



GOVERNMENT
OF MALTA



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GUIDANCE NOTES

Support to help benefiting from the use of advisory services

Measure 2.1

RURAL DEVELOPMENT PROGRAMME
(MALTA) 2014 - 2022

Version 1.0

21/04/2024 –Third Call

MANAGING AUTHORITY (EAFRD)

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The European Agricultural Fund for Rural Development:
Europe investing in rural areas

Notices

HISTORY OF CHANGES		
Version	Publication Date	Change
1	21/04/2024	Publication of first version of calls

Procedure for the submission of applications

- Applications are to be sent by email on rds submissions.mees@gov.mt
- Applicants are to ensure to submit their application before noon (12pm Central European Time) of the indicated closing date.
- If Application and supporting documentation exceeds 20MB, please split the files in separate zipped folders and send in separate emails (***e.g. Application M2.1 Joe Borg - Part 2 of 3***)
- The MA remains available to confirm with applicants that an application has been received if contacted via email on rds submissions.mees@gov.mt or via Tel. 2555 2634 during office hours. The MA will also issue an acknowledgement letter.
- Note that the automated acknowledgement sent from the RDD mailbox does not in any way confirm or otherwise the (a) successful receipt of part or full application, nor, (b) that the application is deemed admissible.
- The applicants will be advised further, during the evaluation process, with regards to the submission of any necessary clarifications/documents required
- The Managing Authority reserves the right, in particular on the basis of approval or direction by the European Commission, to amend from time-to-time certain provisions established by this guidance document. Such amendments may become applicable and enforced retrospectively.
- In case of any conflicts between these guidelines and the text of the Rural Development Programme (RDP) 2014-2020 and other legislative text, the interpretation given by the relevant legislation and the RDP will be given priority. The English version will be the legally binding text.
- The Managing Authority reserves the right to request additional information not included in this Guidance Document.

Contents

Contents.....	3
Definitions.....	5
1.0 Introduction	7
2.0 Authorities	7
2.1 Scope & Objectives	7
2.2 Duration	8
2.3 Budget.....	8
2.4 Maximum Grant Value and Aid Intensity	8
3.0 Eligibility	8
3.1 Eligible Actions	8
3.2 Ineligible Actions	9
3.3 Eligible Applicants.....	9
3.4 Eligible Expenditure	10
3.5 Additional Provisions	11
3.6 Complementarity and demarcation with other measures.....	12
4.0 Filling out Part A – Administrative Forms.....	12
5.0 Filling out Part B – Technical Description	13
5.1 Project Description	13
5.2 Project Targets.....	13
5.3 Selection Criteria	13
6.0 Documents to be submitted with the Application.....	16
7.0 Acknowledgement.....	16
8.0 Additional Notes.....	17
8.1 Additional provisions	17
9.0 Contact Details of Competent Authorities	17
10.0 Assessment and selection	17
10.1 Validation of applications.....	17
10.2 Assessment of Applications	18
10.3 Eligibility Criteria.....	18
10.3.1 General Eligibility Criteria	18
10.3.2 Measure-Specific Eligibility Criteria	19
10.4 Selection of the proposed project.....	19

10.5	Unsuccessful applicants	19
10.6	Appeals	19
10.7	Letter of Acceptance	19
10.8	Grant Agreement	19
10.9	Changes.....	20
11.0	Contractual Obligations	20
11.1	Durability of Investment	21
11.2	Documentation.....	21
11.3	Procurement.....	21
11.4	Controls and Penalties	21
11.5	Administrative checks on support applications.....	21
11.6	Administrative checks on payment claims by the paying agency (ARPA)	22
12.0	Compliance with Community Policy	22
12.1	General Principles	22
12.2	Equal Opportunities and Non-discrimination	22
12.3	Sustainable Development	23
13.0	Data Policy	24
13.1	Data Protection	24
13.2	Transparency	24
13.3	Monitoring, Evaluation and Dissemination	24
14.0	Contract Details.....	25

Definitions

Agriculture and Rural Paying Agency (ARPA): The Agriculture and Rural Payments Agency within the Ministry for the Agriculture, Fisheries and Animal Rights (MAFA)

Beneficiary: Beneficiary for M2.1 is the recipients of funds, this being the body that is delivering advisory services.

Checks and controls: Provide a means of verification that the investment operation complies with, and is in conformity to, the relevant rules and regulations.

Cost-effectiveness analysis: Compares the costs and effects of an intervention to assess the extent to which it can be regarded as providing value for money.

Contact Person: A person that is authorised by the applicant and can be contacted directly for matters in connection with the application.

CRRB: Change Request Review Board

EAFRD: European Agricultural Fund for Rural Development.

EAFRD: regulation: Regulation (EU) No 1305/2013 of 17 December 2013 on support for rural development by the EAFRD, as amended.

FAS: Farm Advisory Service

FASRB: Farm Advisory Service Registration Board Farm Advisory Service Provider (SP): an entity or body intended to provide advice to farmers which has been officially recognized by the FASRB and contracted by the MA

End-beneficiary: The end beneficiaries receiving advice

Evaluation: A periodic collection and analysis of evidence to form conclusions on the effectiveness and efficiency of interventions.

Grant Agreement (GA): An agreement signed between the MA and the selected applicant (beneficiary) containing provisions and conditions related to the support being given.

Grant Award Letter: A letter sent by the MA to selected applicants upon the completion of the selection process as to inform applicants of its outcome.

Holding: An agricultural holding, or holding or farm is a single unit, both technically and economically, operating under a single management and which undertakes agricultural activities.

Land Registration Identification System (LPIS): The system contains all agricultural areas, registered at the Front Office (ARPA) that may be eligible for a land-based measure under the Common Agricultural Policy.

Managing Authority (MA): A national or regional body designated by a Member State to manage a rural development programme.

Monitoring: Regular examination of the resources, outputs, and results of interventions.

Project Leader: Is a person who is authorised by the applicant to ensure a project is carried through and in line with commitments.

Project Selection Committee (PSC): An independent Committee that assesses and ranks applications.

Project Selection Appeals Board (PSAB): An independent Committee that assesses any submissions of appeals.

Results: The direct effects or changes that arise due to the intervention.

Rural development programme (RDP): A document prepared by a Member State or region, and approved by the Commission, to plan and monitor the implementation of the rural development policy.

Simplified Cost Options (SCOs): Expenditure which is reimbursed according to predefined methods (translated into amounts/percentages) based on processes, outputs or results representing the best approximation of real costs incurred when implementing an action.

1.0 Introduction

These Guidance Notes are intended to assist applicants understand the requirements for requesting and receiving funding support under the Measure 2 – Advisory services, farm management and farm relief services, Sub-Measure 2.1 – Support to help Benefiting from the Use of Advisory Services (hereafter referred to as the Use of Advisory Service).

Applicants are advised to familiarise themselves with these Guidance Notes prior to filling in and preparation of the Application. The Guidance Notes, Application Form and all Annexes and other documentation are available at <http://www.fondi.eu>.

Applicants are reminded to check that they referred to the latest guidance notes as available on the website, and that they have filled in the latest available version of the application form that is available for download from the website. **Only the application version available at the time of opening of batch will be accepted.**

2.0 Authorities

The Funds and Programmes Division (FPD) is the Managing Authority (MA) responsible for managing the measures of the European Agricultural Fund for Rural Development Fund (EAFRD) in accordance with the Rural Development Programme (RDP) for Malta for the 2014 – 2020 programming period.

The Paying Agency (PA) is the Agriculture and Rural Payments Agency (ARPA) within the Ministry for Agriculture, Fisheries, and Animal Rights (MAFA).

The Farm Advisory Service (FAS) is a system for advising farmers on land and farm management covering at least the obligations at farm level resulting from cross-compliance/conditionality standards and requirements. The system also covers the requirements to be respected in relation to the agricultural practices beneficial for the climate and the environment and the maintenance of the agricultural area.

2.1 Scope & Objectives

The scope of the measure is to provide assistance to farmers through recognized Farm Advisory Service Entities. The use of advisory services for the agricultural sector complements the purpose of measures to improve human potential, through the provision of specific advisory services, and by providing incentives to farmers to seek direct advice to address their specific situations.

Advisory service is focused on specific issues that are directly asked by the recipients of the advice, which should really assess the specific situation of each individual and that is not mere dissemination nor only presenting general information.

The end result of this measure is to provide the opportunity for farmers to receive advice from a recognised advisory service to improve the overall performance of their holding.

2.2 Duration

This call shall close on Friday 24th May 2024, at noon (1200hrs Central European Time) subject to availability of funds and/or notifications by the MA informing otherwise.

2.3 Budget

The indicative budget available for this call is €1,400,000 (public expenditure). The MA reserves the right to amend the budget allocated.

2.4 Maximum Grant Value and Aid Intensity

The public support granted under this measure is 100% of the total eligible expenditure.

The maximum support rate per 'event' to one end beneficiary (recipient of advice) is set at €1,500. An event will be considered approved advisory service package delivered over a period of time to an end beneficiary. Each package is considered as a separate event, once the package is completed and paid by the ARPA, that means the event is concluded.

3.0 Eligibility

3.1 Eligible Actions

Under this call there are 2 eligible actions

- ad-hoc technical advisory services onsite to farmers:

This will consist of specific topics of advice which will be provided to farmers (for both crop and livestock). This advice may include but is not limited to areas such as organic farming, precision farming and IPMP. The technical advice will be specific to a particular challenge or problem and hence it might not necessarily include the whole holding.

For example, a farmer may request advice on his vineyards. In such a case only parcels with vines would be considered as eligible parcels as part of the service. Due to the technicality of the advice a farmer can only receive advice on either crops or livestock in one event (farmer may request advice as a new event for the other sector).

- standalone Fertiliser Plans (not included as part of the Cross Compliance Package)

Fertiliser planning is essential to obtain balanced fertilization in each field. Lack of certain plant nutrients can reduce plant growth and lower yield, but surpluses can be costly both from an environmental and an economic perspective. A fertiliser plan is an important tool which is used as a guide to achieve an optimum yield, good crop quality whilst minimizing the environmental impact.

All fertilizer plans need to be as specified under the Nitrates Action Programme S.L.549.66. They must also be carried out by a qualified technical advisor who is authorized to carry out such plans in accordance with SL 549.66 Regulation. The SP needs to provide the farmer with all the services required to complete the fertilizer plan including collection of soil samples, submission of soil tests to the laboratory, crop plans, compiling all the necessary documentation and reports and anything else which might be required for a complete fertilizer plan. The advisor will furthermore ensure such information is uploaded on IT platforms as may be requested by the respective Competent Authorities.

Under this call fertilisers plan on their own are eligible under this call (unlike previous call where fertiliser plan is only eligible when taken as part of the whole package). This will provide farmers with flexibility to change their fertilizer plans as necessary without needing to go through the whole Cross compliance Package. This will also be able to target farmers who are not beneficiaries under an AECM.

3.2 Ineligible Actions

Any actions that are not in conformity with national and EU legislation and which are not supported under this measure as listed under Eligible Actions measure shall not be eligible.

- The same advice topics which were already funded under the first call of M2.1 (package 1) will be ineligible under this call except for fertilizer plans;
- Soil Management Plans, Integrated Pest Management Plans and any other Plans, advice or consultancy services which are already included provided or paid for under any (not necessarily CAP/RDP) other schemes.

The list above is non-exhaustive and may be updated from time-to-time.

3.3 Eligible Applicants

The eligible beneficiaries for support under this measure are advisory Service Providers (SP) recognized as Farm Advisory Services by the Farm Advisory Service Registration Board (FASRB) in accordance with the Guidelines for the Registration of Farm Advisory Services as per L.N. 99 of 2019 and subsequent legislations that may supersede this legislation, duly registered in the official register held by the Agriculture and Rural Payments Agency.

The MA will consider applicants which at the time of the application are recognised by the Farm Advisory Service and are listed on the Farm Advisory Service Registration Board (FASRB)¹ register published on the following website:

<https://agriculture.services.gov.mt/en/arpa/Pages/ARPAhome.aspx> and which have the required skills and appropriate qualifications to be eligible under this measure.

SP will need to ensure that all advisors providing advice under this Measure have the necessary requirements which are stipulated by the FASRB. Beneficiaries (SP) must not be in bankruptcy or financial difficulty.

SPs chosen by the end beneficiary (farmer) and approved by the MA bind themselves to ensure the individual applications of farmers (end beneficiaries) are inputted in the systems as identified by the MA and/or ARPA (these may include but not limited to IACS, crop plan update on IACS, use of bieldjacam, etc). These requirements are in line with the ongoing efforts by the MAFA to digitalize agricultural operations and SP are expected to, given the necessary access to the applicable platforms, directly contribute to these efforts by supporting each farmer in completing these updates.

Eligible service delivery can start immediately following submission of the application at the SP's own risk.

The end beneficiary who shall be the recipients of advice must be farmers (whether natural or legal persons) that apply for assistance in relation to agricultural activities within the meaning of Annex I of the Treaty.

3.4 Eligible Expenditure

Expenditure is considered to be eligible for payment from the date of submission of the application, subject that the SP is successfully contracted. All advisory services receiving a grant under Measure 2.1 have to be offered entirely free of charge to end beneficiaries up to €1,500 per event.

The following advisory services will be eligible under this Measure:

- ad-hoc technical advisory services onsite to farmers both to crop and livestock farmers.
- standalone Fertiliser Plans

Payment for the provision of advisory services will be paid according to the rates of the simplified cost options.

The documentation that will be required for submission of a payment claim are the following:

¹ Excluding those in the Farm Advisory Service Registration Board (FASRB) - Suspensions, Cancellations, De-listings and Reinstatements register

- A copy of the service agreement signed between the SP and the farmer/end beneficiary (template is available on the www.fondi.eu website);
- A signed declaration by the farmer/end beneficiary confirming that service/s were provided by the SP;
- A copy of the documentation and/or reports issued to the farmer/end beneficiary by the SP.

Apart from the above the SP will also incorporate the following:

- the provision of feedback that can be provided via telephone calls during regular hours as also published by the service provider, feedback via online methods and one to one meetings depending on the farmer's preference throughout the service period;
- To draft the necessary reports following on site visits and provide further information as may be required;
- To use and populate following the necessary verifications online platforms (including mobile), IACS, siti-farmer, biedja cam etc. on behalf of the end beneficiary as the Managing Authority and ARPA may indicate from time to time.

Fully documented payment claims submitted to the ARPA by June 2025 will be eligible for support. The MA retains the right to amend this set timeframes.

3.5 Additional Provisions

The Scope of this measure will be to provide ad-hoc advice to both crop/livestock farmers as well as well as the stand-alone fertilizer plans.

For this Measure, the advice will only be eligible for the number of parcels on which the advice was availed on not the whole holding (for example if a farmer has a holding of 10 parcels but the advice was provided for 4 of those parcels then only those 4 parcels would be eligible under this measure so in this case the advice would fall under Category 1 of <= 5 parcels).

In the case of fertilizer plans the rate will be based on the parcels on which a fertilizer plan was carried out not the whole holding.

The following rates will be used with a maximum of €1,500 per event:

Ad-hoc advice for Crops

Category	Parcels	No of hours	Rate	EUR
1	<=5	6	19.52	117.12

2	6 to 10	10.5	19.52	204.96
3	11 to 20	15	19.52	292.8
4	21 - 30	22	19.52	429.44
5	>=31	29	19.52	566.08

Ad-hoc advice for Livestock

Category	<= 50LU3		51-100LU		101-300LU		>=301LU	
	hrs	€	hrs	€	hrs	€	hrs	€
Bovines	13	253.76	14	273.28	16	312.32	19	370.88
Swine	11	214.72	12	234.24	14	273.28	17	331.84
Ovines / Caprines	9	175.68	10	195.2	12	234.24	15	292.8
Other Farm Animals	7	136.64	8	156.16	10	195.2	13	253.76

Fertiliser Plan: The payment rate for the fertilizer plan will be set at €50 per parcel. This is based on the cost of:

- Fertilizer plan report: €25
- Costs of laboratory fees for soil testing: €25

3.6 Complementarity and demarcation with other measures

Being a horizontal measure relevant for all of the priorities for the Rural Development Programme and targeting the five thematic areas of need, the Use of Advisory Service measure provides for a range of advisory support which compliments actions undertaken in the framework of measures supported under the Rural Development Programme 2014 – 2020.

4.0 Filling out Part A – Administrative Forms

- **Project Title:** Name your project in a way that it can be easily understood and captures the gist of your project. Must be within 15 words.
- **Project Duration:** The deadline for support under Measure 2.1 is the end of June 2025. Extensions beyond this date may be considered on a case by case basis.
- **The Applicant:** Tick the box according to the type of private entity.
- **Applicant's Information:** Fill-in details of applicant, project leader and details of partnership (if applicable)
- **Details of the contact person for the application:** In case a third party (such as consultant/advisor) is filling in this application and will be responsible for any queries in relation to the application, then the information of the contact person is to be entered here.

5.0 Filling out Part B – Technical Description

5.1 Project Description

This is a critical section of the application form. This is where all the details and technical specifications of the project are to be explained by using a combination of quantitative and qualitative data.

Type of Actions: Tick the type of actions and activity of investments according to the project.

Project Details: Describe the type of advice which will be provided under this project.

5.2 Project Targets

The applicant needs to fill the table in the application by inserting the envisaged number of farmers who will be receiving advice. Based on the targeted deliverables a corresponding indicative budget will be allocated to the successful applicants.

5.3 Selection Criteria

Project Proposal targeting multiple indicators (20 marks): Applicants are awarded points on the basis of how well their project proposal targets more than one indicator, and how well the proposal fits within the relevant priorities

Contribution to cross-cutting objectives and focus areas and needs

Applications for support will be considered based on their contribution to one or more of the following cross cutting objectives, focus areas and needs².

Contribution to Cross-Cutting Objectives

Project proposals under expenditure for genetic resources conservation are expected to contribute to one or more of the following cross-cutting objectives:

1. Environment: Support to the conservation of local genetic resources will lead to the reversal of biodiversity decline.
2. Climate change mitigation and adaptation: Support in conservation, sustainable use and development of genetic resources in agriculture have beneficial effects through making Maltese agriculture more adaptable and resilient to climate change.
3. Innovation: Support for Maltese indigenous tree species and breeds of livestock, offer potential for further product development, enabling micro-enterprise and SMEs to develop niche products for the Maltese market and for tourism.

Contribution to Focus Areas

Project proposals under this Sub-Measure are expected to contribute to one or more of the following focus areas³:

1. Focus Area 4A: restoring, preserving and enhancing biodiversity, including Natura 2000 areas and high nature value farming, and the state of European landscapes.
2. Focus Area 4B: Improving water management, including fertiliser and pesticide management
3. Focus Area 4C: Improving soil management
4. Focus Area 5E: fostering carbon sequestration in agriculture and forestry.

Contribution to the Needs of the Rural Development Programme

Applicants are also required to demonstrate how their proposed projects shall result in the achievement of certain targets by clearly outlining the proposed project's contribution to one or more of the following needs that have been identified in the Malta Rural Development Programme (RDP)⁴:

Need 1: Water, Wastes and Energy:

Energy, water and waste management are closely linked and all exhibit current weaknesses which are linked in part to a lack of awareness and expertise among the farm population, to achieve improved management. Farmers require increased capacity to deal with the challenges faced by Malta's agriculture and rural development in order to ensure their future sustainability.

Given the state of Malta's water reserves and its current dependence upon increasingly high-cost imported fuels and other inputs, it is a priority for primary producers and other stakeholders to have improved knowledge and understanding in the following topics:

1. Nutrient budgeting
2. Efficient water management and use
3. Cropping practices to minimise water and energy use

² For further details on the Focus areas and cross-cutting objectives, please refer to chapter 8 of the RDP 2014-2020 'Agri-environment-climate, section 8.2.7.2 'General description of the measure including its intervention logic and contribution to focus areas and cross-cutting objective'.

³ Certain aspects of these focus areas shall not be applicable for the purpose of this call, according to the actions that are eligible. More details on eligibility of actions are provided in subsequent sections.

⁴ Certain aspects of these needs shall not be applicable for the purpose of this call, according to the actions that are eligible. More details on eligibility of actions are provided in subsequent sections.

Need 2: Maltese Quality Produce

Projects will be funded to improve the competitiveness of rural businesses through adding value to their primary production of goods and services.

Possibilities for funding include projects targeting the following topics:

4. Realistic options and techniques for adding value to primary produce
5. Developing and managing brands and quality marks to add value

Need 4: Landscape and environment

In order to encourage better management and protection of the rural environment, proposals should encourage interventions which include:

6. Improved understanding of the relationship between agricultural practice and natural processes and ecosystems, effective stewardship and management, and good practice in sustainable techniques.

Need 5: Wider rural economy and quality of life

The most significant needs in relation to the wider rural economy relate to helping rural producers and processors to make positive and stronger links with the tourism market.

Preference will be given to applications in which the project proposal targets more than one indicator and/or contributes considerably towards the relevant measure indicators.

Preparedness/Readiness (10 marks): Readiness refers to project proposals that are in an advanced state of preparedness such as quotations having already been gathered, necessary permits obtained etc. Kindly list the activities envisaged within the operation that requires a planning or an environmental permit, identify whether the permit application has already been submitted and if yes list down the PA or Tracking number.

Organisational Capacity (20 marks): The applicant will be assessed based on the experience they have in the management of similar project and the plan to engage necessary persons to successfully implement the project. This section also focuses on project sustainability, where the applicant has to describe how the project will lead to benefits to the general rural area, even after the project has been completed. Benefits may be related to environmental, social, economic, aesthetic and tourism. **Applicants will be required to obtain a minimum of 10 marks from this selection criterion.**

Cost Effectiveness (20 marks): Cost effectiveness refers to evidence added value, effectiveness and reasonableness of costs proposed. The outputs and outcomes of the proposal should be proportionate to the level of funding offered. Project deliverability will also be assessed on the basis of whether competitive quotes have been sought, clear rationale in cases where the lowest valid offer is not chosen whether the costs are realistic and whether the application shows how the project will be successful at the end of the contract. **Applicants will be required to obtain a minimum of 10 marks from this selection criterion.**

Complementarity (10 marks): This refers to the potential of the proposed project to lead to funding opportunities under other measures/funds. Indicate under which programmes the project or its

extension could be supported. Furthermore, list the actions that will complement other projects being implemented at international, national and/or entity level.

Horizontal Priorities (20 marks): The applicant should ensure that the proposed intervention/s contribute towards the promotion of equal opportunities, equality, non-discrimination and improved accessibility whilst targeting sustainable development in the areas of economic growth, social cohesion and environmental protection. Consideration will be made of whether the applicant has a gender mainstream strategy, an appropriate policy on equality and diversity (e.g. as an employer), access requirements have been taken into account (e.g. for buildings, websites), and whether any jobs created are open to a diverse range of applicants.

Quality of proposed plan of consultancy services (30 marks): Points awarded on the basis of the quality and detail provided in the consultancy services plan submitted with the application

Dissemination (10 marks): Points awarded according to the adequateness and strategy for result dissemination, including a strategy for promotion of EU funding which goes over and above the minimum obligations established by applicable legislation. Additional marks are given to applicants describing promotional actions which go beyond the regulatory obligations.

Publicity & Visibility: Beneficiaries are obliged by Commission Implementing Regulation (EU) No 808/2014 to acknowledge support from the Fund through plaques or billboard depending on the Grant Amount. Beneficiaries are to follow publicity obligations as stipulated in the Visual Identity Guidelines⁵ and any other information listed in the website www.fondi.eu

6.0 Documents to be submitted with the Application

A checklist of documents to be submitted with the Application is attached to the Application Form. The applicants will be advised further, during the evaluation process, with regards to the submission of any necessary clarifications/documents required.

7.0 Acknowledgement

An acknowledgement shall be issued by the receiving officers upon submission of an application form.

Disclaimer: The person receiving the application is not responsible for the administrative compliance of the application form. This issuance of this acknowledgement letter does not imply that the applicant has submitted all the necessary documentation.

⁵ <https://fondi.eu/visual-identity-guidelines-2021-2027/>

8.0 Additional Notes

The MA reserves the right to extend this period after the signing of the Grant Agreement, if the beneficiary presents a valid justification, and subject that such justification is approved by the Change Request Review Board.

Projects with an estimated grant value (as allocated based on the target number of beneficiaries) of equal or less than EUR100,000 shall be limited to two (2) change request submissions, whereas projects with a grant value of more than EUR100,000 but less than or equal to EUR200,000 shall be limited to three (3) change request submissions. The limit of change request submissions applies for the entire duration of the project. For the avoidance of doubt, the limitation is subject to the number of submissions and not the amount of changes requested per submission. Furthermore, the limitation still applies in case the MA rejects the request in part or in its entirety.

8.1 Additional provisions

Where the investment is likely to have negative effects on the environment, investment operations shall be preceded by an assessment of the expected environmental impact in accordance with legislation specific to that kind of investment (Article 45 of Regulation 1305/2013).

9.0 Contact Details of Competent Authorities

- The Tax Compliance Certificate can be acquired by contacting of the Commissioner for Revenue

Tel No: 22962755

Email: compliance-certificates.mfin@gov.mt

OR

Using the E-ID online services

10.0 Assessment and selection

10.1 Validation of applications

The MA will undertake a validity check of all applications that are received.

Should any documentation that is required be missing from the Application Form, the MA shall notify the Applicant through a notification letter. Any required documents that were missing from the Application Form are to be submitted within the specified period from the date of the notification letter.

Each application will nonetheless be forwarded for the PSC assessment. Only complete applications will be considered by the Project Selection Committee. Applications that remain incomplete after the specified notice period has elapsed will be rejected.

Should the applicant wish to re-submit an application, the process is considered a new one. In such cases, the effective application date would be that of the new submission.

10.2 Assessment of Applications

Eligible applications shall be assessed and ranked based on selection criteria relevant to the Measure.

The Project Selection Committee (PSC) will award marks according to the criteria and rank projects according to the marks obtained. In order to qualify for selection, the proposal needs to obtain at least 50% of the total marks of the general and measure-specific selection criteria.

During the assessment and selection process, checks will also be carried out to assess the reasonableness of the cost where applicable.

The selection of projects may be limited by the available budget, in which case the highest-ranking projects will be offered a grant.

10.3 Eligibility Criteria

All valid applications shall be assessed against the eligibility criteria that have been established for the RDP 2014-2020. Eligibility criteria consist of two sets: general eligibility criteria and measure-specific eligibility criteria.

It is important to note that all applications need to conform to/fulfil ALL general and measure-specific eligibility criteria in order to be considered for ranking and selection.

The MA reserves the right to revise the eligibility criteria applicable to the Measure, subject to pre-notification.

10.3.1 General Eligibility Criteria

The following are the general eligibility criteria to which the application must conform:

- Submitted application is fully completed/filled-in

- Applicant demonstrates that the applicant forms part of (or is the legal representative) the beneficiary/applicant organisation.
- The proposed project will be implemented within the eligible territory.
- Evidence of sufficient financial capacity required to cover the private financial component (where applicable) is provided.
- The proposed project contributes to the targets and objectives of the relevant measure/s.
- The proposed project contributes to at least one indicator target.

10.3.2 Measure-Specific Eligibility Criteria

The following are the measure-specific eligibility criteria to which the application must conform:

- Advisors, public/private entities possess required competence in relevant sector
- Possess minimum qualifications/requirements
- Access to necessary logistics for proposed activity
- Possess required technical and financial capacity

10.4 Selection of the proposed project

The project has to obtain at least 50% of the marks available in total (both general and measure-specific criteria) in order to be considered for funding. Projects will be ranked according to marks and funds allocated to those projects which obtain the highest marks. In cases of over-demand for funding, other projects which obtain the pass mark, but which are not funded/selected will be placed on a reserve list according to marks obtained and funding offered if and when funds become available.

10.5 Unsuccessful applicants

The MA will inform all applicants about the outcome of the selection process.

10.6 Appeals

Applicants who feel aggrieved by the outcome of the procedure have the right of appeal with the Project Selection Appeals Board (PSAB) within five (5) working days from the date of the letter of rejection by the PSC.

The same application cannot be considered as being under PSAB and PSC consideration concurrently. As stated above, only the application undergoing a PSAB procedure will be under consideration (by the PSAB).

10.7 Letter of Acceptance

The MA will proceed to write to the successful applicants informing them of the decision of acceptance of their project. Scanned copies of the letter shall also be submitted through email. Letters of acceptance may include conditions which have been raised by the PSC.

10.8 Grant Agreement

Applicants whose proposals for investments have been selected in accordance with the procedure described above, in terms of being eligible and having obtained the necessary scoring for selection,

and furthermore, could be allocated the requisite budget for funding, shall be invited to enter into an agreement with the MA by signing the Grant Agreement. More details on the generic provisions applicable in the Grant Agreement and the contractual obligations of the Beneficiary are provided in the subsequent sections. Selected applicants that do not come forward to sign the grant agreement within stipulated timeframes will have the award withdrawn.

10.9 Changes

The beneficiary organisation shall undertake every effort to ensure that the project is implemented within the stipulated timelines as defined in the broad project actions, and in line with the relevant EU and National Regulations and administrative procedures.

The Beneficiary shall not strategically change or alter the overall and broad project scope and actions. Significant and strategic changes that alter the scope of the project must be agreed to by the Managing Authority in the Change Request procedure published by the MA. Strategic changes applied to the project that do not bear the MA approval would be done at the applicant's own risk and will be assessed at the payment stage of the project.

In case the beneficiary fails to follow the timelines defined in the Grant Agreement may lead to recoveries of funds by ARPA or termination by the MA.

Projects with a grant value of equal or less than EUR100,000 shall be limited to two (2) change request submissions, including extension requests, whereas projects with a grant value of more than EUR100,000 but less than or equal to EUR200,000 shall be limited to three (3) change request submissions. The limit of change request submissions applies for the entire duration of the project. For the avoidance of doubt, the limitation is subject to the number of submissions and not the amount of changes requested per submission. Furthermore, the limitation still applies in case the MA rejects the request in part or in its entirety.

In the case where an investment included in the project requires a planning permit and the necessary permit approvals are not obtained in due time as deemed necessary by the MA, the project proposal will be subject to a withdrawal assessment by the MA. This is without prejudice to any other withdrawals that the MA or ARPA may seek in view of project progress impacting timeframes and scope.

The Change Request Form can be downloaded from the Managing Authority website from the following link: http://fondi.eu/important_documentat/earfd-templates/

11.0 Contractual Obligations

Upon signing the Grant Agreement, the Beneficiary becomes legally bound by certain provisions. The following sections provide information on some aspects of the contractual obligations of the Beneficiary.

The Managing Authority and the Agriculture and Rural Paying Agency (ARPA) may, from time to time, issue additional information and guidance.

11.1 Durability of Investment

Not applicable for this Measure

11.2 Documentation

Beneficiaries are obliged to retain all supporting documentation for a two (2)-year period from 31 December following the submission of the accounts in which the final expenditure of the completed operation is included. Where applicable, a signed inventory, listing any items bought in connection with the project, should be compiled and held on site and this should be made available to ARPA whenever requested.

The indicative targets set out in the project as submitted in the application and as revised in the award letter are binding on the beneficiary. Where applicable, the beneficiary shall be responsible to collect the relevant baseline as well as data to be able to measure progress on the indicator and shall update the progress achieved towards these targets when required by the Managing Authority.

11.3 Procurement

Not applicable for this Measure since a system of Simplified Cost Options (SCOs) is being utilised

11.4 Controls and Penalties

Beneficiaries must note that by signing the Grant Agreement they are agreeing to undertake an obligation for the relevant checks and controls by the respective Authorities including the following:

- a. The Paying Agency (PA) – Agriculture and Rural Payments Agency (ARPA), Ministry for Agriculture, Fishing, and Animal Rights (MAFA),
- b. The Certifying Body (CB) – Internal Audit and Investigations Department (IAID), Office of the Prime Minister (OPM),
- c. The National Audit Office (NAO) in view of the fact that public funds are being utilised for the implementation of the investment,
- d. The Audit Services of the European Commission (EC) and the European Court of Auditors (ECA) in view of the fact the investment is benefitting from European Union (EU) funds,
- e. The VAT Department to ensure that VAT Regulations are respected.

The following sections are intended as a guide on applicable checks and controls.

11.5 Administrative checks on support applications

Administrative checks on applications for support shall ensure the compliance of the operation with applicable obligations established by Union or national law or by the rural development programme, including those of public procurement, State aid and other obligatory standards and requirements. The checks shall, in particular include verification of:

- the eligibility of the beneficiary.
- the eligibility criteria, commitments, and other obligations of the operation for which support is requested.
- compliance with the selection criteria.

- the eligibility of the costs of the operation, including compliance with the category of costs or calculation method to be used when the operation or part of it falls under Article 67(1)(b), (c) and (d) of Regulation (EU) No 1303/2013⁶.
- for costs referred to in Article 67(1)(a) of Regulation (EU) No 1303/2013, excluding contributions in kind and depreciation, a verification of the reasonableness of the costs submitted. The costs shall be evaluated using a suitable evaluation system, such as reference costs, a comparison of different offers or an evaluation committee.⁷

11.6 Administrative checks on payment claims by the paying agency (ARPA)

Once a Beneficiary's project proposal is selected and awarded a grant, the beneficiary will be invited to enter into a Grant Agreement with the Managing Authority (MA). Following the signature of the Grant Agreement and subject to the eligibility rules of the specific measure, a Beneficiary may start to submit payment claims to the Agriculture and Rural Payments Agency (the Agency) for processing, verification and ultimately payment authorisation.

Kindly note that the ARPA Payment Guidelines can be accessed through:

<https://agriculture.services.gov.mt/en/arpa/Pages/guidelines.aspx>

12.0 Compliance with Community Policy

12.1 General Principles

It is the responsibility of the Beneficiary to ensure compliance with Community Policy, namely and as applicable:

- a. Public Procurement
- b. Equal Opportunities
- c. Sustainable development

12.2 Equal Opportunities and Non-discrimination

Beneficiaries are required to take a pro-active approach to Equal Opportunities and must ensure that at all stages of the implementation of the action/s consideration is given to Equal Opportunities.

Equal Opportunities and non-discrimination are not meant to just address gender discrimination but have a wider scope and include race, ethnicity, religion or belief, disability, age and sexual orientation.

⁶ Simplified costs option

⁷ Article 48(2) of Commission Implementing Regulation (EU) No 808/2014

12.3 Sustainable Development

Beneficiaries should include Sustainable Development in their action/s and must ensure that the operation is structured in such a manner that concrete positive actions towards better sustainability and mainstreaming feature throughout. It is important that environmental matters should also be taken into consideration at all stages of the design, development and implementation of the action and the action should be structured to avoid any related environmental damage.

13.0 Data Policy

By submitting the application, the applicant is giving his/her consent to have personal and project details published in line with the obligations in the relevant EU Regulations and other requests by relevant bodies.

13.1 Data Protection

Whilst abiding to the provisions set in the Data Protection Act regarding the handling of personal data, the Managing Authority and/or Paying Agency will retain the right to disclose, exchange or request information about any applicant, application, and agreement to or with other organisations or consultants which the Managing Authority and/or Paying Agency consider appropriate for administration, statistical, monitoring, evaluation and dissemination purposes.

13.2 Transparency

Because projects implemented under this Measure involve expenditure of public money, there is public interest in how the money is spent. In this respect the Managing Authority will ensure that the principle of transparency is fully respected in the implementation of operations under Malta's Rural Development Programme 2014-2020.

Annually, and by no later than 30th May of each year, the Agriculture and Rural Payments Agency (ARPA) is bound to publish a list of beneficiaries who received payment during the preceding financial year (16th October to 15th October) in line with Regulation (EU) No 1306/2013 of the European Parliament and of the Council.

13.3 Monitoring, Evaluation and Dissemination

From time to time, the Managing Authority and/or the Paying Agency, as well as other National and/or EU entities as may be identified by the Managing Authority, may conduct economic, environmental, or other evaluation of the measure which may involve the beneficiary in surveys/interviews of various types. Managing Authority officials or consultants/evaluators engaged by the Managing Authority may contact beneficiaries as necessary. In applying for support under this measure the beneficiary is deemed automatically as agreeing to cooperate with or take part in such studies, which are important for reviewing the effectiveness of the measure as well as evidencing implementation of projects. The MA may also request cooperation from beneficiaries vis-à-vis promotion of the RDP, including use of pictures/videos taken from projects supported through this measure.

Two of the reporting requirements that the Managing Authority requires are the Project Progress Report and the Project Closure Report. The Project Progress Report (PPR) is designed to monitor the implementation of RDP projects and includes brief description of the major achievements achieved through a specific time period. The Project Closure Report (PCR) is designed to evaluate the implementation of RDP projects and includes brief description of the major achievements registered. The final payment claim will not be issued unless the PCR is satisfactorily compiled by the beneficiary. The MA reserves the right to request other reports, as required.

14.0 Contract Details

For more information regarding this Measure, kindly contact the Funds and Programmes Division.

Address:

The Oaks Business Centre, Block B, Triq Farsons, Hamrun HMR 1321, Malta

Telephone Number: (+)356 2779 7300

E-mail: rsubmissions.mees@gov.mt

Website: www.fondi.eu