



GOVERNMENT
OF MALTA



GUIDANCE NOTES

RD COOP EIP Operational Groups

Intervention 77.2

COMMON AGRICULTURAL POLICY – STRATEGIC PLAN
(MALTA) 2023-2027

4th February 2025

Version 1.1

MANAGING AUTHORITY (CAP-SP)

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

Disclaimer

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.

In case of any conflicts between these guidelines and the text of the Common Agricultural Policy Strategic Plan (CAP SP) 2023 - 2027 and other legislative text, the interpretation given by the CAP SP and relevant legislation will be given priority.

The English version will be the legally binding text.

The Managing Authority also reserves the right to request additional information not included in this Guidance Document, in order to proceed with checks and evaluation of the application throughout the process.

This document supersedes any previous guidance notes, website notifications or other media notification issued on this Intervention prior to the launch of this call. Other notifications can be issued on such platforms following the issue of this call.

Further details on the application process may be published in due course on the website of the Managing Authority <https://fondi.eu/> For more information, the Managing Authority can be contacted by email at fondi.eu@gov.mt or (+)356 2555 2555 during office hours.

Notices

HISTORY OF CHANGES (where applicable)		
Version	Publication Date	Change
1.0	14 th January 2025	Publication of first version of calls
1.1	4 th February 2025	Including possibility of advanced payments in section 2.5 eligible expenditure

Prospective applicants are to submit **their application online** using the following link <https://iacs.gov.mt.abacogroup.eu/customerportal/login>

FIRST TIME APPLICANTS

First time applicants are required to register with (MAFA) ARPA Front Office in order to create an account and gain access to the online system. Contact details as follows:

Malta Front Office – Telephone: 22 92 61 48
Front Office
Agriculture and Rural Payments Agency (ARPA)
Pitkali Markets, TA' QALI L/O ATTARD
Malta

Front Office Opening Hours (Malta):
1st October – 15th June: Monday – Friday 07:30 – 15:00
16th June – 30th September: Monday – Friday 07:30 – 12:30

Gozo Front Office – Telephone: 22 15 69 79
Gozo Office
Government Experimental Farm, Mgarr Road, XEWKIJA
Gozo

Gozo Office Opening Hours:
Monday – Friday: 07:00 – 12:30

APPLICANTS BEING ASSISTED BY A THRID PARTY

It is possible for a 3rd party to assist an applicant with their application. Applicants who make use of such assistance are required to complete a form authorising third parties to access and manage their application. Such form needs to be signed by both parties (applicant and 3rd party or consultant) and a hard copy needs to be provided to ARPA Front Office. A copy of the form may be obtained from the ARPA Front Office or by sending an email on arpa.mafa@gov.mt

DEADLINES AND ACKNOWLEDGEMENTS

Upon submission of an application through the online portal, an automated acknowledgement email will be sent to applicants via the online system. Where the guidelines specifically allow for submissions to be made via email, then the MA will likewise issue a direct acknowledgement.

It is the responsibility of the applicant to ensure that the application is submitted prior to the set deadline.

Upon receipt of applications, the Managing Authority will not be in a position to validate with applicants whether their submission satisfies the admissibility check to be considered for evaluation. It is the applicant's sole responsibility to ensure the application has been submitted in its entirety. The Managing Authority remains available to confirm with applicants that an application has been received if contacted via email on fondi.eu@gov.mt or (+)356 2555 2555 during office hours.

The online system is not responsible for the administrative compliance of the application form. The acknowledgement email does not imply that the applicant has submitted all the necessary documentation. The Project Selection Committee may request clarifications following the issuance of the acknowledgement letter.

THE SUBMISSION OF DOCUMENTATION

Applications in hard copy, whether submitted by mail, by hand or any other means, will not be accepted and in this case, the application will not be deemed admissible and hence will not be considered during the evaluation process. Pen-drives and CDs etc are not required and will not be accepted. This applies to submissions at both the Front Offices in Malta and Gozo as well as the Managing Authority Offices in Hamrun.

All documentation will be submitted through the online application portal (unless the guidelines specifically allow for submissions to be made via email) together with the application, including but not limited to, quotations, bills of quantities, qualifications, tax, etc. is to specifically state the name of the applicant and not of any other individual/company. This also applies in terms of partnerships, where all the documents must be in the partnership's name.

Contents

1.0 Introduction	9
1.1. Authorities	9
1.2. Scope & Objectives	10
1.3. Regulatory Framework	10
1.4. Contribution towards the CSP Objectives	11
1.5. Duration	12
1.6. Budget	12
1.7. Maximum Grant Value & Aid Intensity	12
1.8. State Aid Rules and Obligations	12
2. Standard Eligibility Conditions	14
2.1. General Eligibility Criteria	14
2.2. Eligible Actions	14
2.3. Ineligible Actions	15
2.4. Eligible Applicants	15
2.5. Eligible Expenditure	16
2.6. Ineligible Expenditure	17
2.7. Specific Provisions	17
2.8. Exclusions	18
3. The Project Proposal as shall be presented during the application process.	19
3.1. Project Details	19
3.2. EIP Operation Group	19
3.3. Line Items	20
3.4. Technical Description	20
3.5. Budget	22
3.6. Supporting Documents	22
3.7. Declarations	23
3.8. Contact Details of Competent Authorities	23
4. Assessment and Selection	24
4.1. Validation of applications	24
4.2. Assessment and Selection of Applications	24
4.3. Unsuccessful Applicants	29
4.4. Appeals	29
4.5. Notification of Acceptance	29

4.6.	Grant Agreement	29
4.7.	Changes.....	29
5.	Contractual Obligations	31
5.1.	Procurement.....	31
5.2.	Administrative checks on payments claims by the Paying Agency (ARPA)	31
5.3.	Payment Triggers and Management Verifications	31
5.4.	Controls and Penalties	32
5.5.	Documentation.....	32
5.6.	Durability of Investment	33
5.7.	Responsible Entities	33
6.	Compliance with Community Policy	34
7.	Overarching Commitments	35
7.1.	Data Protection	35
7.2.	Transparency	35
7.3.	Monitoring, Evaluation and Dissemination	35
7.4.	Conflict of Interest	35
7.5.	Force Majeure	36
8.	Contact Details	37

Definitions

CAP: Common Agricultural Policy is a commitment that the EU is promoting amongst its Member States to ensure a stable supply of food, safeguards farmers' income and protects the environment, while keeping rural areas vibrant.

CAP SP Regulation: Regulation(EU) 2021/2115 Of The European Parliament And Of The Council establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 and REGULATION (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013.

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

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

CSP: Common Agricultural Policy – Strategic Plan is a plan drawn up by each Member State to contribute towards reaching the aims of the Common Agricultural Policy. CAP Strategic Plans encourage the transition towards a smart, sustainable, competitive, resilient, and diversified agricultural sector, while ensuring long-term food security.

CPR: (where applicable) Common Provision Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy.

CRRB: Change Request Review Board

EAFRD: European Agricultural Fund for Rural Development.

EIP Agri: European Innovation Partnership for Agricultural productivity and Sustainability

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 particular support being given.

Grant Award Letter: A letter sent by the MA to selected applicants upon the completion of the selection process in order to inform applicants of its outcome. The award letter can include certain conditions and actions expected on the part of the applicant.

Intervention: There are two types of interventions - those related to land (e.g. practices on agricultural land) or through investments (e.g. investing in the infrastructure of a farm, or buying equipment for the processing of agricultural products).

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 intervention under the Common Agricultural Policy.

Managing Authority: A national or regional body designated by a Member State to manage and implement the CAP Strategic Plan.

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

Natura 2000: A network of sites selected to ensure the long-term survival of Europe's most valuable and threatened species and habitats.

Operational Group (OG): A group of people with complementary knowledge (e.g. practical, scientific, technical, organisational expertise, etc.) who co-create practical solutions for agriculture, food and forestry in an innovation project.

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

Primary agricultural production: The production of products of the soil and of stock farming, listed in Annex I of the Treaty, without performing any further operation changing the nature of such products.

Processing of an agricultural product: Means any operation on an agricultural product resulting in a product which is also an agricultural product¹, except on-farm activities necessary for preparing an animal or plant product for the first sale.

Project Leader: Is a person who is authorised by the applicant to ensure a project is carried through and in line with commitments. The Project Leader can be contacted directly for matters relative to an on-going project and is expected to have responsibility for the execution of a project.

Project Selection Appeals Board (PSAB): An independent Committee that assesses appeal submissions.

¹ Refer to Annex I to the treaty, which may be accessed through the following link: https://eur-lex.europa.eu/resource.html?uri=cellar:07cc36e9-56a0-4008-ada4-08d640803855.0005.02/DOC_45&format=PDF

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

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

Short supply chain: a supply chain involving a limited number of economic operators (not more than one) committed to co-operation, local economic development, and close geographical and social relations between producers, processors and consumers.

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.

SME or micro, small and medium-sized enterprises: Undertakings fulfilling the criteria laid down in Annex I of Commission Regulation (EU) 2022/2472 of 14 December 2022 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union, as amended.

1. Introduction

These Guidance Notes are intended to assist Applicants understand the requirements for requesting and receiving funding support under RD Coop EIP - EIP Operational Groups of the Common Agricultural Policy Strategic Plan 2023-2027.

Applicants are advised to familiarise themselves with these Guidance Notes prior to completing an application. The Guidance Notes, Application Form and all Annexes and other documentation are available at www.fondi.eu during the application period.

1.1. Authorities

The Funds and Programmes Division (FPD) within the Ministry responsible for EU Funds is the Managing Authority (MA) responsible for managing the interventions of the European Agricultural Fund for Rural Development Fund (EAFRD) in accordance with the Common Agricultural Policy – Strategic Plan for the 2023-2027 programming period.

The Paying Agency (PA) is the Agriculture and Rural Payments Agency (ARPA) within the Ministry responsible for Agriculture.

Other national authorities may be involved and referred to in the assessment of an application, or during project implementation.

1.2. Scope & Objectives

This intervention aims to grant support for the cooperation among supply-chain actors and support for pilot projects, focusing on the entire territory of Malta.

This intervention will focus on the following actions:

- Support for horizontal and vertical cooperation among supply-chain actors for the establishment and development of short-supply chains and local markets, and for promotion activities in a local context relating to the development of short supply chains and local markets.
- Support for co-operation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes (waste).
- Support for pilot projects, and for the development of new products, practices, processes and technologies

1.3. Regulatory Framework

The following is a list of the applicable Plan and main Regulations:

- a. The Common Agricultural Policy Strategic Plan that provides support from the European Agricultural Fund for Rural Development
- b. Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013
- c. Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013
- d. Regulation (EU) 2021/2117 of the European Parliament and of the Council of 2 December 2021 amending Regulations (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products, (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indicators of aromatised wine products and (EU) No 228/2013 laying down specific interventions for agriculture in the outermost regions of the Union
- e. Regulation (EU) 2022/129 of the European Parliament and the Council of 21 December 2021, laying down rules for types of intervention concerning oilseeds, cotton and by-products of wine making under Regulation (EU) 2021/2115 of the European Parliament and of the Council and for the information, publicity and visibility requirements relating to Union support and the CAP Strategic Plans
- f. Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy;

- g. Commission Implementing Regulation (EU) 2022/1475 of 6 September 2022 laying down detailed rules for implementation of Regulation (EU) 2021/2115 of the European Parliament and of the Council as regards the evaluation of the CAP Strategic Plans and the provision of information for monitoring and evaluation;
- h. Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012;
- i. Environment Protection Act (CAP 549 of the Laws of Malta);

The above list is not exhaustive and may be amended. It is up to the application to ensure that all national and EU rules are being followed at all time.

1.4. Contribution towards the CSP Objectives

The most relevant Specific Objectives to which this intervention contributes are:

SO2: to enhance market orientation and increase farm competitiveness both in the short and long term, including greater focus on research, technology and digitalisation.

SO3: to improve farmers' position in the value chain.

SO5: to foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

XCO: Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

Needs addressed by the intervention:

Code	Description
2.4	Identify and support the investment needs of the sector to increase its market competitiveness
3.1	Build human and social capital and support facilitation and innovation to improve the supply chain
3.2	Improve the organisation of producers in the relevant sectors, where this is currently lacking
3.5	Support investments that shorten the supply chain
5.3	Introduce Mechanisms and processes that convert agricultural waste to fertilizer
5.5	Encourage farmers to invest in efficient farming systems that make efficient use of resources

Result Indicators addressed by the intervention:

Code	Description
R1	Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance
R2	Number of advisors receiving support to be integrated within Agricultural Knowledge and Innovation Systems (AKIS)
R28	Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance

1.5. Duration

The first Batch of applications shall close on Friday 14th March 2025 at noon (12:00hrs Central European Time) subject to availability of funds and/or notifications by the MA informing otherwise. The total maximum duration of the project should be up to 24 months.

Subject to availability of funds and/or notifications by the MA informing otherwise, subsequent batches will also be notified following the closure of this batch.

1.6. Budget

The overall budget available for this intervention is €1.67 million in total (public expenditure). The MA reserves the right to amend the budget allocated.

1.7. Maximum Grant Value & Aid Intensity

This intervention will finance 100% of the eligible costs.

The maximum assistance awarded per project should not exceed 350,000 Euros.

The MA reserves the right to reject an application, including but not limited to cases where funds are not available under the respective intervention. In such instances the MA may consider the creation of a Reserve list of project proposals that are positively considered by the PSC.

1.8. Applicability of State Aid Rules

As laid down in Article 145 of Regulation (EU) 2021/2115, Article 107 TFEU does not apply to support provided by Member States pursuant to and in accordance with this Regulation, or to additional national financing referred to in Article 146 of this Regulation, that falls within the scope of Article 42

TFEU. Therefore, State aid rules would not be applicable to interventions that fall within the scope of Article 42 TFEU.

Furthermore, no State aid implications will arise in the case of public entities that do not carry out an economic activity within the meaning of Article 107 TFEU.

On the other hand, State aid rules will apply in the case of micro, small and medium-sized enterprises (SMEs) active in non-agricultural activities in rural areas falling outside the scope of Article 42 of the Treaty.

The State aid component of this measure will be implemented in line with Commission Regulation (EU) 2022/2472 of 14 December 2022 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (OJ L 327, 21.12.2022, p. 1), as amended by Commission Regulation (EU) 2023/2607 of 22 November 2023 correcting Regulation (EU) 2022/2472 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (OJ L 2607, 23.11.2023, p. 1) (the Agriculture Block Exemption Regulation [ABER]), particularly Article 40 thereof.

No State aid will be granted in the following cases:

- (a) aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current costs linked to export activity;
- (b) aid contingent upon the use of domestic over imported goods.

Aid will not be awarded in cases which entail by the conditions attached to it or by its financing method, a non-severable violation of Union law, in particular:

- (a) aid where the grant of aid is subject to the obligation for the beneficiary to use nationally produced goods or national services;
- (b) aid restricting the possibility for the beneficiaries to exploit the research, development and innovation results in other Member States.

The rules on cumulation of aid as outlined in Article 8 of the ABER will be respected.

2. Standard Eligibility Conditions

2.1. General Eligibility Criteria

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

- (a) Submitted application is fully completed/filled-in
- (b) Applicant demonstrates that the applicant forms part of (or is the legal representative) the beneficiary/applicant organisation.
- (c) The proposed project will be implemented within the eligible territory.
- (d) Evidence of sufficient financial capacity required to cover the private financial component (where applicable) is provided.
- (e) The proposed project contributes to the targets and objectives of the relevant intervention.
- (f) The proposed project contributes to the specific objectives, needs and results of the programme.

2.2. Eligible Actions

The call is open for:

- Support for horizontal and vertical cooperation among supply - chain actors for the establishment and development of short-supply chains and local markets, and for promotion activities in a local context relating to the development of short supply chains and local markets.

Innovation to improve the supply chain was identified in the SWOT and Needs analysis for Malta as a key requirement to support primary producers in developing quality assurance and improving returns to agriculture through alternative forms of marketing and shorter supply chains. In Malta distances between producer and consumer are short yet the fresh produce wholesale market provides limited returns to primary producers and lacks traceability. Both fresh produce and livestock producers would benefit from developing closer and more direct links between producer and consumer in order to realize the potential for Maltese products. Due to the small size of many producers, economies of scale and market efficiencies will only be gained through innovative collaborative actions.

This support applies not just to horizontal linkages to create efficiency of supply and scale, but also to vertical partnerships in supply chains, to engage in promotion and marketing of existing and new products. Support will be provided to establish and manage new groups of producers, processors and suppliers working together in short supply chains and local markets. For the purpose of this intervention support for the establishment and development of short supply chains shall cover only supply chains involving no more than one intermediary between farmer and consumer, as may be established by the MA in the national guidelines.

- Support for co-operation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes (waste).

Support will be provided to establish and manage new groups of producers, processors and suppliers working together in short supply chains and local markets, as well as projects in favour of the provision of sustainable biomass. For projects concerning biomass, collaborative actions linking a wide range of stakeholders will be required including land managers, farmers, NGOs, local authorities, and government agencies concerned with energy, wastes, and environmental protection. The idea behind this intervention is not to directly influence farmers' production decisions, but rather to help them to work together to organise the supply of biomass.

- Support for pilot projects, and for the development of new products, practices, processes and technologies.

Many innovative actions need to be 'piloted' or tested before being made more widely available. Support may also be provided for 'demonstration', where the demonstration activity is a final part of the process of testing/validating a technology or process. The most relevant areas for this type of activity in the CAP Strategic Plan currently are collaboration to pilot or experiment with practices to increase efficiency of input use (fertilisers, manures, pesticides, fodder crops for nutrition, water); practices to enhance product quality through better handling and storage; and practices to develop new varieties of, and new production systems for, crops, and livestock better able to cope with Malta's natural constraints, in the face of anticipated climate change. Other relevant objectives may also be supported.

2.3. Ineligible Actions

Any actions that are not in conformity to the applicable environment, planning and agricultural legislation and/or policy and not in line with the scope of this intervention as outlined in Malta's CAP SP, shall be considered as ineligible for funding.

Support will not be provided in cooperation solely involving research bodies.

2.4. Eligible Applicants

Support under this intervention is available to:

- Farmers (whether natural/legal persons);
- Group of Farmers (including *inter alia* partnerships, cooperatives);
- Businesses;
- Public entities;
- Groups suitable/relevant to achieving the objectives of the intervention for support for pilot projects, and for the development of new products, practices, processes and technologies.

The eligible applicants would need to form an EIP group. Support needs to promote new forms of cooperation. Existing partnerships or cooperation groups however are not excluded from support, on condition that a clearly new activity is started and the differentiation from former or existing activities is justified. The scope of the cooperation and the aimed outcome must comprise elements which would not have been possible without the aggregation of the partners and their joint work in the new cooperation project. The existing ones should be engaging in activities of different scope linked to identified specific needs and challenges where cooperation is a condition for achieving a different result.

The cooperation shall involve at least two actors and is meant to be "operational" and shall contribute to achieving one or more of the specific objectives set out in Article 6(1) and (2) of Regulation (EU) 2021/2115.

2.5. Eligible Expenditure

The following type of expenditure is considered eligible for the purpose of support:

Staff Costs: This will include all eligible personnel costs which will cover the implementation of the project. The MA reserves the right to utilise the simplified cost option applying standard prices for staff costs².

Staff costs may include but are not limited to the following:

- Recruitment of staff for the project
- assignment of staff which are currently employed with the entity to work on the project
- Request for Services provided that the staff costs are clearly identifiable

A 40% flat rate of the total staff costs will be added to the budget, in line with Article 56 (1) of Regulation (EU) 2021/1060. The budget allocation will be used to cover the remaining eligible costs of an operation by any Beneficiary. No documentation needs to be provided by applicants in order to be awarded this flat rate.

Applicants are to refer to National Eligibility Rules Version 1 which is accessible from the fondi.eu website³.

Expenditure is considered to be eligible expenditure and therefore eligible for reimbursement only if it has been incurred after an application has been submitted to the Managing Authority and an acknowledgement is issued by the Managing Authority.

² The MA will issue further guidance in due course on its website <https://fondi.eu/>

³ https://fondi.eu/wp-content/uploads/2023/09/2021_2027_National-Eligibility-Rules.pdf

Any costs incurred before the signature and entry into force of the Grant Agreement shall be considered as eligible insofar as they are in line with the National Eligibility Rules and approved by the Managing Authority.

As per regulation (EU) 2021/2116, Article 44, Payments to Beneficiaries, beneficiaries may request an advance payment of up to 50% of the public aid.

2.6. Ineligible Expenditure

The following costs shall be considered ineligible for the purpose of this intervention:

- No costs other than staff costs (and the 40%) will be considered as eligible expenditure under this Intervention.
- Value added tax (VAT) is not eligible for aid if it is recoverable. Any VAT over EUR 5 million is not eligible, even if it is not recoverable.

The list above is not to be considered as non-exhaustive and the MA may update this list from time-to-time. Where in doubt, it is advised to speak to the Managing Authority.

2.7. Specific Provisions

The Operational group is meant to be "operational" and shall contribute to achieving one or more of the specific objectives set out in Article 6(1) and (2) of Regulation (EU) 2021/2115.

Support will only be granted to Groups with specific planned actions resulting in specific planned outcomes.

When it comes to payments and reimbursements, reporting etc., a lead partner in the group will act on behalf of all the members forming part of the group.

The Operational group must establish internal procedures to ensure transparency in their operation and decision-making and avoid conflicts of interest;

Successful applicants may be asked to carry out a presentations during Malta Network meetings during and/or after the completion of the project this may include but is not limited to disseminating the results of the project.

The Project Plan⁴

The operational Group must draw a Project Plan as part of the application. This must include at the very least the following:

- description of their project;
- description of the expected results;
- establish internal procedures to ensure transparency in their operation and decision-making and avoid conflicts of interest
- explain how they will disseminate the plans and results of their project on a non-exclusive and non-discriminatory basis using in particular the national and European CAP Networks, as well as local dissemination channels frequented by the end-users wherever possible.

All deliverables listed in the project plan will need to be completed even if not being directly claimed. This includes investments and any other obligations.

2.8. Exclusions

- a. Assistance shall not be granted in contravention of any prohibition or restriction laid down in Regulation (EU) No 1308/2013, even where such prohibitions and restrictions only refer to the Union support provided for in that Regulation.
- b. Support will not be provided in cooperation solely involving research bodies.

⁴ A template of the project plan will be available on the fondi.eu website. Though not compulsory it is being recommended for applicants to use this template.

3. The Project Proposal as shall be presented during the application process.

Interested applicants may commence the application process by accessing the online portal <https://iacs.gov.mt.abacogroup.eu/customerportal/login> and follow the instructions.

It is strongly advisable that prior to the preparation and submission of the application, prospective applicants carefully read these Guidance Notes.

More information on each section of the application can be found in the following section.

3.1. Project Details

- **Project Title:** Name your project in a way that it can be easily understood and captures the gist of your project (max 100 characters)
- **Project Duration:** Insert the number of months required to complete the proposed project. The maximum project duration is 24 months and thus applicants are advised to be realistic in their project in view of the timing constraints. The project duration in months will be calculated from the date of the award
- **Lead Applicant:** This will automatically be filled in as per the IACS profile
- **Applicant's Information:** To include details of applicant – address, mobile number, email address and website (if applicable).
- **VAT Status:** To include information regarding VAT status.
- **Project Leader:** To include details of project leader – address, mobile number, email address and position within the entity.
- **Details of the contact person for the application/project implementation:** To be filled in if contact person is different than applicant and to choose if this is valid for application stage or project implementation stage. If ticked yes, information of contract person is to be filled in.

3.2. EIP Operation Group

- **Name of the Operation Group (OG):** Name of the OG to be listed here

- **Please choose the Target of the project:** the action which the project will be targeting will need to be chosen from the following (**Depending on which action is chosen here, the same work packages would then need to be chosen in the line item section**)
 - Support for horizontal and vertical cooperation among supply- chain actors for the establishment and development of short-supply chains and local markets, and for promotion activities in a local context relating to the development of short supply chains and local markets.
 - Support for co-operation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes (waste).
 - Support for pilot projects, and for the development of new products, practices, processes and technologies
- **Members of the group:** Here the applicant is to list all the members in the OG and their role. The Leader of the OG will be considered as the applicant of the project.

3.3. Line Items

Project Cost Line items: To fill the line items for this project.

Under this call there will be the following packages:

- Support for horizontal and vertical cooperation among supply- chain actors for the establishment and development of short-supply chains and local markets, and for promotion activities in a local context relating to the development of short supply chains and local markets.
- Support for co-operation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes (waste).
- Support for pilot projects, and for the development of new products, practices, processes and technologies

The package chosen here needs to be the same as the package in the EIP Operation Group Section and only one package can be chosen per project.

Under this call the only line item will be staff costs (technical personnel) the applicant is to choose the type of technical personnel required for the project and the number of such personnel required.

Technical Description

Project Description: Key Investment Plan forms an integral part of the Application Form, and all Sections must be completed by the Applicant for such applications to be eligible under this intervention (**Note this section contributes directly to the selection criteria as listed in the application further below in section 4.2).**

- 1. *The proposed project addresses the Needs as expressed in the specific objectives (15 marks)***
: The assessment is carried out on the level of Needs deemed to be addressed by the project proposal in relation to the Specific Objective under which the intervention is taking place, within the spirit of the CAP SP (15 marks)

- 2. *Contribution of the project towards the Farm to Fork Strategy (15 marks):*** Evidence that the project proposal is deemed to contribute towards the Farm to Fork Strategy, including, inter alia, the below (15 marks) (In case the total project is less than €50,000 than this does not need to be filled in by the applicant and no extra points will be awarded in such cases)

- 3. *Potential of the project to enhance/result in (the adoption of) innovation/ use of state-of-the-art technology in the sector/ partnership (5 marks):*** (In case the total project is less than €50,000 than this does not need to be filled in by the applicant and no extra points will be awarded in such cases)

3 marks will be granted according to the project plan which is to be submitted with this application;

2 marks for partnership with other actors will be granted automatically.

4. *Contribution towards Results(15 marks)*

10 marks will be awarded according to the content of the project plan which is to be submitted with this application

5 marks will be awarded according to the results contribution as per the selection criteria

- 5. *Readiness (5marks):*** Readiness refers to project proposals that are in an advanced state of preparedness such as quotations having already been gathered, necessary permits obtained etc.).

Sub Criteria 1: Maximum of 3 marks will be awarded depending on the status of planning and environment permits

Sub criteria 2: Maximum of 2 marks will be awarded according to risks Identified and Mitigated in the Proposal

- 6. *Quality of operation proposal (15 marks):*** This section will be assessed according to the content of the project plan which is to be submitted with this application

7. Sustainability (20 marks)

Equal Opportunities: Tick where applicable where the project will facilitate the increased participation of women, young farmers, young persons and/or other minorities, and explain how the project will ensure equal opportunities (5 marks).

Sustainable Development: Applicants are required to demonstrate that they have considered sustainable development areas at all stages of their projects and how contribution will be mainstreamed throughout the projects' aims and operations. Tick the actions that the project will be contributing to (15 marks).

3.4. Budget

In this section the applicant needs to insert the budget which will support the proposed project. The expected Beneficiaries under this Call for project proposals are expected to practice the principles of good governance and sound financial management not only during implementation but also at application stage when drafting the proposed budget. The Project Selection Committee reserves the right to request clarifications on the budget presented by each applicant should it be deemed necessary to do so.

3.5. Supporting Documents

A number of documents need to be submitted with the Application and can be uploaded on the online portal in the section titled "Supporting Documentation".

For this call, only the following documentation is required for the application. Other documents which are listed in the online portal are not required for this call.

- Tax Compliance Certificate
- The Income Tax Returns for the last two (2) years including profit and loss statements and RA1- Agriculture Produce if applicable (applicable for natural persons only)
- Audited financial statements of year n-1 and n-23. If n-1 year audited accounts are not available, the applicant is to submit management accounts.
 - o In case of start-ups 1st year of Business: If in the first year of business – existing management accounts at application date, cash flow and revenue projections for next year certified by CPA.
 - o In case of Start-ups 2nd year of business: If in the second year of business- audited financial statements of n-1, if these are not available applicant is to submit management accounts.
(applicable for private companies only)
- Current Memorandum of Association or Partnership Deed (not applicable for natural persons)
- Project Plan which should be signed by all partners of the project

- Letter of authorisation/no objection (In case where a single actor or a member of the group is participating in this application for funding on behalf of an organisation, the member should submit evidence to show that he/she forms part of the organisation and has the necessary authority to participate.
- Quotations or other forms of evidence such as for example Collective Agreements etc related to personnel costs.

3.6. Declarations

The Applicant is requested to read through the statements in the declaration section and confirm that the Applicant will abide with the stipulated declarations. If the information is found to be false or deliberately or otherwise misleading, any EU funds awarded may be withdrawn and any funds paid may be recovered by the Paying Agency from the Applicant completing the application form. These obligations shall be considered binding upon signing of the Grant Agreement if the application is approved for co-financing. If the applicant does not accept all these declarations, the applicant will not be allowed to submit the application form. If submitted, such application would be considered null and void.

Disclaimer: The submission of an application form and its subsequent acknowledgement does not imply that the application is being automatically accepted and/or rejected. The outcome of the evaluation of any individual application will be communicated to each applicant following an assessment carried out by the Project Selection Committee (PSC).

3.7. Contact Details of Competent Authorities

Tax Compliance Certificates can be acquired by contacting the Commissioner for Revenue

Tel: 2296 2755

Email: certificates.cfr@gov.mt

OR

Using the E-ID online services

4. Assessment and Selection

4.1. Validation of applications

The Project Selection Committee will undertake a validity check of all applications that are received. Should any documentation that is required be missing from the Application Form, the Project Selection Committee 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 (usually within 5 working days) from the date of the notification letter.

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.

4.2. Assessment and Selection of Applications⁵

Applications for support that pass the validity check will proceed to the next step and shall be assessed according to the eligibility and selection criteria.

Selection criteria is designed to assess the fit and contribution of project proposals with the CAP-SP strategy, its target group and its objectives.

During the assessment and selection process, checks will also be carried out to assess the reasonableness of the cost presented were applicable. The Project Selection Committee may seek clarifications on the costs and specifications presented, issue recertification procedure(s) for missing supporting documentation, reserves the right to peg the grant to an amount that it deems reasonable, and/or reject applications that do not satisfy the identified criteria.

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.

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

The voting members of the Project Selection Committee shall decide how the project proposal addresses the criteria and assign points according to the following selection criteria:

⁵ The applicant shall keep in mind that the information and documentation submitted in the application form shall be used for scoring purposes against this list of criteria and thus it is in the applicants' interest to be comprehensive when providing such information.

Selection criteria

Assessment			Maximum Points
1.	The proposed project addresses the needs as expressed in the specific objectives	The assessment is carried out on the level of needs deemed to be addresses by the project proposal in relation to the Specific Objective under which the intervention is taking place, within the spirit of the CAP-SP ≤ 2 needs assessed (5 marks) $> 2 \leq 4$ needs addressed (10 marks) > 4 needs addressed (15 marks)	15
2.	Contribution of the project towards the Farm to Fork Strategy	Evidence that the project proposal is deemed to contribute towards the Farm to Fork Strategy, including, inter alia, the below: Ensuring Sustainable Food Production, incl. shift to organic farming <ul style="list-style-type: none"> - Ensuring Food Security - Stimulating sustainable food processing, wholesale, retail, hospitality and food services practices - Promoting sustainable food consumption and facilitating shift to healthy, sustainable diets - Reducing food loss and waste - Combating food fraud along the food supply chain - Research, innovation, technology and investments - Advisory services, data and knowledge sharing, and skills ≤ 2 needs assessed (5 marks) $> 2 \leq 4$ needs addressed (10 marks) > 4 needs addressed (15 marks)	15 Project under €50,000 – Selection Criteria not to be considered.
3.	Innovation/Use-of-the-art technology in the Sector & Partnership	The assessment is carried out on the level of potential contribution of the project to enhance/result in: (a) The adoption of innovation/use of state-of-the-art technology in the sector (max. 3 marks) (b) Partnership with other actors (max. 2 marks)	5 Project under €50,000 – Selection Criteria not to be considered.

4.	Contribution towards Results	<p><u>Sub Criteria 1(max 10 marks):</u></p> <p>< 10% contribution towards one of the following: - R1 Enhancing performance through knowledge and innovation - R2 Linking advice and knowledge systems - R28 Environmental or climate-related performance through knowledge and innovation – 2 marks</p> <p>≥10% contribution towards one of the following: - R1 Enhancing performance through knowledge and innovation - R2 Linking advice and knowledge systems - R28 Environmental or climate-related performance through knowledge and innovation – 5 marks</p> <p><u>Sub Criteria 2 (max 10 marks):</u></p> <p>the following sub-criteria will also be taken into account:</p> <ul style="list-style-type: none"> • developing innovative solutions focusing on farmers' needs while also tackling the interactions across the whole supply chain where useful; • bringing together partners with complementary knowledge such as farmers, advisors, researchers, enterprises, or non-governmental organisations in a targeted combination as best suited to achieve the project objectives; • co-deciding and co-creating all along the project; • integrating advisors as much as possible; • Elements of hands-on / pilot projects / best practice / lighthouse projects that can be replicated by farmers / members of cooperation and even upscaled by the farming sector and industries. 	15
5.	Readiness	<p>Risk associated with the implementation and timeline of the project as proposed by the Applicant.</p> <p><u>Sub-Criteria 1:</u></p> <p>(a) Planning Permit Approved / No Permits Required (3 marks)</p>	5

		<p>(b) Planning Permit Pending Decision (1 mark)</p> <p>(c) Planning Permit Application (if required) no submitted (0 marks)</p> <p><u>Sub-Criteria 2:</u></p> <p>(d) Risks identified and mitigated in the proposed are justified (2 marks)</p>	
6.	Quality of operation proposal – Clarity & Sequence	<p>(a) The proposal is not well defined and poorly sequenced. Central ideals are not focused to support the intended outcomes and following the thread of thought. Description appears disconnected. (0 marks)</p> <p>(b) The central purpose of the proposal is identified and presented in a logical sequence. Ideas are generally focused in a way that supports the desired outcomes and reader is able to follow with little or no difficulty. (5 marks)</p> <p>(c) 6c. The central purpose of the proposal is clear and supporting ideas are well-focused presented in a logical sequence which flows naturally. Details are relevant and enrich the proposal and are engaging to the audience. (10 marks)</p>	15
7a.	Ensuring equal opportunities – increases participation of women, young, farmers, young persons, other minorities.	<p>(a) Increased participation on one (3 marks)</p> <p>(b) Combination of 2 or more (5 marks)</p>	5
7b.	Sustainable Development Actions	<p>Actions targeted:</p> <ul style="list-style-type: none"> - Actions that reduce ammonia emissions - Actions that promote animal welfare (inter alia proposals that achieve housing systems, and in particular alternative systems for laying hens, free farrowing for sows as well as extended time in group housing for sows and calves (beyond the minimum time required by the EU legislation). - Actions that promote circular economy - Actions that target the use of anti-microbials. - Adoption/facilitating the adoption of agricultural practices which are deemed 	15

		<p>as contributing towards enhanced sustainability.</p> <ul style="list-style-type: none"> - Investments in Renewable Energy and Energy Efficient Systems. - Reduction of nutrient losses, while ensuring no deterioration in soil fertility. - Carbon Capture / Sequestration Potential - Increased capacity of water holding in the landscape by the proposed interventions - Make efficient use of existing legitimate buildings, structures and infrastructure, so as to avoid new development pressures scattered in the countryside. - Restore already degraded land, natural habitats and landscapes where reasonably possible as well as prevent adverse environmental impacts that may arise from indirect and consequential implications of development, such as impacts associated with widening of rural roads, infrastructure, rural tourism, etc; and - improve/restore specific aspects of the environment, including the protection and conservation of the natural/rural environment, including site topography, natural physical features, valleys and watercourses, cliffs/escarpments, old rubble walls, traditional terraced fields, mature trees (e.g. carobs), areas of garrigue(xaghri), maquis or mosaic landscapes (made up of a mix of patches of arable land and patches of garrigue/maquis, and/or characterised by non trivial rock outcrops, etc.). <p>1 action: 5 marks 2 actions: 10 marks 3+ actions: 15 marks</p>	
		Large Projects	90
		Small Projects	70

The selection criteria for all interventions can be accessed at: [FONDI.eu | 2021-2027 Eligibility & Selection: Rules & Criteria - FONDI.eu.](https://fondi.eu/en/2021-2027-eligibility-selection-rules-criteria/)

4.3. Unsuccessful Applicants

The MA will inform all applicants about the outcome of the selection process. This notification can be made via email notification.

4.4. 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 (unless otherwise specified) from the date of the letter of rejection by the Project Selection Committee.

The same application (i.e. applications broadly having the same scope) cannot be considered as being under PSAB and PSC consideration concurrently. In such cases, only the application undergoing a PSAB procedure will be under consideration (by the PSAB).

4.5. Notification of Acceptance

The Managing Authority will inform all successful applicants of the decision of acceptance of their project. Letters of acceptance may include conditions which have been raised by the Project Selection Committee which conditions need to be adhered to.

4.6. Grant Agreement

Applicants who 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. Selected applicants that do not come forward to sign the grant agreement within stipulated timeframes will have the award withdrawn.

4.7. Changes

The beneficiary 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 of his/her/their own volition. 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, this may lead to recoveries of funds by the Paying Agency or termination by the MA unless an extension is either requested and granted by the MA or granted as an administrative extension 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/

5. Contractual Obligations

Upon receiving the award letter, the Beneficiary becomes legally bound by certain provisions. The following sections provide information on some aspects of the contractual obligations of the Beneficiary.

5.1. Procurement

Beneficiaries should note that grants awarded for actions under this Intervention are public funds. In this regard, all beneficiaries should ensure that any procurement undertaken for works/services/supplies to be financed through this intervention is carried out in line with the principles of sound financial management, good governance, transparency, and equality together with the provisions of the Manual of Procedures issued by the relevant authorities.

In cases of non-compliances with the rules of public procurement, the financial corrections towards the beneficiary will be determined by the Paying Agency on the basis of the Commission Decision of 14.5.2019 laying down the guidelines for determining financial corrections C(2019)3452 final.

5.2. Administrative checks on payments claims by the Paying Agency (ARPA)

Following the signature of the Grant Agreement and subject to the eligibility rules of the specific intervention, a Beneficiary may start to submit payment claims to the Paying Agency for processing, verification and ultimately payment authorisation.

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 Common Agricultural Policy Strategic Plan. Kindly note that the ARPA Payment Guidelines can be accessed through the ARPA website: <https://arpa.gov.mt/>

The Agriculture and Rural Payments Agency (ARPA) may, from time to time, issue further information and guidance.

5.3. Payment Triggers and Management Verifications

With regards to the salaries, based on SCO, further guidance will be issued by the Managing Authority in due course.

In case of the 40% flat rate component, beneficiaries do not need to provide any documents to trigger this payment. This will be calculated on the allocated amount on the Claim for Reimbursement.⁶

Should the Beneficiary fail to carry out significant aspects of the project that was approved in the Grant Agreement, may lead to recoveries and/or reduction in previous or subsequent payments.

⁶ This 40% will be disbursed throughout different stages of the cycle of project.

Management Verifications are an essential component in all EU-funded projects in order to ensure compliance with applicable regulations, to promote accountability and transparency, manage risks, monitor performance, maintain sound financial management, meet legal requirements, facilitate accurate reporting, and enhance the overall quality of the project. These verifications are an essential component of the EU funding process, helping to safeguard the proper use of EU funds and the achievement of project objectives.

5.4. Controls and Penalties

Maltese Authority reserve the right to suspend the disbursement of grant fund or to recover any funds disbursed to the Beneficiary in any of the following circumstances:

- a) Non-compliance with the terms and conditions of the Grant Agreement, including but not limited to failure to achieve operation's objectives, milestones, or financial reporting requirements;
- b) Mismanagement or financial irregularities, including but not limited to unauthorized use of funds, false declarations, or fraudulent activities;
- c) Breach of EU regulations, applicable laws, or any other relevant legal requirements governing the use of EU funds, including the National Eligibility rules, the Manual of procedures, and any specific guidelines issued by national authorities;
- d) Unauthorized expenditure or ineligible costs not in line with the approved operation/budget or outside the scope of the project;
- e) Suspicion of Fraud, Corruption, Conflict of Interest, Double Funding, or any other misconduct that puts at risk the EU financial interest, the fulfilment of the conditions triggering the payment of lump sums, unit costs, or flat rates, including, where required, the achievement of outputs and/or results.
- f) Actual, potential, or perceived reputational harm and/or unwarranted or unfavourable publicity to the Managing Authority, the Government of Malta, national and/or EU institutions, and/or EU funds.
- g) Any other justifiable reason deemed by the Managing Authority to warrant suspension or recovery of funds provided that such actions are consistent with EU regulations and principles.

5.5. Documentation

Without prejudice to national legislation or practices that require a longer period for the retention of documents, all supporting documents related to a project supported by the Funds are to be kept by the Paying Agency for at least a 5-year period from 31 December of the year following the submission of the accounts in which the final expenditure of the completed operation is included. This documentation will also be available in the IT system managed by the national funding Authorities and made available as required by the relevant stakeholders including the Programme auditors, the European Commission, and the Court of Auditors, etc. unless otherwise decided by the Managing Authority.

Without prejudice to national legislation or practices that require a longer period for the retention of documents, the beneficiary shall retain the pertinent documentation in either digital or printed format linked to this project for funding purposes.

A signed inventory, listing any items bought in connection with the project, should be compiled and maintained by the beneficiary and this should be made available to the Paying Agency, or any other legitimate authority whenever requested. An inventory template can be found on the www.fondi.eu website under the Templates section.

5.6. Durability of Investment

Durability is not applicable for this call.

5.7. Responsible Entities

Checks and controls can be done by any of the following authorities:

- a. The Managing Authority (MA) – Funds and Programme Division (FPD), within the Ministry responsible for EU funds
- b. The Paying Agency (PA) – Agriculture and Rural Payments Agency (ARPA), Ministry for Agriculture, Fisheries and Animal Rights (MAFA),
- c. The Certifying Body (CB) – Internal Audit and Investigations Department (IAID), Office of the Prime Minister (OPM),
- d. The National Audit Office (NAO) in view of the fact that public funds are being utilised for the implementation of the investment,
- e. 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,
- f. The VAT Department to ensure that VAT Regulations are respected,
- g. And any other national or EU entity which has a legal right to carry out verifications on public funds awarded.

6. Compliance with Community Policy

Each Grant Agreement will endeavour to preserve the **Horizontal Principles** and respect the fundamental **Human rights** that underpin all EU-funded projects. These principles promote impartiality, openness, and accessibility for individuals with disabilities, fostering inclusiveness and equal opportunities for all participants involved in the projects.

Gender equality is a fundamental aspect of these principles recognizing the importance of empowering all genders to contribute meaningfully to the development and execution of each project.

To foster a **harmonious and sustainable environment** for all, EU-funded projects must abide by the **Charter of Fundamental Rights of the European Union**, ensuring that the rights and freedom of all EU citizens are respected. Project activities, decisions, and actions must not violate or infringe upon the rights and dignity of individuals or groups, as defined by Maltese and international law, and wherever possible, promote the creation of an equal and just society.

The principle of **sustainable development** is of paramount importance, reflecting our commitment to meeting the needs of the present without compromising the ability of future generations to meet their own needs. Malta firmly believes in upholding the Union policy on the environment, as stipulated in Article 11 and Article 191 (1) Treaty on the Functioning of the European Union. All projects are required to comply with environmental regulations. This includes fully respecting the Union environmental acquis and national legislation pertaining to environmental protection. Projects should aim to avoid or minimize adverse environmental, social, and economic impacts, striving to prevent significant harm to ecosystems, natural resources, cultural heritage, and human health.

In recognition of the crucial role played by **innovation** in driving economic growth and societal progress, this guiding principle is critical and incorporated into Malta's funding framework. By emphasizing and promoting this principle, the aim is to encourage and nurture innovative initiatives that showcase exceptional promise and potential. EU funded projects should aspire to support and promote innovative initiatives that exhibit exceptional potential, thereby ensuring the efficient and effective allocation of EU funds to projects that can truly make a difference in shaping Europe's future.

7. Overarching Commitments

7.1. Data Protection

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.

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.

7.2. Transparency

Because projects implemented under this Intervention 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 Common Agricultural Policy – Strategic Plan 2023-2027. A list of Beneficiaries who are awarded a grant and separately, those who receive payment are published to ensure maximum transparency.

7.3. 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 intervention 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 intervention 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 intervention as well as evidencing implementation of projects. The MA may also request cooperation from beneficiaries vis-à-vis promotion of the CAP SP, including use of pictures/videos taken from projects supported through this intervention.

7.4. Conflict of Interest

Checks and balances to ensure that situations that may give rise to actual and/or perceived conflict(s) of interest are vital in order to safeguard the ethical and transparent use of EU funds, fosters fair competition, builds trust, and ensures compliance with legal requirements, ultimately contributing to the success and legitimacy of EU-funded projects.

In line with Article 61 of the Financial Regulation (EU, Eurotom) 2018/1046 of 18th July 2018⁷, the Ministry responsible for EU Funds, together with ARPA, carry out the necessary verifications to ensure that no conflict of interest arises at any stage of a project's lifecycle. Should a conflict of interest be

⁷ Financial Regulation (EU, Eurotom) 2018/1046 of 18th July 2018 on the financial rules applicable to the general budget of the Union.

detected, the applicant/beneficiary will be notified to ensure that such instances do not prejudice the EU budget at large. The relevant authorities reserve the right to take any remedial actions that may be deemed necessary in such situations.

7.5. Force Majeure

If a beneficiary was unable to comply with the obligations as a result of Force Majeure or exceptional circumstances as provided for in article 3 of (EU) 2016/2021 s/he shall retain her/his right to eligible aid up till when the case of Force Majeure or the exceptional circumstance occurred. Cases of Force Majeure and exceptional circumstances shall be notified in writing to the competent authority (ARPA), with relevant evidence to the satisfaction of the competent authority, within fifteen (15) working days from the date on which the beneficiary or the person entitled through him, is in a position to do so. After consultation with the Force Majeure Board, ARPA will decide whether there is a case of force majeure or otherwise according to the parameters of the applicable EU Regulations. Should ARPA deem a case to be affected by a Force Majeure event, the beneficiary may be justified or excused, totally or partially, with respect to some default that there may be. But if the Force Majeure application is rejected, the Maltese Authorities may seek to recover or withdraw all funds related to this scheme.

Official documentation needs to be submitted together with the Force Majeure application. In case of illness a medical certificate is required and in case of mandatory quarantine, the official notification issued by the Ministry for Health is required, in cases of plant diseases and/or death of trees in the case of vineyards a report must be presented by the Agriculture Directorate or the Plant Protection Directorate (depending on the case).

Further information on Force Majeure requests may be accessed from ARPA's website on <https://arpa.gov.mt/en/>

8. Contact Details

For more information regarding this intervention, kindly contact the Managing Authority through the following contact information and by referring specifically to this Intervention.

Telephone Number: (+)356 2555 2555

E-mail: fondi.eu@gov.mt

Website: www.fondi.eu