GOVERNMENT OF MALTA

FONDI.eu

May 2026

Frequently Asked Questions

I73.5/I73.5.1 On-Farm Productive Investments (Combined)

Q1. What is the grant support rate of the scheme?

The grant finances 50% of the eligible cost.

The maximum range of support (aid intensity) may be increased to 65% for certain categories of farmers, in line with the Categorisation of Farmers Regulations of 2024. To qualify for such support rate, those with Livestock or holdings with Mixed agricultural activity must be classified as Category 4 or higher, whilst crop holdings must be classified as Category 3 or higher.

The category upon which the aid intensity will be set will be that as notified by the Department of Agriculture in line with Article 4(1) of Legal Notice 122 of 2024, Agriculture Act (CAP. 639) Categorisation of Farmers Regulations. For the first batch closing on the 31st January 2025, the categorisation as at award date will establish the support rate.

In the case of Young Farmers who have set up their holding under the CAP Strategic Plan (CAP-SP), an aid intensity of 80% shall apply, provided that the project under this On-Farm Productive Investments Scheme relates exclusively to additional investments that were not included in the approved Young Farmer Business Plan (YF BP). The increase in aid-intensity to Young Farmers remains linked to the successful implementation of the business plan. The authorities retain the right to recover funds linked to higher aid-intensity in such cases.

Applications for investments under this call shall be of a minimum of **€2,000** in total project cost with a maximum grant of **€150,000**

Q2. Who are the eligible applicants?

Farmers, whether natural or legal persons. They must:

a) be registered as farmers on the Department of Agriculture database (IACS)
b) have the agricultural holding registered on their name with the Agriculture and Rural Payments Agency (ARPA).
c) be registered as farmers with Jobs Plus.
d) have a valid VAT number.

In case of Livestock Farmers, the animals must be registered on the applicant's name with the Veterinary Regulations Directorate (VRD).

Q3. What is the difference between 'full investment proposals' and restrictive investment proposals'?

Proposals under the restrictive investment are limited to investments directly linked to the 1 tumolo of trees being planted or 50 bee-boxes being introduced and can only apply for projects under a total project cost of **€30,000**

On the other hand, there are no such restrictions in the case of an applicant who is eligible on the ground of the full investment proposal criteria.

Q4. What is the criteria for a full investment proposal?

In the case of **Crops –** Minimum area of 0.3 HA arable land (receiving subsidy on land 'AGRICLAIM')

In the case of **Productive trees** - a minimum 0.5HA registered vineyards/olive trees/ orchards (receiving subsidy on land 'AGRICLAIM')

In the case of **Livestock –** a minimum 15,000 Standard Output

In the case of **Apiculture** - a minimum of 50 registered bee colonies.

In the case of **production under glass** as registered with the Department of Agriculture, the applicable area is 50% of the outdoor production.

Standard Output for Livestock and the area required for arable land or trees **cannot be combined.**

Q5. What is the criteria for a restrictive investment proposal?

A restrictive investment proposal refers to an investment made in only one category, either trees or apiculture. The minimum area for this type of investment is of 1 tumolo meaning that the productive trees that are recognised as eligible by the Environmental Resources Authority (ERA) (investment) need to be of 1 tumolo or over. Investment related to the trees being proposed for funding may also be funded.

In the case of an investment in apiculture, there is no criteria linked to the size of the agricultural holding, however the minimum investment is of 50 bee boxes. Any other investments related to the bee boxes being proposed for funding may also be funded (with the exclusion of components that can be financed under Pillar 1 such as beeswax foundation sheets, wireframes, etc., as well as their replacement when these have come to an end of their useful lifespan.).

Q6. If I have 0.3Ha of trees, am I eligible?

- If you have 0.3Ha of trees and you have at least another tumolo of land that is not planted with trees, that tumolo can be committed to tree planting and be eligible for investments related to trees. (Refer to Q5.)

Q7. If I have 30 bee-boxes, can I add another 20 and be eligible?

- One must either have 50 bee boxes at the start in order to be eligible for a full investment proposal or commit to investing a minimum of 50 bee boxes through the project. In this latter case, the investment will be restrictive.
- Adding bee-boxes to reach 50 is not eligible.
- If an applicant achieves eligibility through: 0.3Ha of arable land, 0.5Ha registered vineyards/olive trees/ orchards, in the case of livestock a minimum 15,000 Standard Output or in the case of production under glass as registered with the Department of Agriculture, the applicable area is 50% of the outdoor production (refer to question Q4). Under these conditions, investment in any number of bee boxes will be considered eligible.

Q8. What investment is eligible for funding?

- Equipment and Machinery (example: Tractor, tractor implements)
- Building/restoration/conservation of on-farm infrastructure (example: Reservoir, Agri Stores)
- Trees, vines

The above list is not exhaustive

Q9. What investment is not eligible for funding?

- Second hand equipment
- Purchase of land for an amount exceeding 10% of the total eligible expenditure for the operation concerned; in the case of financial instruments, this ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;
- Purchase of soil
- Investments related to Equidae.
- PV Panels
- Rubble walls

The above list is not exhaustive.

Q10. Can someone with land registered as AGRIDEC apply?

- AGRIDEC land means that the land is not registered for subsidies. Such land cannot be considered as a basis for eligibility under this investments call. **However**, land that is registered as AGRIDEC will be considered eligible subject to the following conditions:
  a) the land has to be registered on the applicant's name at the point of application AND
  b) land is subsequently registered as AGRICLAIM during the first ARPA request period in year 2027(normally July to August).

No reimbursement of payment claims will be made until the land is registered in AGRICLAIM.

Q11. Can I apply for the whilst having an ongoing project?

Applicants who currently have an ongoing project under I73.5 (Simplified Scheme) and/or I73.5.1 – On Farm Productive Investments (Main Scheme) are only allowed to re-apply under this call once the project is completed. Projects are considered to be completed if they have submitted the final payment claim to the Paying Agency before the date of submission of application under this call. Such Beneficiaries may also apply under different Interventions issued through separate calls. An exception is being made for those applicants who applied under the On-Farm Productive investments intervention I73.5.4 – Vineyard renewal and development.

Prospective applicants with an outstanding recovery order with the Paying Agency cannot be considered for support under this intervention.

Q12. Are investments in photovoltaic panels eligible?

- With regards to PV energy, support is not being foreseen through the CAP Strategic Plan

Q13. Are plastic sheeting and shades for greenhouses eligible?

- If the plastic sheeting and shades being introduced are of higher specifications when compared to current or previous installation, then these are eligible.
- New installation of plastic sheets and shades for greenhouses are eligible.

Q14. Are growing medium bags eligible for funding?

- Growing medium bags are eligible for funding.

Q15. Can an individual use the VAT of a partnership?

- An individual can apply with a VAT number that is used for a partnership as long as the individual forms part of the partnership in question.

Q16. Are planning fees and insurance fees eligible under this call?

- No, planning fees and insurance fees are not eligible

Q17. Is VAT, in case of clients who have a VAT Exempt status considered eligible?

- No, VAT is not considered as eligible.

Q18. Is contingency considered eligible?

- Contingencies up to 15% will only be considered as eligible with regards to works included in the Estimate of Works. Kindly note that the final

reimbursement will be made upon the submission of a certified BOQ that shall include the actual costs.

Q19. Are rubble walls eligible?

- No, rubble walls are not eligible under this scheme.

Q20. Would an investment on livestock be eligible if I get the eligibility from arable land or vice versa?

- Yes, one can make an investment on livestock if the eligibility is from arable land and vice versa. It thus important that the applicant has livestock/arable land registered on his name.
- Purchase of livestock, as defined in Article 2(24) of Regulation (EU) No 2016/1012[1, annual plants and their planting other than for the purpose of restoring agricultural or forestry potential following natural disaster and catastrophic events are ineligible.

Q21. Can I make an investment on an agricultural land that is not registered on my name?

- No, any investment made shall be made on agricultural land that is registered on the name of the applicant.
- All documents that are submitted with the application have to be on the name of the applicant.

Q22. How will the budget be calculated?

- In the case of equipment/machinery, a Catalogue of Items with stipulated prices for certain equipment/machinery is being published (Annex 4) where applicants applying for such investments, will be awarded the amounts indicated. Applicants shall purchase the equipment from an external and unrelated supplier to the applicant;
- In the case of equipment/machinery not listed within the Catalogue of Items (Annex 4), three compliant comparable quotations are to be submitted in line with the needs of the applicant and the eligibility framework of the scheme, dated within the previous six months prior to submission of application and obtained from an external and unrelated supplier to the applicant. Applicants applying for equipment/machinery with three quotations which is listed within the Catalogue of Items are to provide a solid justification why this equipment should be considered outside the framework of the Catalogue of Items.
- In the case of building/restoration/conservation of on-farm infrastructure, the applicant should submit an Estimate of Works signed by a warranted architect listing the works that will be carried out. The budget allocated will be based on this Estimate of Works.
- Where it deems necessary, the MA reserves the right to calculate the budget in a different manner.

Q23. Do I need a quote if I apply for items listed in the catalogue?

- No, a quotation at application stage is not required. The Paying Agency will ask for an invoice or a product guarantee at payment stage.

Q24. Are investments made prior to the submission of the application eligible?

- No, investments made prior to the submission of the application are not eligible. Investments can be made after the submission of the application. Any commitment to an investment prior to the receiving of the award letter will be undertaken entirely at the applicant's own risk.

Q25. Can I apply if I do not have a PA Permit in hand?

- Yes, In such cases where this is applicable and not in hand, it is to be submitted within 6 months from award of application.

Q26. Are contingency costs eligible?

Contingency costs are eligible up to 15% **only in relation to construction works.**

Other important notes:

1. Beneficiaries can only procure the items or services from the same suppliers and producers listed in the quotations submitted with the application.
2. All supporting documentation submitted with the application shall be on the name of the applicant.
3. In the case of indirect costs, an additional 7% will be given on every grant to cover any additional indirect costs that might occur during the implementation period.
4. Architect Fees - *Interested applicants are informed that for projects involving the construction, restoration or conservation of on-farm infrastructure, architect services will be financed through a flat rate equal to 7% of the eligible construction-related costs. The rate is established in line with Article 83(2)(a)(i) of Regulation (EU) 2021/2115. The 7% rate is derived from the professional fee structure established under Subsidiary Legislation 390.02 (Periti Act), specifically Tariff K*

Please note that these FAQs do not replace the Intervention Guidelines, in case of doubt, the Measure Guidelines will always prevail.