta Qualifications Framework)) as an indicator and assistance to project further educational trajectory; (ii) educator training in specialisation in basic skills pedagogy (at least 120 teachers to be provided with training); and (iii) at least four (4) career guidance and general wellbeing coaching offers provided by the University of Malta, including for students with basic skills who show an interest in improving their skills level and wish to join a course with DRLLE.
5.4	C5.R.1	Milestone	*Data Warehouse Project* / early-school leavers (ESL) general tracking system	*Data Warehouse project* / early-school leavers (ESL) general tracking system is completed and operational				Q3	2024	The *Data Warehouse* shall be operational, with data access for institutions working on policy monitoring and guidance. The main aim of this project is to focus on State school data with the possibility of including non-State school data as well, subject to their cooperation.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.5	C5.R.2	Milestone	Implementation of measures included in the *Roadmap on developing a guidance system, capacity building for adult learning professionals and establishing guidance networks*	Measures included in the *Roadmap on developing a guidance system, capacity building for adult learning professionals and establishing guidance networks* are implemented				Q2	2023	Following its adoption, at least three (3) measures out of ten (10) included in the *Roadmap on developing a guidance system, including capacity building for adult learning professionals and establishing guidance networks* shall be implemented. Amongst these measures are: (i) The establishment of a national hub, where any adult may ask for guidance for the trajectory towards upskilling and reskilling; (ii) training of at least four (4) guidance educators to enable them to meet the demands of adult learners; and (iii) having career and general wellbeing guidance in every adult learning centre.
5.6	C5.R.2	Milestone	Launch of the e-College	e-College is operational, including guidance unit, online hub and desk				Q2	2022	The e-College shall be legally and practically operational with at least ten (10) courses covering different subject areas. The e-College shall possess at least a learning management system, a mentoring and guidance unit, an online hub and online coaches which assist learners.
5.7	C5.R.2	Target	Learners attracted towards the use of the new e-College platform		Number	0	4 800	Q4	2024	At least 4 800 learners shall be using the services provided through the new e-College platform. The target group is made up of adults from different socio-economic backgrounds, aged from 15 years and upwards who do not have MQF (Malta Qualifications Framework) level 3 qualifications or higher.
5.8	C5.R.3	Target	Setting up of two autism units (physical spaces equipped with equipment and trained education personnel) in middle schools		Number	0	2	Q4	2021	Two new autism units (physical spaces) shall be completed and operational. Such units shall be available for student usage as required (white room - water bed & bubble tube). A maximum of 16 students may benefit from the first two Autism Units set up. Two (2) teachers and six (6) Learning Support Educators shall receive additional training in inclusive pedagogy and in the delivery of a functional curriculum with at least one (1) teacher and two (2) Learning Support Educators (LSEs) in each class. The training of teachers and LSEs shall be delivered in-house by practitioners at the National School Support Services (NSSS).

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.9	C5.R.3	Target	Setting-up of two new multi-sensory learning rooms (MSLR) (physical spaces equipped with equipment and trained education personnel) in colleges		Number	0	2	Q1	2022	Two new multi-sensory learning rooms (MSLR) shall be completed and operational. Such rooms shall be available for students' usage as required. One room shall be used as a sensory area and shall include items such as: ball pool, trampoline, peanut ball; and another shall be for general activity and shall include items such as: a kitchenette, a computer area and a calming area. There shall be at least one teacher in every class. The training of teachers shall be delivered in-house by practitioners at the National School Support Services (NSSS).

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.10	C5.R.3	Milestone	Implementation of measures of the updated *National Inclusion Policy Strategy*	Following its adoption, measures included in the updated *National Inclusion Policy Strategy* are implemented				Q4	2025	Implementation of at least twenty (20) measures (accounting for at least 50% of all measures) of the updated *National Inclusion Policy Strategy* leading to the achievement of smart targets identified in the Strategy. Amongst these measures are: (i) Ensure that yearly Individual Education Plans (IEPs) for students with special needs in all State schools are well designed to determine the model of instruction within an age appropriate curricular framework, that instruction provided by educators (teachers/year tutors/delegate and Learning Support Educators (LSEs)) addresses the individual learners' needs, and that modifications and accommodations are recommended in order for learners to access the learning programme. Appropriate reviews are to be carried out at the end of each scholastic year. IEPs are compiled by the LSE in collaboration with the teacher. Heads of Departments (Inclusion) ensure and monitor that the IEPs meet the quality criteria; (ii) Entry into force of obligation for all State schools to organise events at least once every term that recognise and celebrate diversity and create awareness as a preventive and proactive measure against any form of bullying that is derived from lack of tolerance. These may include topics related to but are not limited to racial or ethnic origin, religion or belief, disability, or sexual orientation; and (iii) Entry into force of obligation that all State school mission statements include evidence of values of diversity and inclusion placing high importance on equity and improved outcomes for all learners.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.11	C5.R.4	Milestone	Implementation of the newly introduced evaluation and monitoring work plan	First publication of annual internal report on the status of the implementation of the evaluation and monitoring work plan				Q4	2025	After the adoption of the evaluation and monitoring work plan outlining key performance indicators and related monitoring arrangements as well as a list of policy measures to be evaluated every year, the policy owners shall report their progress in implementing the measures according to the work plan on a monthly basis. This information shall feed into the quarterly meeting of the Ministry's Strategic Management Board for discussion and facilitating the policy implementation process. An internal report on the status of the policy implementation process shall be prepared annually. This shall cover all policies on education that have been reviewed and cover the period 2021-2030. Two official shall be engaged to form part of the Policy Monitoring Unit.
5.12	C5.R.5	Milestone	Assessment of unemployment benefits	Online publication of study on the assessment of unemployment benefits				Q2	2022	A study assessing unemployment benefits in Malta shall be completed and published. The study shall assess the situation and make concrete and detailed recommendations to the Government on how to improve effective coverage and achieve better adequacy of benefits, both in terms of duration and effective access, whilst enhancing the incentive to work.
5.13	C5.R.5	Milestone	Monitoring process on the challenges and policy measures relating to unemployment benefits	Online publication of first monitoring report with relevant statistical information				Q4	2024	A monitoring process with relevant statistical information shall be rolled out in order to periodically take stock of the effectiveness of policy measures that are in place with respect to unemployment benefits. The first report shall be completed by the end of 2024, which shall set a date for the publication of the next report within five (5) years.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.14	C5.R.5	Milestone	Implementation of measures in the newly adopted *Employment Strategy*	Following the adoption of the *Employment Strategy*, measures emanating from the Strategy are implemented, including the entry into force of legislation where relevant				Q3	2025	Following its adoption, implementation of the measures in the Employment Strategy concerning at least: (i) Older workers (aged 55-64), in particular activation of older women; (ii) low skilled adults; and (iii) the gender employment gap.
5.15	C5.R.5	Milestone	Implementation of the measures set up in the newly adopted *Gender Equality and Mainstreaming Strategy Action Plan*	Following the adoption of the *Gender Equality and Mainstreaming Strategy Action Plan*, measures emanating from the Strategy Action Plan are implemented				Q4	2025	Implementation of the measures in the *Gender Equality and Mainstreaming Strategy Action Plan* concerning at least the following: (i) Amendments of legislation in instances/provisions which needlessly differentiate between men and women shall be made; (ii) a training programme for educational personnel (Senior Leadership Teams (SLT)) within all compulsory State schools in tackling gender discrimination issues and stereotypes shall be implemented; and (iii) systematic collection of gender disaggregated data to further support evidence-based approach to policy making shall be implemented.
5.16	C5.R.6	Milestone	Follow-up of the *Pensions Review Report* with policy proposals	Online publication of an Action Plan outlining policy proposals, including legislative changes where relevant, as a follow-up to the *Pensions Review Report* and the post-consultation feedback				Q4	2022	Publication of an Action Plan outlining policy proposals, including legislative changes where relevant, as a follow-up to the *Pensions Review Report* and the post-consultation feedback, with the objective to improve the long-term sustainability and adequacy of the pensions system.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5.17	C5.I.1	Target	Increase in training programmes as a result of the investment		Number	23	31	Q3	2025	In addition to the current 23 mainstream programmes offered by the Institute of Tourism Studies, a further eight (8) training programmes shall be available for students to sign up to amounting to a total of at least thirty-one (31) full qualifications including in Pastry Studies, Sommelier Studies, Master Chef Higher Diploma, Digital and Wellbeing Tourism and Sustainable Tourism. The prospectus shall be reviewed in consultation with the industry.
5.18	C5.I.1	Target	Expenditure incurred in relation to the implementation of the Centre for Vocational Education Excellence (*ITS Campus*)		EUR	0	15 000 000	Q4	2023	At least expenditure of EUR 15 000 000 have been realised in line with certified works/services in relation to the Centre for Vocational Education Excellence (*ITS Campus*).
5.19	C5.I.1	Milestone	Launch of the Centre for Vocational Education Excellence (*ITS Campus*) for the hospitality industry	The Centre for Vocational Education Excellence (*ITS Campus)* is finalised and open to receive students				Q3	2025	The Centre for Vocational Education Excellence (*ITS Campus*) shall be fully operational. This includes: (i) The facility being open to receive students; (ii) the early childhood education and care (ECEC) facility open to take up to 30 children, and fully equipped and manned by qualified personnel/teachers; (iii) the incubator shall be set up with the aim of creating an environment and a support structure that acts as a catalyst for the development, creation and sustainability of innovative start-ups in the Tourism Industry in Malta; and (iv) the R&D centre shall be set up within the Institute for Tourism Studies with the purpose to create and generate new sources of knowledge and business concepts in related tourism management fields.

F. COMPONENT 6: STRENGTHENING THE INSTITUTIONAL FRAMEWORK

This component of the Maltese RRP addresses a number of institutional and governance challenges in the area of justice, the fight against corruption and money laundering, and taxation. On the justice system, weaknesses have been identified with respect to the independence of the judiciary, the lack of a separate prosecution service from the investigative branch, as well inefficiencies. The further digitalisation of the justice system is also expected to contribute to addressing these inefficiencies. Challenges have also been identified in the governance framework to effectively detect and prosecute corruption including, inter alia, structural flaws that prevented the independent and effective functioning of the Maltese Permanent Commission Against Corruption. With respect to money laundering, challenges relate to weak investigation and prosecution of money laundering cases and insufficient asset-tracing and confiscation regime for criminal proceeds. The situation is exacerbated by Malta's citizenship and residence schemes and a rapid growth in recent years of internationally oriented activities such as financial services, virtual assets and remote gaming. On taxation, the absence of national provisions to provide for the effective taxation of inbound and outbound dividend, interest and royalty payments, Malta's citizenship and residence schemes, and lacking transfer pricing rules provide room for aggressive tax planning practices for both companies and individuals.

The objective is to improve the capacity and governance of the justice system, reinforce the institutional framework to fight against corruption, strengthen the anti-money laundering regime and target aggressive tax planning. Several elements of this component are retroactive having already, in part, been implemented in 2020 and early 2021.

Reforms to improve the justice system include changes to the method of appointment and dismissal of the judiciary while also assessing and implementing the necessary remedial action to ensure the independence of specialised tribunals. The institutional framework capacity to fight corruption is expected to be reinforced through the implementation of the capacity building elements of the national anti-fraud and corruption strategy, the reform of the asset recovery bureau and through reforms targeting an important anti-corruption body, namely the Permanent Commission Against Corruption (PCAC). To strengthen the investigation of crimes, including corruption and money laundering, reforms include a new appointment procedure for the Commissioner of Police. On the prosecution front, the component proposes the creation of a separate prosecution service, while also implementing a judicial review of decisions not to prosecute by the Attorney General. Measures to strengthen the regime to counter money laundering and the financing of terrorism are also put forward in this component. In addition, four reforms target aggressive tax planning (ATP), namely by limiting the tax exemption for dividends coming from countries placed on the 'Code of Conduct Group' list of non-cooperative jurisdictions, introducing transfer pricing legislation, carrying out a study followed up by legislative amendments on measures relating to inbound and outbound dividends, interest and royalty payments, and finally spontaneously exchanging information on future applicants receiving Maltese citizenship under the citizenship scheme with their original tax jurisdictions.

This component also includes one investment that aims to improve the quality and efficiency of the judiciary system through its digitalisation.

The component contributes to addressing the country-specific recommendations related to judicial independence, anti-money laundering and aggressive tax planning (country-specific recommendations 4 2020 and 2 2019).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the RRP in accordance with the DNSH Technical Guidance (2021/C58/01).

F.1. Description of the reforms and investments for non-repayable financial support

Reform C6-R1: Reform the method of appointment and dismissal of the judiciary

The objective of this measure is to strengthen the independence of the judiciary.

The reform shall consist of the entry into force of Acts XLV and XLIII of 2020 to provide for the appointment of the Chief Justice with the approval of two-thirds of all Members of the House of Representatives while also changing the composition of the Judicial Appointments Committee (JAC) so that more than half of its members are members of the judiciary. Through this reform, public calls for vacancies in the judiciary shall also be made possible where eligible persons may express their interest before the JAC. This procedure has been put into effect for the appointment of four Judges and four Magistrates in 2021. In addition, decisions on removal from office of judges and magistrates shall be the prerogative of the Commission for the Administration of Justice, in the most part composed of members of the judiciary. Since the method of appointments and governance of specialised tribunals differs from that of the ordinary judiciary, a review of the independence of specialised tribunals shall also be carried out in communication with the Council of Europe's Venice Commission. The report shall include (i) an assessment of the guarantees of independence for appointments of members to said specialised tribunals, (ii) an assessment of the guarantees which provide for the tribunals' decisions to be fully reviewed by the ordinary courts of appeal, and (iii) concrete and precise policy recommendations. Legislative amendments shall be introduced in line with the study's recommendations and taking due account of the opinion of the Council of Europe's Venice Commission.

This reform shall be implemented by 31 March 2026.

Reform C6-R2: Create a separate prosecution service

The objective of this measure is to strengthen the functioning of the prosecution services in Malta.

This reform shall build on the initial step taken in 2019, when the Office of the State Advocate was created to take over the non-prosecutorial functions of the Attorney General (AG), by implementing the necessary legal amendments and operationalising the transfer of the prosecution of all serious cases, i.e. carrying a sentence exceeding two years imprisonment (including money laundering and corruption), from the police to the Prosecution Service (led by the AG). Act No. XXVIII of 2021 delineates the fact that the Attorney General may, along with the Executive Police, prosecute before the Court of Magistrates, apart from being competent to prosecute before the Criminal Court. It also details proceedings by the AG and the Executive Police ex officio, before the Court of Magistrates as a Court of criminal judicature. The transfer of serious cases shall follow a phased transition that began in October 2020 and shall be fully completed in 2024 through close collaboration between the police and AG's office and the establishment of Standard Operating Procedures between the two entities. The reform shall also ensure that the additional staff required to take on the increased responsibility at the AG's office shall be recruited. An independent assessment shall also be carried out to gauge how all other less serious crimes, that are

carrying a fine or prison sentence of less than two years, shall be shifted from the police force to the AG's office. Legislative amendments stemming from said review shall also be implemented.

The reform shall be implemented by 31 March 2026.

Reform C6-R3: Reinforcing the institutional framework capacity to fight against corruption; Implementation of the National Anti-Fraud and Corruption Strategy (NAFCS)

The objective of this reform is to update the 2008 National Anti-Fraud and Corruption Strategy (NAFCS), in order to increase the capacity, authority and public accountability of the State institutions entrusted with regulatory and control functions in relation to the management of public resources, and to implement some of the actions identified by the strategy.

The published strategy presents twenty-three actions divided into four strategic objectives, namely (i) capacity building, (ii) communication strategy, (iii) maximisation of national cooperation, and (iv) maximisation of EU and international cooperation. The reform shall implement three action points, addressing specified capacity building related measures under objective. Firstly, in line with action point three, a national risk assessment and follow-up strategy on fraud and corruption shall be prepared and published with the aim to maintain an effective risk based regime to combat fraud and corruption, prioritise and allocate public sector resources efficiently, help national authorities to assess the adequacy of their controls and strengthen them where necessary, and update the present action plan. Secondly, in line with action point six, two targeted training courses for officials in national authorities, which fight fraud and corruption, shall be devised and delivered. The first shall provide basic courses for appointed officials from the national authorities and the second shall address the training needs of the entities concerned. These include the (a) Internal Audit and Investigations Department, (b) Attorney General's Office, (c) Office of the State Advocate, (d) National Audit Office, (e) Malta Police Force, (f) Customs Department, (g) EU Managing Authorities, (h) Financial Intelligence Analysis Unit, (i) Commissioner for Revenue, (j) Ministry for the Family, Children's Rights and Social Solidarity, (k). Department of Contracts, (l) Asset Recovery Bureau, and (m) Permanent Commission Against Corruption. Thirdly, in line with action points 13 and 14, a documentary repository system shall be devised and created to strengthen collaboration between the thirteen institutions forming part of the coordinating committee on anti-corruption and fraud. This system shall (i) store electronic documents, (ii) offer a centralised access to documents that can be easily retrieved by the institutions forming part of the co-ordinating Committee, and (iii) provide the necessary security for sensitive information. The training envisaged under action point six shall also ensure the necessary skills in place to make adequate use of the documentary repository system. The reform shall also ensure the creation of a database on whistle-blower data that shall be operational and accessible by all anti-corruption entities. It shall include regularly updated data of the (i) number of complaints received; (ii) when these are received; (iii) when they were treated; (iv) when the whistle-blower is informed of the outcome; (v) sectors reported. While this is not one of the action points of the NAFCS, whistle-blower protection is an area of great importance in the fight against fraud and corruption.

The reform shall be implemented by 31 December 2024.

Reform C6-R4: Reform the Permanent Commission Against Corruption (PCAC)

The objective of the measure is to allow for a more independent and effective functioning of the Permanent Commission Against Corruption (PCAC), through legal amendments, capacity building and strengthened operational procedures.

The legal amendments shall change how the Chairperson and members of the Commission are appointed. It shall also amend the reporting trail of the PCAC whose reports are transmitted directly to the Chief Prosecutor rather than to the Minister for Justice, as was previously the case, thus strengthening the independent functioning of the PCAC. The reform shall also include the adoption of a three-year budget and human resources plan to strengthen the PCAC's organisational capacity, the enactment of Standard Operating Procedures to help workers carry out routine operations, and the creation of a digital registry of information cases held by the PCAC that is accessible by all other national anti-corruption institutions.

The reform shall be implemented by 31 December 2024.

Reform C6-R5: Reform the Asset Recovery Bureau

The objective of this measure is to increase the powers and capacity of the Asset Recovery Bureau in order to strengthen the role of law enforcement authorities in the fight against money laundering and financial crime.

The reform shall consist of entry into force of the Proceeds of Crime Act (Act No. V of 2021), which includes legislative amendments to reinforce the independence of the Asset Recovery Bureau from the government and to require the Bureau to establish relations with equivalent institutions outside Malta. The reform shall also strengthen the capacity of the Bureau by hiring additional staff.

The reform shall be completed by 31 December 2023.

Reform C6-R6: A new appointment procedure of the Commissioner of Police

The objective of this measure is to strengthen the justice system, more specifically the investigation branch, by reforming the manner in which the Commissioner of Police is appointed.

The reform consists of the entry into force of Act XIX of 2020 introducing legal amendments to the Police Act (Chapter 164 of the Laws of Malta) and Article 92 of the Constitution to establish a transparent and competitive process of appointment for the office of Commissioner of Police. Under the new process, the Public Service Commission shall issue a public call for applications, shall evaluate the applications submitted and then shall draw up a shortlist indicating the two most suitable candidates. The Public Service Commission shall then refer this shortlist to the Cabinet of Ministers. The Cabinet shall consider both candidates and then shall nominate the most suitable candidate for a hearing before the Parliamentary Public Appointments Committee. If this Committee advises in favour of the appointment of the selected candidate, the Prime Minister shall appoint the selected candidate after consultation with the Public Service Commission.

This is a retroactive measure that was approved by Parliament in April 2020.

Reform C6-R7: Implementation of the reform concerning the judicial review of decisions not to prosecute and other decisions of the Attorney General. This includes the assignment of the status of injured party at law to specific institutions when reporting a corrupt practice

The objective of this reform is to strengthen the prosecution of cases by ensuring that the decisions of the Public Prosecutor, notably the decision to not prosecute, are subject to judicial review.

The first part of this reform shall consist in the entry into force of Act XLI of 2020 to provide for the judicial review of decisions by the Attorney General not to prosecute on the ground of illegality or unreasonableness. Bodies responsible for reporting corrupt practices, including the Permanent Commission Against Corruption (PCAC), the Ombudsman, the Commissioner for Standards of Public Life and the Auditor General shall all be given the status of injured party at law. Act XLI of 2020 shall allow for these institutions to seek judicial review only in those cases referred by them to the Attorney General, in the same manner as the injured party.

The second part of the reform shall assess, through an independent review, the effectiveness of the legal provision introduced with the first part with a view to widening its scope. This would allow for the "injured parties" above to be able to seek judicial review on all cases, not just those cases reported by the parties concerned, as well as for those cases where no prosecution was taken within a reasonable time. Legislative amendments shall be introduced in line with recommendations stemming from the review.

The reform shall be implemented by 31 March 2026.

Reform C6-R8: Strengthening Malta's anti-money laundering/combating terrorists financing/targeted financial sanctions (AML/CFT/TFS)

The objective of this measure is to ensure a sustainable, proactive, responsive and effective anti-money laundering framework that may respond to ever changing money-laundering and terrorist financing risks.

The reform shall consist of the implementation of the national anti-money laundering/combating terrorist financing/target financial sanctions (AML/CFT/TFS) strategy and action plan for 2021, which replaces the implemented Strategy for 2017-2020. The reform shall implement the 82 actions, which focus on seven policy goals (i) constant update of legislation in line with the demands of guidelines of international organisations and with European standards; (ii) prioritisation of AML/CFT/TFS activities based on an updated national risk assessment; (iii) coordination of all activities (through an establishment of a sub-committee of the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism - NCC) to foster information exchange in order to ensure the outmost effectiveness of preventative and oppressive measures; (iv) prevention of proceeds of crime from entering the Maltese system by improving the transparency and accuracy of beneficial ownership information and applying effective risk-based supervision and sanctioning; (v) detect, investigate and prosecute money laundering especially with regard to complex cases, those involving foreign predicate offences or professional money laundering by domestic enablers; (vi) effective risk-based detection and management of all assets (including virtual) subject to potential confiscation and the collection of tax from criminal activities; and (vii) risk-based monitoring of terror financing and sanction evading risks to ensure that the Maltese economy is not abused. The reform shall also provide adequate training and outreach for the relevant members of NCC. Finally, the reform shall also implement the necessary actions to address the outcome of the Financial Action Task Force evaluations completed in June 2021.

The implementation of the reform shall be completed by 31 December 2023.

Reform C6-R9: Aggressive Tax Planning (ATP) - Code of Conduct Group

The objective of this measures is to remove the possibility of exempting the dividends derived from bodies of persons resident in jurisdictions listed in the Code of Conduct Group list of non-cooperative jurisdictions from being taxed in Malta.

The reform shall abolish the so-called participation exemption which allows dividend income or capital gains derived from a participating holding (usually an equity shareholding of at least 5%) to be exempted from tax in Malta. Specifically, dividends derived from the body of persons resident in jurisdictions that have been listed in the 'Code of Conduct Group' list of non-cooperative jurisdictions for at least three months shall not qualify for such an exemption. To apply this new provision, the reform shall also increase the number of investigators dedicated to the scrutiny of taxpayers' declarations.

The reform shall be implemented by 30 September 2022.

Reform C6-R10: Specific Transfer Pricing Legislation

The objective of the measure is to prevent loss of public revenues through international tax arbitrage.

The reform shall introduce enabling provisions for transfer pricing legislation in Malta's legislative framework. A consultation process shall follow before specific rules on transfer pricing relating to the arms-length principle and advanced pricing agreements are proposed. Finally, such specific transfer rules on transfer pricing shall enter into force. Training of involved parties (such as tax administration staff and private tax practitioners and company representatives) shall also be carried out before the rules become applicable.

The reform shall be finalised by 31 December 2023.

Reform C6-R11: Study on the relevance of measures relating to inbound and outbound dividend, interest and royalty payments

The objective of the measure is to provide the government with guidance for the formulation of policy to mitigate aggressive tax planning risks in the area of inbound and outbound dividend, interest and royalty payments

The reform shall include an independent study to analyse the state of play and provide recommendations for legal measures necessary to address outbound and inbound dividend, interest and royalty payments, between companies established in Malta and related companies established in jurisdictions that either form part of the EU list of non-cooperative jurisdictions or that are considered to be zero-tax or low-tax jurisdictions. The study shall contain concrete proposals to strengthen anti-Base Erosion and Profit Shifting measures to prevent tax fraud and tax evasion and to promote fair taxation. The government shall follow up with legislation to mitigate the risks identified by the study.

The measure shall be implemented by 30 September 2024.

Reform C6-R12: Mitigating against ATP risks by individuals

The objective of the measure is to mitigate aggressive tax planning risks stemming from the citizenship-by-investment scheme.

The reform shall implement a due diligence procedure to determine the original jurisdictions of tax residence of applicants of the Citizenship by Naturalisation for Exceptional Services by Direct Investment and inform the tax authorities of the original jurisdictions of tax residence about the applicants being granted Maltese citizenship. The entry into force of the procedure

shall be determined by the publication of the respective revised guidelines and application forms.

The measure shall be implemented by 31 March 2022.

Investment C6-I1: Digitalisation in the justice system

The objective of this measure is to achieve a more efficient administration of justice. The investment aims to implement a number of secure digital solutions and tools to support justice sector users through collaboration and integration, increased accessibility to justice and strengthened efficiency, in line with the Digital Justice Strategy. The primary stakeholders are the Law Courts, Malta Police Force, State Advocate, Attorney General, Legal Aid and Asset Recovery Bureau.

In preparation for the investment outlay, legal acts on the digitalisation of the law courts shall enter into force to make it possible for civil proceedings to be held via live video conferencing facilities and for criminal judicial acts to be filed electronically. The investment shall then consist of two parts (a) mapping and redesign of processes towards end-to-end digital processes, project management, legal and overall consultancy and cost-benefit analysis support - this covers the horizontal requirements to support the investment including supporting software as well as outsourcing services to guarantee that adequate resources, skills and expertise are ensured; and (b) a number of digital solutions for the justice system. The latter shall include (i) digital case journey integration and interoperability solution, (ii) judicial portal with dashboards, (iii) Courts of Justice Agency: laptops for increased mobility of users, (iv) Courts of Justice Agency: virtual sittings solution, (v) Courts of Justice Agency: Wi-Fi, (vi) certificates of conducts through a National Criminal Records Information System, (vii) Department of Justice victim support platform integrations with national stakeholders, (viii) 'I Belong' e-learning centre (Human Rights Directorate), (ix) Attorney General and State Advocate case management systems, (x) legal aid case management system, (xi) freedom of information system, (xii) asset recovery system, (xiii) Notary to the Government termination of mandates solution, (xiv) integrated closed circuit television and security system with advanced features, (xv) conference and training rooms equipment and software, (xvi) experimentation and specialisation initiatives complimenting video-conferencing additional equipment and possible scanning related matters.

The investment shall be implemented by 30 June 2026.

F.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.1	C6.R.1	Milestone	Entry into force of Act XLV of 2020; and Act XLIII of 2020	Provision in the law indicating the entry into force of Act XLV of 2020 and Act XLIII of 2020				Q3	2020	The Constitution was amended for the purpose of providing for the appointment of the Chief Justice with the approval of two-thirds of all the Members of the House of Representatives; for a change in the composition of the Judicial Appointments Committee so that the majority of its members are members of the judiciary; and to provide for the issuing of public calls for vacancies within the judiciary. Act XLV of 2020 establishes a new procedure through which members of the judiciary may be removed from the Bench or undergo disciplinary procedures.
6.2	C6.R.1	Target	Additional members of the judiciary		Number	42	47	Q2	2021	Following the adoption of Act XLIII of 2020, a call for applications for the appointment of four judges was published in the Government Gazette on 12 February 2021 and were appointed to the Bench in mid-April 2021 resulting in an increase in the headcount of Judges by three. Apart from this, the call for applications for the appointment of four Magistrates was published on 20 April 2021 and were appointed in June 2021 resulting in an increase in the headcount of Magistrates by two. This results in a net increase of five members of the judiciary.
6.3	C6.R.1	Milestone	Independent review of the independence of specialised tribunals	Online publication of an independent review of specialised tribunals				Q4	2024	An independent contractor shall be engaged through public procurement procedures, in order to assess the independence of the specialised tribunals at national level. This assessment shall be carried out in communication with the Council of Europe's Venice Commission.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.4	C6.R.1	Milestone	Entry into force of legislative changes deemed necessary by the independent review of the independence of specialised tribunals	Provision in the law indicating the entry into force of the law introducing legislative changes deemed necessary by the independent review of specialised tribunals				Q1	2026	Legislative changes shall undertake remedial action based on the findings/recommendations made by the independent review on the independence of the specialised tribunals.
6.5	C6.R.2	Milestone	Independent review on the transfer of summary cases from the Police to the Attorney General's (AG) Office	Online publication of executive summary of the independent review on the transfer of summary cases from the Police to the AG's Office.				Q4	2024	A review shall be undertaken by an independent contractor on the transfer of the prosecution of less serious crimes from the Police to the Attorney General's Office, following the coming into force of the *Offences (Transitory Provisions) Regulations* of 2020 (L.N. 378 of 2020). The review shall formulate policy options and recommendations for the shift of the remaining cases (i.e. summary cases). It shall be shared with the European Commission.
6.6	C6.R.2	Milestone	Entry into force of legislative changes deemed necessary by the independent review on the transfer of summary cases from the Police to the AG's Office	Entry into force of legal amendments deemed necessary by the independent review on the transfer of summary cases from the Police to the AG's Office				Q1	2026	The legislative changes shall be based on the findings/recommendations made by the independent review on the transfer of summary cases from the Police to the Attorney General's Office.
6.7	C6.R.2	Target	Capacity building within the AG's Office		Number	73	104	Q4	2022	According to the Attorney General's Office Human Resources Plan (2021), a total of 31 new officers shall be employed within the Office by the end of 2022. These shall include the addition of new lawyers, Legal Procurators, managers - including senior managers - ICT officers, as well as other administrative and support staff.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.8	C6.R.2	Milestone	Transfer of all non-summary cases to the AG's Office.	Transfer of all non-summary cases to the AG's Office.				Q4	2024	The phased transition that started in 2020 to transfer all non-summary cases from the police force to the AG's office shall be completed.
6.9	C6.R.2	Milestone	Entry into force of Act No. XXVIII of 2021 entitled Criminal Code (Amendment No.5) Act	Provision in the law indicating the entry into force of Act No. XXVIII of 2021 entitled Criminal Code (Amendment No.5) Act				Q2	2021	Act No. XXVII of 2021 entitled Criminal Code (Amendment No.5) Act, entered into force on 4 June 2021, provides for the necessary changes to be made to the Criminal Code in order to provide more legislative clarity following the taking over of prosecutions of serious offences by the Attorney General.
6.10	C6.R.3	Milestone	Update of the 2008 National Anti-Fraud and Corruption Strategy	Online publication of the Updated National Anti-Fraud and Corruption Strategy				Q2	2021	The National Anti-Fraud and Corruption Strategy aims to ensure a normative, institutional and operational framework for the effective and efficient fight against fraud and corruption in Malta, reflecting local requirements and international obligations. The updated Strategy was made public when it was tabled in Parliament in the second quarter of 2021.
6.11	C6.R.3	Milestone	National Risk Assessment and follow up strategy on fraud and corruption.	Online publication of the National Fraud Risk Assessment.				Q3	2022	In line with Action Point 3 of the NAFCS, a National Risk Assessment (NRA) shall be undertaken by the Co-ordinating Committee set up according to the Internal Audit and Financial Investigations Act (Cap 461 of the Laws of Malta) and published. The aim of the NRA is to (i) maintain an effective risk-based regime to combat fraud and corruption; (ii) prioritise and allocate public sector resources efficiently; (iii) help National Authorities to assess the adequacy of their controls and strengthen them where necessary; (iv) increase awareness among the general public; and (v) update the present Action Plan which is an integral part of the NAFCS

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.12	C6.R.3	Target	Two training programmes for appointed officials from the National Authorities		Number	0	52	Q1	2024	In line with action point 6 of the NAFCS, at least two participants from 13 institutions forming part of the Coordinating Committee shall participate in each of the two training programme. The first training shall provide basic courses for appointed officials from the National Authorities on legal background, investigations techniques, intelligence, analytical techniques, forensic accounting and information system tools. These training courses shall form part of a training programme that shall be concluded within one year. The second training shall be based on a training needs analysis.
6.13	C6.R.3	Milestone	Central Documentary Repository System	Central Documentary Repository System accessible to institutions forming part of the co-ordinating Committee				Q4	2024	In line with action points 13 and 14 of the NAFCS, a central documentary repository system shall be created. This shall (i) store electronic documents; (ii) offer a centralized access to documents that may be easily retrieved by the institutions forming the Co-ordinating Committee set up according to the Internal Audit and Financial Investigations Act; and (iii) provide the necessary security for sensitive information.
6.14	C6.R.3	Milestone	Database collating whistleblowing data	Database/repository on whistleblowing data operational and accessible by all anti-corruption entities				Q4	2024	Data/statistics to be made accessible by publishing regular information on (i) number of complaints received; (ii) when they are received; (iii) when they were treated; (iv) when the whistle-blower is informed of the outcome; and (v) sectors reported.
6.15	C6.R.4	Milestone	Entry into force of Act XLVI of 2020	Provision in the law indicating the entry into force of Act XLVI of 2020				Q3	2020	Act XLVI of 2020 grants further statutory reinforcement to the Permanent Commission Against Corruption. The Act specifies the provisions on how the Chairperson and members of the Commission are appointed. The Act specifies that if in the PCAC's opinion the conduct being investigated is corrupt or connected with or conducive to corrupt practices, the report is to be transmitted to the Attorney General.
6.16	C6.R.4	Milestone	Budgetary and Human Resource Plans of the PCAC	Implementation of the Budgetary Human Resources Plans				Q4	2024	By 31 December 2021, the PCAC shall draw up a budget plan as well as a Human Resources Plan for the next three years, increasing the staff capacity. The plan shall include needs (budget, operations, human resources) and set out how the needs are fulfilled. The plan shall be fully implemented by Q4 2024.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.17	C6.R.4	Milestone	Creation of a digital registry of information on corruption cases held by the PCAC	PCAC digital registry on corruption cases operational				Q4	2024	A digital registry shall be created to collect information on corruption cases, actions/procedures in order to enhance the efficiency of the PCAC's operations and to support the work of other public authorities on matters falling within the PCAC's remit.
6.18	C6.R.4	Milestone	Adoption of an internal Standard Operating Procedure by the PCAC	Internal Standard Operating Procedure is applicable				Q4	2024	An internal Standard Operating Procedure shall provide a set of step by step instructions to help workers carry out routine operations. This shall include: (i) objective; (ii) legislation, scope and applicability; (iii) policy details; (iv) definitions relating to corruption, collusion and whistle-blower protection; (v) compliance with policy; (vi) record keeping/register; (vii) internal procedures (phases, office competence, inter-institutional cooperation); and (viii) training and communication.
6.19	C6.R.5	Target	Increase the number of staff at the Asset Recovery Bureau		Number	11	45	Q4	2023	In line with the Strategy of the Asset Recovery Bureau (2021-2023), a total of 45 officers (full-time equivalent) shall be employed within the Asset Recovery Bureau, including research officers, managerial level officials as well as administrative and support staff.
6.20	C6.R.5	Milestone	Entry into force of the Proceeds of Crime Act V of 2021	Provision in the law indicating the entry into force of the Proceeds of Crime Act V of 2021				Q1	2021	The Proceeds of Crime Act (Act No. V of 2021) redefines the structure of the Asset Recovery Bureau, whilst outlining its relationship with and reinforcing its independence from the Government.
6.21	C6.R.6	Milestone	Entry into force of Act XIX of 2020 amending the Police Act	Provision in the law indicating the entry into force of Act XIX of 2020 amending the Police Act				Q2	2020	Act XIX of 2020 amends the Police Act (Chapter 164 of the Laws of Malta) and Article 92 of the Constitution of Malta to establish a transparent and competitive process of appointment for the office of Commissioner of Police.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.22	C6.R.7	Milestone	Entry into force of Act No XLI of 2020 on the judicial review of decisions not to prosecute by the Attorney General	Entry into force of Act No XLI of 2020				Q3	2020	Act XLI of 2020 amends the Constitution, the Criminal Code, and the Code of Organisation and Civil Procedure. It provides for a judicial review of decisions of the Attorney General not to prosecute on the ground of illegality or unreasonableness. The Permanent Commission Against Corruption (PCAC), the Ombudsman, the Commissioner for Standards of Public Life and the Auditor General have all been given the status of injured party at law. These institutions may therefore seek judicial review individually in cases referred by them to the Attorney General in the same manner as the injured party.
6.23	C6.R.7	Milestone	Independent review of the provision for injured parties (in Act XLI of 2020) to appeal the decision of the Attorney General not to prosecute.	Finalisation of independent review of the provision for injured parties (in Act XLI of 2020) to appeal the decision of the Attorney General not to prosecute.				Q2	2024	The qualitative review shall assess the implementation of the judicial review reform. It shall be undertaken by an independent contractor engaged through a public procurement procedure. The review shall assess the effects of Act XLI of 2020 and whether an appeal against non-prosecution by the AG or the Police should also be made possible when there is no prosecution within a reasonable time. The review shall also assess whether the “injured parties” mentioned in Act XLI of 2020 should also be able to appeal against non-prosecution in all cases and not only when they reported these acts to the Attorney General. The study shall be shared with the European Commission.
6.24	C6.R.7	Milestone	Entry into force of legislative changes amending the judicial review for injured parties to appeal the decision of the Attorney General not to prosecute	Entry into force of legislative changes amending the judicial review for injured parties to appeal the decision of the Attorney General not to prosecute				Q1	2026	Based on the findings/recommendations of the independent review of the provision for injured parties (in Act XLI of 2020) to appeal the decision of the Attorney General not to prosecute, legislative amendments shall enter into force in order to adjust the possibility of the 'injured parties' mentioned in Act XLI of 2020 being able to: (i) appeal against non-prosecution by the AG and the Police when there is no prosecution within a reasonable time; (ii) appeal against non-prosecution in all cases and not only when they reported these acts to the Attorney General.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.25	C6.R.8	Milestone	Completed implementation of the action plan of the National anti-money laundering/combating terrorist financing/targeted financial sanctions (AML/CFT/TFS) strategy and action plan for 2021 – 2023	Online publication of the final report demonstrating that the action plan of the national AML/CMT/TFS strategy and action plan for 2021-2023 has been fully implemented.				Q4	2023	All the actions under the seven Policy Goals defined in the national AML/CMT/TFS strategy and action plan for 2021-2023 (including a new iteration of the national risk assessment) have been fully implemented. This shall be demonstrated in a final report prepared by the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism (NCC) Secretariat and endorsed by the NCC Board following consultation with the main stakeholders. The main stakeholders shall include the Ministries responsible for Finance, Home Affairs and Justice, the Asset Recovery Bureau, the Central Bank of Malta, the Commissioner for Revenue, Financial Intelligence Analysis Unit (FIAU), Malta Financial Services Authority (MFSA), Malta Gaming Authority (MGA), Malta Police Force and the Attorney General.
6.26	C6.R.8	Target	Number of annual AML/CFT trainings		Number	5	10	Q2	2022	10 AML/CFT trainings shall be provided in 2021. The specific content of the courses shall be specified on the basis of the training needs identified by the specific NCC subcommittee that coordinates AML/CFT/CPF training and outreach initiatives. Training shall be open in particular to the members of the same sub-committee. Members of this sub-committee are the : - Financial Intelligence Analysis Unit (FIAU) - Malta Financial Services Authority (MFSA) - Malta Gaming Authority (MGA) - Malta Police Force (MPF) - Office of the Attorney General (AGO) - Office of the Commissioner for Revenue (OCfR) - Malta Security Services (MSS) - Malta Business Registry (MBR) - Department of Customs - Asset Recovery Bureau (ARB) - Office of the Commissioner for Voluntary Organisations (OCVO) - Sanctions Monitoring Board (SMB).

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.27	C6.R.8	Milestone	Implementation of any actions required following FATF evaluation, including through legal measures	Implementation of any actions required following the FATF evaluation., including through legal measures				Q4	2023	The Financial Action Task Force has provided an evaluation of Malta's AML framework in June 2021. Malta commits to implement, including through legislation and regulation, all recommendations provided by FATF by December 2023. The milestone requires that all measures necessary to address all shortcomings identified by FATF are entered into force and/or are fully operational and able to deliver the required effects.
6.28	C6.R.9	Milestone	Entry into force of a revised corporate tax return to collect information on dividends derived from bodies of persons resident in jurisdictions listed in the Code of Conduct Group list non-cooperative jurisdictions.	Entry into force of a revised corporate tax return				Q2	2022	Entry into force of revised corporate tax return for the fiscal year 2021. This is an administrative measure through which the tax return shall request data relative to dividends derived from bodies of persons resident in jurisdictions listed in the Code of Conduct Group list of non-cooperative jurisdictions.
6.29	C6.R.9	Target	Assignment of dedicated staff for the scrutiny of taxpayers in this area of taxation	Assignment of dedicated staff for the scrutiny of taxpayers in this area of taxation	Number	0	2	Q3	2022	Two investigators are assigned to work full time for the scrutiny of taxpayers in respect of holdings in bodies of persons resident in jurisdictions listed in the Code of Conduct Group list of non-cooperative jurisdictions.
6.30	C6.R.10	Milestone	Entry into force of the relevant enabling provision for the introduction of transfer pricing rules	Provision in the law indicating entry into force of the relevant enabling provision for the introduction of transfer pricing rules				Q2	2021	The legal provisions (Budget Measures Implementation Act) required for the introduction of transfer pricing are enacted and fully in force.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.31	C6.R.10	Milestone	Consultation of stakeholders and drafting of specific transfer-pricing rules	Consultation of stakeholders and drafting of specific transfer-pricing rules completed and the draft legal notice transmitted to the Cabinet for approval				Q2	2022	The consultation with stakeholders is completed. The draft legal notice on specific transfer pricing rules is transmitted to Cabinet for approval. The consultation shall aim to obtain information that has relevance to the scope and the procedure relating to advance pricing agreements. The main stakeholders shall be made up of representative bodies of professionals that deal with taxation matters and shall include accountants, lawyers and other tax practitioners.
6.32	C6.R.10	Milestone	Entry into force of specific transfer-pricing rules	Entry into force of specific transfer-pricing rules				Q4	2022	Entry into force of specific rules relating to the arms-length principle and advanced pricing agreements. These rules shall become applicable as from Q1 of 2024.
6.33	C6.R.10	Target	Recruitment and training of staff by tax authorities to specialise on application of transfer pricing rules.		Number	2	8	Q2	2023	Additional six officials are recruited. All eight officials working on the application of transfer pricing rules are trained to work with the Competent Authority and Investigations Division on transfer pricing. It is envisaged that training shall take the form of courses whereby each officer shall receive a minimum of 80 hours of training including on the arm's length principle, the concept of comparability and the transfer pricing methods in the OECD Transfer Pricing Guidelines, transfer pricing documentation and dispute resolution, particularly as these relate to the published transfer pricing rules.
6.34	C6.R.10	Target	Training events for tax practitioners and company representatives		Number	0	2	Q4	2023	Two training events shall be provided by the Commissioner for Revenue officials, in cooperation with industry actors where necessary. The training shall span 12 hours and shall cover topics such as the scope, Advance Pricing Agreements and transfer pricing methods. At least 250 tax practitioners and company representatives dealing with cross border business are targeted for these events.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.35	C6.R.11	Milestone	Study concerning measures relating to inbound and outbound dividend, interest and royalty payments	The full study concerning measures relating to inbound and outbound dividend, interest and royalty payments is shared with the European Commission.				Q4	2022	The study shall be provided by an independent contractor engaged through public procurement procedures. The study shall analyse the state of play and provide recommendations for legal measures necessary to address outbound and inbound dividend, interest and royalty payments, between companies established in Malta and related companies established in jurisdictions that either form part of the EU list of non-cooperative jurisdictions or that are considered to be zero-tax or low-tax jurisdictions. The recommendations shall provide analysis and concrete proposals to strengthen anti-Base Erosion and Profit Shifting measures to prevent tax fraud and tax evasion. The Executive Summary shall be published on the government's website and the full study shall be shared with the European Commission.
6.36	C6.R.11	Milestone	Entry into force of legislation related to inbound and outbound payments	Entry into force of legislation related to inbound and outbound payments				Q3	2024	This legislation shall be introduced with the aim to mitigate risks identified from the study on inbound and outbound payments (such as dividends, interest and royalties).
6.37	C6.R.12	Milestone	Entry into force of spontaneous exchange of information (SEOI)	Publication of the guidelines and application forms requiring spontaneous exchange of information				Q1	2022	Entry into force of a spontaneous exchange of information mechanism, whereby Malta's tax authorities exchange information with original jurisdictions of tax residence of successful applicants of the Citizenship by Naturalisation for Exceptional Services by Direct Investment (Citizenship Regulations) that are party to the OECD Convention on Mutual Assistance in Tax Matters and to other jurisdictions that are not party to this Convention but with which Malta has a bilateral exchange of information mechanism in place, about persons that shall be granted citizenship under this scheme in future. The entry into force is determined by the publication of the respective revised guidelines and application forms.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6.38	C6.I.1	Milestone	Entry into force of (i) Act No. LIII of 2020 (Amendment No. 4); and (ii) Act No. III of 2021 (Amendment No. 2) on digitalisation of the law courts.	Entry into force of (i) Act No. LIII of 2020 (Amendment No. 4) and (ii) Act No. III of 2021 (Amendment No. 2) on digitalisation of Law Courts				Q1	2021	Act LIII of 2020 (Amendment No. 4) amended the Code of Organization and Civil Procedure and made it possible for civil proceedings to be held via live video conferencing facilities. Act III of 2021 (Amendment No. 2) amended the Criminal Code and made it possible for criminal judicial acts to be filed electronically.
6.39	C6.I.1	Target	Expenditure incurred for the digitalisation of the justice system		EUR	0	2 000 000	Q4	2023	At least EUR 2 000 000 has been paid out in line with contractual obligations in relation to the digitalisation of the Justice system.
6.40	C6.I.1	Milestone	Launch and availability to users of the developed IT tools and systems	Launch and availability to users of the developed IT tools and systems				Q2	2026	The development of all the IT tools and systems is completed, launched and made fully available to the primary stakeholders.

2. ESTIMATED TOTAL COST OF THE RECOVERY AND RESILIENCE PLAN

The estimated total cost of the Maltese RRP is EUR 344 900 000.

SECTION 2: FINANCIAL SUPPORT

1. Financial contribution

The instalments referred to in Article 2(2) shall be organised in the following manner:

1.1. First Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
1.1	C1.R.1	Milestone	Entry into force of the Building and Construction Authority Act
1.5	C1.R.2	Milestone	Entry into force of the updated Environment Protection Act
1.8	C1.R.2	Milestone	Adoption of the Construction and Demolition Waste Strategy for Malta
1.22	C1.I.3	Milestone	Energy Performance Audit of two Public Schools
2.1	C2.R.1	Milestone	National Household Travel Survey
2.6	C2.R.4	Milestone	Agreement with Local Councils Association on the regeneration areas in urban areas
2.9	C2.R.5	Target	15 office facilities that enable remote work for public service officials across the Maltese Islands operational
3.3	C3.R.2	Milestone	Adoption of Malta's Smart Specialisation Strategy
5.8	C5.R.3	Target	Setting up of two autism units (physical spaces equipped with equipment and trained education personnel) in middle schools
6.1	C6.R.1	Milestone	Entry into force of Act XLV of 2020; and Act XLIII of 2020
6.2	C6.R.1	Target	Additional members of the judiciary
6.9	C6.R.2	Milestone	Entry into force of Act No. XXVIII of 2021 entitled Criminal Code (Amendment No.5) Act
6.10	C6.R.3	Milestone	Update of the 2008 National Anti-Fraud and Corruption Strategy
6.15	C6.R.4	Milestone	Entry into force of Act XLVI of 2020
6.20	C6.R.5	Milestone	Entry into force of the Proceeds of Crime Act V of 2021
6.21	C6.R.6	Milestone	Entry into force of Act XIX of 2020 amending the Police Act
6.22	C6.R.7	Milestone	Entry into force of Act No XLI of 2020 on the judicial review of decisions not to prosecute by the Attorney General
6.30	C6.R.10	Milestone	Entry into force of the relevant enabling provision for the introduction of transfer pricing rules
6.38	C6.I.1	Milestone	Entry into force of (i) Act No. LIII of 2020 (Amendment No. 4); and (ii) Act No. III of 2021 (Amendment No. 2) on digitalisation of the law courts.
		Instalment Amount	EUR 60,116,664

1.2. Second Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
1.3	C1.R.1	Milestone	Training and certification of professionals in the construction industry
1.9	C1.R.2	Milestone	Adoption of standards for the Construction Industry
1.11	C1.R.2	Milestone	Recovery of construction and demolition waste through backfilling void spaces (quarries)
1.12	C1.R.2	Milestone	Setting up of five municipal regional bodies responsible for waste collection across Malta and Gozo
1.13	C1.R.2	Milestone	Entry into force of revised legislation on packaging material to allow for the regional collection of packaging waste
1.14	C1.I.1	Milestone	Energy Performance Audit of Public Buildings
1.17	C1.I.1	Milestone	Launch of call for applications for grants targeting the renovation of private sector buildings
1.19	C1.I.2	Milestone	Energy Performance Audit of Mount Carmel Public Hospital
1.23	C1.I.3	Milestone	Contracted services for the renovation of two Public Schools
1.25	C1.I.4	Milestone	Contracted services for construction works of a near carbon neutral school
2.4	C2.R.3	Milestone	Publication of the Sustainable Urban Mobility Plan for the Valletta Region
2.8	C2.R.5	Milestone	Publication of the Remote Working Policy for Government Employees
2.12	C2.I.1	Milestone	Planning Authority Permit
2.13	C2.I.1	Milestone	Contracted services for construction works for New Ferry Landing Place & amenities/ facilities
2.15	C2.I.2	Milestone	Open call for applications for electric vehicles and bicycles in the private sector, including scrappage scheme
2.20	C2.I.4	Milestone	Memorandum of Understanding for the part replacement of the Malta public transport fleet
3.1	C3.R.1	Milestone	Launch of a scholarship scheme for students to become ICT professionals
3.10	C3.I.3	Target	Expenditure incurred in relation to the modern digital workplace and solutions to improve the front-end customer experience
3.14	C3.I.4	Milestone	Launch of the calls for applications
4.1	C4.R.1	Milestone	Study on barriers and facilitators for better integration and wellbeing of the foreign workforce
4.5	C4.R.1	Milestone	Report on obesity prevalence amongst 4-5 year olds in the Maltese population
4.7	C4.R.2	Milestone	Review of the regulatory framework related to the Blood Bank, Tissue and Cell Centre
4.11	C4.I.2	Milestone	Contract signed for the procurement of Magnetic Resonance Linear Accelerator equipment solution at Sir Anthony Mamo Oncology Centre
4.13	C4.I.2	Milestone	All contracts signed for the digital pathology services at the histopathology department at Mater Dei hospital
4.15	C4.I.2	Milestone	All contracts signed for the digitalisation of the new outpatient facility at Mater Dei hospital
5.6	C5.R.2	Milestone	Launch of the e-College

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
5.9	C5.R.3	Target	Setting-up of two new multi-sensory learning rooms (MSLR) (physical spaces equipped with equipment and trained education personnel) in colleges
5.12	C5.R.5	Milestone	Assessment of unemployment benefits
5.16	C5.R.6	Milestone	Follow-up of the Pensions Review Report with policy proposals
6.7	C6.R.2	Target	Capacity building within the AG's Office
6.11	C6.R.3	Milestone	National Risk Assessment and follow up strategy on fraud and corruption.
6.26	C6.R.8	Target	Number of annual AML/CFT trainings
6.28	C6.R.9	Milestone	Entry into force of a revised corporate tax return to collect information on dividends derived from bodies of persons resident in jurisdictions listed in the Code of Conduct Group list non-cooperative jurisdictions.
6.29	C6.R.9	Target	Assignment of dedicated staff for the scrutiny of taxpayers in this area of taxation
6.31	C6.R.10	Milestone	Consultation of stakeholders and drafting of specific transfer-pricing rules
6.32	C6.R.10	Milestone	Entry into force of specific transfer-pricing rules
6.35	C6.R.11	Milestone	Study concerning measures relating to inbound and outbound dividend, interest and royalty payments
6.37	C6.R.12	Milestone	Entry into force of spontaneous exchange of information (SEOI)
		Instalment Amount	EUR 82,264,909

1.3. Third Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
1.2	C1.R.1	Milestone	Building and Construction Authority- fully operational
1.4	C1.R.1	Target	Professionals in the construction industry trained and certified
1.10	C1.R.2	Milestone	Entry into force of a new regulatory framework for the management of construction and demolition waste
1.15	C1.I.1	Milestone	Contracted services for the renovation of public buildings
1.20	C1.I.2	Milestone	Contracted services for the renovation and deep retrofitting of Mount Carmel Public Hospital
1.24	C1.I.3	Target	Two public schools renovated
1.26	C1.I.4	Target	Construction of a near-carbon neutral school completed
2.3	C2.R.2	Target	Number of people in the new cohort groups with access to free public transport
2.10	C2.R.6	Milestone	Completion of study on enhanced mobility management in the Maltese public service
2.16	C2.I.2	Target	Number of grants awarded for electric vehicles under the scheme for the private sector
2.18	C2.I.3	Milestone	Contracted services for the supply of electric vehicles for the public service fleet

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
3.2	C3.R.1	Target	Individuals supported to mitigate digital divide
3.5	C3.I.1	Target	Increased uptime of the Digital Backbone
4.2	C4.R.1	Milestone	Bespoke tool for workforce planning
4.6	C4.R.1	Target	Implementation of neonatal hearing screening programme
4.9	C4.I.1	Milestone	Contracted services for the construction of a Blood, Tissue and Cell Centre
4.12	C4.I.2	Milestone	Magnetic Resonance Linear Accelerator equipment operational and open to users
5.2	C5.R.1	Target	Educators trained in the Reading Recovery (RR) Programme
5.5	C5.R.2	Milestone	Implementation of measures included in the Roadmap on developing a guidance system, capacity building for adult learning professionals and establishing guidance networks
5.18	C5.I.1	Target	Expenditure incurred in relation to the implementation of the Centre for Vocational Education Excellence (ITS Campus)
6.19	C6.R.5	Target	Increase the number of staff at the Asset Recovery Bureau
6.25	C6.R.8	Milestone	Completed implementation of the action plan of the National anti-money laundering/combating terrorist financing/targeted financial sanctions (AML/CFT/TFS) strategy and action plan for 2021 – 2023
6.27	C6.R.8	Milestone	Implementation of any actions required following FATF evaluation, including through legal measures
6.33	C6.R.10	Target	Recruitment and training of staff by tax authorities to specialise on application of transfer pricing rules.
6.34	C6.R.10	Target	Training events for tax practitioners and company representatives
6.39	C6.I.1	Target	Expenditure incurred for the digitalisation of the justice system
		Instalment Amount	EUR 60,116,664

1.4. Fourth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
1.6	C1.R.2	Milestone	Study on the feasibility of expanding Extended Producer Responsibility obligations to additional waste streams
1.27	C1.I.5	Target	Installation of photovoltaic infrastructure in public open spaces
2.17	C2.I.2	Target	Number of grants awarded for electric vehicles under the scheme for the private sector
3.4	C3.R.2	Target	Inter-agency account management between Malta Enterprise and Malta Council for Science and Technology
3.7	C3.I.2	Target	Digitisation of Ship files
3.12	C3.I.3	Target	Acquisition of additional items of IT hardware and software

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
4.8	C4.R.2	Milestone	Entry into force of the revised regulatory framework related to the Blood Bank, Tissue and Cell Centre
4.14	C4.I.2	Milestone	Digital pathology services provided at the histopathology department at Mater Dei hospital
5.1	C5.R.1	Target	Number of students (6-7 years old) trained in the Reading Recovery (RR) Programme
5.3	C5.R.1	Milestone	Implementation of measures included in the Basic Skills Strategy
5.4	C5.R.1	Milestone	Data Warehouse Project / early-school leavers (ESL) general tracking system
5.7	C5.R.2	Target	Learners attracted towards the use of the new e-College platform
5.13	C5.R.5	Milestone	Monitoring process on the challenges and policy measures relating to unemployment benefits
6.3	C6.R.1	Milestone	Independent review of the independence of specialised tribunals
6.5	C6.R.2	Milestone	Independent review on the transfer of summary cases from the Police to the Attorney General's (AG) Office
6.8	C6.R.2	Milestone	Transfer of all non-summary cases to the AG's Office.
6.12	C6.R.3	Target	Two training programmes for appointed officials from the National Authorities
6.13	C6.R.3	Milestone	Central Documentary Repository System
6.14	C6.R.3	Milestone	Database collating whistleblowing data
6.16	C6.R.4	Milestone	Budgetary and Human Resource Plans of the PCAC
6.17	C6.R.4	Milestone	Creation of a digital registry of information on corruption cases held by the PCAC
6.18	C6.R.4	Milestone	Adoption of an internal Standard Operating Procedure by the PCAC
6.23	C6.R.7	Milestone	Independent review of the provision for injured parties (in Act XLI of 2020) to appeal the decision of the Attorney General not to prosecute.
6.36	C6.R.11	Milestone	Entry into force of legislation related to inbound and outbound payments
		Instalment Amount	EUR 60,116,664

1.5. Fifth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
1.7	C1.R.2	Milestone	Entry into force of legislation that may be deemed appropriate by the study on the feasibility of targeting new waste streams through Extended Producer Responsibility
1.16	C1.I.1	Target	Public buildings renovated
1.18	C1.I.1	Target	Private sector buildings renovated

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
2.2	C2.R.1	Milestone	Completion of an Awareness Raising Campaign on sustainable zero and low-carbon transport
2.5	C2.R.3	Target	Local Administrative Units within the Valletta Region with improved urban mobility solutions under the Sustainable Urban Mobility Plan
2.7	C2.R.4	Target	Regeneration areas created in urban areas for open and car free spaces
2.11	C2.R.6	Target	Increase in shared mobility in the public service
2.14	C2.I.1	Milestone	New Ferry Landing Place & mobility amenities/ facilities completed with operational ferry services
2.19	C2.I.3	Target	Percentage of electric vehicles in the Government general use fleet
2.21	C2.I.4	Target	Operational zero emission electric buses rolled out for the part replacement of the public transport fleet
3.6	C3.I.1	Milestone	Improved level in NIST cyber security framework
3.8	C3.I.2	Milestone	Launch and availability to users of the developed IT tools and systems
3.9	C3.I.2	Target	Delivery of Technical Training to personnel
3.11	C3.I.3	Target	Acquisition of additional Microsoft 365 (or equivalent) licences
3.13	C3.I.3	Target	Increase in uptake of online services
4.3	C4.R.1	Milestone	Report on the implementation of measures and comparing wellbeing post-intervention compared to the initial assessment.
4.4	C4.R.1	Target	Improvement of the reported wellbeing of foreign workers
4.10	C4.I.1	Milestone	Blood, Tissue and Cell Centre open to users
4.16	C4.I.2	Milestone	Digitalisation of new outpatient facilities at Mater Dei hospital are operational and open to patients
5.10	C5.R.3	Milestone	Implementation of measures of the updated National Inclusion Policy Strategy
5.11	C5.R.4	Milestone	Implementation of the newly introduced evaluation and monitoring work plan
5.14	C5.R.5	Milestone	Implementation of measures in the newly adopted Employment Strategy
5.15	C5.R.5	Milestone	Implementation of the measures set up in the newly adopted Gender Equality and Mainstreaming Strategy Action Plan
5.17	C5.I.1	Target	Increase in training programmes as a result of the investment
5.19	C5.I.1	Milestone	Launch of the Centre for Vocational Education Excellence (ITS Campus) for the hospitality industry
		Instalment Amount	EUR 41,132,454

1.6. Sixth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone /Target	Name
1.21	C1.I.2	Target	Blocks of Mount Carmel hospital renovated
3.15	C3.I.4	Target	Undertakings supported in digitalisation investments
6.4	C6.R.1	Milestone	Entry into force of legislative changes deemed necessary by the independent review of the independence of specialised tribunals
6.6	C6.R.2	Milestone	Entry into force of legislative changes deemed necessary by the independent review on the transfer of summary cases from the Police to the AG's Office
6.24	C6.R.7	Milestone	Entry into force of legislative changes amending the judicial review for injured parties to appeal the decision of the Attorney General not to prosecute
6.40	C6.I.1	Milestone	Launch and availability to users of the developed IT tools and systems
		Instalment Amount	EUR 12,656,140

SECTION 3: ADDITIONAL ARRANGEMENTS

1. Arrangements for monitoring and implementation of the recovery and resilience plan

The monitoring and implementation of the Maltese RRP shall take place in accordance with the following arrangements:

The Ministry responsible for the management of EU funds is the authority in charge of the coordination, management and control of the overall implementation process of the RRP. It shall ensure the respect of the established national and EU rules, take measures to provide adequate administrative capacity and carry out the required consultation, communication and information activities related to Regulation (EU) 2021/241. Within the Ministry responsible for the management of EU funds, the Planning and Priorities Coordination Division (PPCD) is entrusted with the effective implementation of the RRP, in particular with the function identified in Article 22(2) and (3) and shall take all the appropriate measures to protect the financial interests of the Union and to ensure that the use of funds in relation to measures in the Maltese RRP complies with the applicable EU and national law. It shall also be responsible for drawing up and signing of management declaration and summary of audits accompanying the requests for payment. The responsible institutions involved in the execution of each reform and investment shall liaise on a regular basis with the Ministry responsible for the management of EU funds. The Internal Audit and Investigations Department has been designated as the audit authority for the purposes of the RRP, as an independent body. The audit authority's strategy comprises both system audits, focusing on the system in place for the reporting of the milestones and targets, and on the system to prevent detect and correct serious irregularities, including the IT system, as well as substantive testing based on an adequate sampling.

2. Arrangements for providing full access by the Commission to the underlying data

The Ministry responsible for the management of EU Funds, as the central coordinating body for the implementation of the Maltese RRP is the contact point for the Commission. It acts as a coordinating body for monitoring the progress on milestones and targets and for providing all necessary arrangements for submitting payment requests. It coordinates the reporting of milestones and targets, relevant indicators, but also qualitative financial information and other data, such as on final recipients. The management and information system maintained by the PPCD shall be used to collect the necessary information to monitor the whole life cycle of the reforms and investments, including milestones, targets and information supporting the monitoring of their financial implementation.

In accordance with Article 24(2) of Regulation (EU) 2021/241, upon completion of the relevant agreed milestones and targets in Section 2.1 of this Annex, Malta shall submit to the Commission a duly justified request for payment of the financial contribution. Malta shall ensure that, upon request, the Commission has full access to the underlying relevant data that supports the due justification of the request for

payment, both for the assessment of the request for payment in accordance with Article 24(3) of Regulation (EU) 2021/241 and for audit and control purposes.