



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

Annual implementation report

Malta - Rural Development Programme (National)

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Data and content of Tables F of the Annual Implementation Report on the achievement of milestones is linked with the last Rural Development Programme adopted by the Commission.

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1. KEY INFORMATION ON IMPLEMENTATION OF THE PROGRAMME AND ITS PRIORITIES

1.a) Financial Data

See annexed documents

1.b) Common and programme-specific indicators and quantified target values

1.b1) Overview table

Focus Area 1A						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A)	2014-2018					8.19
	2014-2017					
	2014-2016					
	2014-2015					

Focus Area 1B						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	2014-2018					4.00
	2014-2017					
	2014-2016					
	2014-2015					

Focus Area 1C						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	2014-2018					7,200.00
	2014-2017					
	2014-2016					
	2014-2015					

Focus Area 2A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)		2014-2018	0.44	47.53	0.38	41.05	0.93
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	200,000.00
M04	O1 - Total public expenditure	2014-2018	22,852,466.00	108.36	9,116,670.20	43.23	21,090,010.00
M06	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,925,000.00
Total	O1 - Total public expenditure	2014-2018	22,852,466.00	98.44	9,116,670.20	39.27	23,215,010.00

Focus Area 2B							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)		2014-2018	0.15	31.33	0.15	31.33	0.48
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	200,000.00
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	759,597.00
M06	O1 - Total public expenditure	2014-2018	1,750,000.00	40.70	1,120,000.00	26.05	4,300,000.00
Total	O1 - Total public expenditure	2014-2018	1,750,000.00	33.27	1,120,000.00	21.29	5,259,597.00

Focus Area 3A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)		2014-2018					1.56
		2014-2017					
		2014-2016					
		2014-2015					
Nr of operations supported under M4.2 contributing to FA3A (M4.2) (operations)		2014-2018					25.00
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M03	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,100,000.00
M04	O1 - Total public expenditure	2014-2018	387,766.00	5.20	0.00	0.00	7,453,538.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	625,000.00
Total	O1 - Total public expenditure	2014-2018	387,766.00	4.22	0.00	0.00	9,178,538.00

Priority P4							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)		2014-2018			5.45	182.94	2.98
		2014-2017			2.00	67.14	
		2014-2016					
		2014-2015					
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)		2014-2018			4.12	138.30	2.98
		2014-2017			2.00	67.14	
		2014-2016			1.32	44.31	
		2014-2015					
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)		2014-2018			13.48	211.69	6.37
		2014-2017			9.62	151.08	
		2014-2016			9.78	153.59	
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,760,000.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,050,000.00
M04	O1 - Total public expenditure	2014-2018	13,085,897.00	52.54	5,127,440.27	20.58	24,908,690.00
M08	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,750,000.00
M10	O1 - Total public expenditure	2014-2018	3,343,974.92	49.05	1,864,116.51	27.34	6,817,953.00
M11	O1 - Total public expenditure	2014-2018	5,742.00	2.87	901.34	0.45	200,000.00
M13	O1 - Total public expenditure	2014-2018	10,024,376.83	83.54	6,233,634.71	51.95	12,000,000.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,750,000.00
Total	O1 - Total public expenditure	2014-2018	26,459,990.75	52.67	13,226,092.83	26.33	50,236,643.00

Focus Area 5A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T14: percentage of irrigated land switching to more efficient irrigation system (focus area 5A)		2014-2018					5.44
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,760,000.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	350,000.00
M04	O1 - Total public expenditure	2014-2018	10,961,336.00	59.74	5,515,860.02	30.06	18,348,157.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	250,000.00
Total	O1 - Total public expenditure	2014-2018	10,961,336.00	52.93	5,515,860.02	26.64	20,708,157.00

Focus Area 5B							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T15: Total investment for energy efficiency (€) (focus area 5B)		2014-2018					759,597.00
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	440,000.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	350,000.00
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	379,798.00
Total	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,169,798.00

Focus Area 5C							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T16: Total investment in renewable energy production (€) (focus area 5C)		2014-2018					3,038,387.00
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,519,194.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	600,000.00
Total	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	2,119,194.00

Focus Area 5D							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T17: percentage of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus area 5D)		2014-2018					16.09
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	220,000.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	350,000.00
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,044,446.00
Total	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,614,446.00

Focus Area 5E							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)		2014-2018			2.06	38.78	5.31
		2014-2017			0.31	5.84	
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M08	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,750,000.00
M10	O1 - Total public expenditure	2014-2018	294,405.46	161.72	190,703.49	104.76	182,047.00
Total	O1 - Total public expenditure	2014-2018	294,405.46	15.24	190,703.49	9.87	1,932,047.00

Focus Area 6A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T20: Jobs created in supported projects (focus area 6A)		2014-2018					35.00
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M06	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,925,000.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	250,000.00
Total	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	2,175,000.00

Focus Area 6B							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T23: Jobs created in supported projects (Leader) (focus area 6B)		2014-2018					10.00
		2014-2017					
		2014-2016					
		2014-2015					
T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)		2014-2018					0.00
		2014-2017					
		2014-2016					
		2014-2015					
T21: percentage of rural population covered by local development strategies (focus area 6B)		2014-2018			105.75	105.79	99.97
		2014-2017			99.97	100.00	
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	250,000.00
M19	O1 - Total public expenditure	2014-2018	6,154,000.00	94.68	736,529.39	11.33	6,500,000.00
Total	O1 - Total public expenditure	2014-2018	6,154,000.00	91.17	736,529.39	10.91	6,750,000.00

Focus Area 6C

Focus Area 6C							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)		2014-2018					0.00
		2014-2017					
		2014-2016					
		2014-2015					
Percentage of total public expenditure (M1.1 to M1.3) allocated for ICT actions/interventions (%)		2014-2018					20.00
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	220,000.00
Total	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	220,000.00

1.c) Key information on RDP implementation based on data from a) and b) by Focus Area

Priority 1 - Focus Area 1A

List of measures

The list of measures contributing towards Focus Area 1A are:

- M01 – Knowledge transfer and information actions
- M02 – Advisory services, farm management and farm relief services
- M16 – Co-operation

Progress achieved

Measure 1: Knowledge transfer and information actions

The sub-measures under M01 all contribute towards FA1A. These are

- M1.1- support for vocational training and skills acquisition actions;
- M1.2 - support for demonstration activities and information actions; and
- M1.3 - support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to farmers. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (e) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under, including P1.

Measure 2: Advisory services, farm management and farm relief services

The applicable measure contributing towards FA1A is:

- M2.2 - support for the setting up of farm management, farm relief and farm advisory services as well as forestry advisory services.

As at the end of December 2018, M2.2 was not yet launched. As a result, no progress was registered in terms of committed and realized outputs. The reason for the relatively delayed call of this measure is chiefly due to the fact that M2.1 was regarded to be of a higher priority since it is linked to the actual delivery of Farm Advisory Services (FAS) to farmers. Furthermore, the eligibility conditions for M2.1, and indeed the recognition of FAS providers by the respective board (Farm Advisory Services Board. MESDC) entail that FAS providers are already set up and have the necessary competences. As a result, M2.2 could have limited scope within the ambit of the local regulatory framework and hence M2.1 was prioritised over M2.2.

Measure 16: Co-operation (art 35)

The applicable sub measures contributing towards FA1A are:

- M16.2 - support for pilot projects, and for the development of new products, practices, processes and technologies; and
- M16.4 - support for horizontal and vertical cooperation among supply chain actors for the establishment and development of short supply chains and local markets, and for the promotion activities in a local context relating to the development of short-supply chains and local markets.

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. To address these challenges, the Measures was simplified through a reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Target Indicator

As at end of 2018, no expenditure was recorded under any of these measures. Indeed the result indicator (T1) on the % of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (Focus Area 1A) was at end of 2018 nil.

Priority 1 - Focus Area 1B

List of measures

The measure contributing towards Focus Area 1B is:

- M16 – Co-operation (art 35)

Progress achieved

Measure 16: Co-operation (art 35)

The relevant sub-measures under this FA1B are:

- M16.2 - support for pilot projects, and for the development of new products, practices, processes and technologies; and
- M16.6 - support for cooperation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes.

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Target Indicators

Given that as at the end of 2018, none of the measures contributing towards this FA have been implemented, there is no progress to register in the output indicators of this focus area. The result indicator (T2) on the Total number of co-operation operations supported under the cooperation measure (Art. 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) is also nil.

Priority 1 – Focus Area 1C

List of measures

The measure contributing towards Focus Area 1C is:

- M01 – Knowledge transfer and information actions
- M02 - Advisory services, farm management and farm relief services

- M16 – Co-operation

Progress achieved

Measure 1 - Knowledge transfer and information actions

The three sub-measures under M01 contributing towards FA1C, these are:

- M1.1 - support for vocational training and skills acquisition actions;
- M1.2 - support for demonstration activities and information actions; and
- M1.3 - support for short-term and forest management exchange as well as farm and forest visits

As explained earlier on, M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (d) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under, including P1.

Measure 2 - Advisory services, farm management and farm relief services

The two sub-measures under M02 contributing towards FA1C are:

- M2.1 - support to help benefiting from the use of advisory services; and
- M2.3 - support for training of advisors

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line

with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where the selection of advice providers and trainers was no longer restricted to selection through applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is indeed open.

As a result of the above, no progress was registered in terms of committed expenditure and realised outputs. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18 July 2019. The application process is operating on the basis of an open rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency can apply. Currently there is only one registered entity with Farm Advisory Services. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

Measure 16- Co-operation

The relevant sub-measure contributing towards FA1C is:

- M16.2 - Support for pilot projects, and for the development of new products, practices, processes and technologies

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Target Indicators

Given that none of the measures under this FA had been implemented as at end of 2018, there is no progress under any of the output indicators contributing towards this Focus Area. Likewise, progress under result indicator T3 Total number of participants trained under Art. 14 was at end of 2018 nil.

Priority 2 - Focus Area 2A

List of measures

The list of measures contributing towards Focus Area 2A are:

- M02 – Advisory Services, farm management and farm relief
- M04 – Investment in physical assets

- M06 – Farm and business development

Progress achieved

Measure 2: Advisory Services, farm management and farm relief

The relevant sub-measure under this FA is:

- M2.1 - Support to help benefitting from the use of advisory services

As at the end of December 2018, M2.1 was not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where the selection of advice providers and trainers was no longer restricted to selection through applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is indeed open.

As a result of the above, no progress was registered in terms of committed expenditure and realised outputs. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18 July 2019. The application process is operating on the basis of an open rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency can apply. Currently there is only one registered entity with Farm Advisory Services. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

Measure 4: Investment in Physical Assets

The applicable M4 sub-measures relating to FA2A are:

- M4.1 - Support for investment in agricultural holdings
- M4.3 - Support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry

Considerable progress was registered under M4.1 with a contribution towards FA2A. This call for projects under the measure covering all Focus Areas was launched in 2017 with contracts signed in 2018. The number of selected operations with the primary contribution towards FA2A add up to 55 with 48 of them initiating their operations during 2018. Amount committed in operations summed up to circa €4.8 million in 2018. However, no payments were effectively realised in relation to this measure during 2018. There were however €107,441.37 realised payments in 2019 in relation to 2018 operations.

M4.1 is currently still open and it is being managed on an open rolling call basis, which methodology has proved to facilitate and smoothen the application process for the farmers. Approved interventions covered a number of investments including improved agricultural holdings, such as structural improvements,

modernisation of equipment, extensions as well as the adoption of innovative solutions.

The aim of this Measure is to support investment in cost-effective and environmentally efficient systems and equipment in relation to soil management, water capture and use, renewable energy, waste management, and improved efficiency of fertiliser and pesticide use and control. Support for investments in holdings is also intended to target improved productivity on holdings or within specific sectors, as long as the adoption of these techniques and farming systems do not cause environmental damage. The focus of the investment is directed towards livestock farming and the horticultural sector. The maximum value of grant support provided under this Measure is set at €150,000 excluding VAT, by part-financing of eligible costs at 50%.

The call for M4.1 supports projects not only under 2A but also under other Focus Areas, including 2B, 3A, 4B, 4C, 5A, 5B and 5C.

M4.3 was also launched in 2017 with 29 applications received in the same year, which were awarded by April 2018. During 2018, 20 operations initiated the implementation process of the projects. The first call for this measure related to projects supporting construction or improvement of farm access roads, footbridges, protection and consolidation works with the aim to improve the competitiveness of the agricultural sector. The support is geared to address the development need dealing with lack of investment in basic off-farm infrastructure which if improved, could contribute to reducing labour and input costs of production. Then, during 2018, the call related to water related interventions was launched, which contributes to P5.

The main beneficiaries for M4.3 with a contribution towards FA2A are either Local Councils or Infrastructure Malta (formerly Transport Malta). By the end of 2018, close to €12million were committed in operations under this Focus Area. In addition, the contribution of M4.3 to 2018 realised expenditure amounted to circa €9.1 million.

The co-financing rate for this measure is of 90%. Only public authorities are eligible for support.

Measure 6 – Farm and business development

The relevant sub-measure under this Focus Area is:

- M6.4 - Support for investment in creation and development of non-agricultural activities

M6.4 was pre-launched in August 2018, followed by a series of information sessions extending from August 2018 to June 2019, where the last 2 information sessions were held on the 24th June in Malta and 26th June in Gozo, amidst a campaign to raise awareness on the measure. The call is currently still open.

M6.4 is the first measure of its kind to be launched under the RDP and hence the MA had to build the respective structures and knowledge to ensure that such a measure could be implemented. At programming stage, Malta has taken steps to ensure delineation between the different EU Funding mechanisms (namely ERDF and EAFRD), however, further clarity was necessary to seal these demarcations. During 2018, the necessary efforts were put in place to address the matter. Following this, the MA put its efforts to finalise the requirements of the scheme supporting farmers intending to diversify their income. The MA remains committed towards this Measure and will ensure increased visibility and information among stakeholders.

Target Indicator

Progress has been achieved in terms of the result target indicator on the % of agriculture holdings with RDP support for investment in restructuring or modernisation. The value as at end of 2018 amounted to 0.38% of holdings reflecting 48 holdings.

Priority 2 – Focus Area 2B

List of measures

The list of measures contributing towards Focus Area 2B are:

- M02 – Advisory Services, farm management and farm relief
- M04 – Investment in physical assets
- M06 – Farm and business development

Progress achieved

Measure 2: Advisory Services, farm management and farm relief

The relevant sub-measure under this FA is:

- M2.2 - Support for the setting up of farm management, farm relief and farm advisory services as well as forestry advisory services

As at the end of December 2018, M2.2 was not yet launched. As a result, no progress was registered in terms of committed and realized outputs. The reason for the relatively delayed call of this measure is chiefly due to the fact that M2.1 was regarded to be of a higher priority since it is linked to the actual delivery of Farm Advisory Services (FAS) to farmers. Furthermore, the eligibility conditions for M2.1, and indeed the recognition of FAS providers by the respective board (Farm Advisory Services Board. MESDC) entail that FAS providers are already set up and have the necessary competences.

Measure 4: Investment in Physical Assets

The relevant sub-measure under this FA is:

- M4.1 - Support for investment in agricultural holdings

The considerable progress registered under M4.1 referred to under FA2A does not contribute towards FA2B. When launched, the call for proposals covered the whole measure across all the Focus Areas, however there were no interventions awarded that had their primary action contributing towards FA2B.

The call for M4.1 supports projects not only under 2B but also under other Focus Areas, including 2A, 3A, 4B, 4C, 5A, 5B and 5C.

Measure 6: Farm and business development

The relevant sub-measure under this FA is:

- M6.1 – Business Start-up for young farmers

M6.1 has its primary contribution directed towards FA2B only. The scope of this measure is to facilitate the entry of young farmers into the agricultural sector with the aim to achieve generational renewal. Financial support is provided in the form of a lump sum of €70,000 to combat the barriers that exist to access the agricultural sector. Approved operations include, amongst others, investment in harvesting and post harvesting technology, upgrading of farm facilities, investment in innovative greenhouse cultivation as aquaponics.

It has registered good progress over the course of implementation of the programme. It was launched in April 2017 and by 2018, 19 operations were awarded amounting to a committed expenditure of €1.75 million. Realised expenditure amounted to €1.4 million, including 2018 incurred expenditure (amounting to €280,000) which was paid in 2019. The call is currently closed as a number of applications have been received which are being assessed during the month of June. The Managing Authority is currently assessing whether there is an element of oversubscription before deciding whether to proceed with the re-launching of the call.

Since it is obligatory for M6.1 Beneficiaries to enhance their skills and knowledge where weaknesses are identified, the MA made an agreement with MCAST to facilitate participation in training. M6.1 applicants are being assessed by the MCAST interviewing board who would pass their recommendations on training needs to the PSC. Applicants who are considered to require training by MCAST interviewing board but nonetheless make it through the M6.1 selection process are then required to participate in tailor made training programmes.

Target Indicator

Some progress has been recorded for result target T5: % of agriculture holdings with RDP supported business development plan/investments for young farmers (Focus Area 2B) whereby with a progress value of 19 holdings linked to M6.1, the result target value, as at end of 2018 was 0.2%.

Priority 3 - Focus Area 3A

List of measures

The list of measures contributing towards Focus Area 3A are:

- M03 – Quality schemes for agricultural products and foodstuffs
- M04 – Investment in physical assets
- M16 – Co-operation

Progress achieved

Measure 3 – Quality schemes for agricultural products and foodstuffs

The relevant sub-measures that contribute towards FA3A are:

- M3.1 - Support for new participation in quality schemes
- M3.2 - Support for information and promotion activities implemented by group of producers in the internal market

As outlined in the MA's letter of 19th December 2018 to Director General Mr Jerzy Plewa, in reply to his letter pursuant to Article 50(8) of Regulation (EU) No 1303/2013, no progress was registered in relation to M3 despite the MA's efforts to kick start M3.1 during the course of the first years of programme implementation. M3.1 was launched in 2017. However, despite the efforts by the MA to launch this scheme early and to provide information to potential applicants (both through information sessions and adverts as well as discussions with the Competent Authority responsible for Quality Marks) to date, no participation in the scheme is registered.

In addition, the original RDP approved in 2015 included two important assumptions that proved to be wrong. These related to the number of schemes that could be approved as well as the timing of the approval process. This matter was addressed in the 2018 Strategic Programme Modification. However, the impact of these erroneous assumptions is directly reflected in the registered failure of this priority.

As for M3.2, it had not been launched during 2018 due to the lack of uptake on M3.1. Up until December 2018, this measure was directly linked to uptake under M3.1 and hence, since no uptake under M3.1 materialised, this measure could not be launched by end 2018. Following the strategic RDP Modification approved in December 2018, preparations are underway to have this measure launched in 2019.

Measure 4 – Investment in physical assets

The relevant sub-measures under this focus area are:

- M4.1 – Support for investment in agricultural holdings
- M4.2 - Support for investment in processing/Marketing and /or development of agricultural products

Besides registering considerable progress in interventions contributing towards FA2A, M4.1 also registered progress in relation to operations contributing towards FA3A. 2018 saw the award of 3 operations, with 2 initiating their implementation too. The selected projects focus on modernisation, including investment in renewable sources of energy. The commitment value is circa €0.39 million; however, no payments were effectively realised in relation to this measure during 2018.

M4.1 is currently still open and it is being managed on an open rolling call basis, which methodology has proved to facilitate and smoothen the participation process. Approved interventions cover investments ranging from improving the agricultural holdings, such as structural improvements, modernisation of equipment, extensions as well as the adoption of innovative solutions.

The maximum value of grant support provided under this Measure is set at €150,000 excluding VAT, by part-financing of eligible costs up to 50%. Overall, the average total project costs stood at circa €250,000.

The call for M4.1 supports projects not only under 3A but also under other Focus Areas, including 2A, 2B, 4B, 4C, 5A, 5B and 5C.

As for M4.2, it was launched in November 2018. M4.2, contributing towards FA3A, experienced changes as a result of 2018 Programme Modification, which saw the consolidation of this measure under FA3A in line with standard practice adopted across various Member States since such measures are more linked with the objectives of 3A.

During 2018, the MA invested considerably in preparatory work, including various information sessions. As a result, M4.2 has now registered considerable progress during the first half of 2019 whereby the MA received 19 applications for support. The evaluation process has been completed and 9 projects have been awarded, with a committed expenditure of circa €3.7M. It is also expected that all allocated budget under this Measure to be committed through applications by the end of 2019. Although this progress will naturally not be reflected in this AIR covering up to December 2018, the Performance targets linked to this priority can theoretically be considered as achieved, clearly outlining the progress that has now been achieved under this Priority.

Measure 16 – Co-operation

The relevant sub-measures contributing towards this FA are:

- M16.2 - support for pilot projects, and for the development of new products, practices, processes and technologies
- M16.4 - support for horizontal and vertical co-operation 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

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Result Target Indicator

By the end of 2018 the target on the % of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups/organisations was nil.

Priority 4

List of measures

The list of measures contributing towards Priority 4 are:

- M01 – Knowledge transfer and information actions
- M02 – Advisory services, farm management and farm relief services
- M04 – Investment in physical assets
- M08 – Investment in Forest Area Development and improvement of viability of forests
- M10 – Agri-Environment-Climate Measures
- M11 – Organic Farming
- M13 – Payments to Areas Facing Natural or Other Specific Constraints
- M16 – Co-operation

Progress achieved

Measure 1: Knowledge transfer and information access

The sub-measures under M01 all contribute towards FA4C and are interlinked with FA1A contributions. These are:

- M1.1- support for vocational training and skills acquisition actions;
- M1.2 - support for demonstration activities and information actions; and
- M1.3 - support for short-term and forest management exchange as well as farm and forest visits

As explained earlier on, M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta's needs in line with the RDP.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life;

(c) Landscape & environment; (d) Water, waste & energy; and (e) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under, including P4.

Measure 2: Advisory services, farm management and farm relief services

The applicable sub-measures that contribute towards FA4A are:

- M2.1 - support to help benefiting from the use of advisory services; and
- M2.3 - support for training of advisors

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where the selection of advice providers and trainers was no longer restricted to selection through applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is indeed open.

As a result of the above, no progress was registered in terms of committed expenditure and realised outputs. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18 July 2019. The application process is operating on the basis of an open rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency can apply. Currently there is only one registered entity with Farm Advisory Services. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

Measure 4: Investment in physical assets

The applicable sub measure that contribute towards Priority 4 are:

- M4.1 – Investment in agricultural holdings
- M4.4 - Support for non-productive investment linked to the achievement of agri-environment objectives

M4.1's approved financial allocation with the RDP contributes towards FA4B and FA4C, whereas M4.4 contributes to FA4A and FA4C.

Overall, considerable progress was registered under M4.1, however there was no contribution towards P4 up to 2018 in terms of committed expenditure and realised outputs. The underlying difficulty with M4.1 is that even though the call is open for projects contributing towards Priority 2, 3, 4 and 5, most of the applications received fall under Priority 2 and 5, with a few under P3. Despite the expectations set at Programme level, none of the applications that were received are related to Priority 4, implying that farmers' priorities are steered more towards competitiveness and efficiency rather than the eco-systems when it comes to investment in the holdings.

The call for M4.1 supports projects not only under P4 FA4B and 4C but also under other Focus Areas,

including 2A, 2B, 3A, 5A, 5B and 5C.

Considerable progress was registered by M4.4. A call for project proposals was launched in December 2016 and more recently a second call was issued in April 2019. The MA put significant effort on this Measure at the start of the programme through the drafting of the necessary guidance notes and the delivery of three information sessions in 2016. The number of operations selected during 2018 added up to 75, with 59 having initiated the implementation of their project in 2018.

The progress achieved contributed to more than €12 million in committed expenditure, leading to an uptake of 55%. Realised expenditure was more than €5 million, including also a small amount (circa €0.06M) relating to 2018 expenditure but which was paid in 2019. To expedite payment under this measure, the MA also held bi-lateral meetings with 15 M4.4 Beneficiaries that are implementing projects of a considerable dimension and has not submitted any payment claims.

Investment under this measure is primarily directed towards the construction and upgrading of rubble walls. The Beneficiaries under this measure are either farmers, Local Councils and the Ministry for Gozo.

Measure 8: Investment in Forest Area Development and improvement of viability of forests

The applicable sub-measure for FA4A is:

- M8.5 – Investments improving the resilience and environment value of forest ecosystems

50% of the financial allocation for this sub measure falls under this Focus Area (amounting to €1.75 million). The rest of the allocation contributes to FA5E. The MA has pre-launched this sub-measure in Q2 of 2019 with the aim to support afforestation initiatives.

From consultations carried out by the MA, it clearly emerges that Malta has difficulties in ensuring that this measure is successful, as a result of the limitations of Article 22 (1) of EU Regulation 1305/2013. Moreover, M8.5 is bound by a regulatory eligibility criterion centred around a minimum area of intervention set at 0.5ha; for Malta, this a large amount of land to be either owned by the private sector or the local councils, therefore these restrictions make it very difficult to have applications under the measure. In fact, few farmers are likely to create afforestation projects due to the limited land available to them. Furthermore, eligible Beneficiaries such as Local councils are unlikely to have such land available as such open spaces are usually managed by Central Government – this is stipulated in the Fourth Schedule (Article 33) of the Local Government Act (Chapter 363) where a list is given of all sites that are excluded from the responsibility of Local Councils.

Even though the MA has pre-launched the measure, it is still concerned with its uptake. The MA is continuing with its efforts to meet the relevant stakeholders to address this concern and to try finding solutions to promote uptake of the measure.

Measure 10: Agri-Environment Climate Measures

The applicable sub-measures contribute to the 3 Focus Areas available under Priority 4. The sub-measures are:

- M10.1 – Agri-environment-climate measures

- M10.2 – Conservation of genetic resources

Measure 10.1 is another measure where considerable progress has been registered. By the end of 2017, the MA had launched 5 out of the 6 AECMs established with the RDP and thereafter issued the call for the last AECM in January 2018. During 2018, the MA received applications for all the launched AECMs and in 2019 the MA is planning to launch a new campaign to instil further interest in this support measure with the aim to receive new applications.

During 2018, circa 1,000 Beneficiaries were benefiting from the scheme. Committed annual expenditure contributing to P4 is of circa €0.5 million leading to an overall cumulative realised expenditure of circa €1.8 million under this measure. €82,021 of the reported amounts were committed for AEMs (covering P4) for 2018 (transitional 2007-2013). Considering the remaining programme implementation years and the reality that the committed amount being referred to represents annual commitments, the allocation at Programme Level is almost at 100%.

The progress achieved in financial commitments is a reflection of the hectares of land supported under the different AECMs launched, amounting to a total of 820.69 ha covered through this measure. Consequently, this measure provided support over an extensive distribution of land. The AECM that experienced the highest levels in terms of commitments and hectares of land covered is AECM 1, focusing on measures to control weeds in orchards and vineyards by mechanical instead of chemical methods, reaching an area of 340 ha. This is followed by AECM 5 (which focuses on measures for the implementation of a soil management and conservation plan on a parcel), where circa 150 hectares of land were covered through M10.1. One has to keep in mind that AECM 5 went through a modification at Programme level and was launched 2 years after AECM 1; only after such modification was it possible to gauge the interest in the measure. It is expected that AECM 5 continues to gather more momentum and could possibly register the largest amount of participation both in terms of number of farmers as well as committed hectares. AECM 6c, focusing on measure for the integration and maintenance of autochthonous Maltese species – carob, black mulberry and white mulberry, also registered good progress with circa 125 hectares of land covered.

Further to the committed and realised expenditure relating to AECMs mentioned above under sub-measure 10.1, an additional realised expenditure of €481,733.38 covering 716.53ha of area relating to transitional measures (AEMs) was also recorded. The major AEMs contributing to this expenditure are as follows:

- AEM 3 which seeks to promote use of environmentally friendly plant protection products in vineyards. Expenditure under this AEM amounted to €330,386.33.
- AEM 4 which promotes the suppression of use of herbicides in vineyards and fruit orchards. Expenditure under this AEM amounted to €70,905.70.
- AEM 6 promoting the conservation of rural structures providing a natural habitat for fauna and flora. Expenditure under this AEM amounted to €31,612.11.
- AEM PCK 2 which provides support for reduced use of plant protection products in vineyards. Expenditure under this AEM amounted to €33,040.89

Besides the above major contributors, AEM 1, 7 and 9 have also contributed the progress achieved in terms of realised expenditure.

During 2018, M10.1 was decoupled from M1 and M2. Although the requirement for M10.1 to have access to advice relevant to the measure within 3 years from acceptance on the scheme still holds, the advice does not necessarily have to be implemented via M1 and M2. In fact, for those beneficiaries that obtained funding for the year 2016, the Government's Farm Extension Services (FES) provided such training and

advice (with no support emanating from RDP budget).

M10.2 was launched more recently, in May 2019. The first cut-off date for this measure is 18 July 2019, where the MA is expecting the first batch of applications. As a result, no commitments nor any realised expenditure was effected in 2018.

Measure 11: Organic Farming

The contribution of M11 sub-measures is directly related to FA4A. The relevant sub-measures are two:

- M11.1 – Conversion to organic farming
- M11.2 – Maintenance of organic farming

Both M11.1 and M11.2 were launched in April 2018. By the end of 2018, the MA has received 6 applications in all, 4 under M11.1 and 2 under M11.2, amounting to 3.41ha and 2.91ha respectively.

The progress has been relatively slow. This can be related to the limited amount of agricultural land dedicated for organic produce as well as the limited number of organic producers (estimated to be circa 15). Overall, in recent years organic farming is also growing relatively slowly in Malta mainly since the nature of the holdings, with small and scattered parcels is not conducive to developing organic farming where products are likely to be contaminated from activities on neighbouring parcels. This limitation, together with the fact that much manual labour is already applied in arable production, as well as taking into account that the expected returns on organically labelled produce are limited, lead to a lack of interest in organic production.

Despite the administrative burden of the scheme in relation to the allocated budget and potential uptake, further efforts will be pursued to promote the implementation of organic farming related sub-measures, including renewed direct contact with all farmers on the National Organic Register.

Measure 13: Payments to areas facing natural or other specific constraints

The budgetary allocation for this Measure is directly linked to FA4A. The applicable sub-measure in this case is:

- M13.3 – Payments to areas facing natural or other specific constraints

This land based sub-measure was launched in 2015. The area claimed up to 2018 amounted to circa 8,150ha (amounting to 71% of the total UAA) which is translated into realised cumulative expenditure of €6.2million, of which €1.9 million was realised in 2018. Amounts cover circa €9,500 of committed amounts for Least Favoured Area (LFA) related to 2018 transition period. Support under this measure offers beneficiaries a simple, standard payment per hectare of agricultural land in order to help ensure that this land remains under agricultural management. In line with the RDP the aim of the measure is to prevent land abandonment in disadvantaged areas as well as to maintain the Maltese rural landscape.

The highest rate achieved during the 07-13 period in terms of LFA participation was 8,484ha.

Measure 16: Co-operation

The relevant sub-measure under the Priority is M16.2. Its financial allocation is linked to both FA4A and FA4C.

- M16.2 – Support for pilot projects, and for the development of new products, practices, processes and technologies.

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Target Indicators

Given that a number of measures under this Priority registered good progress and a number of operations had been implemented as at end of 2018, progress was noted for the output indicators contributing towards this Priority, in terms of total public expenditure, total area and number of beneficiaries. Likewise, progress under result indicators was registered as follows:

- R7/T9: % of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A) – the set target for 2023 is 6.37% and the achievements by 2018 amount to 13.48%.
- R8/T10: % of agricultural land under management contracts to improve water management (focus area 4B) – the set target for 2023 is 2.98% and the achievements by 2018 amount to 4.12%.
- T12: % of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C) – the set target for 2023 is 2.98% and the achievements by 2018 amount to 5.45%.

Priority 5 - Focus Area 5A

List of measures

The list of measures contributing towards Focus Area 5A are:

- M01 – Knowledge transfer and information actions
- M02 – Advisory services, farm management and farm relief services
- M04 – Investment in physical assets
- M16 – Co-operation

Progress achieved

Measure 1: Knowledge transfer and information actions

Similar to P4, the sub-measures under M01 all contribute towards FA5A and are interlinked with FA1A contributions.

- M1.1- support for vocational training and skills acquisition actions;
- M1.2 - support for demonstration activities and information actions; and
- M1.3 - support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the first call covered AECM obligatory training, the new call will allow training proposals to cover all Malta's needs in the line with RDP.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (d) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under, including P5.

Measure 2: Advisory services, farm management and farm relief services

The applicable measures contributing towards FA5A are:

- M2.1 - support to help benefiting from the use of advisory services
- M2.3 - training of advisors

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line

with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where the selection of advice providers and trainers was no longer restricted to selection through applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is indeed open.

As a result of the above, no progress was registered in terms of committed expenditure and realised outputs. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18 July 2019. The application process is operating on the basis of an open rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency can apply. Currently there is only one registered entity with Farm Advisory Services. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

Measure 4: Investment in physical assets

The applicable sub-measures are:

- M4.1 – support for investment in agricultural holdings
- M4.3 - support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry.

Part of M4.1 and M4.3's approved financial allocation within the RDP also contributes towards FA5A.

Overall, considerable progress was registered under M4.1. During 2018, contribution towards FA5A was also achieved with 9 projects awarded having a commitment value of circa €0.95 million. However, no payments were effectively realised in relation to this measure during 2018. The projects awarded under this measure focuses on assisting farmers in storage of water mainly through the construction of reservoirs and irrigation systems.

The call for M4.1 supports projects not only under FA5A but also under other Focus Areas, including 2A, 2B, 3A, 4B, 4C, 5A, 5B and 5C.

In terms of M4.3, progress was also achieved through the implementation of one project which carries a substantial project cost of circa €27 million, with a committed amount of €10 million in 2018. The Project Beneficiary is the Water Services Corporation and provides treated sewage effluent (TSE) to agricultural land located in proximity to the treatment plants located in Malta and Gozo. The project started achieving outputs in 2018, and as a result of this project, circa €5 million were realised during 2018. The call in relation to this project was launched in April 2018.

Measure 16: Co-operation

The applicable sub measure contributing towards FA5A is:

- M16.2 - support for pilot projects, and for the development of new products, practices, processes and technologies; and

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Target Indicator

The applicable target indicator for this FA is % of irrigated land switching to more efficient irrigation system and is set at 5.44% (T14). The operations contributing towards this indicator are primarily projects under M4.1. Given that none of the operations approved under M4.1, contributing towards this indicator, have been completed, the value of the indicator is nil.

Priority 5 - Focus Area 5B

List of measures

The measure contributing towards Focus Area 5B are:

- M01 – Knowledge transfer and information actions
- M02 – Advisory services, farm management and farm relief services
- M04 – Investment in physical assets

Progress achieved

Measure 1: Knowledge transfer and information actions

Similar to FA5A, the sub-measures under M01 also contribute towards FA5B and are interlinked with FA1A contributions.

- M1.1- support for vocational training and skills acquisition actions;
- M1.2 - support for demonstration activities and information actions; and
- M1.3 - support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher

Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the first call covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (e) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under, including P5.

Measure 2: Advisory services, farm management and farm relief services

The relevant sub measures that contribute towards FA2B are:

- M2.1 - support to help benefiting from the use of advisory services; and
- M2.3 - support for training of advisors

These measures which also contribute towards FA1C, directly feed into FA5B in line with the provisions of the RDP.

As explained earlier on, as at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where the selection of advice providers and trainers was no longer restricted to selection through applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is indeed open.

As a result of the above, no progress was registered in terms of committed expenditure and realised outputs. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18 July 2019. The application process is operating on the basis of an open rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency can apply. Currently there is only one registered entity with Farm Advisory Services. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

Measure 4: Investment in physical assets

The relevant sub measure for this FA is:

- M4.1 – support for investment in agricultural holdings

Overall, considerable progress was registered under M4.1, however there was no contribution towards FA5B. This is primarily the case since reporting structures require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to. In this case, the projects submitted under this measure are contributing towards FA5A.

The call for M4.1 supports projects not only under FA5B but also under other Focus Areas, including 2A, 2B, 3A, 4B, 4C, 5A, and 5C.

Target Indicators

The result indicator (T15) on the total investment in energy efficiency (€) (focus area 5B) is currently nil, primarily as a result of the reporting structures which require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to.

Priority 5 – Focus Area 5C

List of measures

The measure contributing towards Focus Area 5C is:

- M04 – Investment in physical assets
- M16 – Co-operation

Progress achieved

Measure 4 – Investment in physical assets

The -measures under M04 contributing towards FA5C is:

- M4.1 – support for investment in agricultural holdings

Overall, considerable progress was registered under M4.1, however there was no contribution towards FA5C. This is primarily the case since reporting structures require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to. In this case, the projects submitted under this measure are contributing towards FA5A.

The call for M4.1 supports projects not only under FA5C but also under other Focus Areas, including 2A, 2B, 3A, 4B, 4C, 5A, 5B and 5D.

Measure 16- Co-operation

The relevant sub-measure contributing towards FA5C is:

- M16.2 - Support for pilot projects, and for the development of new products, practices, processes and technologies

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Target Indicators

Given that none of the measures under this FA had been implemented as at end of 2018, there is no progress under any of the output indicators contributing towards this Focus Area. Likewise, progress under result indicator T16: Total investment in renewable energy production (€) (focus area 5C) was at end of 2018 nil, primarily since reporting structures require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to.

Priority 5 – Focus Area 5D

The measures applicable under FA5D are:

- M01 – Knowledge transfer and information actions
- M02 – Advisory services, farm management and farm relief services
- M04 – Investment in physical assets

Progress achieved

Measure 1: Knowledge transfer and information actions

Similar to FA5A and 5B, the sub-measures under M01 also contribute towards FA5D and are interlinked with FA1A contributions.

- M1.1- support for vocational training and skills acquisition actions;
- M1.2 - support for demonstration activities and information actions; and

- M1.3 - support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the first call covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (e) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under, including P5.

Measure 2: Advisory services, farm management and farm relief services

The relevant sub measures that contribute towards FA5D are:

- M2.1 - support to help benefiting from the use of advisory services; and
- M2.3 - support for training of advisors

These measures which also contribute towards FA1C, directly feed into FA5D in line with the provisions of the RDP.

As explained earlier on, as at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where the selection of advice providers and trainers was no longer restricted to selection through applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is indeed open.

As a result of the above, no progress was registered in terms of committed expenditure and realised outputs.

M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18 July 2019. The application process is operating on the basis of an open rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency can apply. Currently there is only one registered entity with Farm Advisory Services. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

Measure 4: Investment in physical assets

The relevant sub measure for this FA is:

- M4.1 – support for investment in agricultural holdings

Overall, considerable progress was registered under M4.1, however there was no contribution towards FA5D. This is primarily the case since reporting structures require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to. In this case, the projects submitted under this measure are contributing towards FA5A.

The call for M4.1 supports projects not only under FA5D but also under other Focus Areas, including 2A, 2B, 3A, 4B, 4C, 5A, and 5C.

Target Indicators

The result indicator (T17) on the % of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus areas 5D) is currently nil. This is primarily the case since reporting structures require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to.

Priority 5 – Focus Area 5E

The list of measures contributing towards this FA are:

- M08 - Investment in forest areas development and improvement of the viability of forests
- M10 - Agri-Environment-Climate Measures

Measure 8: Investment in Forest Area Development and improvement of viability of forests

The applicable sub-measure for FA5E is:

- M8.5 – Investments improving the resilience and environment value of forest ecosystems

50% of the financial allocation for this sub measure falls under this Focus Area (amounting to €1.75 million). The rest of the allocation contributes to FA4A. The MA has pre-launched this sub-measure in Q2 of 2019 with the aim to support afforestation initiatives.

From consultations carried out by the MA, it clearly emerges that Malta has difficulties in ensuring that this measure is successfully, as a result of the limitations of Article 22 (1) of EU Regulation 1305/2013. Moreover, M8.5 is bound by a regulatory eligibility criterion centred around a minimum area of intervention set at 0.5ha; for Malta, this a large amount of land to be either owned by the private sector or the local councils, therefore these restrictions make it very difficult to have applications under the measure. In fact, few farmers are likely to create afforestation projects due to the limited land available to them. Furthermore, eligible Beneficiaries such as Local councils are unlikely to have such land available as such open spaces are usually managed by Central Government – this is stipulated in the Fourth Schedule (Article 33) of the Local Government Act (Chapter 363) where a list is given of all sites that are excluded from the responsibility of Local Councils.

Even though the MA has pre-launched the measure, it is still concerned with its uptake. The MA is continuing with its efforts to meet the relevant stakeholders to address this concern and to try finding solutions to promote uptake of the measure.

Measure 10: Agri-Environment Climate Measures

The applicable sub-measures contributing to FA5E are:

- M10.1 – Agri-environment-climate measures
- M10.2 – Conservation of genetic resources

Measure 10.1 is another measure where considerable progress has been registered. By the end of 2017, the MA had launched 5 out of the 6 AECMs established with the RDP and thereafter issued the call for the last AECM in January 2018. During 2018, the MA received applications for all the launched AECMs and in 2019 the MA is planning to launch a new campaign to instil further interest in this support measure with the aim to receive new applications.

During 2018, circa 1,000 Beneficiaries were benefiting from the scheme. Committed annual expenditure contributing to FA5E is of circa €0.24 million. 2018 is the first year towards which financial contributions towards this FA were made. Realised expenditure amounted to circa €0.25 million. Considering the remaining programme implementation years and the reality that the committed amount being referred to represents annual commitments, the allocation at Programme Level is almost at 100%.

The progress achieved in financial commitments is a direct reflection of the hectares of land supported under the different AECMs launched and are related to this focus area, amounting to a total of 235.61 ha. The AECM contributing towards FA 5E are AECM 2, 4 and 5. AECM 5, focusing on measures for the implementation of a soil management and conservation plan on a parcel, registered the highest progress with an area coverage of circa 150 hectares of land. AECM 5 went through a modification at Programme level. Only after such modification was it possible to gauge the interest in the measure. It is expected that AECM 5 continues to gather more momentum and could possibly register increasing participation both in terms of number of farmers as well as committed hectares.

Progress on AECM 2 (support for the maintenance of recommended tree species replacing alien species or

planted on slopes and terraces to prevent soil and wind erosion) and AECM 4 (measure for the implementation of an Integrated Pest Management Plan targeting vineyards and orchards) was lower than AECM 5.

During 2018, M10.1 was decoupled from M1 and M2. Although the requirement for M10.1 to have access to advice relevant to the measure within 3 years from acceptance on the scheme still holds, the advice does not necessarily have to be implemented via M1 and M2. In fact, for those beneficiaries that obtained funding for the year 2016, the Government's Farm Extension Services (FES) provided such advice (with no support emanating from RDP budget).

M10.2 was launched more recently, in May 2019. The first cut-off date for this measure is 18 July 2019, where the MA is expecting the first batch of applications. As a result, no commitments nor any realised expenditure was effected in 2018.

Target indicator

The target indicator for this FA is R20: % of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E). The achievement is set at 2.06%. This result captures hectares supported through AECMs 2, 4 and 5 amounting to a total of 235.6 ha and is divided by the Utilised Agricultural Area (UAA) of 11,453.

Priority 6 – Focus Area 6A

List of measures

The list of measures contributing towards Focus Area 6A are:

- M06 – Farm and Business Development
- M16 – Co-operation

Progress achieved

Measure 6: Farm and Business Development

The applicable sub-measure is:

- M6.4 - Support for investment in creation and development of non-agricultural activities

M6.4 was pre-launched in August 2018, followed by a series of information sessions extending from August 2018 to June 2019, where the last 2 information sessions were held on the 24th June in Malta and 26th June in Gozo, amidst a campaign to raise awareness on the measure. The call is currently still open.

M6.4 is the first measure of its kind to be launched under the RDP and hence the MA had to build the respective structures and knowledge to ensure that such a measure could be implemented. At programming stage, Malta has taken steps to ensure delineation between the different EU Funding Mechanisms (namely

ERDF and EAFRD), however, furthermore clarity was necessary to seal these demarcations. During 2018, the necessary efforts were put in place to address the matter. Following this, the MA put its efforts to finalise the requirements of the scheme supporting farmers intending to diversify their income. The MA remains committed towards this Measure and will ensure increased visibility and information among stakeholders.

Measure 16: Co-operation measures

The relevant sub-measure contributing to FA6A is:

- M16.2 - Support for pilot projects, and for the development of new products, practices, processes and technologies

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Target Indicators

As at end of 2018, no expenditure was recorded under any of these measures. Indeed, the result T20: Nr of jobs created through supported projects; was at end of 2018 nil.

Priority 6 – Focus Area 6B

The relevant measures contributing towards this FA are:

- M16 – Co-operation
- M19 – Support for LEADER Local Development (CLLD)

Progress Achieved

Measure 16: Co-operation

The relevant sub-measure contributing towards this FA is:

- M16.2 - Support for pilot projects, and for the development of new products, practices, processes and technologies

In the first half of 2019, the Managing Authority launched M16.2. M16 was based on a series of wrong assumptions at RDP drafting stage and hence the measure has experienced a number of challenges. These included simplification of the Measures, reduction of applicable sub-measures as well as a significant

revision of the allocated budget. Furthermore, the programming of the measure was based on further wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population.

As a direct result of the above, M16 was re-dimensioned following strategic programme modifications to address these wrong assumptions. The Measure has now been launched it is expected that the Measure starts registering progress as from 2019 and will be directed to achieve the 2023 targets set within the programme.

Measure 19 - Support for LEADER Local Development (CLLD)

All sub-measures falling under M19 directly contribute towards this FA:

- M19.1 - Preparatory support
- M19.2 - Implementation of operations under the CLLD Strategy
- M19.3 - Preparation and implementation of co-operation activities of the Local Action Group
- M19.4 - Running costs and animation

M19 carries the highest financial allocation under P6, amounting to more than €5 million, with M19.2 carrying the largest share at 83% of the measure. Although it registered progress during 2018, delays were experienced in the establishment and implementation of the Local Development Strategies. The delays were encountered as a result of a wrong assumption taken at programming stage that the LAGs established under the 2007-2013 period could be maintained for the 2014-2020 period. However, this assumption did not materialise because a new call for the establishment of the LAGs had to be issued. Moreover, there were several unforeseen changes in the administrative structures of the LAGs which have led to these significant delays.

This has had an impact on the levels of expenditure incurred up to 2018, which amount is set at circa €0.7million covering all M19, of which circa €0.5 expenditure was realised in 2018.

Realised expenditure occurred for M19.1, M19.2 and 19.4 in relation to 2018 incurred expenditure. Under M19.1 and 19.4 expenditure was directed towards the setting up (including administrative costs) of the LAGs. Realised amounts in 2018 amount to nearly €0.15 million for M19.1 and circa €0.28million for M19.4. Under M19.2, expenditure was directed towards the implementation of the first measures by the LAGs and had more than €0.16million realised expenditure covering 2018 related amounts (including 2019 amounts related to 2018 incurred expenditure).

Following their setting up, the LAGs started launching their first measures under M19.2 as from October 2018. GAL Xlokk Foundation launched Action 4 ‘Development of Green Infrastructure’ in September 2018. Eleven applicants were contracted between December and early January 2019 resulting in circa €0.6 million committed expenditure. Action 2 ‘Strengthening a Healthy Cultural Identity’ was launched in December 2018. Sixteen applications are expected to be contracted in Q2 of 2019 benefiting from €0.23 million.

In December 2018, Gozo Action Group Foundation launched an action entitled ‘Develop an ICT media platform for the valorisation of Gozitan lifestyle concept’. Only one application was received, which was eventually rejected. The call was relaunched in Q2 2019.

In March 2019, Majjistral Action Group Foundation launched its first Action ‘Development of Green Infrastructure’. The call is based on an open rolling system. So far two applications have been received and are currently being evaluated by the Project Selection Committee.

M19.3 was launched by the MA in November 2018 and in April 2019, GAL Xlokk submitted its application. The considerable progress achieved by the GAL Xlokk is also a result of the fact that it was the only LAG which saw an element of continuation in its administrative capacity from the 2007-2013 Programme.

The MA is aware of the delays and, as outlined in its letter of 19th December 2018 to Director General Mr Jerzy Plewa, in reply to his letter pursuant to Article 50(8) of Regulation (EU) No 1303/2013, is continuously monitoring the progress achieved under M19. Momentum has now been achieved. Through collective effort with the LAGs to address the shortfalls and the launch of new calls in the coming months, the measure is expected to catch up and is geared to meet the targets set for 2023.

Target indicator

Progress was achieved in terms of T21: % of rural population covered by local development strategies (focus area 6B) through the setting up of the 3 LAGs and the adoption of their strategies. The achievement is set at 105.75%. This achievement is the result of the current total population covered by the LAG strategies (as published in strategies) amounting to 283,284 which is 15% higher than the established target in the programme of 268,733. The increase in the population coverage is due to the fact that Malta has experienced an increase in population over the last few years which has also been experienced in rural areas.

For the other target indicators related to this FA T23: Jobs created in supported projects (Leader) (focus area 6B) and T22: % of rural population benefitting from improved services/infrastructures (focus area 6B), the achievement is nil as in 2018 the relevant payment was made in relation to the advance payment for the GAL Xlokk.

Priority 6 – Focus Area 6C

The relevant measure contributing towards this Focus Area is:

- M01 – Knowledge transfer and information actions

Progress Achieved

Measure 1: Knowledge transfer and information actions

Similar to P4 and P5, the sub-measures under M01 all contribute towards FA6C and are interlinked with FA1A contributions.

- M1.1- support for vocational training and skills acquisition actions;
- M1.2 - support for demonstration activities and information actions; and
- M1.3 - support for short-term and forest management exchange as well as farm and forest visits

The budgetary allocations between the measures mirror those under FA5D, with M1.1 still carrying the highest share. As explained earlier on, M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (d) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under, including P6.

Target Indicators

No progress was achieved as a contribution towards the target indicators set for this FA. T24: % of rural population benefitting from new or improved services/infrastructures (ICT) (focus area 6C) and % of the total public expenditure (M1.1 to M1.3) allocated for ICT actions/interventions (%) are currently nil as the call for M1.1 was launched in December 2018 and the other relevant measures had not been launched.

Other Remarks

Upon validation of the AIR on the SFC a validation warning (270) was raised. This is for the results achieved in relation to four indicators. The warning highlights that the realised targets exceed the value of the target planned in Section 11, Table D, which is the case.

1.d) Key information on achievements towards the milestones set in the performance Framework based on Table F

In September 2018, DG Agriculture submitted its observations to the Managing Authority (MA) on the

Performance Framework of the Rural Development Programme of Malta pursuant to Article 50(8) of Regulation (EU) No. 1303/2013. The MA provided its reaction in a letter dated 19 December 2018. Through this letter the MA provided justifications for implementation delays and the measures undertaken to address these issues.

Overall the Rural Development Programme registered considerable progress on a number of important elements and has achieved a number of set milestones for the programme, including some of the Performance Framework (PF) targets. However, for a number of Performance Framework indicators, despite all efforts made by the MA, reaching the milestones for two Priorities out of the five could not materialise. The MA is nonetheless focusing its efforts on successfully implementing measures that contribute towards these priorities.

The underlying issues for the implementation delays can be mainly attributed to staff turnover experienced by the MA throughout 2016, 2017 and the first half of 2018. In order to mitigate this situation and enhance the MA's human capacity, in November 2017, dedicated public calls for the recruitment of Senior Managers, Programme Managers and Programme Officers were issued. Through these calls, by end August 2018, the MA staff complement had increased by three Programme Managers and one Senior Manager. Another call for the recruitment of Programme Managers and Programme Officers was launched in June 2018 and as a result another Programme Manager joined the MA during the last week of November. A fresh call for Programme Officers was re-launched in November 2018.

This course of action led to the strengthening of the Managing Authority's administrative structures, leading it to overcome the main difficulties encountered during the first years of the programme. Now, with the necessary resources in place the Managing Authority is in a better position to deal with the timely management and implementation of the programme to reach the desired results set for 2023.

The current economic climate with a booming economy is also having a direct impact on the implementation of the programme as it has become extremely difficult to find contractors to implement small scale projects. With the current rise in building projects, the contractors are having numerous projects lined up and are therefore not immediately available to start work. As a result, contractors are putting their priorities on large scale projects rather than small ones impacting directly on the delayed implementation of operations funded under the RDP since majority are of a small nature.

Performance Framework Targets

The progress on achievements in terms of 2018 PF milestones is described below.

Priority 2: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests

Priority 2 has the following three applicable indicators for the performance framework:

- Number of agricultural holdings with RDP support for investment in restructuring or modernisation (focus area 2A) + holdings with RDP supported business development plan/investment for young farmers (focus area 2B) – [2018 milestone: 38]
- Total Public Expenditure P2 (EUR) – [2018 milestone: €8,314,585.24]
- Surface Area (sqm) of upgraded farm access roads [2018 milestone: 60,000]

As indicated in Table F of the AIR, the milestones set for this Priority have been achieved and superseded for all the indicators set. In the case of Total Public Expenditure, the 2018 target value was exceeded by circa 27%. From a milestone target of 29.2% for P2, an actual rate of circa 37%, equivalent to circa €10.6million was reached, including close to €0.4 million of 2019 expenditure related to 2018 operations.

In the case of surface areas, the achievement has been substantial over the target set and has reached more than 180,000 surface area of upgraded farm access roads. In terms of Public Expenditure, the realised amounts reached circa €10.6 million (including circa €0.38 million of 2019 expenditure related to 2018 operations). As a result, the target for 2018, was also exceeded, in this case by nearly 25%.

The main contributors for these achievements are as follows:

Number of agricultural holdings:

- M4.1: Support for investment for agricultural holdings – this measure was launched in 2017 with contracts signed in 2018. M4.1 is still open as it is being managed on the basis of an open rolling call to facilitate the submission of application for potential beneficiaries. The realised output of 67 holdings was partially reached through this measure by means of 48 holdings initiating their operations in 2018. The actions supported focus on the upgrading of farming facilities in 2018.
- M6.1: Business Start-up for young farmers – M6.1 was also launched in 2017 and saw a number of contracts being signed in 2018. The contribution of this measure towards the target set is of 19 holdings (owned by young farmers) who initiated their operation in 2018. As at the end of 2018, 25 individual young farmers benefitted from this measure.

Total Public Expenditure

- M4.3: Support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry – this measure is the main contributor for the achievement of the target set. The operations contributing towards this achievement are primarily the upgrading of rural roads being implemented in different localities either by the respective Local Councils or by Infrastructure Malta (formerly Transport Malta). The contribution of M4.3 to 2018 incurred expenditure amounted to circa €9.1 million.
- M3.1: Business start-up aid for young farmers – this measure also contributed to the achievement of the milestone set though at a lesser amount, standing at €1.4 million (including €0.28 million of 2019 expenditure related to 2018 operations). The operations contributing for this achievement are investment in farming facilities.

Surface Area

- M4.3: Support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry – M4.3 is the sole contributor for this achievement of more than 180,000m² of upgraded road surfaces to facilitate farm access. The milestone set has been achieved through operations implemented by Infrastructure Malta as well as Local Councils focusing on upgrading of access roads in different localities. This indicator has very significantly exceeded the 2018 milestones of 60,000m² since Infrastructure Malta, which is the National Road Agency, has managed to centralise the management and implementation of several farm access roads through an allocation of circa €8 million. The project started in May 2018 and has registered considerable progress in the span of a few months with the aim to address the challenges and needs faced by farmers and other rural actors in an expedited manner. This project, together with the projects of the

Local Councils are progressing towards achieving the milestones set for 2023 (300,000m2) steadily.

P3: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

Priority 3 has the following 2 indicators applicable for the performance framework:

- Total Public Expenditure P3 (EUR) – [2018 milestone: €1,835,708]
- Number of operations supported under M4.2 contributing to FA3A (M4.2) – [2018 milestone: 5]

No progress was registered in relation to the indicators set at Priority 3. During the course of the first years of programme implementation, the MA dedicated its efforts to kick start the Measures contributing towards P3 by launching a number of Measures, including M3.1.

M3 is considered as one of the key measures under this Priority and was therefore launched early in 2017. However, despite the efforts by the MA to launch this scheme early and to provide information to potential applicants (both through information sessions and adverts as well as discussions with the Competent Authority responsible for Quality Marks) to date, no participation in the scheme is registered.

The lack of take up is primarily attributed to the difficulty in the setting up of standards and the lengthy timeframes involved in such processes, which delayed the whole process. Efforts have been put in place by the Competent Authority and as a result the legal framework for the implementation of a National Quality Scheme was set up, including standards and control plans. However, to date only the cow's milk has reached a standard level that is recognised. As for the other areas[1], even though the RDP considers numerous products that could potentially benefit from this scheme, no other schemes have been approved. Another implementation challenge that was faced in terms of achieving the desired milestones is the fact that participation in the scheme remains voluntary and it often requires additional investment.

In addition, the original RDP approved in 2015 included two important assumptions that proved to be wrong. These related to the number of schemes that could be approved as well as the timing of the approval process. The impact of these erroneous assumptions is directly reflected in the registered failure of this priority.

M4.1 is also considered an important contributor for Priority 3. The measure was also launched in 2017 and was supported by information sessions and adverts to entice participation. The underlying difficulty with M4.1 is that even though the call is open for projects contributing towards Priority 2, 3, 4 and 5, most of the applications received fall under Priority 2 and 5. Despite the expectations set at Programme level, only 3 of the applications that came in are related to Priority 3, implying that farmers' priorities are steered more towards competitiveness and efficiency rather than promoting the food chain and managing agricultural risks. Of these 3 projects, 2 initiated their operations in 2018 however no payments have yet been realised.

As for M4.2, no progress was recorded that could contribute towards the indicators set because during the course of 2018, this measure was directly affected by 2018 programme modifications. As a result, the Call for Project Proposals for M4.2 was only pre-launched in August 2018 and the measure is now clearly on track. As a result of the preparatory work carried out by the MA, including various information sessions, Measure 4.2 has now registered considerable progress during the first half of 2019 whereby the MA

received 19 applications for support. The evaluation process is expected to be concluded by the end of June. From the preliminary assessments undertaken thus far, over 5 Beneficiaries are expected to be awarded through this call. It is expected that all allocated budget under this Measure to be committed through applications by the end of 2019.

The re-dimensioning of M16 during 2018 also had its impact on the absorption capacity of the Priority. As explained in the letter to DG Agriculture and Rural Development, from the early stages of this programming period it was evident that the Measure was based on wrong assumptions, mainly related to co-operation and innovation within a cohort of an ageing farming population. Therefore, during 2018, efforts were directed towards the modification of the programme to address these wrong assumptions and simplify the measure so as to eventually proceed with its launching. The Measure has been strategically revised and has now been launched. It is expected to progress and achieve the 2023 targets set within the programme.

As explained in the letter to DG Agriculture and Rural Development, M17 also had its impacts on the lack of progress registered at the level of Priority 3. Overall, now that corrective action has been taken, Priority 3 is expected to run smoothly and therefore start contributing towards the achievements that it was designed to reach.

P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Priority 4 has the following three indicators applicable for the performance framework:

- Total Public Expenditure P4 (EUR) – [2018 milestone: €10,047,328.60]
- Area (ha) under specific constraints (4A) + improving water management (ha) (focus area 4B) + improving soil management and/preventing soil erosion (ha) (focus area 4C) – [2018 milestone: 4,656ha]
- Number of operations supported by M04 – [2018 milestone: 38]

As indicated in Table F of the AIR, the milestones set for this Priority have been achieved and superseded for all the indicators set. In the case of Total Public Expenditure, the 2018 target was superseded by more than 30% to reach circa €13.8 million (including circa €0.5 million of 2019 expenditure related to 2018 operations).

In the case of surface area, up to 2018 the programme managed to cover 8,153 ha of land which is an increase of circa 75% over the target set. The indicator related to the number of operations also exceeded the target set to reach 59 operations initiating their project in 2018. An increase of more than 50% over the target set.

The main contributors for these achievements are:

Total Public Expenditure

- The milestone was reached and exceeded as a result of the implementation of operations under M4, M10, M11 and M13. Two of these measures, M4 and M13, registered considerable achievements accounting for circa € 5.2 million and €6.5 million respectively (including circa €0.5 million of 2019 expenditure related to 2018 operations).
- M10 contributing towards Agri-Environment-Climate Measures also progressed and up till the end

of 2018, it had committed €0.5 million and realised more than 30% (circa €1.9 million) of its programme allocation (including circa €0.1m 2019 expenditure relating to 2018 operations). The relevant AECMs contributing towards this Priority are AECM 1, 3 and 6 focusing on orchards, bee boxes and specific Maltese species.

- M11 also contributed somewhat towards the overall public expenditure achievements, albeit through minimal progress. M11.1 provides payments to convert to organic farming and methods. This measure was launched in April 2018 and 4 beneficiaries were contracted.

Area (ha)

- The achievement of the milestone related to the surface areas supported under focus areas 4A, 4B and 4C was primarily reached by the progress achieved by M13 which covers compensation payments to other areas affected by specific constraints to contribute towards the retention of land under agricultural management. The land area benefitting from this measure is 8,153.66 hectares, surpassing the 2018 milestone of 4,656ha significantly, bringing it closer to the 2023 target of 9,312 ha. The setting of the original target in the RDP takes note of the changes in the regulatory framework which called for yearly contractual agreements with the farmers, rather than the 5-yearly ones that were adopted during the previous programming. At programming stage, this was considered as increased administrative burden on the farmers which raised concerns in terms of potential future take-up. However, through the MA's efforts aimed at mitigating these concerns and educating farmers on the benefits, rather than the burdens of the new regulatory approach, the uptake of the measure maintained elevated levels of participation.

Number of operations

- M4.4: Support for non-productive investment linked to the achievement of agri-environment-climate objectives - this measure was first launched in December 2016. The 59 beneficiaries that initiated their operations up to 2018 was a direct contribution from M4.4. The majority of the them focusing on the construction and / or restoration of rubble walls. M4.4 progressed considerably well, and its demand continued to increase.

P5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

Priority 5 has the following two applicable indicators for the performance framework:

- Agricultural and forest land under management to foster carbon sequestration/ conservation (ha) (focus area 5E) + Agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (ha) (focus area 5D) + Irrigated land switching to more efficient irrigation system (ha) (focus area 5A) [2018 milestone: 147ha]
- Total Public Expenditure P5 (EUR) – [2018 milestone: €5,508,728]

As indicated in Table F, the milestones set for this Priority have also been achieved and exceeded substantially in the case of the first indicator target, whereby it exceeded the target by circa 60%. In terms of Public Expenditure, the target for 2018, was also superseded, in this case by circa 5% to reach €5.7 million.

The main contributors for these achievements are as follows:

Agriculture and forest land

- M10: Payment for agri-environment commitments - the surface area-based indicator was achieved through the implementation of actions under M10 that contribute towards FA 5E. This covers Agri-Environment-Climate Measures (AECMs) interventions in relation to AECM 2, 4 and 5. M10 which has progressed well to reach 235.60 ha. The progress of this measure has been steady and so far it has achieved 30% of the target set for 2023.

Total Public Expenditure

- M4.3: Support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry - measure 4.3 is the main contributor towards the financial targets under this priority. The achievement is directly related to the intervention being implemented by the Water Services Corporation which focuses on the supply of highly polished tertiary treated water for agricultural use. 95% of the realised expenditure in relation to this indicator is attributed to this operation at the amount of circa €5.5 million realised expenditure under this measure.
- M10.1: Payment for agri-environment commitments - this measure also contributed, albeit to a lesser extent, towards this expenditure through the implementation of agri-environment-climate measures related to AECMs 2, 4 and 5 focusing on trees, vineyards and orchards, and soil management and conservation. For P5, by 2018, it has realised circa €0.19 million of its programme allocation which impacts on the progress achieved in the terms of target surface areas.

P6: Promoting social inclusion, poverty reduction and economic development in rural areas

Priority 6 has two following two applicable indicators for the performance framework:

- Total Public Expenditure P6 (EUR) – [2018 milestone: €1,829,000]
- Population covered by LAG (focus area 6B) – [2018 milestone: 268,733]

As indicated in Table F, the milestones set for this Priority in terms of population covered by LAGs has been achieved, whereas some challenges have been experienced for the expenditure indicator. Although progress has been recorded in terms of expenditure, the realised amounts lags behind the targets set.

Total Public Expenditure

As explained in the letter to DG Agriculture and Rural Development in December 2018, the main contributor towards Priority 6 expenditure is M19. Although it registered progress during 2018, delays were experienced in the establishment and implementation of the Local Development Strategies. The delays were encountered as a result of a wrong assumption taken at programming stage that the LAGs established under the 2007-2013 period could be maintained for the 2014-2020 period. However, this assumption did not materialise because a new call for the establishment of the LAGs had to be issued. Moreover, there were several unforeseen changes in the administrative structures of the LAGs which have led to these significant

delays. This has had an impact on the levels of expenditure incurred up to 2018, which amount is set at €800,540 covering all M19.

Nonetheless, with the launch of M19 in February 2016, considerable progress has been achieved under M19.1 with expenditure related to the provision of the necessary support in the setting up of the administrative capacity of the LAGs. All LAGs were administratively set up by the end of 2018. In addition to this, GAL Xlokk launched Action 4 ‘Development of green infrastructure’ of their Strategy, in Q3-2018. 12 applications were submitted and 11 were awarded in December 2018 and as a result €0.6 million were committed in projects and more than €0.16 million expenditure was realised up to Q1 2019 for M19.2. Action 2 ‘Strengthening of a healthier cultural identity’ under the same GAL Strategy was also launched in December 2018 and closed in January 2019. 19 applications were received, and 16 Beneficiaries were confirmed. The amount committed under this call is of circa €0.23 million.

Local Action Groups will also be implementing cooperation projects with other LAGs from EU and non-EU states (M19.3). In April 2019, GAL Xlokk submitted its application to the MA and is currently being evaluated. The considerable progress achieved by the GAL Xlokk is also a result of the fact that it was the only LAG which progressed from the 2007-2013 Programme.

The MA is aware of the delays and is, therefore, continuously monitoring the progress achieved under M19. Momentum has now been achieved and through collective effort with the LAGs to address the shortfalls and the launch of new calls in the coming months, the measure is expected to catch up and is geared to meet the targets set for 2023.

The second main contributor towards Priority 6 is M6.4. As explained in the letter by the MA to the European Commission, this is the first measure of its kind to be launched under the RDP and hence the MA had to build the respective structures and knowledge to ensure that such a measure could eventually be implemented.

At programming stage, Malta has taken steps to ensure delineation between the different EU Funding Mechanisms (namely ERDF and EAFRD), however, furthermore clarity was necessary to seal these demarcations. During 2018, the necessary efforts were put in place to address the matter. Following this, the MA put its efforts to finalise the requirements of the scheme supporting farmers intending to diversify their income. The MA remains committed towards this Measure and will ensure increased visibility and information among stakeholders.

M16 is the third main contributor under Priority 6. The same context as presented in P3 applies under this Priority.

M1 has now been launched by the MA and projects should be awarded by Q2 2019

Population covered by LAG

The main contributor for the achievement of the Indicator (2) – Population covered by LAGs has been through the implementation of M19. M19 kicked off during the initial years of the programme, whereby an expression of interest for the setting up of the Local Action Groups (LAGs) was launched within 45 days from the implementation period commencement of the programme (i.e. mid-February 2016). Following their set up, attention was then directed towards the development of the different Local Development Strategies. Three Local Development Strategies were approved in the last quarter of 2017, with a publicised

award ceremony being held in November 2017. The strategies adopted by the LAGs cover the target population within the programme and as a result this indicator is considered reached at the rate of 105.79%. This achievement is the result of the current total population covered by the LAG strategies (as published in strategies) amounting to 283,284 which is 15% higher than the established target in the programme of 268,733. The increase in the population coverage is due to the fact that Malta has experienced an increase in population over the last few years which has also been experienced in rural areas.

The above gives a summary of the achievements registered since the start of the programme and action taken to address its failed targets with a view to ensure their achievement by 2023. The Managing Authority is committed to continue taking all the necessary actions including the allocation of the necessary resources required for the timely implementation of the Rural Development Programme.

[1] Other potential areas that could benefit from the Quality Scheme include: olive oil, tomato and vegetable-based products, cheeses, yogurt, meat cuts.

1.e) Other RDP specific element [optional]

This is not applicable for Malta's Rural Development Programme.

1.f) Where appropriate, the contribution to macro-regional and sea basin strategies

As stipulated by the Regulation (EU) No 1303/2013, article 27(3) on the "content of programmes", article 96(3)(e) on the "content, adoption and amendment of operational programmes under the Investment for growth and jobs goal", article 111(3), article 111(4)(d) on "implementation reports for the Investment for growth and jobs goal", and Annex 1, section 7.3 on "contribution of mainstream programmes to macro-regional and sea-basin strategies, this programme contributes to MRS(s) and/or SBS:

This is not applicable for Malta's Rural Development Programme

- EU Strategy for the Baltic Sea Region (EUSBSR)
- EU Strategy for the Danube Region (EUSDR)
- EU Strategy for the Adriatic and Ionian Region (EUSAIR)
- EU Strategy for the Alpine Region (EUSALP)
- Atlantic Sea Basin Strategy (ATLSBS)

1.g) Currency rate used for conversion AIR (non EUR countries)

This is not applicable for Malta's Rural Development Programme.

2. THE PROGRESS IN IMPLEMENTING THE EVALUATION PLAN.

2.a) Description of any modifications made to the evaluation plan in the RDP during the year, with their justification

No modifications were made to the Evaluation Plan as defined in Chapter 9 of the RDP.

2.b) A description of the evaluation activities undertaken during the year (in relation to section 3 of the evaluation plan)

The Annual Implementation Report (AIR) for the year ending 31st December 2017 was submitted to the European Commission in June 2018. This allowed the MA to take stock of the progress in the RDP implementation and to take note of factors which affect the implementation of the programme. This was an important assessment which led to proposals for modification of the Programme.

During the last quarter of 2017, the MA engaged external consultants to provide the necessary support in the drafting of the tender for external evaluators. The MA launched the tender on 24th October 2018 with applicants submitting their bids by November 2018. An assessment of the tenders was carried out in 2019 and the evaluators were engaged in May 2019. A total of 12 applicants applied for the bid.

The tender was for the evaluation activities and for the ex-post evaluation of the Programme. The tender also specified that as part of the contract, the awarded party would need to submit the following outputs from 2019 onwards:

- Annual Interim Evaluation Reports whose final draft versions are to be submitted by end of March of each of the years 2019-2024, reporting cumulatively (i.e. taking into consideration data gathered from previous years) on the evaluation activities for the previous programming calendar year (N-1).
- The Annual Implementation Reports which are to be prepared separately from the Annual Interim Evaluation Reports and are to be circulated by the MA to the various stakeholders. The final draft of these reports are to be submitted by end of April of each of the years 2019-2024, reporting on the progress achieved during the previous programming calendar year (N-1).
- Further to these reports the evaluators are also to provide write-ups of a more technical nature as and when requested by the MA during the contract period. Such reports shall be accompanied by presentations to be either delivered by the contractor itself or prepared by the contractor for delivery by the MA;
- Ad-Hoc reports, updates, write-ups, presentations (and occasionally deliveries of same), briefs, press releases and other material relation to evaluation of the RDP as requested by the MA and as described in the terms of reference;
- Ex-post evaluation.

The tender required as experts a project manager, senior evaluator and two evaluators.

On the 5th of December, the Managing Authority, in collaboration with the European Evaluation Helpdesk for Rural Development held the EvaluationWORKS! annual capacity building event. This capacity building event focused on the Evaluation of LEADER/CLLD. All three LAGs were invited to the event and participated accordingly. Other stakeholders invited to the event included the IT developers and the PA.

2.c) A description of activities undertaken in relation to the provision and management of data (in relation to section 4 of the evaluation plan)

Discussions with several entities and ABACO*, the database system administrator have continued throughout 2017. The MA, PA and other entities using the system, are engaged in continuous discussions to continue improving the IT system, building on the systems used for the RDP 2007-2013.

Such improvements assist the MA and external evaluator in better monitoring and evaluation processes. In 2017, the IT system was enhanced through the inclusion of modules related to the selection process, the possibility of digitising rubble walls submitted through Measure 4.4, and the generation of various reports for information and monitoring purposes. Significant enhancements to the system, mainly aimed at addressing the 'needs' of the measures launched in 2018 as well as for report generation purposes, were completed in 2018.

In 2019, the developers will be launching a completely refreshed platform in order to provide users with simplified processes. The platform is currently being tested on a prelive environment.

*ABACO Spa had been contracted by the CIO Office within the Ministry for the Environment, Sustainable Development and Climate Change to provide an IT solution that would allow the Agriculture and Rural Payments Agency (ARPA) to implement an IT system in accordance with Commission Delegated Regulation (EU) No 640/2014 supplementing Regulation (EU) No 1306/2013 with regard to the integrated administration and control system and conditions for refusal or withdrawal of payments and administrative penalties applicable to direct payments, rural development support and cross compliance and Commission Delegated Regulation (EU) No 907/2014 supplementing Regulation (EU) No 1306/2013 with regard to the paying agencies and other bodies, financial management, clearance of accounts, securities and use of euro. As deliverables of the contract, Abaco provide application software services and operating software services. Application software services include maintenance and support activities as well as additional services like software development and technology refresh. Operating Software Service encompass the required services for the administration and maintenance of operating environment software. EAFRD Technical assistance funding covers only those apportionments related to EAFRD obligations.

2.d) A list of completed evaluations, including references to where they have been published on-line

Publisher/Editor	Managing Authority for the Rural Development Programme (Malta)
Author(s)	Managing Authority for the Rural Development Programme (Malta)
Title	Annual Implementation Report (Malta) for the year ending 31st December 2017
Abstract	In 2017, the MA directed its efforts to launching various measures, preparing for the launch of additional measures and adjudicating a number of projects. The MA launched M3.1, M4.1, M4.3 and M6.1 which contribute to Focus Areas 2A, 2B, 3A, 4A, 4B, 4C, 5A, 5B, 5C and 5D. It also relaunched M10.1 and M13.3 which contribute towards Focus Areas 4A, 4B, 4C and 5E. A total of 225 applications were received in 2017. Meanwhile, committed expenditure amounted to €16,244,969 whereas realised expenditure stood at €2,911,209. This expenditure is distributed across FA2A through M4.3, P4 through M4.4, M10.1 and M13.3, FA5E through M10.1 and FA6B through M19.1, M19.2 and M19.4. As at end 2017, all of these sub-measures except M4.3 were still open. Three LAGs that had submitted Local Development Strategies were awarded during the last quarter of 2017. As in previous years, the MA also continued promoting RDP measures through information sessions and other media.
URL	https://eufunds.gov.mt/

2.e) A summary of completed evaluations, focussing on evaluation findings

The Annual Implementation Report (AIR) submitted in June 2018 covering the year ending 31st December 2017 represented an important element of the evaluation process in terms of planning. Indeed, the MA focused on improving data management systems, which in turn will facilitate both the monitoring and evaluation processes.

The AIR noted that the late adoption of the RDP 2014-2020 in November 2015, the closure of the RDP 2007 – 2013 and Malta's Presidency of the Council of the European Union throughout the first six months of 2017 impacted on the desired implementation of the RDP 2014 – 2020. With these commitments over, the MA continued focusing on the selection of applications submitted throughout the course of 2017 and implementing measures. The year 2017 was characterised by the launch of specific measures, preparations for the launch of additional measures and adjudication of a number of projects. Throughout 2017, the MA received a total of 225 applications[1].

Furthermore, the MA also held several information sessions concerning different RDP measures that were launched or were in the process of being launched throughout the year. These sessions, held in both Malta and Gozo, are attended by numerous farmers, farmers' representatives and land managers[2]. This provides for better prospects to participation.

[1] Source: Citizens' Summary 2017 , available at:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Downloads%20And%20Links/Citizen%27s%20summary%202017.pdf>

[2] Source: Citizens' Summary 2017 , available at:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Downloads%20And%20Links/Citizen%27s%20summary%202017.pdf>

2.f) A description of communication activities undertaken in relation to publicising evaluation findings (in relation to section 6 of the evaluation plan)

Reference shall be made to the evaluation plan, any difficulties encountered in implementation shall be described, together with solutions adopted or proposed.

Date / Period	01/03/2017 - 30/06/2017
Title of communication activity/event & topic of evaluation findings discussed	Annual Implementation Report Malta - Rural Development Programme (National)

/ disseminated	
Overall organiser of activity/ event	Managing Authority
Information channels/ format used	Available Online
Type of target audience	Agricultural and rural stakeholders as well as general public (citizens summary)
Approximate number of stakeholders reached	28
URL	https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Downloads%20And%20Links/AIR/2014-2020/2017.pdf

Date / Period	05/12/2018
Title of communication activity/event & topic of evaluation findings discussed/ disseminated	Evaluation WORKS! Evaluation of Leader/CLLD
Overall organiser of activity/ event	European Evaluation Helpdesk/Managing Authority
Information channels/ format used	Presentations
Type of target audience	Local Action Groups, Managing Authority, Paying Agency, IT developers
Approximate number	20

of stakeholders reached	
URL	https://enrd.ec.europa.eu/

2.g) Description of the follow-up given to evaluation results (in relation to section 6 of the evaluation plan)

Reference shall be made to the evaluation plan, any difficulties encountered in implementation shall be described, together with solutions adopted or proposed.

<p>Evaluation result relevant for follow-up (Describe finding & mention source in brackets)</p>	<p>Slow implementation of the Programme, due to the factors noted in the AIR (2017)</p>
<p>Follow-up carried out</p>	<p>In order to address administrative capacity constraints (AIR 2017) which had posed a challenge to RDP implementation in previous years, the MA doubled its staff complement over 2018, such that it stood at 10 members by the end of the year. The MA also outsourced a number of its functions to third parties including the drafting of the evaluation tender and other support. The MA also engaged in an extensive exercise to modify key elements of the Programme. This led to a strategic amendment of the Programme through a reduction in the budget for some of the measures, a change in the distribuitio of expenditure across FAs and a modification to some of the indicators linked to wrong assumptions at Programme design stage. These modifications and the justifications were published and approved in December 2018. The MA also continued to improve the data management system through effective dialogue with the system providers.</p>
<p>Responsible authority for follow-up</p>	<p>Managing authority</p>

3. ISSUES WHICH AFFECT THE PERFORMANCE OF THE PROGRAMME AND THE MEASURES TAKEN

3.a) Description of steps taken to ensure quality and effectiveness of programme implementation

Consultation with public and private entities

Apart from the several information sessions held throughout the years, the MA holds several consultation sessions with different public entities, including but not limited to the Department of Agriculture, the Paying Agency, the Environment and Resources Authority, the Planning Authority, Transport Malta and the Water Services Corporation. Private entities including NGOs, farmers' representatives and private companies were also consulted on several sectors as well as RDP measure specific issues.

Monitoring Committee meetings

During 2018, the Monitoring Committee (MC) of the programme was held. The MC met on 16 May 2018. During this meeting, the Monitoring Committee discussed the following items:

- Update on RDP Implementation by the MA
- Update on RDP Commitments by the MA
- Update on preparations for post CAP 2020

Presentations delivered during the Monitoring Committee can be downloaded from the MA website:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Pages/Monitoring-Committee-2014-2020.aspx>

Technical Meeting

On the eve of the Monitoring Committee, on 25 May 2018, the Managing Authority held a meeting with representatives from DG AGRI, during which, discussions were held concerning the progress in implementation of the RDP. The meeting is more of a technical nature and the scope is to discuss relevant technical matters related to the implementation of the programme.

Annual Review Meeting

In line with the provisions of the Common Provisions Regulation, an Annual Review Meeting was held between the Commission and Malta. The meeting was held on 22 November 2018 and discussion was steered to examine the performance of the programme in relation to the Performance Framework targets.

The main recommendations stemming from the Commission, where:

Recommendation	Course of Action
1. For Malta to speed up the RDP implementation and to do its utmost to launch all missing measures and sub-measures as soon as possible not to further jeopardize an efficient implementation of the RDP and to ensure that the objectives of the programme are reached.	This was largely addressed, given that as at to date 29 of the 34 RDP measures have been launched. Managing Authority holds regular bilateral meetings with beneficiaries ensuring that project targets are met.
1. takes note of the reassurance given by the MA as regards the N+3 automatic de-commitment risk and urges Malta to monitor the progress towards the N+3 for 2019 and put in place corrective actions if necessary. The Commission reminds the MA to undertake all efforts to avoid automatic de-commitment at the end of 2019 and thus losing resources from the RDP as foreseen by Art 38 of Regulation (EU) No 1306/2013.	As reported in MC 2019, Malta is on track to deliver the N+3 target for this year.
1. urges Malta to monitor the measures with implementation problems and if necessary carry out corrective actions (e.g. M.3, M.11, M.19).	MA has now renewed energy to support these measures and has engaged in direct communication with Competent Authorities for Quality marks and Organic; with the latter, a communication to all registered producers in Malta has also been sent. With regards to LEADER, the MA had taken a very active role in LAG's re-establishment until the first LAG Measures were launched.
1. The Commission takes note of the information provided and expresses its concerns about the serious delays in the	The MA directed the necessary efforts to address this concern and as at today, the RDP has registered considerable progress with more than 70% of its

progress towards the indicators, which are in line with the delayed RDP implementation. The Commission urges Malta to do its utmost to accelerate the RDP implementation

funds committed and 29 out of its 34 measures have been launched. A second Project Selection Committee was also appointed and this has enhanced the project selection process. The MA remains committed to maintain the momentum gained over the past months.

1. Takes note of the information provided [in relation to the performance framework] and expresses its serious concerns about not reaching the 2018 milestones for the Priorities concerned.

As a reaction to this recommendation, the MA provided a detailed explanation in its letter to Mr Plewa, on 19 December, providing detailed information on the state of play, the necessary justifications in cases where delays were encountered and corrective actions undertaken.

1. takes note of the information provided and expresses its serious concerns about the significant delay in the evaluation activities and Urges the MA to guarantee that evaluation activities are carried out in due time also in line with what is provided in the RDP.

In 2018 the MA issued a public call for tenders for the carrying out of evaluation activities in relation to the RDP its requirements. The tender was awarded in Q2 2019 and work of the evaluations was initiated immediately to also feed into the requirements of the AIR.

1. Reminds the MA about the obligation to present a more detailed Annual Implementation Report (AIR) in 2019 in line with Art 50 of Regulation (EU) No 1303/2013 and Art 75 of Regulation (EU) No 1305/2013.

Comment noted and addressed through the presentation of AIR 2018.

1. reminds that the 2018 Annual Implementation Report (AIR) to be submitted in 2019 will have to contain additional and exhaustive information in Chapters 2 and 7 relating to the evaluation plan and the achievement of the objectives of the programme, with replies to the common evaluation questions (CEQ), including those relating to Local Development Strategies (Leader self-assessment). and that in the absence of complete and relevant information, in particular in Chapters 2 and 7, the AIR could be considered non-admissible with possible financial consequences on

Comment noted and addressed through the presentation of AIR 2018, which also includes the compilation of Chapters 2 and 7.

payments.

Programme Modifications

In 2018, the European Commission approved the second and third modifications of the Programme Modifications proposed to improve the quality and effectiveness of the programme. These modifications were approved over 2 separate RDP modifications. The second programme modification was approved in March whilst the third modification was approved in December 2018. The December 2018 modification brought about considerable modifications (amounting to circa 50 changes) to the programme.

The changes are described in detail under Section 1.1 of the revised RDP adopted in 2018.

Administrative Capacity Building

- Additional staff complement

As a result of the public call issued in 2017 for the engagement of staff across all ESIF Managing Authorities in order to boost the administrative capacity and the shortage of staff experienced, the Managing Authority increased its staff complement at different levels during 2018. As a result, 1 Senior Manager, 4 Programme Managers and 1 Programme Officer joined the office.

- Training Activities

During 2018, MA staff attended various training initiatives, including:

- Public Management Toolkit Courses, organised throughout the year by the Institute of Public Services
- Training organised in collaboration with the European Helpdesk for Rural Development concerning the follow up of the AIR – 10 January 2018.
- Training organised in collaboration with the European Helpdesk for Rural Development concerning LEADER Evaluation – 5 December 2018.
- Cross Compliance Seminar – 17 October 2018.

Moving forward, the plan is to have MA staff members involved in a shadowing experience with two Managing Authorities in different regions in Italy. In addition, the MA staff will also be involved in a training programme supported through the ESF. During the Q4 of 2018, the senior management at FPD participated in a training needs analysis, which now should feed into the identification of suitable training courses aiming to strengthen the administrative capacity of the MA at a senior management level.

- Project Selection Committee

To expedite the selection process, during the course of 2018, two Project Selection Committees (PSC) were set up. PSC I and PSC II. PSC I covers the selection process for M1, M19, M4.3, M4.4, M16, M10.2, whilst PSC II covers sector specific calls fall covering M2, M3, M4.1, M4.2, M6.1, M6.4.

- Outsourcing of certain tasks

In order to boost its administrative capacity, the MA outsourced some of its functions to third parties. External experts were engaged to assist in the drafting of guidelines for calls for the different measures as well as to provide technical support to the PSC. A study to assess the applicability of Financial Instruments for the local agri-business sector was also launched.

- Other activities

The MA participates in various inter-ministerial meetings mainly aimed at avoiding double funding of projects, simplification and ensuring clear deliniation between one programme and another. Such committees include representation from the various ESI Funds.

The MA also participates in various EU committees and meetings (including RDCs, Expert Group on Monitoring and Evaluation of the CAP, ENRD and EIP workshops and seminars).

Calls for Projects

- Open rolling system with set cut-off dates (for all measures)

The adoption of the open block procedure for the submission of project proposals adopted during 2017 was extended to all calls launched during the course of 2018 for investment projects. In the case of landbased measures, these open annually for a specific period (usually during summer).

- Guidance Notes

The implementation guidance documents, together with the application forms for the launched measures during 2018, have all been uploaded on the MA website (www.eufunds.gov.mt as well as on the new website the MA launched during 2018: [http://www.eufundsmalta.gov.mt/\[1\]](http://www.eufundsmalta.gov.mt/[1])). These guidance documents provide an overview of the measure, targeted priorities, eligible applicants and costs and beneficiary obligations.

- Information Sessions

The MA held various information sessions to support prospective applicants in the application process for RDP measures. Throughout 2018, the MA organised the following sessions:

- M4.1 – 9 May 2018
- M10.1 – 5 sessions were held (2, 22 March; 30, 31 July; 1, 2 August, 2018)
- M4.2 – 31 October 2018

In addition, the MA actively participated in various information sessions organised by the Agriculture and Rural Payments Agency (ARPA) for Beneficiaries that were awarded a grant, as follows:

- M4.3 – 6 February; 3 May, 2018
- M4.1 and M4.4 – 9 February; 12 July; 6, 8, 14, 15 November, 2018.

Ongoing enhancement on IT system

The MA acknowledges that the IT system is the backbone of monitoring and evaluation requirements.

Therefore, it is in constant contact with the IT system administrator to manage and improve the IT system.

The system has now been updated to receive applications under all measures of the programme. These applications are now uploaded on the IACS system.

[1] More details on the new website is found in section 4b.

3.b) Quality and efficient delivery mechanisms

Simplified Cost Options (SCOs) ¹, proxy automatically calculated

	Total RDP financial allocation [EAFRD]	[%] planned SCO coverage out of the total RDP allocation ²	[%] realised expenditure through SCO out of total RDP allocation (cumulative ³)
Fund specific methods CPR Article 67(5)(e)	97,326,898.00	21.08	7.23

¹ Simplified Cost Options shall be intended as unit cost/flat rates/lumps sums CPR Article 67(5) including the EAFRD specific methods under point (e) of that article such as business start-up lump sums, flat rate payments to producers organisations and area and animal related unit costs.

² Automatically calculated from programme version's measures 06, 09, 10, 11, 12, 13, 14, 15, 18

³ Automatically calculated from declarations of expenditure's measures 06, 09, 10, 11, 12, 13, 14, 15, 18

Simplified Cost Options (SCOs), based on specific detailed MS data [optional]

	Total RDP financial allocation [EAFRD]	[%] planned SCO coverage out of the total RDP allocation	[%] realised expenditure through SCO out of total RDP allocation (cumulative)
Total CPR Article 67(1)(b)(c)(d) + 67(5)(e)	97,326,898.00		
Fund specific methods CPR Article 67(5)(e)	97,326,898.00		

E-management for beneficiaries [optional]

	[%] EAFRD funding	[%] Operations concerned
Application for support		
Payment claims		
Controls and compliance		
Monitoring and reporting to the MA/PA		

Average time limits for beneficiaries to receive payments [optional]

[Days] Where applicable, MS deadline for payments to beneficiaries	[Days] Average time for payments to beneficiaries	Comments

4. STEPS TAKEN TO IMPLEMENT TECHNICAL ASSISTANCE AND PROGRAMME PUBLICITY REQUIREMENTS

4.a) Action taken and state of play as regards the establishment of the NRN and the implementation of its action plan

4.a1) Actions taken and state of play as regards establishment of the NRN (governance structure and network support unit)

The Managing Authority (MA) within the Ministry for European Affairs and Equality (MEAE) is responsible for all the activities of the network and ensures that the process outlined in the RDP is adhered to. Local Action Groups, Ministry officials, farmers and representatives of NGOs are all invited to participate in the thematic activities of the Network and discussions.

Although not funded through the NRN budget allocation under Technical Assistance, Malta, through National resources, set up a dedicated Farm Extension Services (FES) in 2017. A cooperation agreement between the Managing Authority and the FES was signed and throughout 2018, this service was providing an array of services including increase awareness on available support, support in improving agricultural operations through innovative solutions, as well as provision of technical assistance to the farming community. At present there are 13 individuals working within the FES which include Scientific Officers and Agricultural officers as well as administrative staff.

NRN Malta will continue to create awareness by reaching out to the stakeholders via different channels of communication, mainly through direct information sessions and other information media, including websites, newspaper adverts, leaflets and newsletters, with the latest newsletter to be published by end June 2019.

4.a2) Actions taken and state of play as regards the implementation of the action plan

The main aim of the NRNM is to ensure an efficient exchange of information and communication between the various rural stakeholders. Therefore, the NRN uses a variety of networking tools and communication tools to achieve this objective.

New MA Website

A new EU Funds website was launched in 2018: www.eufundsmalta.gov.mt.

This website provides a better user experience, allowing visitors to browse through information concerning the various funds. The website also allows users to search for funding opportunities based on the type of beneficiary. It also include information concerning projects supported through the various funds.

NRN Formal Information Sessions (several informal information sessions are regularly delivered)

During 2018, a series of information sessions on the measures of the Rural Development Programme 2014-2020 were held. This included :

- an information session with Maltese farmers on AECM 5 on the 2nd March.
- a series of information sessions mainly on AECM 5, Organic Farming, M4.1 (investments on agricultural holdings), were held in:
 - Mgarr on the 30th July
 - Hal Far on the 31st July
 - Ta Qali on the 1st August
 - Gozo on the 2nd August

- An information session covering M4.2 (Processing) was held at ARPA on the 31st August

Information Leaflets

During 2018, information leaflets concerning various sub measures were developed and disseminated amongst farmers as well as during events. To widen the dissemination of the information, the leaflets were also distributed to various Local Councils and other public entities across Malta and Gozo.

Several adverts on all Sunday National newspapers as well as Government gazette are regularly published. In total, 18 adverts were published in various print media during 2018.

The NRNM remains committed in the remaining programming period to:

1. Provide publicity and information activities supporting the launch of Measures as part of the *RDP for Malta 2014-2020*;
2. Provide animation of the “partnership approach” underpinning delivery of the *RDP for Malta 2014-2020*;
3. Provide training and networking for LAGs and other stakeholder groups;
4. Provision of networking for advisors and innovation support services to support the piloting of Operational Groups under the European Innovation Partnership (EIP) for Agricultural Productivity and Sustainability;
5. Partner search for establishment of potential Operational Groups;
6. Collect examples of projects covering all 5 themes of the *RDP for Malta 2014-2020*;

7. Participate in, and contribution to, the activities and events of ENRD;
8. Hold information and communication activities aimed at the broader public (in line with RDP Communication Strategy);
9. Facilitate thematic and analytical exchanges between stakeholders, and sharing and dissemination of findings;
10. Facilitate co-operation among LAGs, in particular technical assistance for inter-territorial and transnational co-operation;
11. Share and disseminate monitoring and evaluation findings;
12. Further consolidate the NRNM.

4.b) Steps taken to ensure that the programme is publicised (Article 13 of Commission Implementing Regulation (EU) No 808/2014)

In line with its EAFRD Communication Strategy 2014-2020, the Managing Authority implemented a number of actions in order to ensure that sufficient information is made available both to potential beneficiaries as well as the general public. The measures undertaken include:

Adverts on local newspapers and radio programmes

During 2018, the MA published adverts announcing the launching of measures, prior to formal launch.

These adverts are normally published on Sunday newspapers and on the government gazette. Adverts are published on newspapers that are published in English and in Maltese.

Information Sessions

Throughout 2018, the MA organised various information sessions in order to disseminate information concerning various measures. Information sessions relay information in relation to:

- funding opportunities and the launching of calls under the RDP;
- the procedures to be followed in order to qualify for funding under the RDP;
- the procedures for assessing applications for funding;
- the eligibility conditions and/or criteria for selecting and evaluating the projects to be funded;
- the responsibility of beneficiaries to inform the public about the aim of the operation and the support from the RDP.

The following information sessions were held during 2018:

- M4.1 – 9 May 2018
- M10.1 – 5 sessions were held (2, 22 March; 30, 31 July; 1, 2 August, 2018)
- M4.2 – 31 October 2018

In addition, the MA actively participated in various information sessions organised by the Agriculture and Rural Payments Agency (ARPA) for Beneficiaries that were awarded a grant, as follows:

M4.3 – 6 February; 3 May, 2018

M4.1 and M4.4 – 9 February; 12 July; 6, 8, 14, 15 November, 2018.

Short Message Service (SMS)

To widen the base of potential beneficiaries, the MA also sends out SMSs to potential applicants upon launching its sub measures and the related sub measures as well as information session notifications, amongst others.

New EU Funds Website

The Managing Authority of EAFRD launched a new website covering all the funds falling under its remit – www.eufundsmalta.gov.mt. The website brings together all the funds that Funds and Programmes Division manages and information provided includes: information on the different programmes, the calls for projects, and is a resource base for programme related links and documents.

Europe Day

To commemorate Europe Day and highlight the benefits of the EAFRD programme for Malta, Europe Direct Information Centres (EDIC) held an information even in Gozo on 6 May 2018.

Press Events

Various press events were held announcing the launch of sub-measures and awarding of grants

- Launch of AECM 5 and sub-measure 11.1, held on 13 February 2018
- Sub-measure 4.3, held on 6 April 2018
- Sub-measure 4.4 held in Gozo on 15th October 2018.

Subsequently these press events were reported in the media.

Information Leaflet

The Managing Authority issued information leaflet concerning various sub-measures. The leaflet was distributed to both farmers and general public during events as well as to Local Councils and other public entities across Malta and Gozo.

Availability of MA staff to answer queries

- *Front Office*

The main point of contact for farmers in Malta is the Front Office, with an office located in Ta' Qali, Malta and another office in Xewkija, Gozo. The scope of the Front Office is to offer a one-stop shop experience to farmers, including the place where Pillar I applications are received as well as applications for other National Schemes. Amongst other things, requests for transfer of Agricultural Land is also handled at this office. The Malta office is also located within proximity of the *Pitkali Markets' Centre*, which is the place where local grown fruit and vegetables are deposited by farmers and sold to licensed hawkers through middlemen (known as pitkala). It is also located within walking distance from the main Farmers' Market in Malta.

Amongst the services provided, the front office provides technical advice with respect to (Note that the below support is not offered by MA staff present at Front Office):

- Procedures to be followed for the transfer of land;
- A detailed explanation of payments issued;
- Eligibility criteria of EU and National Aid Schemes;
- Regulations and policies to be adopted by an applicant in order to be compliant for such measures.

In order to take advantage of this facility and in order to ensure that the MA is within reach to farmers, whilst at the same time extending the one-stop shop experience for farmers, MA staff is regularly present at the Front Office, Ta' Qali, Malta and Xewkija Gozo to answer any queries from the farmers and public concerning RDP measures and promote the RDP in general.

- *Other support*

In addition to the above, the Managing Authority holds one-to one meetings with potential beneficiaries to

provide the necessary guidance for application purposes. The MA also provides ongoing telephone and email support to potential and current beneficiaries as necessary.

- *MEUSAC*

MEUSAC is a public agency with one of its functions focusing on assisting national and local government and civil society organisations to apply for EU-funded projects. It is distinct from the MA but complements the role of the MA in the dissemination of information and the provision of technical support to potential applicants. Their support extends also to the RDP for Malta. Its services include one-to-one meetings with potential beneficiaries to discuss project proposals and identify EU funding possibilities, support in the drawing up of application forms, hands on information sessions and general customer care help desk.

Details on approved Beneficiaries

The public list of RDP beneficiaries is available online on www.eufunds.gov.mt. The information is split between:

- Investment based projects – the list can be accessed from:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Measures/Results/EAFRD%20PROJECTS%20ONLINE%20LIST%20version%201.3%20latest.pdf>

- Landbased – the list can be accessed from:

<https://msdec.gov.mt/en/ARPA/Pages/Payments.aspx>

Publications issued by the MA

During 2018, the MA issued the following two communication related documents,

- Visual Identity Guidelines: these have been drawn up to help and inform the Managing Authority, Paying Agency, Stakeholders, Beneficiaries and third parties in using the correct publicity requirements under the Rural Development Programme for Malta 2014 – 2020. This document is available on:
<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Publicity/EAFRD%20VIG%20V1.7.pdf>
- Technical characteristics of information and publicity measures (Visibility Guidelines): the scope is to guide Beneficiaries, as well as potential ones, regarding the visual identity requirements that are bound to comply with during tendering and procurement processes. This document is available on:
<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Technical%20Assistance/Technical%20characteristics%20of%20information%20and%20publicity%20measures%20%20Logos%20RDP%202014-2020.pdf>

Dissemination of promotional items

As part of its mission to inform the general public about the EAFRD, the Managing Authority invested in promotional items to disseminate them during public events, such as information sessions, press events and other national events such as Europe Day.

5. ACTIONS TAKEN TO FULFIL EX ANTE CONDITIONALITIES

This section applies to AIR(s) 2015, 2016 only

6. DESCRIPTION OF IMPLEMENTATION OF SUB-PROGRAMMES

This section is not applicable for Malta's Rural Development Programme.

7. ASSESSMENT OF THE INFORMATION AND PROGRESS TOWARDS ACHIEVING THE OBJECTIVES OF THE PROGRAMME

7.a) Evaluation questions

7.a1) CEQ01-1A - To what extent have RDP interventions supported innovation, cooperation and the development of the knowledge base in rural areas?

7.a1.a) Answer to evaluation question

The measures which are programmed under this Focus Area are:

- M01 – Knowledge transfer and information actions (art 14)
- M02 – Advisory services, farm management and farm relief services (art 15)
- M16 – Co-operation (art 35)

Given that as at the end of 2018, only one sub-measure (M1.1) programmed under this Focus Area was launched, no impact can be derived as part of the evaluation analysis. The application requesting funding through this sub-measure was evaluated during Q1 and has been approved in Q2 2019. By the first quarter of 2019, the MA continued to launch measures contributing to this focus area including M16.2 and M16.4. Furthermore, the rest of the measures under Focus Area 1A are projected to be launched by the end of 2019, hence allowing the evaluation activities to intensify over the course of the years. It is also to be noted that the impact on this Focus Area are indirect in that the Measures are programmed elsewhere in the programme. For example, M01 is linked to FA4C, 5A, 5B,5D and 6C. Likewise, M2.2 is linked to FA2A and 2B.

Measure 1: Knowledge Transfer and Information Actions

The three sub-measures under M01 are all programmed under FA1A, where:

- M1.1 relates to support for vocational training and skills acquisition actions;
- M1.2 relates to support for demonstration activities and information actions; and
- M1.3 relates to support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education, submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the first call covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

As for M1.2 and M1.3, these are expected to be launched by the third quarter of 2019[1].

The basis for building the knowledge base in the sector reflects one of the six social regeneration objectives identified by the National Agricultural Policy for the Maltese Islands 2018-2028[2], being that of investing in flexible career pathways and educational services for current and prospective rural entrepreneurs to offer an array of essential information, exchange of ideas, networking and training opportunities for product upgrading and diversification. Indeed, in the context of an agricultural sector which is facing difficulties in attracting young farmers and which is witnessing a shift from full-time to part-time employment, the National Agricultural Policy specifies that the agricultural sector needs to become more business-oriented in its approach while retaining its traditional aspects. Indeed, the implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measure under M02 which is programmed under FA1A is:

- M2.2 which relates to support for the setting up of farm management, farm relief and farm advisory services as well as forestry advisory services.

As at the end of December 2018, M2.2 was not yet launched. As a result, no progress was registered in terms of committed and realized outputs. The reason for the relatively delayed call of this measure is chiefly due to the fact that M2.1 was regarded to be of a higher priority since it is linked to the actual delivery of Farm Advisory Services (FAS) to farmers. Furthermore, the eligibility conditions for M2.1, and indeed the recognition of FAS providers by the respective board (Farm Advisory Services Board. MESDC) entail that FAS providers are already set up and have the necessary competences. As a result, M2.2 could have limited scope within the ambit of the local regulatory framework and hence M2.1 was prioritised over M2.2.

Measure 16: Cooperation

The sub-measures under M16 which are programmed under FA1A are:

- M16.2 which relates to support for pilot projects, and for the development of new products, practices, processes and technologies; and
- M16.4 which relates to support for horizontal and vertical cooperation among supply chain actors for the establishment and development of short supply chains and local markets, and for the promotion activities in a local context relating to the development of short-supply chains and local markets.

Both of these sub-measures were pre-launched in April 2019 and both sub-measures are expected to have a direct contribution to fostering innovation over the course of the implementation of the Programme.

It is to be noted that in the latest amendment to the RDP, approved in December 2018, the MA reduced the budget for M16.2 and M16.4, following a revisiting of the ambitious and unrealistic targets set at RDP drafting stage. Indeed, while the benefits of cooperation are recognised in the Programme as well as the National Agricultural policy, stronger cultural shifts are required for cooperation to take-off successfully. This is also to be considered in light of the fact that 98% of all holdings in Malta are run by sole owners and thus the possibility of diverting limited resources away from their core activity for research and innovation purposes is very limited. Against this background, the budget for M16.2 has been reduced by €2 million

whereas the budget for M16.4 has been reduced by €1.4 million.

With regard to the establishment and development of short supply chains and local markets supported mainly through M16.4, the availability of fresh agricultural products at a close geographical proximity as well as the extensive and traditional network of hawkers, do not pose the need for development of such networks. Furthermore, the limited number of agro-operators within the agro-industry as well as their limited capacities continue to reduce the potential audience for this type of intervention.

In conclusion, the progress with respect to this Focus Area has been so far limited, chiefly due to the fact that the measures have, either been recently launched or are expected to be launched in 2019. These implementation challenges were accentuated by the human resource constraints experienced by the Managing Authority (MA) and the Paying Agency (PA) over the past years.

Judgement Criteria

Judgment criteria	Common result indicator	Value (2018)
RDP projects have been innovative and based on developed knowledge	T1: % of expenditure under Articles 14,15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (FA 1A - Target indicator)	0

The judgement criteria that is used to assess this CEQ is related to projects which have been innovative and based on developed knowledge.

Target Indicator

As at end of 2018, no expenditure was recorded under any of these measures. Indeed the result indicator (T1) on the % of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (Focus Area 1A) was at end of 2018 nil.

Other indicators which in the future can be used to evaluate this focus area include common output indicators and additional result indicators such as % of innovative projects out of all RDP supported projects and number and types of cooperation. Discussion will be held with the MA and other stakeholders for the collection of data to assess additional result indicators.

Conclusions:

In conclusion, the progress with respect to this Focus Area has been so far limited, chiefly due to the fact that the measures have, either been recently launched or are expected to be launched in 2019. The RDP was approved relatively late towards the end of 2015 thus narrowing the implementation phase and implementation challenges have been accentuated by the human resource constraints experienced by the Managing Authority (MA) and the Paying Agency (PA) over the past years. Furthermore, the significant modification to M16 including the removal of some sub-measures led to a postponement in the launch of the measure till the RDP modifications were subsequently approved in December 2018.

Consequently the financial implementation of this focus area as at end of 2018 was nil.

Recommendations:

As a general recommendation, the evaluators recommend that:

- i. Steps should be taken to ensure that the impact of innovation, cooperation and the development of the knowledge base can be evaluated during the course of the Programme and after the implementation of the Programme through the availability of data which specifically captures these elements. Indeed, as indicated above, evaluators will be working with all stakeholders in this regard to ensure sufficient collection of data particularly on innovation taking due account of the Guidelines on the evaluation of innovation in the Rural Development Programme 2014-2020 published by the Evaluation Helpdesk. In this regard it is suggested that questionnaires are distributed amongs participants to capture relevant evaluation questions particularly in terms of the extent to which the course aids in capturing innovation through the nurturing of ideas, building capacity and the development of an enabling environment [3];
- ii. Good channels of communication are maintained with the beneficiaries in order to ensure that participation in focus groups, interviews and surveys to be carried out as part of the evaluation, will be up to the targeted level.

[1] Source: Measures and Sub Measures List and Calls issued (Excel File)

[2] Available at:

https://meae.gov.mt/en/Public_Consultations/MSDEC/Documents/National%20Agricultural%20Policy%20for%20the%20Maltese%20Islands%202018%20-%202028.pdf

[3] Guidelines Evaluation of Innovation in Rural Development Programmes 2014-2020 (December 2017)

7.a2) CEQ02-1B - To what extent have RDP interventions supported the strengthening of links between agriculture, food production and forestry and research and innovation, including for the purpose of improved environmental management and performance?

7.a2.a) *Answer to evaluation question*

The measure which is programmed under this Focus Area is:

- M16 – Co-operation (art 35)

Up to the end of 2018, none of the sub-measures programmed under this Focus Area had been launched. Within this context, the extent to which RDP interventions under Focus Area 1B have supported the strengthening of links between agriculture, food production and forestry and research and innovation, cannot be evaluated.

Measure 16: Cooperation

The sub-measures under M16 which are programmed under FA1B are:

- M16.2 which relates to support for pilot projects, and for the development of new products, practices, processes and technologies; and
- M16.6 which relates to support for cooperation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes.

Given that none of these two sub-measures had been launched up to 2018, no assessment of their performance can be provided. Nevertheless, progress is expected in the coming months since the MA has recently pre-launched both measures.

As outlined in the ex post evaluation of the RDP 2007-2013, there are limitations within the local context that reflect on the take up of Measure 16. Indeed, the take up of such measures is expected to be significantly lower than what was currently envisaged in the RDP. In fact, in an effort to ensure the relevance of the RDP to local farmers and producers and ensure that the necessary assistance is provided in areas with most added value to the sector, the number of actions and budgetary allocations envisaged under M16, as explained in the previous CEQ, have been re-dimensioned with the budget for M16.2 reduced by €2 million. This amendment has also been affected in light of the rather ambitious targets that were set at RDP drafting stage.

M16.2 is expected to contribute to this Focus Area by providing the necessary impetus to projects which are in their initial phases of development, thereby helping to fill the gaps that exist in the Maltese agricultural sector. To this effect, aid under this sub-measure will serve to put research outputs into more concrete use for the development of tangible agricultural projects. While the budget for M16.2 has been reduced on account of the limited potential of Maltese agricultural holdings to divert their resources from core activity for research and innovation purposes, the eligibility for this sub-measure has been revised as a stand-alone measure. This should contribute to foster cooperation and encourage the take-up of M16.2. Also to be considered is the fact that national efforts have not ceased. Indeed, through the Malta Council for Science and Technology, Government launched a scheme for the provision of proposals aimed at a holistic approach to the sustainable management of livestock manure and slurry within a circular economy context.

The Scheme offered financial support to organisations that were interested in developing solutions and business proposals for the management of the entire slurry and manure generated within the Maltese territory or parts thereof as well as to contribute the necessary data required towards the development of a national economic model on the sector. Towards this end, a total of three applications were approved wherein a budget of about €428,000 was distributed to the beneficiaries. The feasibility studies conducted as part of the exercise as well as the collection of data could serve as an important basis for the development of projects which in turn could utilise EAFRD.

Also, M16.6 is expected to contribute to the overall objective of achieving a sustainable agricultural waste management system[1] by supporting projects in favour of the provision of sustainable biomass, particularly where those projects are relatively complex. While this sub-measure has recently been pre-launched, there are expectations of favourable developments over the course of 2019, also in light of the higher national policy efforts in this regard, as explained above.

In conclusion, the progress with respect to this Focus Area is so far limited, chiefly due to the fact that the sub-measures programmed under FA1B have recently been amended and only recently been launched. The late introduction of these measures is principally due to the fact that there were other measures which merited higher focus, given the changing conditions of the agricultural sector with greater emphasis put on

the competitive and environmental pressures faced by the sector.

Judgement Criteria

Judgment criteria	Common result indicator	Value
Long term collaboration between agriculture, food production and forestry entities and institutions for research and innovation has been established	T2 - Total number of co-operation operations supported under the cooperation measure (Art. 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...),	0
Cooperation operations between agriculture, food production and forestry and research and innovation for the purpose of improved environmental management and performance have been implemented		

The judgement criteria that is used to assess this CEQ is related to the long term collaboration between partners and the development of cooperation operations.

Target Indicator

As can be seen from the Table given that as at the end of 2018, none of the measures contributing towards this FA had been implemented, there is no progress to register in the target indicator on the total number of co-operation operations supported under the cooperation measure (Art. 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...).

Other indicators which in the future can be used to evaluate this focus area include common output indicators and additional result indicators such as number and types of partners involved in cooperation projects. Discussion will be held with the MA and other stakeholders for the collection of data to assess additional result indicators which are of relevance to this CEQ.

Conclusions:

In conclusion, the progress with respect to this Focus Area has been limited as the measures contributing towards this Focus Area have not been launched. Consequently the financial implementation of this focus area as at end of 2018 was nil.

An important development falling under this Focus Area is that the limitations within the local context on the development of cooperations and instilling research and development have been recognised such that Measure 16 has been scaled down in the Programme with expenditure diverted towards more effective

channels. These amendments have been approved in the July 2019 version of the RDP.

Recommendations

In view of the limited progress recorded in terms of Focus Area 1B, the evaluators recommend that:

- i. Greater attention is required to monitor links between, on the one hand, the agriculture community (broadly defined) and, on the other, the research and innovation community to ensure the effective take up of these measures.

[1] The ‘Agricultural Waste Management in the Maltese Islands (2015-2030)’ puts forward a plan to cater for the management of agricultural waste in Malta.

7.a3) CEQ03-1C - To what extent have RDP interventions supported lifelong learning and vocational training in the agriculture and forestry sectors?

7.a3.a) Answer to evaluation question

The measures which are programmed under Focus Area 1A are:

- M01 – Knowledge transfer and information actions (art 14)
- M02 – Advisory services, farm management and farm relief services (art 15)
- M16 – Co-operation (art 35)

As at the end of 2018, only one sub-measure (M1.1) programmed under this Focus Area was launched, thereby limiting the extent of evaluation activities that could be undertaken. Since then, M2.1 was also launched (in May 2019), whereas M1.2 and M1.3 are expected to be launched by the third quarter of 2019. A pre-call has been issued for M16.1. It is also to be noted that the impacts in this Focus Area are indirect in that the Measures are programmed elsewhere in the Programme. For example, M01 is linked to FA4C, 5A, 5B,5D and 6C. Likewise, M2.1 is linked to FA4A, 4B, 4C, 5A, 5B and 5D.

Measure 1: Knowledge Transfer and Information Actions

The three sub-measures under M01 are all programmed under FA1C, where:

- M1.1 relates to support for vocational training and skills acquisition actions;
- M1.2 relates to support for demonstration activities and information actions; and
- M1.3 relates to support for short-term and forest management exchange as well as farm and forest visits

The budget allocation of M01 under FA1C is relatively higher than that under FA1A. This measure should serve to improve the levels of vocational training through actions that establish networks among farmers to enable them to engage with appropriate training throughout their career. In some sectors, co-operatives

may be well-placed to develop this approach among their members.

As explained in CEQ01, M1.1 was launched on 7th December 2018[1]. As at end of December 2018, one application was received under M1.1 by MCAST[2]. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

It is also to be noted that MCAST is also involved in the approval board for applicants benefitting from M6.1 for young farmers. MCAST has also taken an active role in the provision of bespoke training in order to develop and enhance the skills for young farmers in executing their business plan. Further information is provided in CEQ 04.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measures under M02 which are programmed under FA1C are:

- M2.1 which relates to support to help beneficiaries from the use of advisory services; and
- M2.3 which relates to support for training of advisors

As at the end of December 2018, none of the two sub-measures above had been launched. As a result, no assessment can be undertaken in relation to their intended effect. In May 2019, there was the launch of M2.1.

As explained in CEQ 01, M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where selection of advice providers and trainers was no longer restricted to selection through the applicable 'public procurement rules'.

Further to the above, the delayed implementation of M2.1 was also due to another factor namely that while the legislation which is pertinent to the framework of the Farm Advisory Services is available (S.L 117.30) and establishes the roles and responsibilities of all stakeholders involved in the System, an amendment to the Subsidiary Legislation was proposed in May 2018 and up to June 2018 was still open to consultation.

On the basis of these considerations, the MA launched M2.1 in May 2019, for which there has been one applicant which has been approved by the Farm Advisory Services Regulation Board (FASRB) for the provision of farm advisory services.

M02 will provide a direct contribution to this Focus Area through the provision of advice (sub-measure 2.1) which is needed to assist farmers and other rural stakeholders to develop skills and knowledge on a wide range of issues. This sub-measure is complemented by sub-measure 2.3, which involves providing advisors with the necessary training. The latter measure has not been launched as it has required the set-up of M2.1 in terms of the advisory services.

Measure 16: Cooperation

The sub-measure under M16 which is programmed under FA1C is:

- M16.2 which relates to support for pilot projects, and for the development of new products, practices, processes and technologies; and

A pre-call for this measure has recently been issued but up to end 2018 there was no progress in relation to the measure contributing towards this focus area. While the support for pilot projects, and for the development of new products, practices, processes and technologies is considered crucial for innovation and cooperation to flourish within the Maltese agricultural sector, the budget allocation for M16.2 as explained in previous CEQs, was reduced by €2 million, following the amendments made to the RDP in 2018. This amendment has been affected in view of the over ambitious targets set at RDP drafting stage.

In conclusion, the progress with respect to this Focus Area has been so far limited, chiefly due to the fact that the measures have, either been recently launched or are expected to be launched in the coming weeks or months of 2019. The limited progress with respect to this Focus Area is primarily attributed to factors outside the control of the MA such as the modifications to the legislation.

Judgement Criteria

Judgment criteria	Common result indicator	Value
The number of rural people who have finalised lifelong learning and vocational training in the agriculture and forestry sectors has increased	T3- Total number of participants trained under Art. 14 of Regulation (EU) No 1305/2013	0

The judgement criteria that is used to assess this CEQ is related to the increase in the number of rural people who have finalised lifelong learning and vocational training in the agriculture sector.

Target Indicator

Given that none of the measures under this FA had been implemented as at end of 2018, there is no progress under any of the output indicators contributing towards this Focus Area. Likewise, progress under result indicator T3 Total number of participants trained under Art. 14 was at end of 2018 nil.

Other indicators which in the future can be used to evaluate this focus area include common output indicators and additional result indicators such as number of RDP training activities divided by type and or content linked to the needs of the agricultural sector as highlighted in the RDP. Discussion will thus need to be undertaken with the MA and other stakeholders to ensure sufficient collection of data to address adequately this CEQ. The application format for M1.1 indicates that valuable information will be collated during the implementation of the projects.

Conclusions:

The progress with respect to this Focus Area has also been limited as the measures contributing towards this Focus Area have either not been launched or else launched towards the end of 2018. Training under Measure 1.1 will be provided through 7 courses, related to farming and business management practices and the AECMs providing complementarity across the RDP.

Recommendations:

In view of the limited progress recorded in terms of Focus Area 1C, the evaluators recommend that:

- i. Steps should be taken to speed up the approval of the recently launched measures, so beneficiaries are selected throughout 2019.
- ii. Steps should also be taken to ensure that data required to capture the impact of lifelong learning and vocational training on the agricultural sector can be evaluated during the course of the Programme and for the *ex-post* evaluation. In this respect, the evaluators will be liaising with relevant stakeholders and with the MA to develop an evaluation sheet for the participants.
- iii. Good channels of communication are maintained with the beneficiaries in order to ensure that the participation in focus groups, interviews and surveys to be carried out as part of the evaluation, will be up to the targeted level.

7.a4) CEQ04-2A - To what extent have RDP interventions contributed to improving the economic performance, restructuring and modernization of supported farms in particular through increasing their market participation and agricultural diversification?

7.a4.a) *Answer to evaluation question*

The measures which are programmed under this Focus Area are:

- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)
- M06 – Farm and business development (art 19)

The MA launched M4.1 in 2017 with a rolling call which is still open. In total 6 batches were approved by the end of 2018 with a total of 67 beneficiaries for these batches. Not all of the actions by the beneficiaries primarily contribute towards this FA as explained further below. Sub-measure 4.3 was also launched in 2017 and 29 beneficiaries had been selected by 2018. As at the end of 2018, sub-measure M2.2 and M6.4 had not been launched. While the extent of data available on these sub-measures was limited, the evaluators have sought to make the best possible use of available data derived from the application forms and through meetings held with the main beneficiary for M4.3.

Measure 2.1 – Advisory Services, Farm Management and Farm Relief Services

The sub-measure under M02 which is programmed under FA2B is M2.2 which relates to support for the setting up of farm management, farm relief and farm advisory services as well as forestry advisory services. As at the end of December 2018, M2.2 was not yet launched.

M4.1: Investments in agricultural holdings

M4.1 was launched in January 2017. This sub-measure is expected to contribute to FA2A through

investments aimed at facilitating the restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors as well as farms in need of agricultural diversification. Based on an assessment of the 118 applications received thus far for this measure, it is apparent that most actions are related to Focus Area 2A. Indeed as at the end of 2018, there were 55 beneficiaries, whose actions primarily contributed towards this FA and with 48 of them starting operations in 2018. Committed expenditure as at 2018 amounted to €4.8 million reflecting an uptake of 59%.

A meeting was held with beneficiaries of M4.1 over three sessions, in order to determine the extent to which works had commenced for selected beneficiaries. Two of the meetings were held in Malta and one meeting was held in Gozo to ensure sufficient representation. A key challenge which was evident from discussions with beneficiaries is the booming construction sector in Malta which is leading to delays for contractors in carrying out works. In some instances, the beneficiaries had to seek further quotations for works as the contractors contacted during application stage had either increased their price or indicated that they are committed with work elsewhere.

The growth experienced by the construction sector is evident by the fact that full time employment in the private sector expanded by more than 16% in the span of four years to 2018. The European Commission[1] in its recent report on Malta noted that the housing market dynamism is being reflected in increasing construction activity which is leading to rising house prices and is likely to continue in the near future. Coupled with the increase in construction activity for housing, Malta is also currently undertaking investment in roads for which a number of contractors have been contracted including foreign ones leading to overemployment in the sector. Due to this construction activity, it is likely that the farmers will continue to face difficulties when contracting works for the implementation of M4.1.

Another key aspect of Measure 4.1 is that despite the fact that the measure has been open since end of 2017 and is based on an open call, the fund absorbed in terms of commitments selected beneficiaries as at April 2019 amounted to about 40% of the allocation of the budget. This is not in line with the projections made at Programme drafting stage, where it was expected that uptake under this measure would be more significant and allocated budget would be absorbed within a relatively short period of time.

The slow take up of this measure may be due to a number of factors. As highlighted in the ex-post evaluation, Measure 121 in the previous programming period, which dealt with investment, was considered as one of the flagship measures of RDP 2007-2013. Demand at the time was very strong, which can be seen from the multiple transfers to the Measure. Throughout the programme period 2007-2013, 374 applications had been committed by August 2016 with a total value of € 25,296,208. As a result, significant investment was undertaken in the previous period, the majority of which was undertaken by sole entrepreneurs. It is thus likely that farms of a considerable size which are likely to engage in investment, are facing difficulties in committing to further investment during the current programming period. This was a factor which was also highlighted by beneficiaries during the above-mentioned meetings. Some noted that while they would like to re-apply for funds under this Measure, liquidity constraints limit their ability to do so.

Another key point is that the agricultural sector in Malta continues to face restructuring challenges. Data published by Eurostat on the number of holdings by standard output produced in the Table below indicates that between 2010 and 2013 the number of holdings in Malta declined by 25%. The smallest of the holdings are the ones which have experienced the most significant decline. It is also interesting to note that the categories where there has been a minor increase in holdings is for SO categories between Euro 25,000 to Euro 99,000. The total number of holdings with a SO greater than Euro 25,000 is 740 of which more than half are likely to have benefited from funds from the previous programme. Unfortunately data on the number of holdings is only available up to 2013, but on the basis of discussions held with key stakeholders

it is likely that the number of holdings have continued to decline further since 2013.

SO_EUR	2005	2007	2010	2013	A
Total	11,070	11,020	12,530	9,360	-3
Zero euros	2,850	2,300	3,120	1,120	-2
Less than 2 000 euros	4,800	5,170	5,130	4,460	-6
From 2 000 to 3 999 euros	900	900	1,210	970	-2
From 4 000 to 7 999 euros	910	910	1,200	1,050	-1
From 8 000 to 14 999 euros	610	680	740	600	-1
From 15 000 to 24 999 euros	410	430	410	410	0
From 25 000 to 49 999 euros	250	300	350	370	2
From 50 000 to 99 999 euros	170	160	180	200	2
From 100 000 to 249 999 euros	120	130	140	130	-1
From 250 000 to 499 999 euros	30	30	50	30	-2
500 000 euros or over	10	10	10	10	0

Source: Eurostat

Measure 4.3: Infrastructure related to Agriculture

Measure 4.3 was first launched in 2017 with the first batch of applications awarded in December 2017. The call was directed towards the construction or improvement of farm access roads, directly contributing towards Focus Area 2A.

It is evident that improvement in road infrastructure is critical for better access to farmland and holdings as well as encouraging generational renewal. The lack of adequate access to these holdings, including those situated in terraced hills and coastal cliffs, is one of the driving forces leading to land abandonment in the Maltese Islands, since it limits mechanisation, productivity and leads to land marginalisation.

By the fourth quarter of 2018, 29 contracts were signed for projects which contribute towards this FA. About half of the expenditure of this measure, contributing towards FA 2A, was absorbed by Infrastructure Malta which is the implementing entity in charge for the development of road network. The application covered a total area of about 270,950m² of which about 42% were completed by the end of 2018. Furthermore, Local Councils (LCs) have also applied for this measure with a completion value of 63,497m² of roads by the end of 2018. Indeed, the performance framework target on the Surface Area (sqm) of upgraded farm access roads which is set at 60,000 m² has been exceeded, due to these agencies efforts in ensuring swift implementation of the projects. Realised expenditure by the end of 2018 amounted to circa €9.1 million equivalent to about 70% of the allocated expenditure.

An assessment of the location of the rural roads has been undertaken to determine on a visual basis the vicinity to agricultural holdings on the basis of GIS data. Discussions were held with Infrastructure Malta and Local Councils to determine the level of completed roads and to collect relevant GIS data. The assessment is presented in the Figures below whereby it can be observed that the rural roads have been undertaken in the vicinity of agricultural areas. Figure 1 below identifies the rural roads which have been completed as at the end of 2018 by both IM and LCs . A breakdown distinguishing between Gozo, the North

and South of Malta is presented in Figures 2 to 4 below.

Given the time constraint to undertake the evaluation it was not possible to delve further into the data at this juncture. However key considerations which could be undertaken in the ongoing evaluation is the distance of the holdings from roads to determine the effectiveness of the measures in ensuring access to the holdings and thus contributing towards enhancing their competitiveness.

Measure 6.4- Investments in creation and develop of non-agricultural activities

In terms of Measure 6.4 it is to be noted that the MA in the modifications undertaken in 2018, reduced the allocated expenditure for this Measure by €3.9 million. In the strategic modification, which was approved in December 2018, the budget for M6.4 contributing towards FA 2A was reduced by €1.9M.

The justification for the lower expenditure is due to the fact that a measure ‘SME Diversification and Innovation Grant Scheme’ funded through ERDF was launched in 2017 under an 11 open call rolling system which has been successful with about €3M of funds which had already been awarded. In order to ensure delineation between the different EU Funding Mechanisms (namely ERDF and EAFRD), as well as due to the fact that a number of SMEs have already benefited from the latter scheme, the MA has opted for a redirection of this budget towards measures which are likely to render a greater impact.

Following the Strategic modification approval, the RDP Measure was launched in June 2019 and applications are expected to be received in the coming months. Applications are being received through a rolling call system.

Judgement Criteria

Judgment criteria	Common result indicator	Value
Agricultural output per annual working unit of supported agricultural holdings has increased	R1/T4 % of agriculture holdings with RDP support for investments in restructuring or modernisation	0.38%
Farms have been modernized	R2 Change in agricultural output on supported farms/AWU (FA 2A - Complementary result indicator)	
Farms have been restructured		

The relevant judgement criteria which are considered relevant for this CEQ include the change in agricultural output of supported, number of modernised as well as restructured holdings.

Target Indicator

Data which at the time of the drafting of the AIR was available related to R1/T4 which refers to the % of agricultural holdings with RDP support for investment in restructuring or modernisation. Progress has been achieved in terms of this indicator whereby the value as at end of 2018 amounted to 0.38% of holdings reflecting 48 holdings. Data for this indicator has been collected from the operations database as well as

direct interviews with beneficiaries. At the time of the drafting Section 7 of the AIR, data such as on the economic size of beneficiaries was not available.

The complementary result indicator on the (R2) change in agricultural output on supported farms could not be established. This was in part due to the fact that a number of actions under M4.1 are still ongoing. Furthermore, data on output for the agricultural sector at the level of holdings through FADN is available up to 2017 while most of the actions under M4.1 started to be implemented in 2018. It is also recognised that additional relevant result indicators will be used throughout the implementation of the Programme to determine the extent to which RDP interventions have contributed to improving the economic performance, restructuring and modernization of supported farms in particular through increasing their market participation and agricultural diversification.

Conclusions:

Unlike previous focus areas, most measures under focus area 2A have been launched or are in the imminent process of being launched. Measure 4.1 was launched in January 2017 but take up has been slow and no expenditure was realised by 2018 under this measure. The low take up, may in part be due to the fact that demand in the previous RDP was strong and thus a number of farms of considerable size may have already invested during the previous programme and are now facing fresh challenges in committing to further investment. Furthermore, the agricultural sector continues to face restructuring challenges with smaller holdings on the decline. In terms of realised expenditure, it is apparent that due to the booming construction industry, beneficiaries which require construction works are facing delays in works. The increase in construction prices is also likely to pose additional challenges in the take up of this measure contributing towards this Focus area as well as other focus areas. Consequently, the MA should closely monitor developments in the take up of this measure potentially reallocating funds towards measures which also meet the objectives of the Programme but are experiencing stronger demand and realistically implementable during the lifetime of the current programming period.

In terms of M4.3 take up has been high with incurred expenditure by the end of 2018 amounting to circa €9.1 million equivalent to about 70% of the allocated expenditure. The output indicator on Surface Area (sqm) of upgraded farm access used in the performance framework for 2018 has been surpassed. This was mainly due to the fact that besides projects submitted from the Local Councils, the national agency (Infrastructure Malta) for roads networks also submitted a project which registered very significant progress in the span of few months. The centralisation of such project including several farm access roads provided a clear indication of the challenges and needs being faced by farmers and other rural actors, especially concerning rural farm access.

Recommendations

As a general recommendation, from an evaluation perspective, there should be more efforts directed towards the centralisation of data particularly on the progress of the projects so as to facilitate the evaluation process. The data mechanism should allow for the uploading of more recent data rather than relying on data provided at application stage. This in particular is relevant for the larger projects such as those being conducted under M4.3.

Also efforts should be directed towards monitoring projects which rely on construction as is the case for some projects falling under M4.1 and M4.3. As current trends in the construction sector are likely to persist,

there is a risk for project implementation vis-à-vis the closure of the programming period.

[1] Commission Staff Working Document, Country Report Malta (2019).

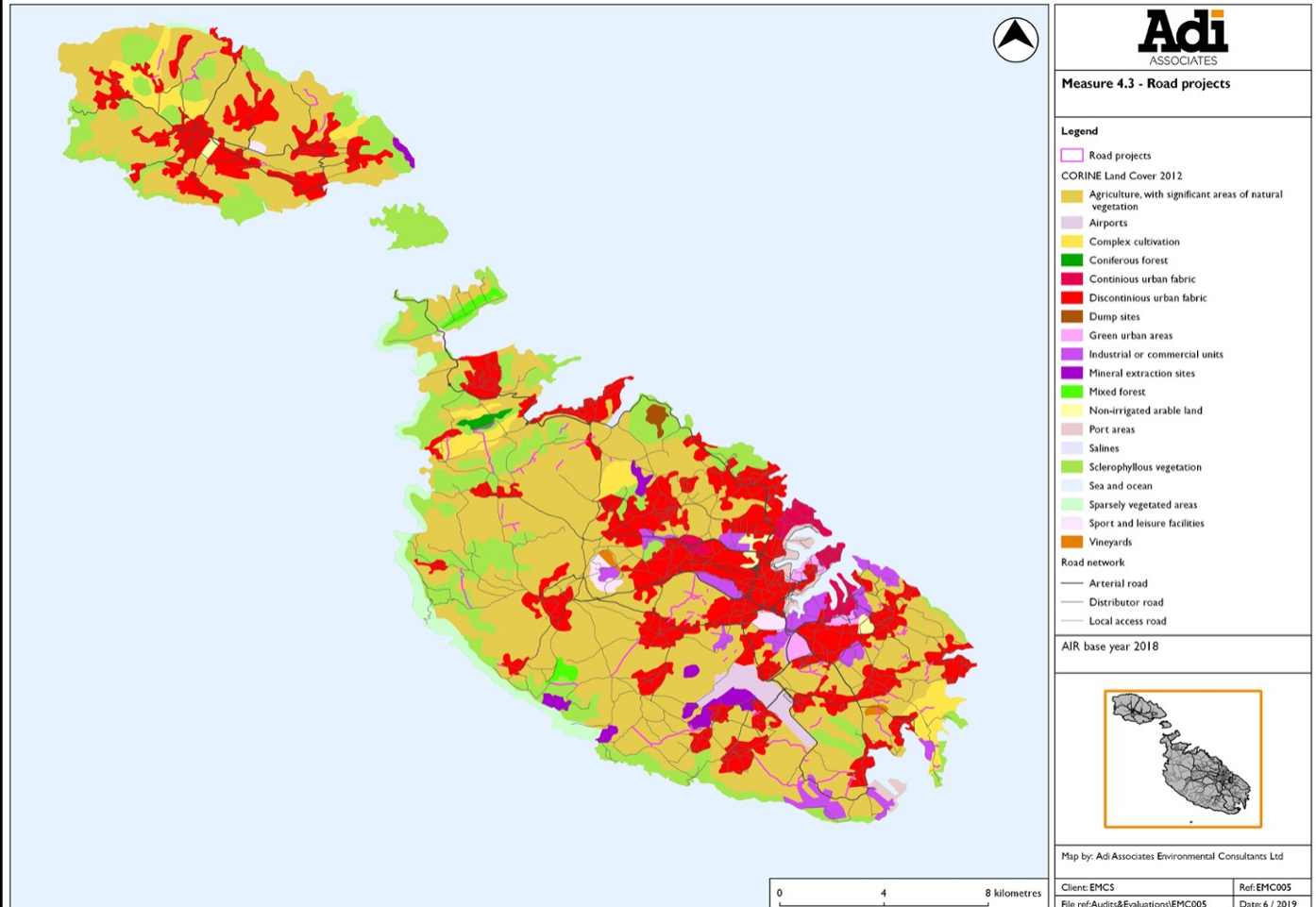


Figure 1: Malta and Gozo

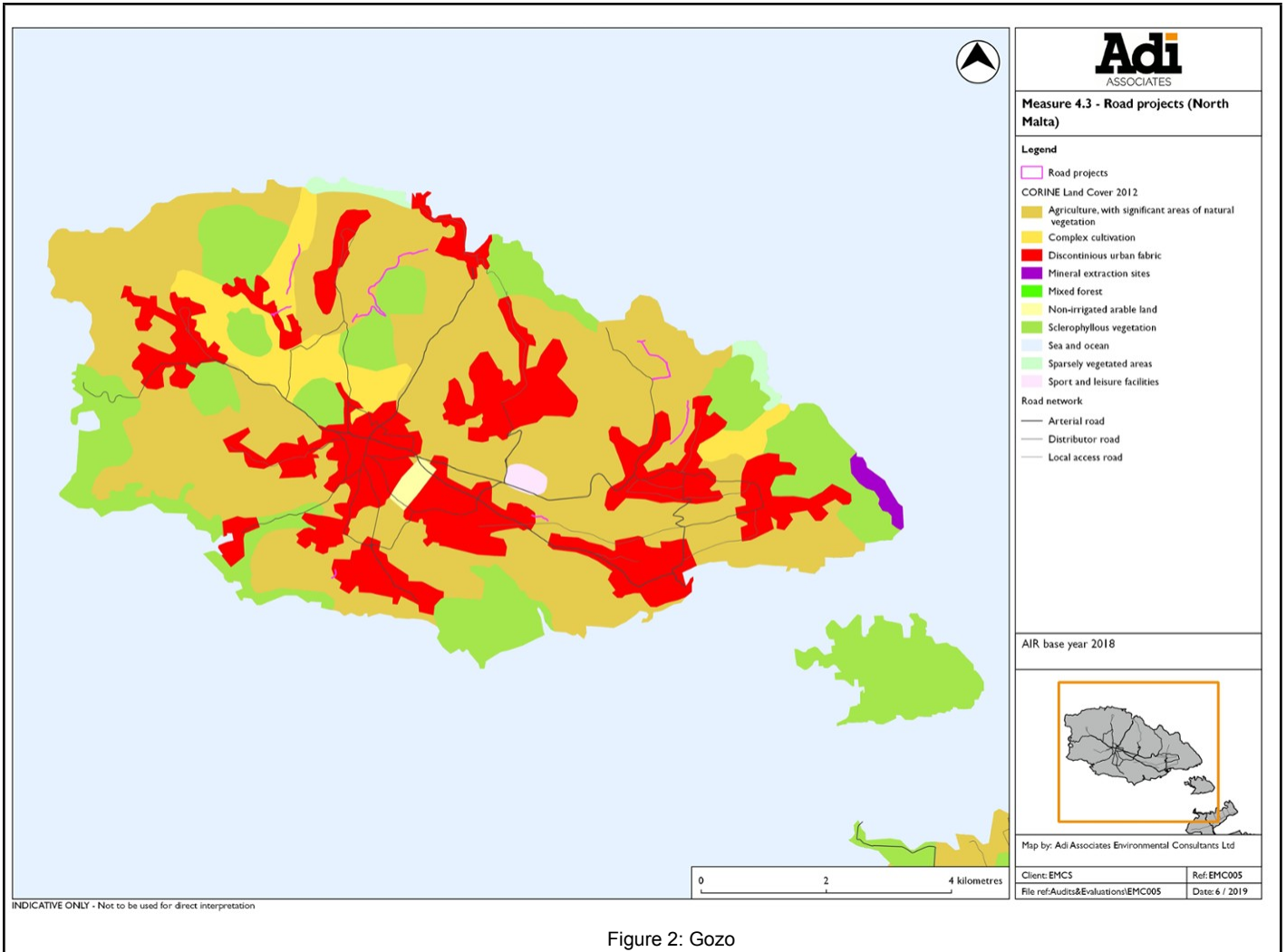


Figure 2: Gozo

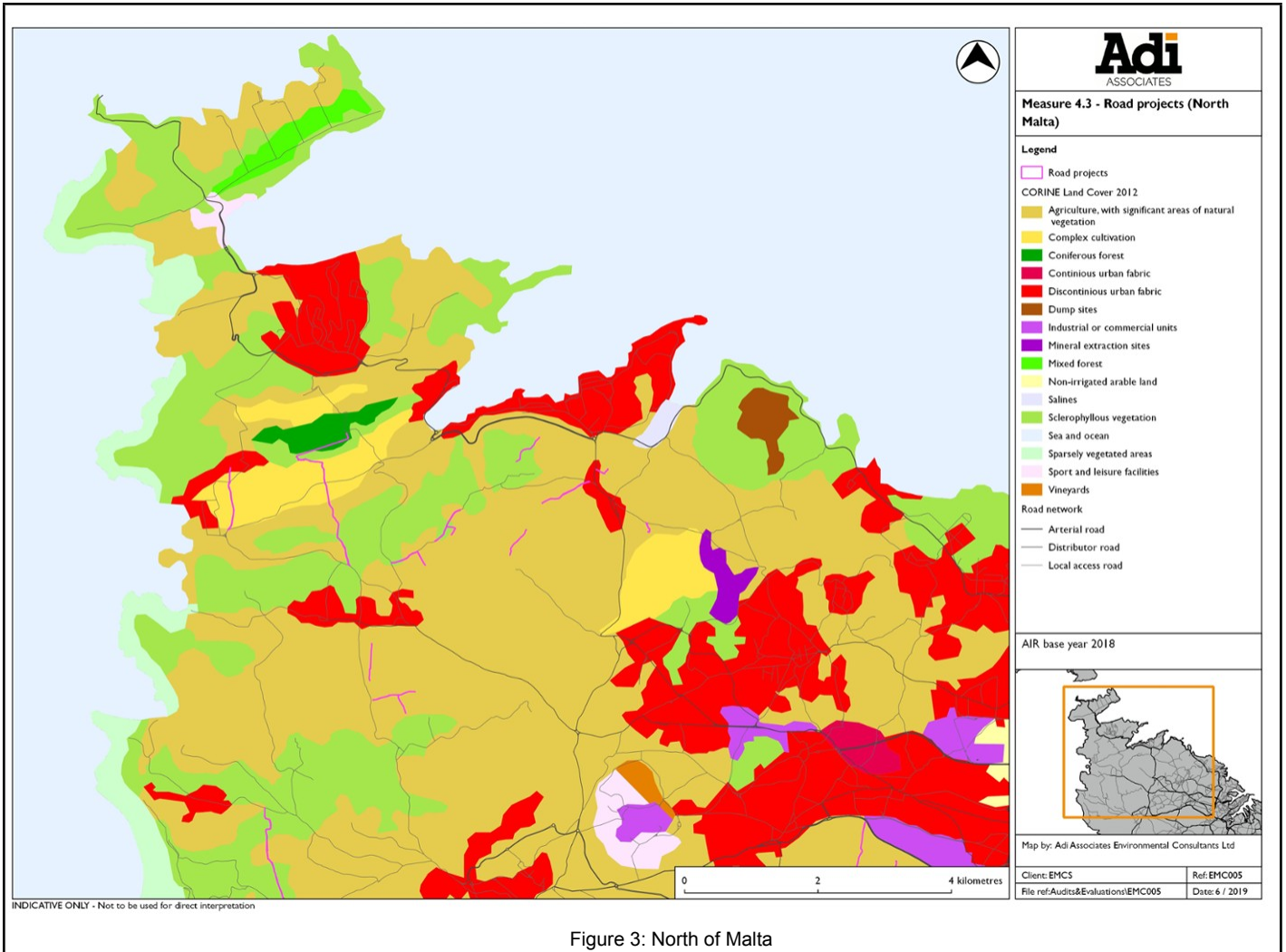
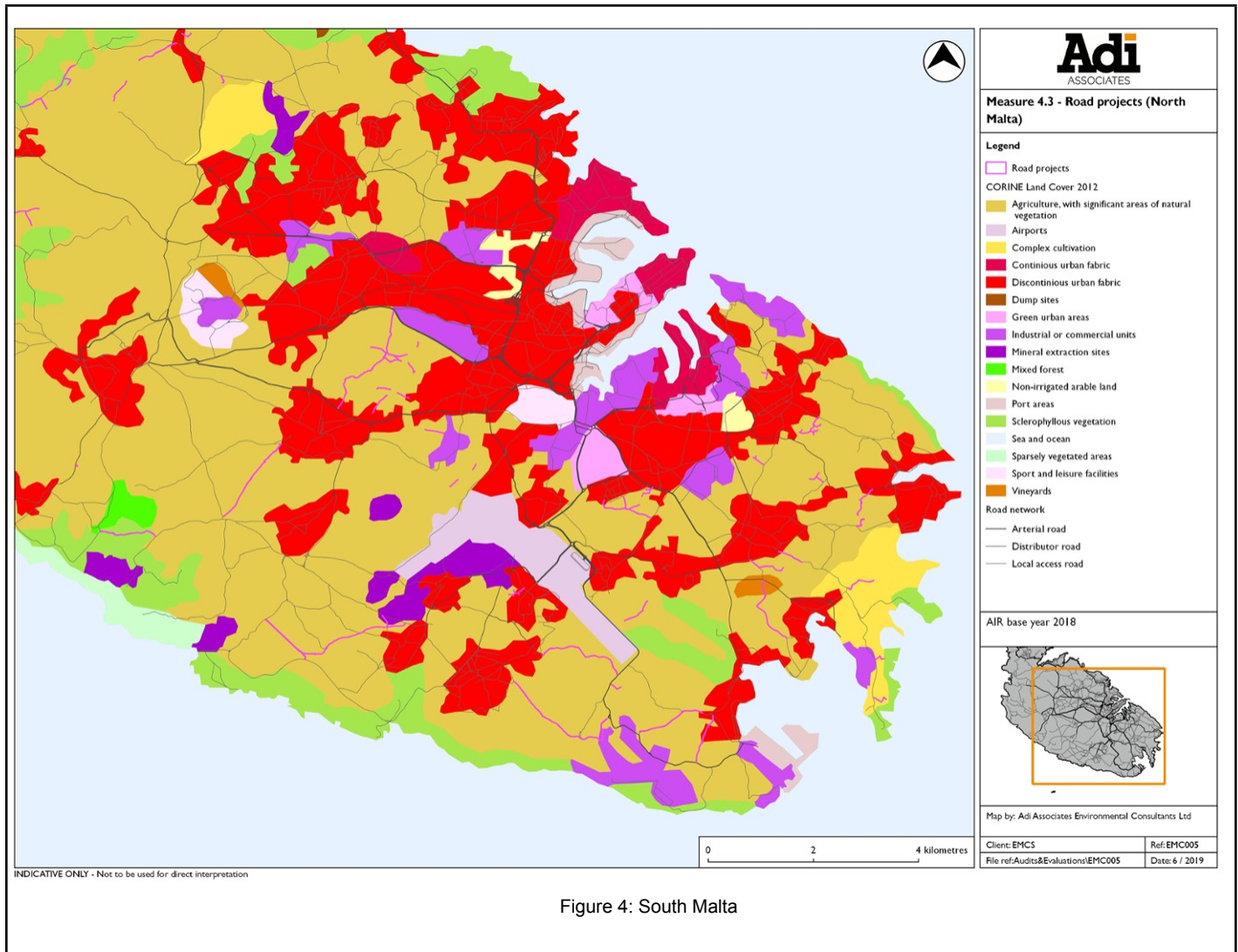


Figure 3: North of Malta



7.a5) CEQ05-2B - To what extent have RDP interventions supported the entry of adequately skilled farmers into the agricultural sector and in particular, generational renewal?

7.a5.a) Answer to evaluation question

The measures which are programmed under this Focus Area are:

- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)
- M06 – Farm and business development (art 19)

In 2017 the MA launched M4.1 and M6.1 As at the end of 2018, only one sub-measure (M2.2) programmed under this Focus Area had not been launched. While the extent of data available on these sub-measures was limited, the evaluators have sought to make the maximum use of micro data derived from the application forms and participatory approaches to evaluation.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measure under M02 which is programmed under FA2B is:

- M2.2 which relates to support for the setting up of farm management, farm relief and farm advisory services as well as forestry advisory services.

As at the end of December 2018, M2.2 was not yet launched. As a result, no assessment can be undertaken in relation to its intended effect. As indicated in CEQ01 given that the FAS System referred to in Articles 12 to 14 of Regulation (EU) No 1306/2013 has been set up through the FES and an applicant for M2.1 has been approved, there may be little scope for maintaining M2.2 in the Programme.

Measure 4: Investments in Physical Assets

The sub-measure under M04 which is programmed under FA2B is M4.1 which relates to support for investments in agricultural holdings.

M4.1 was launched in January 2017. This sub-measure is expected to contribute to FA2B by assisting farmers, including young farmers in Malta to take over farms and improve their efficiency, environmental performance and productivity. Nevertheless, based on an assessment of the 118 applications received so far, it is concluded that none of the actions falling under this sub-measure are directly contributing to Focus Area 2B. As explained in more detail in the previous CEQ, this sub-measure is in its major part contributing to Focus Area 2A.

Measure 6: Farm and Business Development

The sub-measure under M06 which is programmed under FA2B is:

- M6.1 which relates to business start-up aid for young farmers

Sub-measure 6.1 was launched in April 2017[1] and contributes entirely to FA2B with a total of €1.33 million committed to 19 holdings by the end of December 2018[2]. Of these holdings, 11 are related to crops, 4 related to livestock, 3 related to farm restructuring and 1 is related to horticulture. Apart from the contracted applications as at the end of 2018, one notes that further progress under this measure is expected given that by June 2019 an additional 26 beneficiaries were selected, contributing further towards the target on the number of beneficiaries (holdings) receiving support under M6.1 which is set at 60. Realised expenditure as at the end of 2018 amounted to €1.1 million. Given the various barriers faced by young farmers, namely difficulties in accessing land through the high costs of either purchasing or renting, fragmentation of land, and difficulties in obtaining loans for business investment through regular commercial channels, business start-up aid for young farmers should encourage the entry of new young farmers in the local agricultural sector. This sub-measure is thus a key element in the strategy to encourage a more attractive, innovative and efficient sector in future.

Under this sub-measure, each young farmer receives a support rate of €70,000. Beneficiaries are awarded 80% of the maximum aid intensity (€56,000) upon receipt of the funding decision and 20% of the maximum aid intensity (€14,000) upon the completion of the business plan by no later than a maximum four years after receipt of the funding decision. The second instalment shall be granted conditional upon the correct implementation of objectives established in the Business Plan. In case of non-compliance with the business plan, the first instalment shall be paid back proportionally to the achieved objectives.

Young farmers applying under this sub-measure are required to present a business plan which also justifies the grant awarded. In instances where the applications demonstrate lack of skills by the applicants, the applicants are obliged to follow, as part of their business plan implementation, a training course to enhance their skills. Indeed, the MA through MCAST, established a board to interview each of the applicants and outline the skills required in association with the business plan. The specific areas on

which the Board focused included Sectorial Specific Upskilling, applicant's understanding of the marketing concepts and applicant's understanding of the project management of EU grants and bookkeeping.

Tailor made training courses are thus being provided through MCAST which will be delivered starting September 2019. The provision of the courses are not related to M1.1 and are being financed directly by the beneficiaries, although there may be instances where such training is provided free of charge as part of an agreement signed between the MA and MCAST (not supported through M20). Three courses have been developed in this regard. The first course, is on marketing and project management whereby participants are being taught on the dynamics of the market, assessing the market value of products, cashflow forecasting as well as the significance of a financial position statement for business purposes. An addition two courses have been developed which are sectoral in nature with one course focusing on fruit and vegetable production while the second one focuses on dairy production. In terms of fruit and vegetable production, the course focuses on the site selection and crop choices as well as the principles for vegetable and crop production.

Dairy Production course seeks to develop the analytical thinking of participants for cow, sheep and goat milk production. The important areas of production systems, animal rearing, milk production hygiene and breeding plans are considered in the course with both a theoretical and practical application applied in the course. The course is a core unit in the Higher National Diploma in Animal Management. On completion of the Unit, participants will have a wider understanding of animal nutrition, disease prevention, animal welfare, milk production hygiene and animal breeding which all play an important role in dairy production.

In conclusion, although the progress with respect to FA2B has been rather limited, the key sub-measures under this FA have been launched in 2017, thereby boding well for the progress of these measures in 2019.

Judgement Criteria

Judgment criteria	Common result indicator	Value
Adequately skilled farmers have entered into the agricultural sector	R3/T5 % of agriculture holdings with RDP supported business development plan/investments for young farmers (FA 2B - Result indicator)	0.15%
The share of adequately skilled young farmers in the agricultural sector has increased		

For this CEQ the judgment criteria which is considered relevant is the entrance of adequately skilled farmers to the sector and the extent to which there has been an increase.

Target Indicator

Some progress has been recorded for result target TR3/T5: % of agriculture holdings with RDP supported

business development plan/investments for young farmers (Focus Area 2B) whereby with a progress value of 19 holdings (output indicator) linked to M6.1, the result target value, as at end of 2018 has been established at 0.2%. Skills assessment was conducted during the interview stage for applicants under M6.1 but the analysis was not readily available during the drafting of the CEQ.

Conclusions:

Overall, contribution towards this FA has thus far been driven through M6.1 whereby realised expenditure amounted to €1.1 million up to 2018. The effective implementation of the measure is complemented through training initiatives for farmers in the application of business plans. Furthermore, it is to be noted that the MA is actively promoting young farmers, through the provision of higher points awarded as part of the selection criteria across a number of measures such as M3, M4, and M16.

In terms of M4.1, as explained in the previous CEQ, the take up of this measure contributing towards this FA has been low and as at the end of 2018 the bulk of the expenditure for these applications did not directly contribute towards this Focus Area.

Recommendations

As a general recommendation, there should be efforts directed towards centralising the data collation so as to facilitate the evaluation process. Furthermore, more specifically in relation to Focus Area 2B, the evaluators recommend that data derived from the business plan of applicants under M6.1 should be documented electronically allowing for a more thorough assessment of the scheme. Furthermore, valuable data is being captured even at application phase but not necessarily captured electronically on the database. A case in point is the skills shortage identified for applicants under M6.1.

[1] Measures and Sub Measures List and Calls issued (Excel File)

[2] RD PROJECT PROPOSAL 15.09.19 (Excel File)

7.a6) CEQ06-3A - To what extent have RDP interventions contributed to improving the competitiveness of supported primary producers by better integrating them into the agri-food chain through quality schemes, adding value to the agricultural products, promoting local markets and short supply circuits, producer groups and inter-branch organization?

7.a6.a) Answer to evaluation question

The measures primarily contributing to Focus Area 3A include the following:

- M03 - Quality schemes for agricultural products and foodstuffs (art 16)
- M04 – Investments in physical assets (art 17)

- M016 – Co-operation (art 35)

The sub-measures contributing towards this FA are:

Measure 3.1- New participation in quality schemes under EC rules

The measure was launched in 2017 and remains open. Despite the early launch of the measure, to date no applicants have applied for the sub-measure. Due to the low take-up, the MA requested a modification to the programme which was approved in December 2018, whereby the budget for this measure was reduced by €3.1 million to € 1 million. The indicator on the number of holdings supported through M3.1 was also revised downwards.

Discussions with the Managing Authority revealed that the lack of uptake for this measure is not related to the lack of interest per se but to the lack of qualified quality schemes available to utilise these funds. The difficulty to set up standards and the lengthy timeframes involved in such processes are hindering the implementation of this measure. The establishment of national standards has proven to be a laborious exercise, which requires a significant element of data collection and research. Furthermore, the application of standards poses challenges in terms of implementation, primarily since application remains voluntary and often requires additional investment. Consequently, the coverage of products that is likely to materialise is lower than originally envisaged. Indeed, the only product which thus far has obtained the quality mark is cow's milk. Other sectors/products are yet to reach a level where the standard is either developed or presented for notification. The dossier for establishing the standard for pork has been set up and sent to the Commission awaiting feedback from stakeholders. The challenges associated with the implementation of this measure have been corroborated through discussions held with the Directorate for Agriculture and through a meeting established with KPH which is the cooperative for the producers of milk. These concerns were also raised during the last Monitoring Committee meeting of 17th May 2018.

The Quality scheme for milk consists of the following elements[1]:

- binding product specifications for each product which identify the production method and the elements that characterise the “superior quality” of the product or of the farming/production method;
- an origin label;
- a control system of the product/method specification;
- a compulsory traceability system of the chain which guarantee the transparency of the scheme and assures complete traceability of products.

Although the quality scheme for cow's milk has been approved, beneficiaries have not applied for the RDP measure as yet. This is due to a number of factors amongst which is the administrative burden faced particularly by small holdings to apply for funds, as well as due to the fact that there may be resistance to modifications in the existing production techniques to meet the quality standard, particularly by holdings which are managed by a relatively older age cohort. Indeed the fact that the measure applies at the level of the holdings requires coordination for beneficiaries to apply for the support. The cooperative has been heavily engaged in numerous discussions with holdings to support the measure. Indeed, the cooperative has also engaged in investment as part of the value of the quality scheme in order to process the milk in a way that meets the standards of the scheme. In addition, the cooperative has also undertaken investment in

marketing including the re-design of the carton to complement the quality mark.

Measure 3.2 - participation in schemes recognised by MS

This measure had not been launched during 2018 due to the lack of uptake on M3.1. Up until December 2018, this measure was directly linked to uptake under M3.1 and hence, since no uptake under M3.1 materialised, this measure could not be launched by end 2018. Following the strategic RDP Modification approved in December 2018, preparations are underway to have this measure launched in 2019.[2]

Measure 4.1- Investments in agricultural holdings

As explained in CEQ 04, while this measure was launched in 2017, the take up of the measure has been slow. Based on an assessment of the applications there are about 3 applications which primarily contribute towards FA3B all of which are undertaken by the dairy sector. The total grant value for these three projects is about €400,000.

Measure 4.2- Processing and Marketing

The measure was launched in November 2018 with a budget allocation of €4.7 million[3]. The MA in 2019 received 19 applications leading to an oversubscription of the measure. Progress is thus expected to be recorded in 2019.

Measure 16.2- Support for pilot projects

Both sub-measures 16.2 and 16.4 were launched in May 2019 and both sub-measures are expected to have an impact on this focus area.

As indicated in CEQ01 both measures were re-dimensioned in the modifications of the Programme. In case of M16.2 an allocation of €250,000 has been allocated to this FA. In order to foster cooperation and encourage the take up of M16.2, the eligibility for this measure has also been revised in order to facilitate take up.

Measure 16.4 - cooperation for short supply chains

The budget for M16.4 has also been revised downwards with the entire budget of € 375,000 expected to contribute entirely towards this FA.

Judgement Criteria

Judgment criteria	Common result indicator	Value
Competitiveness of supported primary producers has improved	R4/T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)	0
The share of the final price of agriculture products retained with primary producers has increased		
The added value of agricultural products of primary producers has increased		
Implementation of quality schemes by primary producers has increased		
Participation of primary producers in short circuit schemes, quality-oriented producer group and/or inter branch organization has increased		
<p>While there are a number of judgement criteria which can be used to assess this CEQ, none of the criteria could be effectively utilised since the measures which contribute towards this focus areas had either not been launched by the end of 2018 or else there was no effective take up such as the case for M3.1.</p>		
<p><u>Result Target Indicator</u></p>		
<p>Indeed, by the end of 2018 the target on the % of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups/organisations was nil. Progress is however expected throughout the year 2019 for this FA particularly through M3.1 and M4.2. Relevant additional result indicators may also be considered to answer this CEQ as take up increases.</p>		
<p>Conclusions:</p>		
<p>Progress towards this FA has thus far been slow. While a number of measures were, as up to end of 2018, still to be launched, M3.1 which has been open since 2017 has not registered any take up. Discussions with the Managing Authority revealed that the lack of uptake for this measure is not related to the lack of interest per se but to the lack of qualified quality schemes available to utilise these funds. As a result, the MA has already modified the Programme (as approved in December 2018) wherein the budget for this measure has been reduced. On a positive note, there has been a strong request for M4.2 which was launched at the end of 2018 and for which progress is expected in 2019.</p>		
<p>Recommendations:</p>		
<p>It is recommended that the MA monitors discussions particularly ongoing ones on the quality scheme for</p>		

cow's milk and participating where necessarily to promote the take up of Measure 3.1. Furthermore, discussions should commence as early as possible on the collection of data for M4.2 which contributes towards this FA.

[1] <https://agriculture.gov.mt/en/agric/Pages/qualityregime.aspx>

[2] Also outlined in the MA's letter of 19th December 2018 to Director General Mr Jerzy Plewa, in reply to his letter pursuant to Article 50(8) of Regulation (EU) No 1303/2013

7.a7) CEQ07-3B - To what extent have RDP interventions supported farm risk prevention and management?

This question is marked as not relevant for this AIR version

M17.1 contributing to FA 3B was removed from the programme following the strategic modifications approved in December 2018

7.a8) CEQ08-4A - To what extent have RDP interventions supported the restoration, preservation and enhancement of biodiversity including in Natura 2000 areas, areas facing natural or other specific constraints and HNV farming, and the state of European landscape?

7.a8.a) *Answer to evaluation question*

List of measures contributing to the FA:

- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)
- M08 – Investments in Forest Area Development & Improvement of Viability of Forests (art 21-26)
- M10 – Agri-Environment-Climate Measures (art 28)
- M11 – Organic Farming (art 29)
- M13 – Payments to Areas Facing Natural or Other Specific Constraints (art 31)
- M16 – Co-operation (art 35)

The sub-measures (launched in bold; the rest had not been launched by end 2018) which are programmed under this FA are:

- M2.1: Advisory services (cross compliance)
- M2.3: Training of advisors
- **M4.4: Support for non-productive investments linked to the achievement of agri-environment-climate objectives**
- M8.5: Investments improving the resilience and environment value of forest ecosystems
- **M10.1: Agri-environment-climate measures**
- M10.2: Conservation of genetic resources

- **M11.1: Conversion to organic farming**
- **M11.2: Maintenance of organic farming**
- **M13.3: Payments to areas facing natural or other specific constraints**
- M16.2: Support for pilot projects, and for the development of new products, practices, processes and technologies

As at the end of 2018, M4.4, M10.1, M11.1 and M13.3 programmed under this FA were launched. Since then, M2.1 and M16.2 were also launched (in May 2019), whereas M8.5 is expected to be launched by Q3 of 2019, with a pre-launch having been undertaken in Q2 2019.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measures under M02 which are programmed under FA4A are:

- M2.1 support to help benefiting from the use of advisory services
- M2.3 support for training of advisors.

As at the end of December 2018, M2.1 and M2.3 were not yet launched. Kindly refer to CEQ 3 for further details.

Measure 4.4: Support for non-productive investments linked to the achievement of agri-environment-climate objectives

Applications for M4.4 were being received from December 2016. The call was closed in September 2018 and the second call was re-launched in March 2019. Applications for funding will be received until July 2019.

During 2018, 59 beneficiaries initiated their operations, with the majority focusing on the construction and/or restoration of rubble walls. M4.4 progressed considerably well, its demand continued to increase and as a result it benefitted from an increased allocation of €10.4 million following the 2018 Programme Modification.

The project with the highest budget in the project of the Ministry of Gozo with a project for the restoration of valleys *to enhance their rain capturing and soil retention capabilities*. 12 important valleys in Gozo have been identified and proposals made for the clearing of the valley floors together with the repair and/or construction of rain harvesting facilities as well as the reinstatement of the rubble walls. The aim is for the natural flow of water to be re-established and ensured, enabling the regeneration of those habitats that are dependent on constant presence of freshwater for their sustainability including riparian vegetation and migration of motile fauna. Accumulated waste and debris along the watercourse is one of the main factors contributing towards flooding in certain areas. This phenomenon is causing soil erosion due to the ensuing run-off. Through the planned clearing of the valley floors from debris and sedimentation, the natural water courseway would be restored. This would facilitate the flow of rainwater to the dams and public reservoirs that are potentially currently underutilized.

This project as well as other applications for the construction and maintenance of such walls is expected to contribute to this FA in a number of ways: rubble walls are considered an important component of Maltese landscape which also contribute to biodiversity by providing a habitat in agricultural land and towards addressing soil erosion especially in valleys and slopes.

This is considered as a holistic project aimed at addressing various valleys within Gozo, where the entire valley system is captured. Applications by individuals would likely only cover limited areas and the impact

on the valley system would not be as effective. **Figure 1** below shows the extent of the proposed interventions, where being a small island Gozo has the potential to address the valley systems in a holistic manner.

In order to ensure the efficient and effective uptake of M4.4, during May 2019, the MA held bilateral meetings with fifteen M4.4 beneficiaries that are implementing projects of a considerable dimension and that had not submitted any request for reimbursement in 2018.

In 2018, committed expenditure of M4.4 is reported at the level of Priority 4 (and not FA level). In 2018 this expenditure amounted to circa €12 million reflecting an uptake of almost 55%. Realised public expenditure was however less than half amounting to about € 5 million. It is expected that future evaluations would address the contribution of M4.4 to be assessed at the level of FAs.

Measure 8.5: Investments improving the resilience and environment value of forest ecosystems

M8.5 was pre-launched in Q2 2019 and thus no assessment can be undertaken in relation to its intended effect. From preliminary indications the MA is concerned about the uptake for this measure because that the minimum area of intervention in 0.5 ha, which for Malta is a large amount of land so there are doubts as to whether the private sector would apply under this measure. Additionally, few farmers are likely to create afforestation projects due to the limited land available to them. Furthermore, eligible beneficiaries such as Local Councils are also unlikely to have such land available as such open spaces are usually managed by central Government as in the Local Government Act.

Measure 10.1: Agri-environment-climate measures

According to the Section 8.2.7 of the RDP[1] the AECMs that are relevant to FA4A are: AECM1 to 6. The commitments and affected areas for 2018 are shown in the Annexed Table 1 to this CEQ.

Further to the realised expenditure relating to AECMs mentioned above under M10.1, an additional amount of €481,733.38 covering 716.53ha of area relating to transitional measures (AEMs) was also recorded. The major AEMs contributing to this expenditure are as follows:

- AEM 3 which seeks to promote use of environmentally friendly plant protection products in vineyards. Expenditure under this AEM amounted to €330,386.33.
- AEM 4 which promotes the suppression of use of herbicides in vineyards and fruit orchards. Expenditure under this AEM amounted to €70,905.70.
- AEM 6 promoting the conservation of rural structures providing a natural habitat for fauna and flora. Expenditure under this AEM amounted to €31,612.11.
- AEM PCK 2 which provides support for reduced use of plant protection products in vineyards. Expenditure under this AEM amounted to €33,040.89

Figures 2 to 4 below clearly show the extensive distribution of land under M10.1. This data will be further analysed per AECM contribution, however the figures above clearly show that AECMs 1, 5 and 6c have been successful, in terms of physical area supported.

Discussions with the MA on AECM2 will be undertaken to assess why AECM2 had limited success in terms of low uptake in terms of physical area supported.

Measure 10.2: Conservation of genetic resources

This measure was launched in May 2019 and the first batch of applications are expected by the MA by 18th July 2019.

Measure 11.1: Conversion to organic farming

Measure 11.2: Maintenance of organic farming

Both sub-measures were launched in April 2018.

- M11.1 provides payment on a per hectare basis for farmers who are in the process of converting to organic farming.
- M11.2 provides payment on a per hectare basis for farmers who already practice organic farming.

For M11.1 there were only 4 applicants that claimed an area of 3.41 ha; for M11.2 the 2 applicants that registered claimed an area of 2.91 hectares. To date M11 only covered 6.32 ha which is a very small percentage of the UAA and unlikely to have a significant impact on the CEQ. The figures show that progress has been relatively slow. This is likely to be related to the limited amount of agricultural land dedicated for organic produce (estimated currently at 21.3 ha) as well as the limited number of organic producers (estimated to be circa 15) and the low attractiveness of organic farming as perceived by Maltese farmers.

Committed expenditure as at 2018 amounted to €5,740.91 and a realised expenditure of €901.

Measure 13.3: Payments to areas facing natural or other specific constraints

This sub-measure was launched in 2015. M10 and M13.3 have been mapped as shown below.

In 2018 the area claimed under this measure was 8,153 hectares. This amounts to 71% of the total UAA. 8 % of the supported area is located in a Natura2000 site. One of the eligibility conditions to benefit from this measure is that applicants must have at least 1,124 m² (0.1124 ha) of land. According to the RDP this criterion has the potential to attract a very significant number of small landholdings (estimated around 4,700, based upon 2012 claims data) that would otherwise not be subject to cross-compliance conditions.

Committed expenditure as at 2018 amounted to circa €2 million. Realised expenditure in 2018 was circa € 1.9 million.

The aim of the measure is to prevent land abandonment in disadvantaged areas, which, in the case of Malta, are considered the whole of the Maltese Islands. The maintenance of Maltese agriculture is also critical for the maintenance of the Maltese rural landscape. Coupled with the interventions on rubble walls, this measure contributes to the continued maintenance of agricultural land. In addition, by adhering to the cross-compliance conditions, the measure delivers a basic level of environmental standards in respect of both statutory management requirements (notably Nitrates Action Plan and Natura 2000), and good agricultural and environmental conditions (notably the maintenance of landscape features). The extent of such interventions on the impact indicators is unknown at this stage as these have not been computed. In the previous programming period, biodiversity indicators, with the exception of the Farmland Bird Index, were all positively affected.

In the previous programming period 8,484 ha (74%) were claimed under the corresponding measure. The

next stages of the evaluation will consider why there has been a reduction in claimed area of this measure including an analysis of GIS data from the previous period to the current period to identify potential gaps in the claimed area during the RDP 2014-2020.

Measure 16: Cooperation

The sub-measure under M16 which is programmed under FA4A are:

- M16.2 which relates to support for pilot projects, and for the development of new products, practices, processes and technologies.

Details of this sub-measure are found in CEQ1.

Judgement Criteria

Judgement Criteria	Common Result Indicator	Value of indicator	Additional Indicator
Biodiversity on contracted land has been restored, preserved and enhanced.	R7/T9 - % of agricultural land under management contracts supporting biodiversity and/or landscapes	1,543.54ha as a % of UAA 11,453ha = 13.48%	Number of flora and fauna species on contracted land

The AECMs under M10.1 that registered the largest uptake in terms of physical area supported are AECM 1, AECM5, and AECM6c. They are largely responsible for surpassing the common result indicator target value which was set at 6.37%.

The objective for AECM1 is to incentivise farmers to clear weeds growing in vineyards and orchards between 15th October and 15th March, using mechanical means. Although limited to the period described above, this AECM is expected to contribute to biodiversity by reducing the application of pesticides, which may also disperse to neighbouring ecological areas. While the impact on the biodiversity has not been estimated due to the lack of available data, it is to be noted that the land area taken up by this measure equates to almost 3% of the UAA, of which 8.72 % of the land under AECM1 is found within a Natura2000 area. Although the number of fauna and flora species on contracted land has not been computed as the data was not available at the MA, it is expected that the impact of this AECM on the judgement criterion is positive.

AECM2 on the planting of trees has had a poor take up registering only approximately 8 hectares of land. 35.1 % of this located in a Natura2000 site. However, given the low amount of physical area the impact is not judged to be significant. It is further noted that since a maximum of 18 trees per hectare are funded according to the RDP, then it is expected that a maximum of 144 trees have been planted under this AECM. This amount of trees is not likely to have a significant impact on the judgement criterion.

AECM 3 which is the measure supporting the introduction of bee boxes on holdings, has seen a relatively large area being taken up. The number of bee boxes that have been funded over 2018 are 283, covering an area of approximately 61 hectares. 8.8 % of this area is located in a Natura2000 site on Malta. Since the forage area of bees is estimated at 3 km **Figure 5** shows the extent of land that could be potentially affected by this AECM. The importance of bees to both agriculture and ecosystems services is key to food production

both in Malta and abroad. According to the Malta Beekeepers' Association, bees in Malta are facing serious threats from the overuse of pesticides, climate change and unsustainable development practices that slice through natural habitats. New diseases and pests compound the problem, as globalisation allows for a spread over much wider distances than before. Bees and other pollinating species are responsible for about 15 per cent of Malta's total agricultural produce but have been in decline for years. Some experts estimate that there are now 60 per cent fewer bee colonies in Malta than there were just 20 years ago. Malta's own endemic bee, the *Apis mellifera ruttneri*, is facing further threats from imported bee species, putting its continued survival at risk. This AECM is therefore key to increasing the population of pollinators and enhancing biodiversity, although it is not limited to the *Apis mellifera ruttneri*.

AECM4 supports the formulation of an Integrated Pest Management Plan targeting vineyards and orchards. Integrated pest management is regulated through Legal Notice 489 of 2011, Sustainable Use of Pesticides Regulations, 2011. The area covered by this AECM represents approximately 0.7 % of UAA. 4.2 % of this area is located in a Natura2000 site. Although not significant this is a start and could have positive effects on other AECMs including areas where bee boxes are present.

AECM5 assists in the implementation of a soil management and conservation plan on a parcel. The objective of this measure is to incentivise farmers to prepare and implement a Soil Management Plan on parcels targeting three primary soil related threats on a parcel level; erosion, compaction and low soil organic matter. The Soil Management Plan must include composting on at least one parcel under the commitment together with at least 2 of the following actions/practices:

- Crop residue incorporation
- Mulching
- Planting of trees to target erosion
- Conservation tillage
- Green manuring
- Cultivation of forage crops
- Plant vegetative filter strip in low lying and runoff areas of fields
- Strip cropping.

The physical area supported under this AECM represents 1.3% of the UAA. 4.8 % of this area is located in a Natura2000 site. An analysis of the actions supported under AECM5 has not been undertaken yet to determine which have been implemented in 2018 and which could have a direct impact on biodiversity. This is due to the fact that data was not available during the compilation of this CEQ.

AECM6 has a direct impact on biodiversity by supporting local flora and fauna species. In particular the Mulberry and Carob are important contributors to biodiversity being locally protected species. The support rate is 18 trees per hectare so the maximum amount of trees supported so far is 2,293. 5% of the area supported is located in a Natura2000 site.

No common context indicators could be computed for this CEQ and at this stage it is uncertain whether the Farmland Bird Index would be improved (during the previous programming period a decline was noted) or at least maintained.

The Performance Framework Alternative Indicator: Area (ha) under specific constraints (4A) + improving water management (ha) (FA4B) + improving soil management and/preventing soil erosion (ha) (FA4C) is calculated at 8,153 ha – this represents about 70 percent of UAA in the Maltese Islands being supported through this sub-measure.

Conclusions:

It is concluded that there has been good progress with respect to this FA because of the launch and uptake of Measures 10, 11 and 13 with measures 10 and 13 registering the most progress in terms of area supported.

Recommendations:

This evaluation has identified a number of challenges in the implementation of Measure 4.4. Construction prices are persistently increasing leading to constraints on the agricultural sector and local entities as the construction sector is unwilling to engage in less profitable elements such as the building or restoration of rubble walls, reservoirs, etc. It is therefore recommended that the costs for the restoration of rubble walls are simplified through the adoption of a Simplified Cost Option, in such a manner that there is a fixed price per square metre of rubble wall maintained / constructed – this would avoid beneficiaries having to get multiple quotes and will facilitate evaluation.

Also efforts should be directed towards monitoring projects which rely on construction as is the case for some projects falling under M4.4. As current trends in the construction sector are likely to persist, there is a risk for project implementation vis-à-vis the closure of the programming period.

The target for FA4A (% of agricultural land under management contracts contributing to biodiversity) has been exceeded and is likely to increase as more take up is anticipated for M10.1 in 2019. Given the strong demand for the measure, the MA may consider future amendments of the programme allocating budget towards this FA.

Although the agricultural area impacted by Sub-Measure 4.4 is available, GIS data showing how much agricultural land is associated with the applications to restore rubble walls still needs to be processed. This data could be useful in identifying spatially where interventions are made to correlate them to designated Areas of High Landscape Value, Area of Ecological Importance and Natura 2000 Sites. Furthermore, there should be more efforts directed towards the centralisation of data particularly on the progress of the projects so as to facilitate the evaluation process. The data mechanism should allow for the uploading of more recent data rather than relying on data provided at application stage. This in particular is relevant for the larger projects such as those being conducted under Sub-Measure 4.4.

In terms of the evaluation per se, in order to strengthen the methodologies used data regarding the implementation of the different AECMs is required including information on trees planted, components of the Integrated Pest Management Plans and Soil Management Plans, information related to biodiversity on parcels, and reduction in pesticide use.

It is further recommended that the MA contacts all registered organic producers with the Malta Competition and Consumer Affairs Authority (MCCAA) for further promoting this measure.

[1] Malta – Rural Development Programme (National) V4.2, 2018.

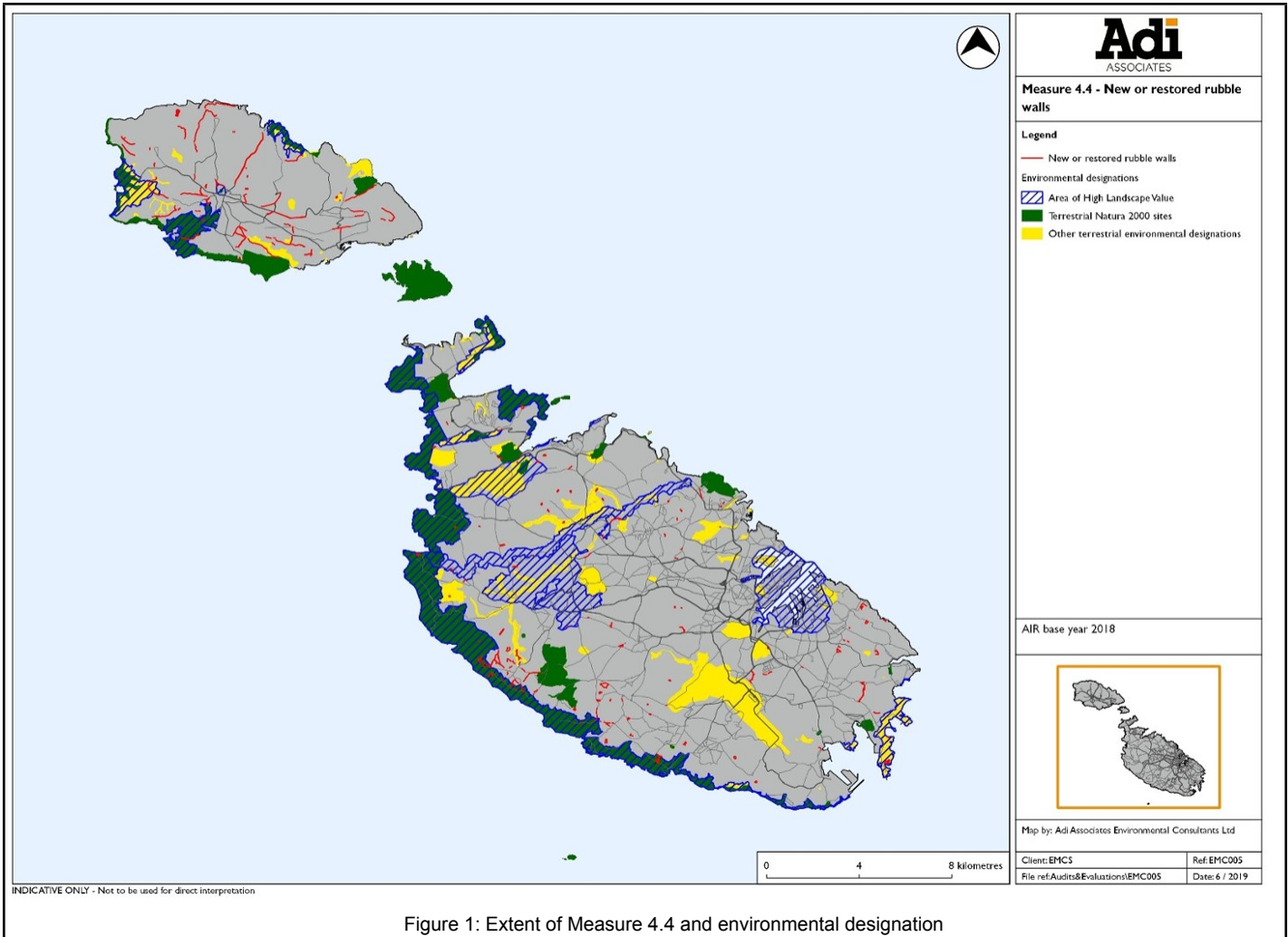


Figure 1: Extent of Measure 4.4 and environmental designation

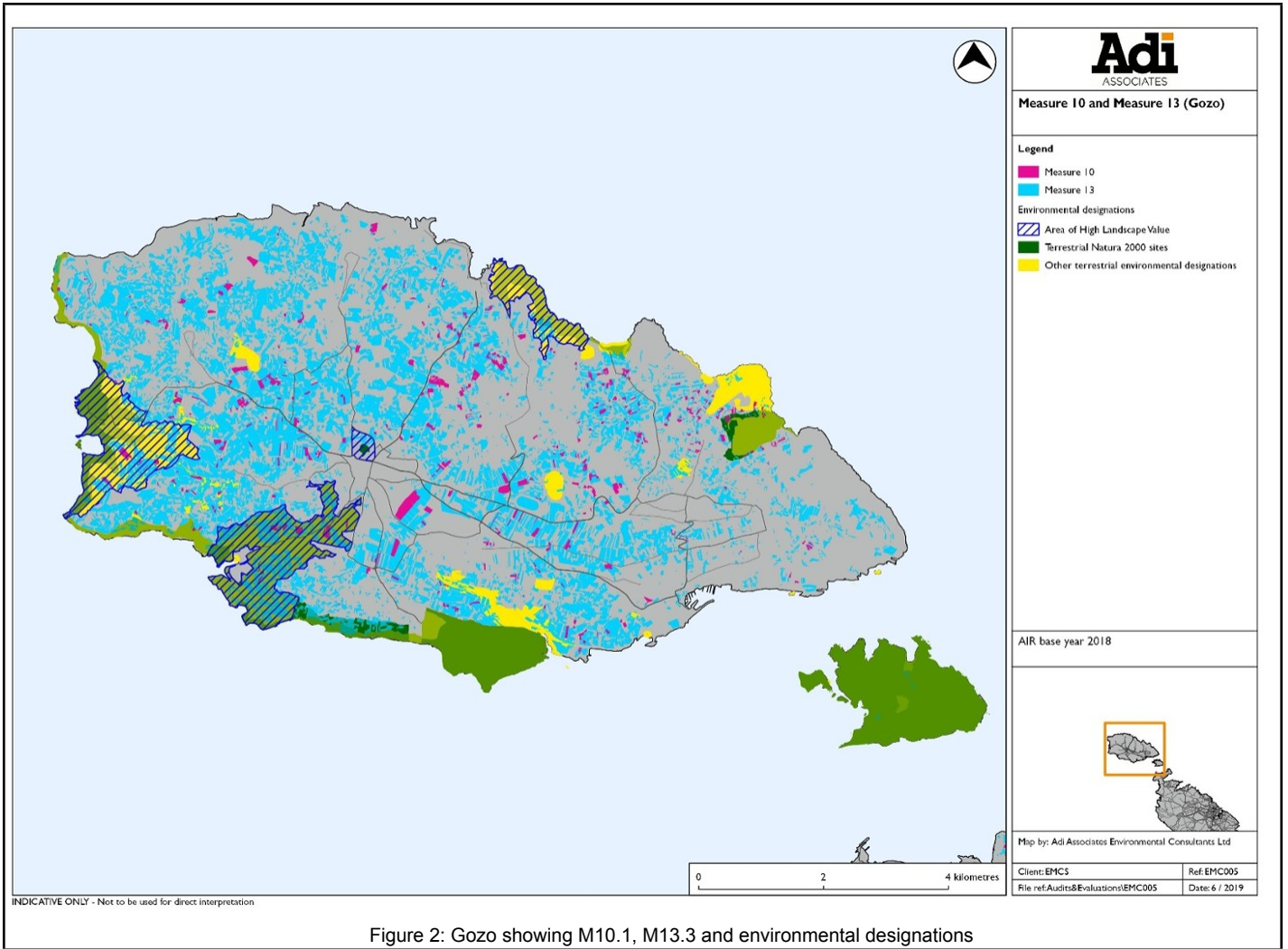


Figure 2: Gozo showing M10.1, M13.3 and environmental designations

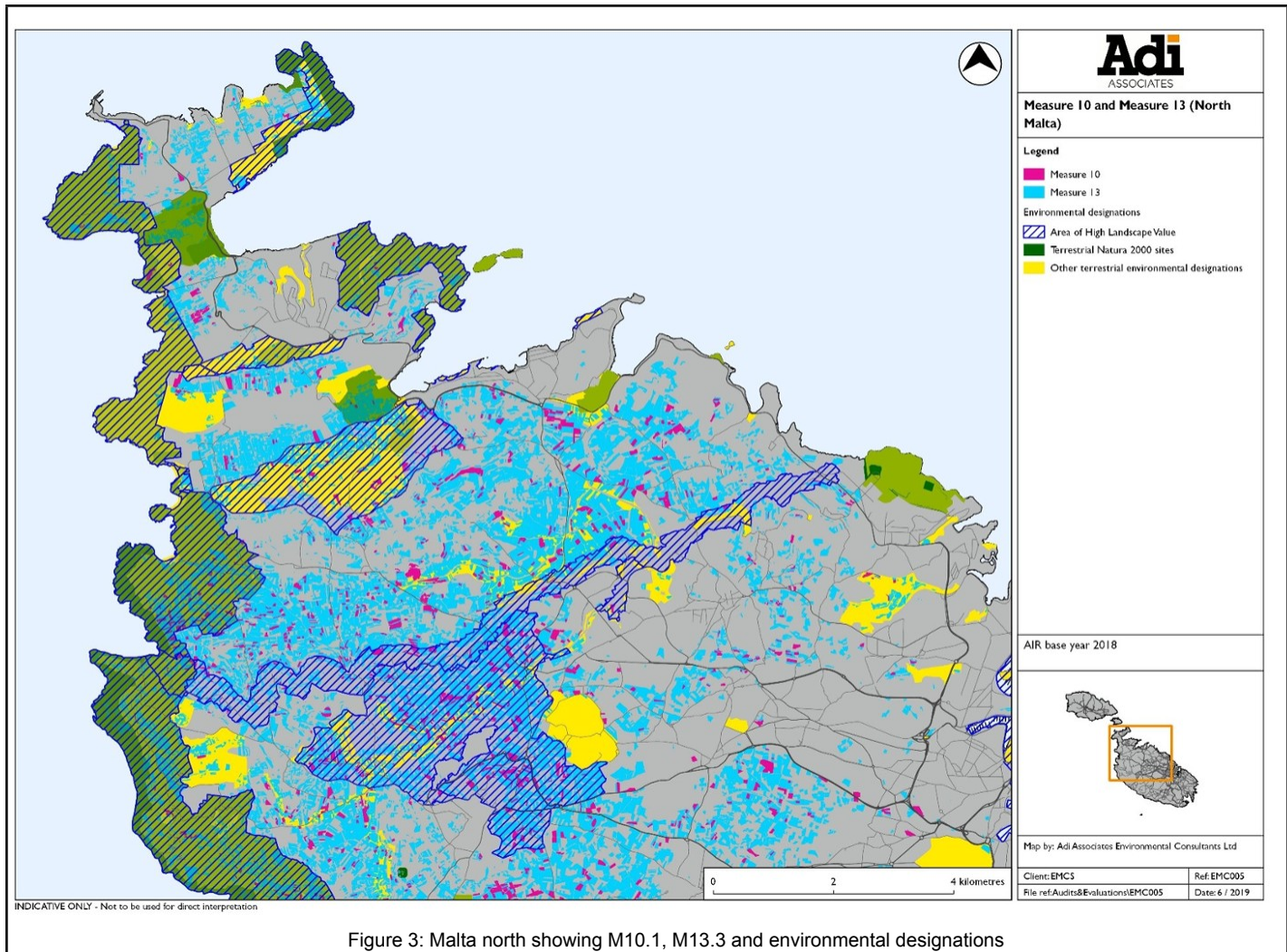


Figure 3: Malta north showing M10.1, M13.3 and environmental designations

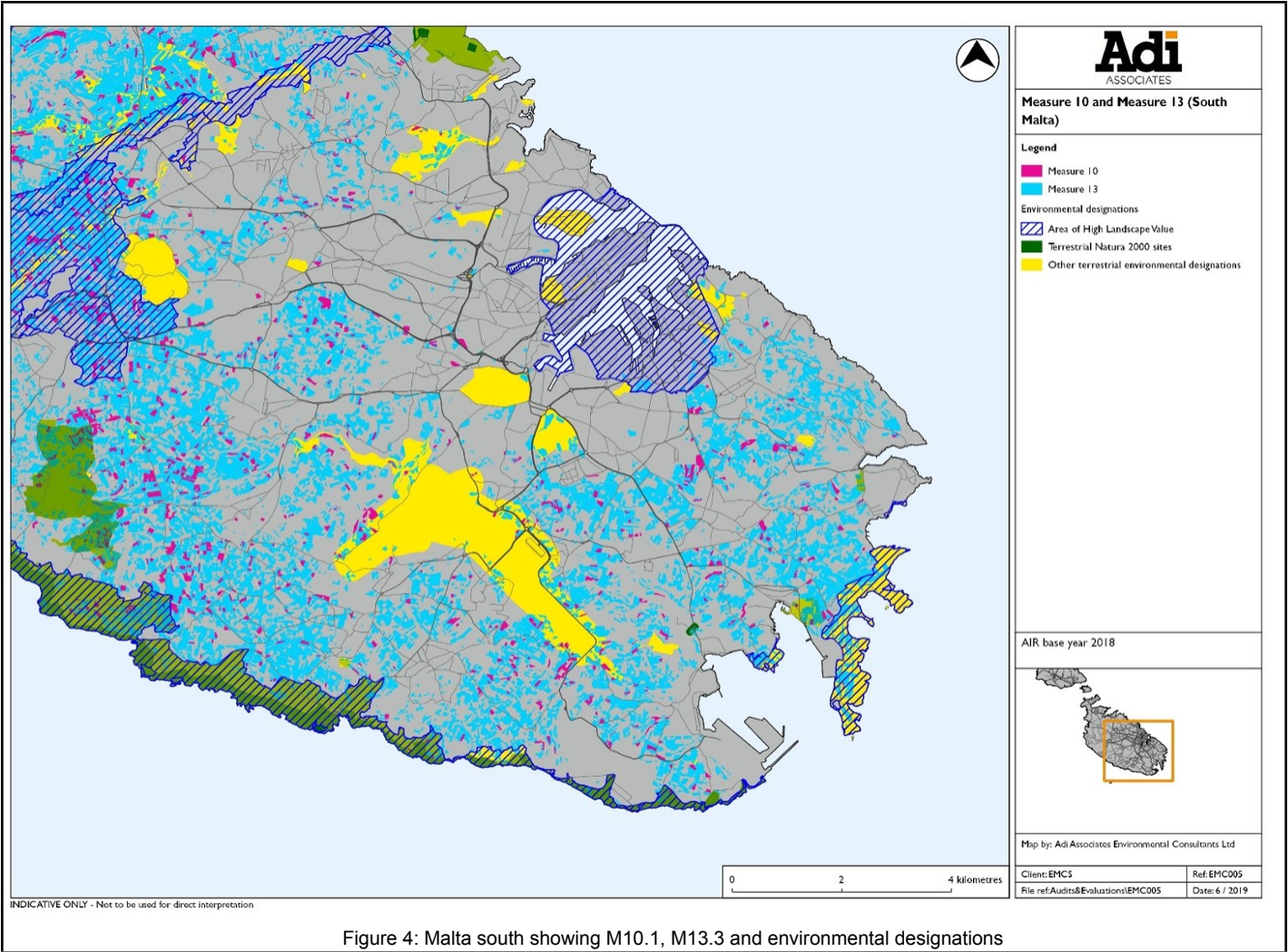


Figure 4: Malta south showing M10.1, M13.3 and environmental designations

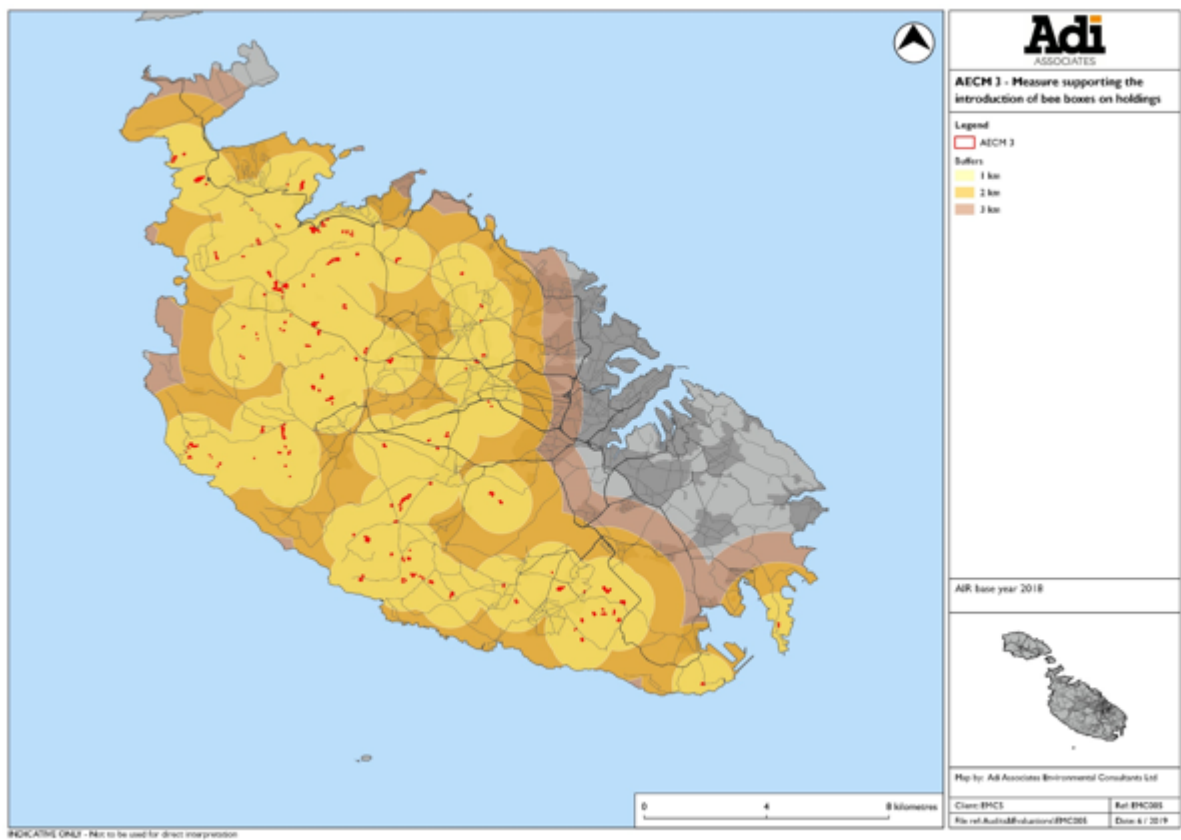


Figure 5: Distribution of AECM3 with a 3 km buffer

CEQ 4A: Table on Measure 10.1 – 2018 Realised Expenditure and Hectares vs 2023 Targets

AECM	Realised Expenditure Annual (€)	Hectares (Achieved 2018)	2023 Target (ha)
AECM1: Measure to control weeds in orchards and vineyards by mechanical, instead of chemical methods	389,869	396.26	63.5
AECM 2: Support for the maintenance of recommended tree species replacing Alien Species or planted on slopes and terraces to prevent soil and wind erosion	3,142	8.30	50.60
AECM3: Measure supporting the introduction of bee boxes on holdings	21,462	61.42	-
AECM4: Measure for the implementation of an Integrated Pest Management Plan targeting Vineyards and Orchards	113,373	75.76	230.8
AECM5: Measure for the implementation of a soil management and conservation plan on a parcel	74,188	151.55	326.80
AECM6a: Measure for the integration and maintenance of autochthonous Maltese species – Maltese Black Chicken	-	-	-
AECM6b: Measure for the integration and maintenance of autochthonous Maltese species – Maltese Ox	23,359	-	-
AECM6c: Measure for the integration and maintenance of autochthonous Maltese species –Carob, Black mulberry and White mulberry	45,439	127.40	-
TOTAL		820.69	671.70

Table1:CEQ4A_Measure 10.1

7.a9) CEQ09-4B - To what extent have RDP interventions supported the improvement of water management, including fertilizer and pesticide management?

7.a9.a) Answer to evaluation question

List of measures contributing to the FA4B

- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)
- M10 – Agri-Environment-Climate Measures (art 28)

The sub-measures (launched sub-measures are in bold; the rest had not been launched by end 2018) which are programmed under this Focus Area are:

- Measure 2.1: Advisory services (cross compliance)
- Measure 2.3: Training of advisors
- **Measure 4.1: Investments in agricultural holdings**
- **Measure 10.1: Agri-environment-climate measures**
- Measure 10.2: Conservation of genetic resources

As at the end of 2018, sub-measures 4.1 and 10.1 programmed under this Focus Area were launched. Since then, M2.1 was also launched (in May 2019), whereas M10.2 was launched in the second quarter of 2019.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measures under M02 which is programmed under FA4b are:

- M2.1 support to help benefiting from the use of advisory services
- M2.3 support for training of advisors.

Sub-measure 2.1 targets support for the provision of advice to farmers including young farmers whereas sub-measure 2.3 provides support to train advisors, so it is complementary to M2.1.

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where selection of advice providers and trainers was no longer restricted to selection through the applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is now indeed open.

As a result of the above, no assessment can be undertaken in relation to the intended effect of measures 2.1 and 2.3. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18th July 2019 and it will be a rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency) can apply. Currently there is only one registered entity with Farm Advisory Services. It is noted

that the Government already provides Advisory Services, albeit not within the framework of RDP M2.1. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

It is noted that the RDP stipulates that for Measure 10.1 eligible beneficiaries must have access to advice relevant to the measure within 3 years from acceptance on the scheme. Acceptance on the scheme is deemed the date of the signature of the contract between the MA and the farmer. This requirement is however not tied to M2 as farmers can seek advice from other entities outside of M2.1. In fact, for those beneficiaries that obtained funding for the year 2016, the Government’s Farm Extension Services (FES) provided such advice.

It is noted that the RDP stipulates that for Measure 10.1 eligible beneficiaries must have access to advice relevant to the measure within 3 years from acceptance on the scheme. Acceptance on the scheme is deemed the date of the signature of the contract between the MA and the farmer. This requirement is however not tied to M2 as farmers can seek advice from other entities outside of M2.1. In fact, for those beneficiaries that obtained funding for the year 2016, the Government’s Farm Extension Services (FES) provided such advice.

Measure 4.1: Investments in agricultural holdings

Measure 4.1 was launched in 2017 with contracts signed in 2018. M4.1 is currently still open. Under this measure a total of 67 holdings initialised their operations focusing on the upgrading of farming facilities which does not primarily contribute towards this focus area.

The sub-measure under M04 which is programmed under FA4B is:

- M4.1 which relates to support for investments in agricultural holdings

The reporting structures require the allocation of expenditure of this measure towards the pre-dominant allocation. Consequently, most of the approved applications are contributing towards P2 and not towards P4 or P5. A detailed assessment of potential secondary contributions could not be undertaken within the timeframe of assessment, but discussions will be undertaken with the respective authorities to ensure that adequate information is captured in the applications to allow for operations to be mapped to different focus areas thus allowing for an assessment of secondary contributions. Furthermore, given that the allocation of M4.1 is distributed over number of focus areas in the RDP while predominantly most of the requests are being undertaken to enhance competitiveness, the MA may consider a reallocation of the contribution of this measure towards the different focus areas allowing for less fragmentation.

Measure 10.1: Agri-environment-climate measures

According to the Section 8.2.7 of the RDP[1] the AECMs that are relevant to FA4B are: AECM1 and 4. The commitments and affected areas for 2018 are shown in the table below:

AECM	Realised Expenditure (€) (Annual)	Hectares (Achieved 2018)	2023 Target (ha)
AECM1: Measure to control weeds in orchards and vineyards by mechanical,	389,869	396.26	

instead of chemical methods			63.50
AECM4: Measure for the implementation of an Integrated Pest Management Plan targeting Vineyards and Orchards	113,373	75.76	230.80
TOTAL		472.02	294.30

The areas shown above clearly show that AECM1 is very successful in terms of physical area supported whereas AECM4 less so with 76 hectares of physical area supported. It is noted, however, that the target for area supported under M10 is 671 ha so the area supported under FA4B is actually 70% of the target for AECMs1-6 combined. It is further noted that the eligibility condition for AECMs require applicants to have at least 0.1124ha (1,124m²) of land. The majority of agricultural holdings in Malta and Gozo are relatively small, with 73.5% of the agricultural holdings having a UAA of less than 1 hectare each [2]. Furthermore, this criterion (of minimum size) has the potential to attract a very significant number of small landholdings (estimated around 4,700, based upon 2012 claims data).

These two sub-measures directly contribute to the reduction in pesticide use and are therefore expected to have a positive impact on water quality.

Measure 10.2: Conservation of genetic resources

This sub-measure supports the conservation and sustainable use and development of genetic resources in agriculture. It was launched in May 2019 and the first batch of applications are expected by the MA by 18th July 2019.

Relevant AEMs from the previous programme have not been considered in the evaluation thereby adopting a conservation approach. Thus data used to answer this CEQ is being restricted to RDP 2014-2020.

Judgement Criteria

Judgement Criteria	Common Result Indicator	Value of indicator	Additional Indicators
Water Quality has improved	R8/T10 - % of agricultural land under management contracts improving water management (ha)	472.02 ha as a % of UAA 11,453ha = 4.12%	<ul style="list-style-type: none"> • Use of nitrogen and phosphorous (kg/ha) • Pesticide use (kg/ha) • Rate of macro-invertebrates in fresh water • Official water

quality indicators (oxygen consuming substances in rivers, content nutrients in freshwater)

The AECMs under Measure 10.1 relevant to FA4B are AECM 1 that registered 396.26ha in terms of physical area supported to control weeds in orchards and vineyards by mechanical, instead of chemical methods; and AECM 4 requiring the preparation of an Integrated Pest Management Plan Targeting Vineyards and Orchards. These AECMs are responsible for slightly surpassing the common result indicator target value which was set at 3%.

The objective AECM1 is to incentivise farmers to clear weeds growing in vineyards and orchards between 15th October and 15th March, using mechanical means such as a grass cutter. Although limited to this period, which coincides with the wet season, this AECM is expected to contribute somewhat to carbon sequestration by allowing weed growth. The land area taken up by this measure equates to almost 3% of the UAA. Further data on application of pesticides by the farmers will assist the evaluators to assess further the impact of this sub-measure.

AECM4 supports the formulation of an Integrated Pest Management (IPM) Plan targeting vineyards and orchards. The objective of the sub-measures is to reduce the use of pesticides, incentivise the application of pesticide only when necessary and ultimately result in lower pesticide application rates. IPM has to forecast pests most likely to affect orchards/ vineyards and plan for them accordingly. Installation of traps on parcels are required to allow the farmers to identify the kind of pest/ severity of infestation and use this information determine through the parameters established in their plan what actions to take. Integrated pest management is regulated through Legal Notice 489 of 2011, Sustainable Use of Pesticides Regulations, 2011. The area covered by this AECM represents approximately 0.67 % of UAA. The impact on the judgement criteria would also depend on the type practices adopted in the IPM Plan. This information will need to be gathered to assist in the evaluation.

The additional target indicators were not computed as at the time of writing Section 7 of the AIR use of pesticides was not available. This information will be gathered as the programme progresses in order to establish the impact of the AECMs on the judgement criteria.

The Performance Framework Alternative Indicator: Area (ha) under specific constraints (4A) + improving water management (ha) (focus area 4B) + improving soil management and/preventing soil erosion (ha) (focus area 4C) is calculated at 8,153 ha – this represents about 70 percent of UAA in the Maltese Islands being supported through this sub-measure.

Conclusions:

The target for FA4B (% of agricultural land under management contracts improving water management) has been exceeded and is likely to increase as more take up is anticipated for M10.1 in 2019. Given the strong demand for the measure, the MA may consider future amendments of the programme allocating budget towards this Priority.

Recommendations:

It is pointed out that there is no expenditure that can be reported under M4.1 contributing to Focus Area 4b. This must also be discussed with the MA with a view to enhance the evaluation.

[1] Malta – Rural Development Programme (National) V4.2, 2018.

[2] Agricultural Census 2010

7.a10) CEQ10-4C - To what extent have RDP interventions supported the prevention of soil erosion and improvement of soil management?

7.a10.a) Answer to evaluation question

List of measures contributing to the FA:

- M01 - Knowledge Transfer & Information Services (art 14)
- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)
- M10 – Agri-Environment-Climate Measures (art 28)
- M16 – Co-operation (art 35)

The sub-measures (the ones launched are in bold; the rest had not been launched by end 2018) under this FA are:

- **M1.1: Support for vocational training and skills acquisitions actions**
- M1.2: Support for demonstration activities and information actions
- M1.3: Support for short-term farm and forest management exchange as well as farm and forest visits
- M2.1: Advisory services (cross compliance)
- M2.3: Training of advisors
- **M4.1: Investments in agricultural holdings**
- **M4.4: Support for non-productive investments linked to the achievement of agri-environment-climate objectives**
- **M10.1: Agri-environment-climate measures**
- M10.2: Conservation of genetic resources
- M16.2: Support for pilot projects

As at the end of 2018, M1.1, M4.1, M4.4, and M10.1 programmed under this FA were launched. Since then, M2.1, M10.2 and M16.2 were also launched (in Q2, 2019), whereas M1.2 and M1.3 are expected to be launched by Q3, 2019. M2.3 is expected to be launched in Q4, 2019.

Measure 1: Knowledge Transfer and Information Actions

The three sub-measures under M01 are all programmed under FA4C, where:

- M1.1 relates to support for vocational training and skills acquisition actions;
- M1.2 relates to support for demonstration activities and information actions; and
- M1.3 relates to support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by Q3 of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA launched this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with around Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

M1.1, M1.2 and M1.3 in 2019 should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries.

As for M1.2 and M1.3, as well as a revised M1.1 targeting training beyond AECM linked training, these are expected to be launched by the third quarter of 2019.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measures under M02 which is programmed under FA4A are:

- M2.1 support to help benefiting from the use of advisory services
- M2.3 support for training of advisors.

M2.1 targets support for the provision of advice to farmers including young farmers whereas M2.3 provides support to train advisors, so it is complementary to M2.1.

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where selection of advice providers and trainers was no longer restricted to selection through the applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is now indeed open.

As a result of the above, no assessment can be undertaken in relation to the intended effect of M2.1 and

M2.3. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18th July 2019 and it will be a rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency) can apply. Currently there is only one registered entity with Farm Advisory Services. It is noted that the Government already provides Advisory Services, albeit not within the framework of RDP M2.1. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

It is noted that the RDP stipulates that for M10.1 eligible beneficiaries must have access to advice relevant to the measure within 3 years from acceptance on the scheme. Acceptance on the scheme is deemed the date of the signature of the contract between the MA and the farmer. This requirement is however not tied to M2 as farmers can seek advice from other entities outside of M2.1. In fact, for those beneficiaries that obtained funding for the year 2016, the Government's Farm Extension Services (FES) provided such advice.

Measure 4.1: Investments in agricultural holdings

M4.1 was launched in 2017 with contracts signed in 2018. M4.1 is currently still open. Under this measure 67 holdings initialised their operations focusing on the upgrading of farming facilities.

The sub-measure under M04 which is programmed under FA4C is:

- M4.1 which relates to support for investments in agricultural holdings

M4.1 was launched in January 2017. Data related to expenditure of this measure to FA4C is not available. This is primarily the case since reporting structures require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to.

Measure 4.4: Support for non-productive investments linked to the achievement of agri-environment-climate objectives

Applications for M4.4 were being received from December 2016 and the call was closed in September 2018. The second call was re-launched in March 2019 and applications for funding will be received until July 2019.

During 2018, 59 beneficiaries initiated their operations, with the majority focusing on the construction and/or restoration of rubble walls. M4.4 progressed well, its demand continued to increase and as a result, benefitted from an increased allocation of €10.4 million following the 2018 Programme Modification.

In 2018, committed expenditure of M4.4 is reported at the level of Priority 4 (and not FA level). In 2018 this expenditure amounted to circa €12 million reflecting an uptake of almost 55%. Realised public expenditure was however less than half amounting to about € 5 million. It is expected that future evaluations would address the contribution of M4.4 to be assessed at the level of FAs.

As mentioned, the applications received to date under this measure relate to the maintenance or construction of rubble walls. The project with the highest budget is the *project for the restoration of valleys to enhance their rain capturing and soil retention capabilities*, by the Ministry for Gozo. Twelve important valleys in Gozo were proposed for the clearing of the valley floors together with the repair and/or construction of rain harvesting facilities as well as the reinstatement of the rubble walls. The aim is for the natural flow of water shall to be re-established and ensured. Accumulated waste and debris along the watercourse is one of the main factors contributing towards flooding in certain areas. This phenomenon is causing soil erosion due to the ensuing run-off. Clearing of the valley floors from debris and sedimentation, the natural water courseway

would be restored, thereby facilitating the flow of rainwater to the dams and public reservoirs that are potentially currently underutilized.

This project as well as other applications for the construction and maintenance of such walls is expected to contribute to this FA by addressing soil erosion especially in valleys and slopes.

It is considered that such a holistic project aimed at addressing various valleys within Gozo as the entire valley system is captured. Applications by individuals would likely only cover limited areas and the impact on the valley system would not be as effective. Indeed, **Figure 1** below shows the extent of the proposed interventions, where being a small island Gozo has the potential to address the valley systems in a holistic manner.

Implementation difficulties identified during 2019

In order to ensure the efficient and effective uptake of M4.4, during May 2019, the MA held bilateral meetings with fifteen M4.4 beneficiaries that are implementing projects of a considerable dimension and that had not submitted any payment claims in 2018.

During these meetings it emerged that these private beneficiaries have entered into agreements with a contractor. However, in some cases implementation could not start either due to pending planning permits, unavailability of contractor or due to weather related matters. In the latter cases, work was expected to start as soon as the weather stabilises. At least two beneficiaries could not start implementation since the selected contractor kept postponing the starting date.

For The remaining nine beneficiaries (eight Local Councils and one public entity), only one Local Council had a contract in place but works could not start since the same road in which the intervention will take place is being resurfaced by WSC, after trenching works were carried out. Three Local Councils have not yet started the procurement process, some stating that a slowdown has been experienced due to the then upcoming elections or because the contract with the MA was only signed in 2019. Another three Local Councils, (two of which in Gozo), have issued the tender multiple times but have not managed to contract a bidder since either the bids were much higher than the budget or the bid was non-compliant. Another public entity implementing a widespread project has issued one tender for one of the interventions however the sole bid received was three times the estimated budget. These limitations are to be considered within the context where real estate prices in Malta are on the rise, spurred by an increase in disposable income as well as an influx of foreign workers leading to over utilisation of resources in the construction sector. As a result, prices within the sector are persistently increasing leading to constraints on the agricultural sector and local entities as the construction sector is unwilling to engage in less profitable elements such as the building or restoration or rubble walls, reservoirs and so on.

Therefore, in some cases, implementation seems to be stalling due to unavailability of contractors, their hesitation to bid for public contracts and bids that exceed the budgets allocated in the Grant Agreement. Implementation has also been delayed in certain locations such as valleys due to weather restrictions. In some cases, works could not start due to interventions by third parties taking place in the same area.

Measure 10.1: Agri-environment-climate measures According to the Section 8.2.7 of the RDP[1] the AECMs that are relevant to FA4C are AECM1, 4 and 5. The commitments and affected areas for 2018 are shown in the Table 1 annexed to this CEQ.

The figures clearly show that AECMs 1 and 5 had the most uptake in terms of area supported with AECM4

lagging behind. Thus data used to answer this CEQ is being restricted to RDP 2014-2020.

These measures are expected to have positive impacts on soil through better agricultural practices and the reduction in the use of chemicals as well as implementing soil management plans. Discussions with the MA on AECM4 will be undertaken to assess why AECM4 had limited success in terms of low physical area supported.

Measure 10.2: Conservation of genetic resources

This sub-measure supports the conservation and sustainable use and development of genetic resources in agriculture. It was launched in May 2019 and the first batch of applications is expected by the MA by 18th July 2019.

Measure 16: Cooperation

The sub-measure under M16 which is programmed under FA4C is:

- M16.2 which relates to support for pilot projects, and for the development of new products, practices, processes and technologies.

This sub-measure was launched in the first quarter of 2019. Hence there was no progress up to end 2018.

As outlined in the ex post evaluation of the RDP 2007-2013, there are limitations within the local context that reflect on the take up of M16. Indeed the take up of cooperation measures is expected to be significantly lower than what is currently envisaged in the RDP. In fact, in an effort to ensure the relevance of the RDP to local farmers and producers and ensure that the necessary assistance is provided in areas with most added value to the sector, the number of actions and budgetary allocations envisaged under M16 have been re-dimensioned with the budget for M16.2 reduced by €2 million. Notwithstanding the above, as well as the fact that the local sector is heavily fragmented with strong competitive pressures leading to a discouragement in cooperation, Malta remains committed towards supporting cooperation measures through this Programme as a means of creating the necessary economies of scale.

Judgement Criteria

Judgement Criteria	Common Result Indicator	Value of indicator	Additional Indicators
<ul style="list-style-type: none"> • Soil erosion has been prevented • Soil management has improved 	R10/T12 - % of agricultural land under management contracts to improve soil management and/or prevent soil erosion	623.57ha as a % of UAA 11,453ha = 5.45%	Additional information on soil erosion of the land under management contracts, e.g.: official soil erosion indicators (e.g. estimated soil erosion by water, measured in tonnes/ha/year,

estimated soil erosion
by wind measured in
days/year)

The AECMs under M10.1 relevant to FA4C are AECM 1 that registered 396.26 ha in terms of physical area supported; AECM 4 where 76 hectares were supported; and AECM 5 where 151 hectares have been supported. Therefore, under this Focus Area a total of 623 ha have been supported. These AECMs are responsible for surpassing the common result indicator target value which was set at 3%^[2]. It is further noted that the target for AECMs 1 to 6 is set at 671 hectares. The take up for AECMs 1, 4, and 5 represents 93% (of 671ha).

The objective AECM1 is to incentivise farmers to clear weeds growing in vineyards and orchards between 15th October and 15th March, using mechanical means such as a grass cutter instead of chemical ones. Although limited to this period, which coincides with the wet season, this AECM is expected to contribute to addressing soil erosion and runoff by reducing the application of herbicides and therefore allowing weeds to act as a cover crop during the winter months, when the majority of rain fall occurs.

In addition, surface runoff is slowed by the cover, allowing improved moisture infiltration. Weeds removed during this period may be retained as mulch. This will add organic material to the soil thus improving soil tillage and productivity. In the event that farmers do not retain the weeds removed between 15th October and 15th of March they are required to cultivate intercrops between vines and orchard trees, nitrogen fixing plants part of the vicia.spp group (excluding vicia faba) in addition also to hedysarum.spp. In doing so, the farmer is creating a stronger soil structure through the introduction of non agronomical species that are not as aggressive as weeds. The land area taken up by this measure equates to 3.4% of the UAA.

AECM4 supports the formulation of an Integrated Pest Management (IPM) Plan targeting vineyards and orchards. The objective of the sub-measures is to reduce the use of pesticides, incentivise the application of pesticide only when necessary and ultimately result in lower pesticide application rates. IPM has to forecast pests most likely to affect orchards/ vineyards and plan for them accordingly. Installation of traps on parcels are required to allow the farmers to identify the kind of pest/ severity of infestation and use this information determine through the parameters established in their plan what actions to take. Integrated pest management is regulated through Legal Notice 489 of 2011, Sustainable Use of Pesticides Regulations, 2011. The area covered by this AECM represents approximately 0.7 % of UAA. The impact on the judgement criteria would also depend on the type practices adopted in the IPM Plan. This information will need to be gathered to assist in the evaluation.

AECM5 assists in the implementation of a soil management and conservation plan on a parcel. The objective of this measure is to incentivise farmers to prepare and implement a Soil Management Plan on parcels targeting three primary soil related threats on a parcel level: erosion, compaction and low soil organic matter. The Soil Management Plan must include composting together with at least 2 of the following actions/practices:

- Crop residue incorporation
- Mulching
- Planting of trees to target erosion
- Conservation tillage

- Green manuring
- Cultivation of forage crops
- Plant vegetative filter strip in low lying and runoff areas of fields
- Strip cropping.

Under this AECM tests must be done once a year for Soil Organic Matter (SOM), and results submitted with the SMP produced annually. This data will be used to further evaluate the success of this measure. The physical area supported under this AECM represents almost 1.3% of the UAA.

Conclusions:

The target for FA4C (% of agricultural land under management contracts to improve soil management and/or prevent soil erosion) has been exceeded and is likely to increase as more take up is anticipated for M10.1 in 2019. Given the strong demand for the measure, the MA may consider future amendments of the programme allocating budget towards this Priority. It is expected that as other measures are launched and subsequently taken up that soil management is improved and soil erosion reduced.

The difficulties that are being encountered in the implementation of M4.4 (see below), need to be addressed to ensure that the benefits of soil management are reaped in practice.

Recommendations:

This evaluation has identified a number of challenges in the implementation of M4.4. Construction prices are persistently increasing leading to constraints on the agricultural sector and local entities as the construction sector is unwilling to engage in less profitable elements such as the building or restoration or rubble walls, reservoirs, etc. It is therefore recommended that the costs for the restoration of rubble walls are simplified through the adoption of a Simplified Cost Option, in such a manner that there is a fixed price per square metre of rubble wall maintained / constructed – this would avoid beneficiaries having to get multiple quotes and will facilitate evaluation. The implementation of this recommendation will be discussed further with the MA.

Also, efforts should be directed towards monitoring projects which rely on construction as is the case for some projects falling under M4.4. As current trends in the construction sector are likely to persist, there is a risk for project implementation vis-à-vis the closure of the programming period. Monitoring of projects that have been allocated relatively large budgets should be undertaken through bilateral meetings with beneficiaries and / or regular progress updates. Additionally, the MA may request Progress/ Closure reports.

As a general recommendation under AECM5 any data collected on Soil Organic Matter is inputted in GIS so that spatial data on organic matter is collected throughout the implementation of the RDP.

[1] Malta – Rural Development Programme (National) V4.2, 2018.

[2] It is noted that target for result indicator under FA4B and 4C is the same when the AECMs under M10 that contribute to 4B and 4C are different.

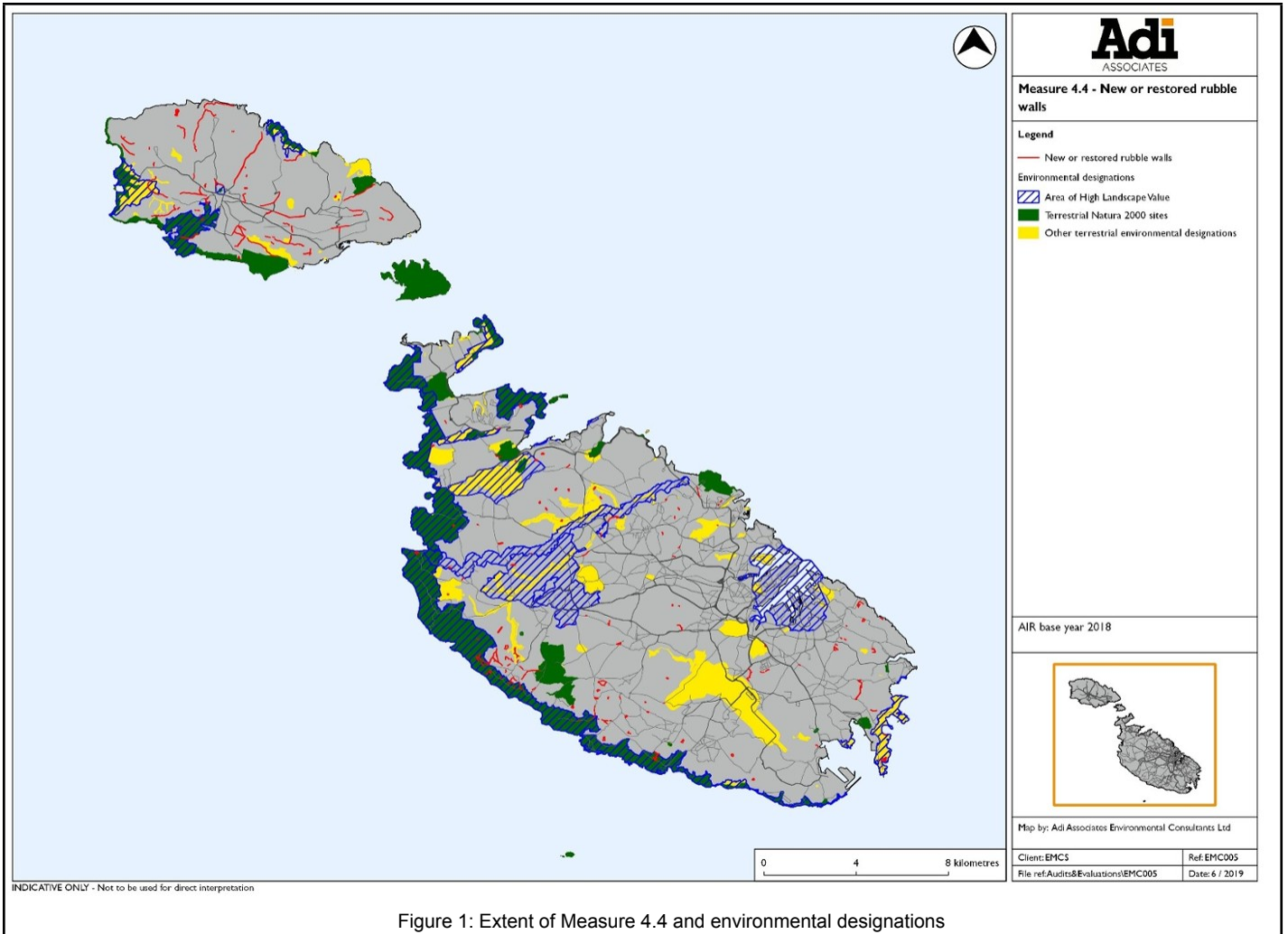


Figure 1: Extent of Measure 4.4 and environmental designations

Table 1 - CEQ 4C: Table on Measure 10.1 – 2018 Realised Expenditure and Hectares vs 2023 Targets (ha)

AECM	Realised Expenditure Annual (€)	Hectares (Achieved 2018)	2023 Target (ha)
AECM1: Measure to control weeds in orchards and vineyards by mechanical, instead of chemical methods	389,869	396.26	63.50
AECM4: Measure for the implementation of an Integrated Pest Management Plan targeting Vineyards and Orchards	113,373	75.76	230.80
AECM5: Measure for the implementation of a soil management and conservation plan on a parcel	74,188	151.55	326.80
TOTAL		623.57	621.10

Table1:CEQ4C_Measure 10.1

7.a11) CEQ11-5A - To what extent have RDP interventions contributed to increasing efficiency in water use by agriculture?

7.a11.a) Answer to evaluation question

List of measures contributing to the FA5A:

- M01 - Knowledge Transfer & Information Services (art 14)
- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)
- M16 – Co-operation (art 35)

The sub-measures (launched sub-measures are in bold; the rest had not been launched by end 2018) which are programmed under this Focus Area are:

- **Measure 1.1: Support for vocational training and skills acquisitions actions**
- Measure 1.2: Support for demonstration activities and information actions
- Measure 1.3: Support for short-term farm and forest management exchange as well as farm and forest visits
- Measure 2.1: Advisory services (cross compliance)
- Measure 2.3: Training of advisors
- **Measure 4.1: Support for investment in agricultural holdings**
- **Measure 4.3: Support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry**
- Measure 16.2: Support for pilot projects, and for the development of new products, practices, processes and technologies

Measure 1: Knowledge Transfer and Information Actions

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and

information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (d) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under.

As for M1.2 and M1.3, as well as a revised M1.1 targeting training beyond AECM linked training, these are expected to be launched by the third quarter of 2019.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measures under M02 which is programmed under FA4A are:

- M2.1 support to help benefiting from the use of advisory services
- M2.3 support for training of advisors.

Sub-measure 2.1 targets support for the provision of advice to farmers including young farmers whereas sub-measure 2.3 provides support to train advisors, so it is complementary to M2.1.

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where selection of advice providers and trainers was no longer restricted to selection through the applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is now indeed open.

As a result of the above, no assessment can be undertaken in relation to the intended effect of measures 2.1 and 2.3. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18th July 2019 and it will be a rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency) can apply. Currently there is only one registered entity with Farm Advisory Services. It is noted that the Government already provides Advisory Services, albeit not within the framework of RDP M2.1. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

It is noted that the RDP stipulates that for Measure 10.1 eligible beneficiaries must have access to advice relevant to the measure within 3 years from acceptance on the scheme. Acceptance on the scheme is deemed the date of the signature of the contract between the MA and the farmer. This requirement is however not tied to M2 as farmers can seek advice from other entities outside of M2.1. In fact, for those beneficiaries that obtained funding for the year 2016, the Government's Farm Extension Services (FES) provided such advice.

Measure 4.1: Investments in agricultural holdings

Measure 4.1 was launched in 2017 with contracts signed in 2018. M4.1 is currently still open. Under this measure 67 holdings initialised their operations focusing on the upgrading of farming facilities.

The sub-measure under M04 which is programmed under FA5A is:

- M4.1 which relates to support for investments in agricultural holdings

M4.1 was launched in January 2017. This sub-measure is expected to contribute to FA5A by assisting farmers in storage of water through the construction of reservoirs, irrigation systems, water treatment facilities, for example. During 2018, contribution towards FA5A was achieved with 9 projects awarded having a commitment value of nearly €1 million. However, no payments were effectively realised in relation to this measure during 2018.

Measure 4.3: Support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry

Under this FA, under measure 4.3 there is one project by WSC to provide treated sewage effluent (TSE) to agricultural land located in proximity to the treatment plants located in Malta and Gozo (see Figures 1-3). The title of the project is: *Supply of Highly Polished Tertiary Treated Water for Agricultural Use*.

The project is in line with the policy objectives of Malta's 2nd Water Catchment Management Plan addressing the implementation of the following two policy actions:

- i. NEW4 – Development of dedicated distribution facilities for Highly Polished Tertiary Treated Water (HPTTW) to enable its availability at the point of use; and
- ii. GWM4 – Development of Managed Aquifer Recharge schemes for aquifer management purposes.

The call in relation to this project was launched in April 2018 and a grant allocation of circa €27million was committed to this project, with a commitment of €10 million in 2018. As part of the 2018 Programme Modifications, the contribution of M4.3 towards FA5A was increased by €11.44 million to specifically deal with water treatment related interventions. The project is well underway and an advance payment was made. The realized expenditure for 2018 was circa €5 million.

The figures below show that the realized project is aimed at distributing water to where it is needed. The distribution network of circa 62 km, which are distributed across the three regions as shown below will be developed using the pipeline trenching methodology. This will run from the plants to the reservoirs and to a number of dispensing points. A total of 380 new dispensers will be made available through the proposed distribution network. It is estimated that the volume of agricultural water demand that should be supplied is 6 million m³ per annum. This corresponds to an area of 1,200 ha of intensively used agricultural land, which represents around 25% of total irrigated agricultural land. The same volume of water could equivalently serve larger areas which are less intensively used.

Potential users will have access to water from these points by providing their own pipework which will permit them to convey the HPTTW to their preferred location of use. Users are urged to have their own water cistern which can be replenished with HPTTW from these dispensing points. This move will help in maximising the number of users per day per dispenser, and indirectly increases the storage availability of HPTTW potential on the island.

The system will also cater for tanker filling points at several strategic locations, so the new water resource will be available also to potential users who have their holdings further away and are unable to connect directly to dispenser points. These points were designed to have a greater yield than the normal dispensing points.

Users will be provided with pre-paid hand-held key card which enables them to access both types of

dispensing points.

Measure 16.2: Support for pilot projects, and for the development of new products, practices, processes and technologies

The sub-measure under M16 which is programmed under FA5A is:

- M16.2 which relates to support for pilot projects, and for the development of new products, practices, processes and technologies.

This sub-measure was launched in the second quarter of 2019. Hence there was no progress up to end 2018.

As outlined in the ex post evaluation of the RDP 2007-2013, there are limitations within the local context that reflect on the take up of Measure 16. Indeed the take up of cooperation measures is expected to be significantly lower than what is currently envisaged in the RDP. In fact, in an effort to ensure the relevance of the RDP to local farmers and producers and ensure that the necessary assistance is provided in areas with most added value to the sector, the number of actions and budgetary allocations envisaged under M16 have been re-dimensioned with the budget for M16.2 reduced by €2 million. Notwithstanding the above, as well as the fact that the local sector is heavily fragmented with strong competitive pressures leading to a discouragement in cooperation, Malta remains committed towards supporting cooperation measures through this Programme as a means of creating the necessary economies of scale.

Result Indicator

R12/T14 - % of irrigated land switching to more efficient irrigation system

Target indicator is 5.44%.

The measure directly contributing to this target is M4.1. Given that none of the operations approved under M4.1 contributing towards this FA have been completed, the value of this indicator is nil.

The Performance Framework Indicators under P5 are:

- Agricultural and forest land under management to foster carbon sequestration/ conservation (ha) (focus area 5E) + Agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (ha) (focus area 5D) + Irrigated land switching to more efficient irrigation system (ha) (focus area 5A) with a 2018 milestone of 147ha; and
- Total Public Expenditure P5 (EUR) with a 2018 milestone of €5,508,728.

The first indicator is estimated at 235.60 ha mainly due to the implementation of the actions under Measure 10.1 under Focus Area 5E. These cover Agri-Environment-Climate Measures (AECMs) interventions in relation to AECM 2, 4 and 5. M10.1 has progressed well, also as a result of the 2018 Programme Modification.

The main contributor towards the achievement of the financial targets is the intervention being implemented by the Water Services Corporation which focuses on the supply of highly polished tertiary treated water for agricultural use. 95% of the realised expenditure in relation to this indicator is attributed to this operation.

Conclusions:

Progress towards the objectives of FA5A has been limited since the major expenditure allocated under this

focus area is for M4.3 which had not been completed by the end of 2018. However, an assessment of the preparedness of the project and the actions already taken indicate that progress is underway and that objectives are likely to be achieved by the end of the programming period.

Recommendations:

For future evaluations areas affected by M4.1 under FA5A should be made available.

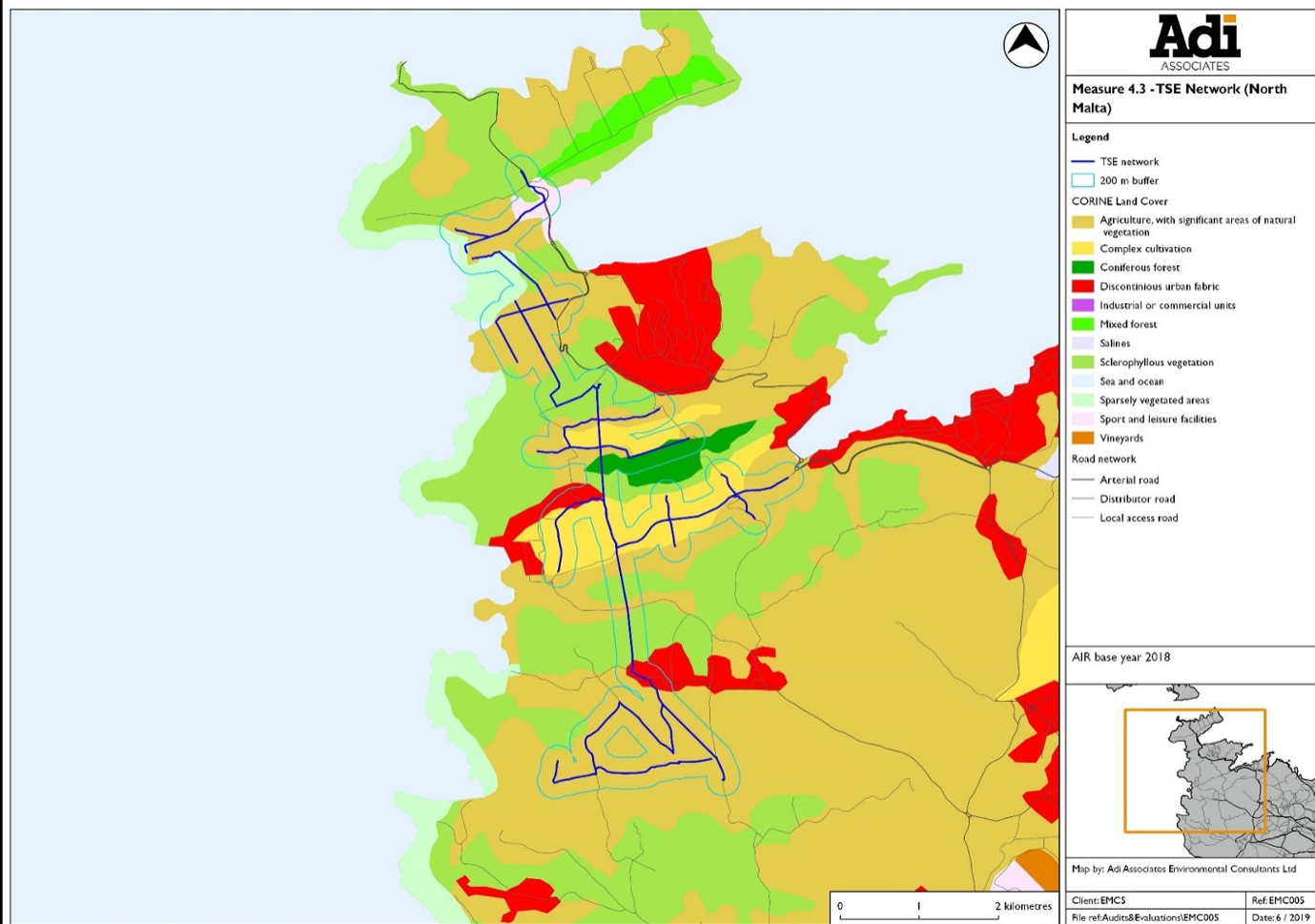


Figure 1 : WSC Treated Sewage Effluent (TSE) proposed distribution network – North of Malta

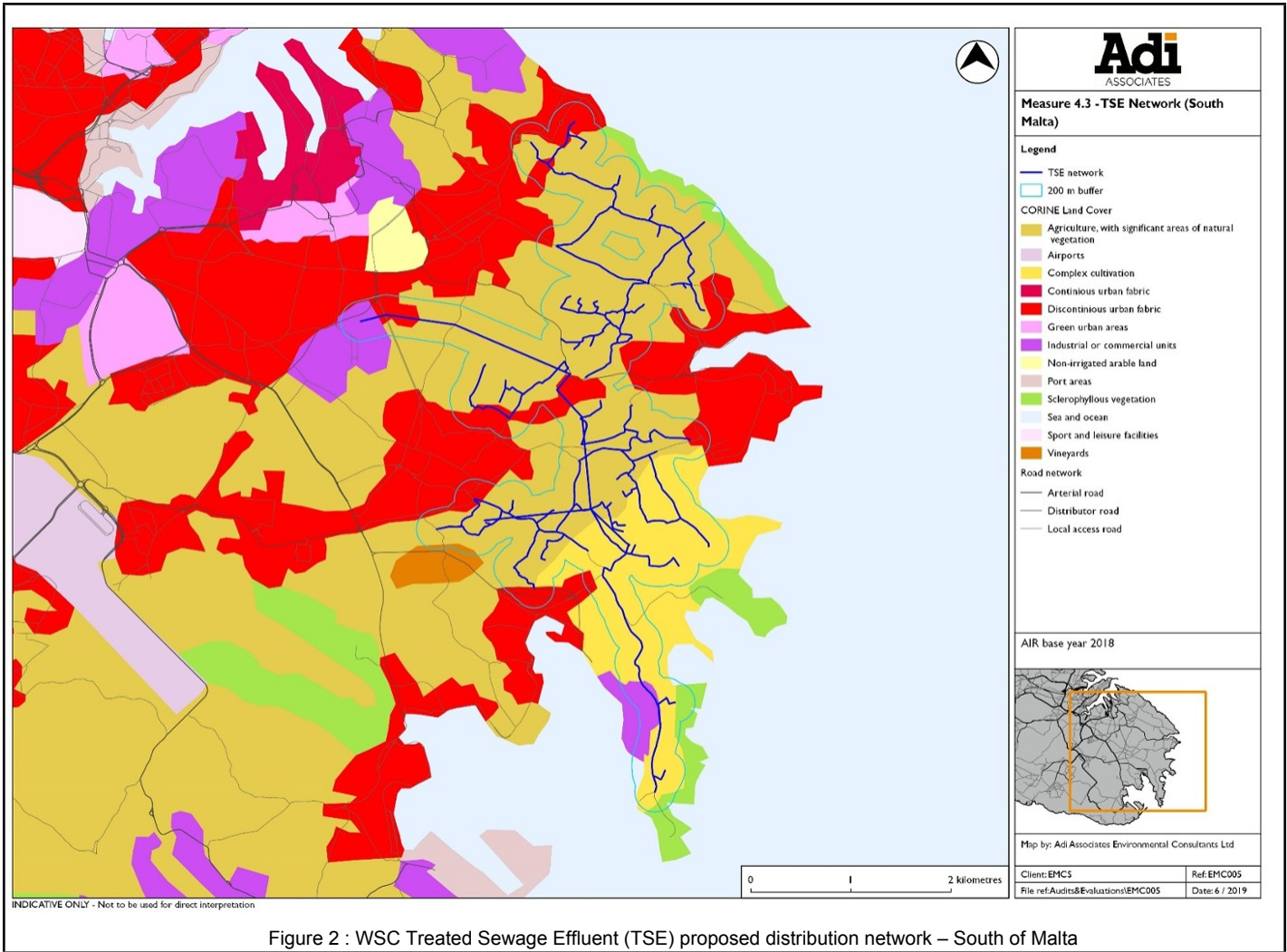
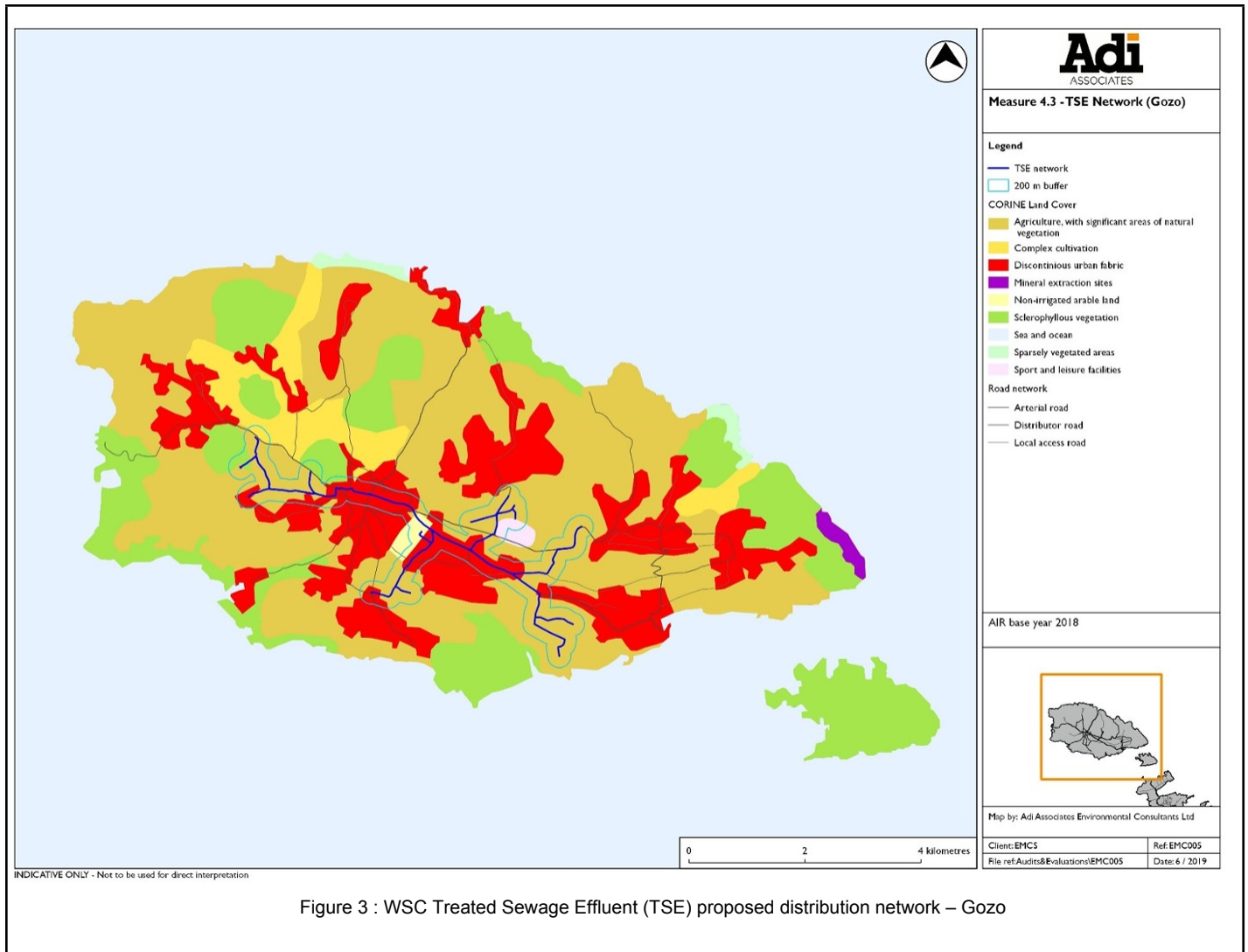


Figure 2 : WSC Treated Sewage Effluent (TSE) proposed distribution network – South of Malta



7.a12) CEQ12-5B - To what extent have RDP interventions contributed to increasing efficiency in energy use in agriculture and food processing?

7.a12.a) Answer to evaluation question

List of measures contributing to the FA5B

- M01 - Knowledge Transfer & Information Services (art 14)
- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)

The sub-measures (launched sub-measures are in bold; the rest had not been launched by end 2018) which are programmed under this Focus Area are:

- **Measure 1.1: Support for vocational training and skills acquisitions actions**
- Measure 1.2: Support for demonstration activities and information actions

- Measure 1.3: Support for short-term farm and forest management exchange as well as farm and forest visits
- Measure 2.1: Advisory services (cross compliance)
- Measure 2.3: Training of advisors
- **Measure 4.1: Support for investment in agricultural holdings**

As at the end of 2018, sub-measures 1.1 and 4.1 programmed under this Focus Area were launched. Since then, M2.1 was also launched (in the second quarter of 2019), whereas measures 1.2 and 1.3 are expected to be launched by the third quarter of 2019. Measure 2.3 is expected to be launched in the fourth quarter of 2019.

Measure 1: Knowledge Transfer and Information Actions

The three sub-measures under M01 are all programmed under FA4C, where:

- M1.1 relates to support for vocational training and skills acquisition actions;
- M1.2 relates to support for demonstration activities and information actions; and
- M1.3 relates to support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries. Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (d) Sustainable livestock, thereby

contributing towards the different Focus Areas that M01 is programmed under.

As for M1.2 and M1.3, as well as a revised M1.1 targeting training beyond AECM linked training, these are expected to be launched by the third quarter of 2019.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measures under M02 which is programmed under FA4A are:

- M2.1 support to help benefiting from the use of advisory services
- M2.3 support for training of advisors.

Sub-measure 2.1 targets support for the provision of advice to farmers including young farmers whereas sub-measure 2.3 provides support to train advisors, so it is complementary to M2.1.

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where selection of advice providers and trainers was no longer restricted to selection through the applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is now indeed open.

As a result of the above, no assessment can be undertaken in relation to the intended effect of measures 2.1 and 2.3. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18th July 2019 and it will be a rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency) can apply. Currently there is only one registered entity with Farm Advisory Services. It is noted that the Government already provides Advisory Services, albeit not within the framework of RDP M2.1. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

It is noted that the RDP stipulates that for Measure 10.1 eligible beneficiaries must have access to advice relevant to the measure within 3 years from acceptance on the scheme. Acceptance on the scheme is deemed the date of the signature of the contract between the MA and the farmer. This requirement is however not tied to M2 as farmers can seek advice from other entities outside of M2.1. In fact, for those beneficiaries that obtained funding for the year 2016, the Government's Farm Extension Services (FES) provided such advice.

Measure 4.1: Investments in agricultural holdings

Measure 4.1 was launched in 2017 with contracts signed in 2018. M4.1 is currently still open. Under this measure 67 holdings initialised their operations focusing on the upgrading of farming facilities.

The sub-measure under M04 which is programmed under FA5b is:

- M4.1 which relates to support for investments in agricultural holdings

M4.1 was launched in January 2017. This sub-measure is expected to contribute to FA5B by assisting farmers in investing in equipment to increase energy efficiency. Based on an assessment of the applications received so far, it is concluded that some of the actions falling under this sub-measure are directly

contributing to Focus Area 5B. However, since reporting structures require the allocation of the commitments towards the FA where the pre-dominant allocation is contributing to, no formal allocation has been made to this FA. As explained in more detail previous CEQs, this sub-measure is, in its major part, contributing to FA2A as well as FA5A.

Result indicator

T15 - Total investment in energy savings and efficiency (€): Target €759,597.

According to the Investment Data provided by the MA there are no applications directly contributing to FA5b. This is because the main actions have been allocated to other FAs.

Conclusions:

While Measure 4.1 was launched in 2017, the bulk of expenditure of the approved applications does directly contribute towards FA5B. While there may be secondary contributions stemming from this measure, in depth analysis is required to determine whether specific interventions are linked to increasing efficiency in energy use. The rest of the measures contributing towards this FA have either been launched in 2019 or are set to be launched within they year.

Recommendations:

The reporting of investment actions under M4.1 needs to be refined to capture contributions which may be of a secondary nature.

7.a13) CEQ13-5C - To what extent have RDP interventions contributed to the supply and use of renewable sources of energy, of by-products, wastes, residues and other non-food raw material for purposes of the bio-economy?

7.a13.a) Answer to evaluation question

List of measures contributing to FA5C:

- M04 – Investments in physical assets (art 17)
- M16 – Cooperation (art 35)

The sub-measures (launched sub-measures are in bold; the rest had not been launched by end 2018) which are programmed under this Focus Area are:

- **Measure 4.1: Support for investment in agricultural holdings**
- Measure 16.2: Support for pilot projects, and for the development of new products, practices, processes and technologies
- Measure 16.6: Support for co-operation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes

Measure 4.1: Investments in agricultural holdings

Measure 4.1 was launched in 2017 with contracts signed in 2018. M4.1 is currently still open. Under this measure 67 holdings initialised their operations focusing on the upgrading of farming facilities.

The sub-measure under M04 which is programmed under FA5c is:

- M4.1 which relates to support for investments in agricultural holdings

M4.1 was launched in January 2017. Based on an assessment of the applications received so far, it is concluded that few of the actions falling under this sub-measure are directly contributing to Focus Area 5c. As explained in more detail previous CEQs, this sub-measure is, in its major part, contributing to FA2A.

Measure 16: Cooperation

The sub-measures under M16 which are programmed under FA1A are:

- M16.2 which relates to support for pilot projects, and for the development of new products, practices, processes and technologies; and
- M16.6 which relates to support for cooperation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes.

Given that none of these two sub-measures had been launched up to 2018, no assessment of their performance can be provided. Nevertheless, progress is expected in the coming months since the MA has recently pre-launched both measures.

As outlined in the ex post evaluation of the RDP 2007-2013, there are limitations within the local context that reflect on the take up of Measure 16. Indeed, the take up of such measures is expected to be significantly lower than what is currently envisaged in the RDP. In fact, in an effort to ensure the relevance of the RDP to local farmers and producers and ensure that the necessary assistance is provided in areas with most added value to the sector, the number of actions and budgetary allocations envisaged under M16, as explained in previous CEQs, have been re-dimensioned with the budget for M16.2 reduced by €2 million. This amendment has also been affected in light of the rather ambitious targets that were set at RDP drafting stage. Notwithstanding this reduction in budget, as well as the fact that the local sector is heavily fragmented with strong competitive pressures leading to a discouragement in cooperation, Malta remains committed towards supporting cooperation measures through this Programme as a means of creating the necessary economies of scale.

M16.2 is expected to contribute to this Focus Area by providing the necessary impetus to projects which are in their initial phases of development, thereby helping to fill the gaps that exist in the Maltese agricultural sector. To this effect, aid under this sub-measure will serve to put research outputs into more concrete use for the development of tangible agricultural projects. While the budget for M16.2 has been reduced on account of the limited potential of Maltese agricultural holdings to divert their resources from core activity for research and innovation purposes, the eligibility for this sub-measure has been revised as a stand-alone measure. This should contribute to foster cooperation and encourage the take-up of M16.2. Also to be considered is the fact that national efforts have not ceased. Indeed, through the Malta Council for Science and Technology, Government launched a scheme for the provision of proposals aimed at a holistic approach to the sustainable management of livestock manure and slurry within a circular economy context.

Also M16.6 is expected to contribute to the overall objective of achieving a sustainable agricultural waste management system[1] by supporting projects in favour of the provision of sustainable biomass, particularly where those projects are relatively complex. While this sub-measure has recently been pre-launched, there are expectations of favourable developments over the course of 2019, also in light of the higher national policy efforts in this regard, as explained above.

Result Indicator

- T16 - Total investment in renewable energy production

Target: €3,038, 387

This indicator could not be computed because the expenditure under M4.1 has been allocated to the main component of the project and not to this Focus Area. No expenditure has been spent under M16.

Conclusions:

Although the call for M4.1 is a rolling call and has been open for a few years, the take up is not as high as expected. With regards to the installation of renewable energy infrastructure, the latter is also related to the feed-in tariff as well as the availability of land where to install such infrastructure. Given the small size of Maltese farms and land fragmentation, it is not expected that there would be extensive installations for photovoltaic panels. In addition, Article 14 (4): Aid for investments in tangible assets or intangible assets on agricultural holdings linked to primary agricultural production of Commission Regulation (EU) No 702/2014 states *The investment may be linked to the production at farm-level of biofuels or of energy from renewable sources, provided that such production does not exceed the average annual consumption of fuels or energy of the given farm* thereby also limiting the installations that can be applied for under the measure. This is also likely to be affecting the take up of M4.1 in relation to this Focus Area.

Recommendations:

The MA is therefore encouraged to avoid late launch of measures and to ensure that M16 is launched as soon as possible and measures to encourage take-up undertaken.

[1] The ‘Agricultural Waste Management in the Maltese Islands (2015-2030)’ puts forward a plan to cater for the management of agricultural waste in Malta.

7.a14) CEQ14-5D - To what extent have RDP interventions contributed to reducing GHG and ammonia emissions from agriculture?

7.a14.a) Answer to evaluation question

List of measures contributing to FA5D:

- M01 - Knowledge Transfer & Information Services (art 14)
- M02 – Advisory services, farm management and farm relief services (art 15)
- M04 – Investments in physical assets (art 17)

The sub-measures (launched sub-measures are in bold; the rest had not been launched by end 2018) which are programmed under this Focus Area are:

- **Measure 1.1: Support for vocational training and skills acquisitions actions**
- Measure 1.2: Support for demonstration activities and information actions
- Measure 1.3: Support for short-term farm and forest management exchange as well as farm and forest visits
- Measure 2.1: Advisory services (cross compliance)
- Measure 2.3: Training of advisors
- **Measure 4.1: Support for investment in agricultural holdings**

Measure 1: Knowledge Transfer and Information Actions

The three sub-measures under M01 are all programmed under FA4C, where:

- M1.1 relates to support for vocational training and skills acquisition actions;
- M1.2 relates to support for demonstration activities and information actions; and
- M1.3 relates to support for short-term and forest management exchange as well as farm and forest visits

M1.1 was launched in December 2018, whilst M1.2 and M1.3 are expected to be launched by the third quarter of 2019. As a result, no progress was registered in terms of committed expenditure and realised outputs.

The application deadline for M1.1 was set for January 2019 and MCAST, as the main further and higher Vocational Education Institution in Malta covering agriculture and animal sciences related vocational education submitted its application. The application has been assessed and awarded. This application relates to the provision of bespoke training to individuals operating in rural areas. This training will be provided through 7 courses, related to farming and business management practices and the AECMs.

The MA proceeded with the launch of this call to ensure that adequate training is provided and is accessible to all those participating in AECM obligations. In 2019, a fresh call covering M1.1 will be issued with an estimated launch date set at Q3 2019. This will complement the first call, where whilst the latter covered AECM obligatory training, the new call will allow training proposals to cover all Malta needs.

The launch and implementation of M1.1, M1.2 and M1.3 in 2019, should serve to contribute towards improved knowledge and skills capacity among those involved in rural development, which in turn is expected to promote and foster innovation in seeking solutions to Malta's key rural challenges. Eligible beneficiaries under these sub-measures are to deliver training courses, demonstration activities and information actions and, farm and forest exchanges to eligible recipients through RDP beneficiaries.

Applications under these measures shall be received for courses fitting into one or more of the needs established in Malta's RDP, namely: (a) Maltese quality produce; (b) Wider rural economy & quality of life; (c) Landscape & environment; (d) Water, waste & energy; and (d) Sustainable livestock, thereby contributing towards the different Focus Areas that M01 is programmed under.

As for M1.2 and M1.3, as well as a revised M1.1 targeting training beyond AECM linked training, these are expected to be launched by the third quarter of 2019.

Measure 2 – Advisory Services, Farm Management and Farm Relief Services

The sub-measures under M02 which is programmed under FA4A are:

- M2.1 support to help benefiting from the use of advisory services
- M2.3 support for training of advisors.

Sub-measure 2.1 targets support for the provision of advice to farmers including young farmers whereas sub-measure 2.3 provides support to train advisors, so it is complementary to M2.1.

Sub-measure 2.1 targets support for the provision of advice to farmers including young farmers whereas sub-measure 2.3 provides support to train advisors, so it is complementary to M2.1.

As at the end of December 2018, M2.1 and M2.3 were not yet launched. It must be noted that M2 has undergone a fundamental modification as part of the December 2018 strategic modification. This was in line with the possibility offered through the regulatory amendments adopted by Regulation (EU) 2017/2393, where selection of advice providers and trainers was no longer restricted to selection through the applicable 'public procurement rules'. This was a major hurdle in the implementation of this sub-measure. Upon approval of this modification in December 2018, the MA has immediately taken steps to launch M2.1, which measure is now indeed open.

As a result of the above, no assessment can be undertaken in relation to the intended effect of measures 2.1 and 2.3. M2.1 was launched in May 2019 with a pre-launch in April 2019. The deadline for submission of applications is 18th July 2019 and it will be a rolling call so that anyone registered as an Advisory Service with the Farm Advisory Service Registration Board (FASRB) within the Agricultural and Rural Payments Agency) can apply. Currently there is only one registered entity with Farm Advisory Services. It is noted that the Government already provides Advisory Services, albeit not within the framework of RDP M2.1. The Legal Notice for setting up Farm Advisory Services is LN 113 of 2010. Although a new Legal Notice is being discussed this has not yet been adopted.

Measure 4.1: Investments in agricultural holdings

The sub-measure under M04 which is programmed under FA5D is:

- M4.1 which relates to support for investments in agricultural holdings

M4.1 was launched in January 2017. This sub-measure is expected to contribute to FA5D by assisting farmers in investing in infrastructure related mainly to waste management such as manure clamps. Based on an assessment of the applications received so far, it is concluded that, so far, a number of beneficiaries falling under this sub-measure are directly contributing to Focus Area 5D. As explained in more detail previous CEQs, this sub-measure is, in its major part, contributing to FA2A so expenditure has been allocated accordingly.

Result Indicators

· R16/T17 - % of LU concerned by investments in livestock management in view of reducing GHG and/or ammonia emissions

Data not available as the data for Measure 4.1 segregated by the actions that contribute to this FA is not available at this stage. Once actions within Measure 4.1 are analysed further it is expected that this indicator would be computed.

Conclusions:

As stated above no data was available to compute the result indicator for FA5D. A detailed breakdown and analysis of the funded actions under M4.1 needs to be undertaken.

Recommendations:

For future evaluations, investment under M4.1 contributing to FA5D should be made available so that the indicator can be computed. Discussions with the MA and PA will be undertaken to ensure that the data required for the evaluation is captured and can be analysed.

7.a15) CEQ15-5E - To what extent have RDP interventions supported carbon conservation and sequestration in agriculture and forestry?

7.a15.a) Answer to evaluation question

List of measures contributing to FA5E:

- M08 – Investments in Forest Area Development & Improvement of Viability of Forests (art 21-26)
- M10 – Agri-Environment-Climate Measures (art 28)

The sub-measures (launched sub-measures are in bold; the rest had not been launched by end 2018) which are programmed under this Focus Area are:

- Measure 8.5: Investments improving the resilience and environment value of forest ecosystems
- **Measure 10.1: Agri-environment-climate measures**
- Measure 10.2: Conservation of genetic resources

Measure 8.5: Investments improving the resilience and environment value of forest ecosystems

As at the end of December 2018, M8.5 was not yet launched. As a result, no assessment can be undertaken in relation to its intended effect. This measure is expected to be launched in Q3 of 2019 with a pre-launch in Q2 2018. From preliminary indications based on informal consultations, the MA is concerned about the uptake for this measure. The concerns of the MA are largely centred on the fact that the minimum area of

intervention in 0.5 ha, which for Malta is a large amount of land so there are doubts as to whether the private sector would apply under this measure. Additionally, few farmers are likely to create afforestation projects due to the limited land available to them. Furthermore, eligible beneficiaries such as Local Councils are also unlikely to have such land available as such open spaces are usually managed by central Government – this is stipulated in the Fourth Schedule (Article 33) of the Local Government Act (Chapter 363) where a list of given of all the sites that are excluded from the responsibility of Local Councils. Article 22 of Regulation 1305/2013 is also specific on the eligible land: *In the case of state-owned land, support may only be granted if the body managing such land is a private body or a municipality. Support for afforestation of land owned by public authorities or for fast growing trees shall cover only the costs of establishment.*

The MA is therefore stepping up efforts to continue meeting relevant stakeholders to promote uptake of the measure.

Measure 10.1: Agri-environment-climate measures

According to the Section 8.2.7 of the RDP[1] the AECMs that are relevant to FA5E are: AECM2, 4 and 5. The commitments and affected areas for 2018 are shown in the table below:

AECM	Realised Expenditure (€) (Annual)	Hectares (Achieved 2018)	2023 Target (ha)
AECM 2: Support for the maintenance of recommended tree species replacing Alien Species or planted on slopes and terraces to prevent soil and wind erosion	3,142	8.30	50.60
AECM4: Measure for the implementation of an Integrated Pest Management Plan targeting Vineyards and Orchards	113,373	75.76	230.80
AECM5: Measure for the implementation of a soil management and conservation plan on a parcel	74,188	151.55	326.80
TOTAL		235.61	608.20

Measure 10.2: Conservation of genetic resourcesThe data above shows that the most successful AECM, in terms of physical area supported, has been AECM 5 with very limited progress achieved in AECM2. The lack of uptake of AECMs 2 and 4 will be discussed with the MA to assess ways how this can be improved. It is noted that the target area to be supported by AECMs 1 to 6 is 671 ha; this means that in 2018 the AECMs contributing to FA5E represent 35% of the target for all AECMs.

This sub-measure supports the conservation and sustainable use and development of genetic resources in agriculture. It was launched in May 2019 and the first batch of applications are expected by the MA by 18th July 2019.

Judgement Criteria

Judgement Criteria	Common Result Indicator	Value of indicator	Additional Indicator
<ul style="list-style-type: none"> Carbon conservation and sequestration in agriculture and forestry has increased Agricultural and forestry land under enhanced management contract contributing to carbon sequestration has been enlarged 	R20/T19 - % of agricultural and forest land under management contracts contributing to carbon sequestration and conservation	235.6ha as a % of UAA 11,453 = 2.06%	CCI 41 broken down as follows: Soil organic matter in arable land, expressed as a) concentration of carbon in the soil, b) total organic carbon (TIC), c) organic carbon concentration in biomass

AECM2 on the planting of trees has had a poor take up registering only approximately 8 hectares of land. Given the low amount of physical area that has been supported so far the impact is not judged to be significant. It is further noted since a maximum of 18 trees per hectare are funded according to the RDP, then it is expected that a maximum of 144 trees have been planted under this AECM. This amount of trees is likely to have a relatively small impact on the judgement criterion. Further evaluation will be undertaken when information on the type of trees planted is made available. However, more uptake of the AECM is required to be able to contribute to the judgement criteria.

AECM4 supports the formulation of an Integrated Pest Management (IPM) Plan targeting vineyards and orchards. The objective of the sub-measure is to reduce the use of pesticides, incentivise the application of pesticide only when necessary and ultimately result in lower pesticide application rates. IPM has to forecast pests most likely to affect orchards/ vineyards and plan for them accordingly. Installation of traps on parcels are required to allow the farmers to identify the kind of pest/ severity of infestation and use this information determine through the parameters established in their plan what actions to take. Integrated pest management is regulated through Legal Notice 489 of 2011, Sustainable Use of Pesticides Regulations, 2011. The area covered by this AECM represents approximately 0.7 % of UAA. The impact on the judgement criteria would also depend on the type practices adopted in the IPM Plan. This information will need to be gathered to assist in the evaluation.

AECM5 assists in the implementation of a soil management and conservation plan on a parcel. The objective of this measure is to incentivise farmers to prepare and implement a Soil Management Plan on parcels targeting three primary soil related threats on a parcel level; erosion, compaction and low soil organic matter. The Soil Management Plan must include composting together with at least 2 of the following actions/practices:

- Crop residue incorporation

- Mulching
- Planting of trees to target erosion
- Conservation tillage
- Green manuring
- Cultivation of forage crops
- Plant vegetative filter strip in low lying and runoff areas of fields
- Strip cropping.

The physical area supported under this AECM represents approximately 1.3% of the UAA. An analysis of the actions supported under AECM5 implemented during 2018 has not been undertaken yet to determine the impact on soil and on carbon sequestration.

The result target of 5.31% has not been reached yet. It is considered that AECM2 that directly contributes to the achievement of the target needs to be promoted further.

Conclusions:

The target for FA5E has not been met yet. The further uptake of AECM2 is required to reach the target.

Recommendations:

In order to ensure the success of Measure 8.5 it is important that the general public is made aware of the requirements of the measure, now that the measure has been pre-launched in Q2 of 2019.

[1] Malta – Rural Development Programme (National) V4.2, 2018.

7.a16) CEQ16-6A - To what extent have RDP interventions supported the diversification, creation and development of small enterprises and job creation?

7.a16.a) Answer to evaluation question

The following sub-measures contribute to the objectives of this Focus Area:

- 6.4 - investments in creation and develop of non-agricultural activities
- 16.2 - support for pilot projects

Measure 6.4

Budget allocation for M6.4 is €3.9 million of which 50% contributes towards this FA. A pre-call for this measure was undertaken in August 2018 followed by a series of information sessions and a campaign to raise awareness about the measure. The call is currently open following the modifications to the measure which was approved in December 2018. The budget allocation for M6.4 was reduced substantially by €3.9 million. This reduction was driven by the fact that a similar measure, ‘SME Diversification and Innovation Grant Scheme’ was launched in Malta in 2017 from the ERDF. This measure has been very successful with around €3M of funds already awarded to SMEs, including firms in the agricultural sector. Following the successful implementation of this measure and to avoid any risk of double funding, the MA has opted

for a redirection of the budget for M6.4 towards measures which are likely to render a greater impact.

Measure 16.2

Budget allocation for this measure is €3.0 million following a reduction in the budget of €2 million approved in December 2018. The contribution towards this FA is expected to amount to 8% of the allocated expenditure. As explained in CEQ 1A this measure will seek to provide the necessary impetus to projects which are in their initial phases of development, thereby helping to fill the gaps that exist in the Maltese agricultural sector. To this effect, aid under this sub-measure will serve to put research outputs into more concrete use for the development of tangible agricultural projects. While the budget for M16.2 has been reduced on account of the limited potential of Maltese agricultural holdings to divert their resources from core activity for research and innovation purposes, the eligibility for this sub-measure has also been revised as a stand-alone measure. This should encourage the take-up of M16.2.

All information obtained for this CEQ has been obtained through discussions held with the MA.

Judgement Criteria

Judgment criteria	Common result indicator	Value
Small enterprises have been created	R21/T20: Jobs created in supported projects (focus area 6A)	0

Small enterprises have diversified their economic activity

Jobs have been created

There are a number of judgement criteria which can be utilised to assess this CEQ such as the number of small enterprises created, diversification of economic activity as well as jobs created. However given that as at the end of 2018 measures contributing towards this FA had not been formally launched the value of the relevant target result indicator is nil.

Additional result indicators such as the % of new small enterprises created through RDP support may also be considered to answer the CEQ.

Target Result Indicators

Indeed the result T20: Nr of jobs created through supported projects; was at end of 2018 nil.

Conclusions:

As at end of 2018 no financial performance towards this FA was registered due to the fact that the measures contributing towards this FA had either been recently launched, as is the case for M6.4, or are still to be launched, as is the case for M16.2.

Recommendations:

As a general recommendation, the evaluators recommend that:

The MA should maintain close cooperation with relevant stakeholders (which may include, but not limited to, farmers organisations, the University of Malta, MCAST as well as MCST) to gauge the areas where potential pilot projects could be of benefit to the sector. While it is acknowledged that the role of the MA is not to ensure co-operation between stakeholders, it could facilitate the strengthening of relationships between key stakeholder in order to contribute towards the effectiveness of this FA.

7.a17) CEQ17-6B - To what extent have RDP interventions supported local development in rural areas?

7.a17.a) Answer to evaluation question

The measures contributing to Focus Area 6B include the following:

- Measure 16 - support for pilot projects
- Measure 19 - LEADER

Sub-measures under Measure 19 had been launched by the end of 2018, while M16.2 had not been launched thus limiting the evaluation which can be undertaken with respect to this Focus Area.

Measure 16.2 - support for pilot projects

The allocation of the budget for M16.2 contributing towards FA 6B is €250,000 or 8% of the budget for this measure. Given that this sub-measure had not been launched up to 2018, no assessment of the performance can be provided. Nevertheless, progress is expected in the coming months since the MA has recently launched the measure.

As indicated in CEQ01 the measure for M16.2 has been reduced with justification for its reduction provided in the approved amendments of the Programme. Furthermore, in order to foster cooperation and encourage the take up of M16.2, the eligibility criterion for this measure has been revised so that applicants can apply

for it as a stand-alone measure.

Measure 19 - LEADER

A budget allocation of €6.5 million has been allocated to Measure 19 with 8% of the funds absorbed by the end of 2018. A meeting was held on the 29th of May 2019 with representatives of the three LAGs to discuss the progress undertaken throughout 2018 whereby specific challenges faced by the LAGs as well as upcoming developments were discussed, as reported in this section of the report.

M19.1 – Training, capacity building for LDS preparation and implementation

The objective of this measure is to allow LAGs to receive the necessary preparatory support for the design and development of a local development strategy for their respective territories following an extensive consultation process within the LAG region. By the end of 2018, €345,014 out of a total budget allocation of €593,750, accounting for 58% of the budget, had been absorbed.

In February 2016, the MA issued an Expression of Interest for interested Local Action Groups to develop a Local Development Strategy (LDS) for the respective regions. Three foundations were formed, identical to the ones of the previous programming period namely, Xlokk, Majjistral and Gozo.

Measure 19.2 - Implementation of LDS

The three Local Action Groups cover the whole territory of Malta and Gozo. The development of each of their strategies reflect a multi-sectoral approach with greater emphasis on green infrastructure, compared to the previous programming period, and a strong sensitivity for the localities they cover. A key element which supported the development of the Strategies is the Guidance offered by the MA on ‘How to design and develop the Local Development Strategy’ (2016)[1]. Three LDSs were submitted in September 2016 which were assessed and approved in 2017.

GAL Xlokk Foundation launched Action 4, ‘Development of Green Infrastructure’ in the third quarter of 2018. Applications were received up to October 2018. Following an assessment of the submitted applications, the Local Action Group contracted 11 applicants between the end of 2018 and January 2019. Between them, these beneficiaries will benefit from €0.63 million.

A second action (Action 2), ‘Strengthening a Healthy Cultural Identity’, was launched in December 2018 and applications were also received during the end of 2018 and beginning of 2019. The budget allocation for this measure is of €440,000 of which €234,735 has been granted to 16 applicants which were contracted in Q2 of 2019. Given that there are further funds to be absorbed the LAG has issued a second call for which a budget of €205,264 has been allocated.

Action 1 of the strategy on the restoration of small items forming part of Malta’s cultural heritage was launched in the third week of June 2019 following an information session held on 14th June 2019. A budget

of €180,000 of public funds has been allocated for this measure. This is expected to be fully absorbed.

As for the measure related to training and education, the LAG has indicated that full absorption is expected and any savings will be used for the relaunching of the same measure or passed on to other measures. This measure is expected to be launched soon, as the guidelines were submitted to the MA for feedback. The process will be an open call through blocks to facilitate the submission of applications and therefore ensure a higher absorption rate.

GAL Majjistral Action Group Foundation experienced a greater delay in the implementation of the Strategy as explained below. In March 2019, GAL Majjistral launched its first measure (LDS 04.2.19), 'Development of Green Infrastructure' with the objective of supporting the development of green infrastructure within the LAG territory through the management and protection of biodiversity in rural areas and embellishment of open spaces. Applications for this measure were received during April 2019. MAGF will also be employing a rolling call system whereby if the funds are not exhausted following the first batch, the call will remain open. At the moment, two applications have been submitted which are still being evaluated. Measure 2 of the Strategy is expected to be launched in Q3 of 2019.

The low take-up of measure issued by Majjistral has been due to the unfavourable period in which the call was issued, colliding with the preparation of the European and Local Councils (LCs) elections. During this period the LCs had less time to dedicate to the applications and commencement of new projects. In view of this the LAG is waiting for the new LCs to form within the month to organise information sessions and to promote the measures. The LAG is envisioning an increase in submissions once the LCs are formed.

The **Gozo Action Group Foundation** launched its first measure, 'Develop an ICT media platform for the valorisation of Gozitan lifestyle concept' (GAG 1) in December 2018. Applications were received during January 2019. Only one application was received which however did not meet the administrative criteria and was therefore rejected. The call was relaunched in May 2019 and the LAG has conducted an information session to support applicants. The budget allocation for this measure is of €240,000.

Currently the LAG is preparing to launch Measure 3 of the Strategy (GAG 3). It is in the process of preparing the guidelines to submit to the MA for approval. The other measure, GAG 4, will be issued by end of July/ beginning of August.

For each of the LAGs administrative capacity has been a key challenge in the implementation of the Strategies. For instance, the position for the post of manager within the Majjistral LAG had been vacant for a period of a year before it was filled in October 2018. The role of the secretary has been temporarily outsourced as engagement has been difficult during a period of time when Malta is registering the lowest unemployment rate in Europe at 3.7% compared to 6.8% in the EU (2018, Eurostat). These administrative challenges, which have delayed the implementation of the Strategies, is also to be considered in light of the fact that wages in Malta are on the rise. Indeed the average salary for professionals has increased by over 11% between 2014 and 2018 (NSO, 2018). Sectors such as gaming and financial services are attracting even more workers as the wages offered by the sector are higher than average wages in the economy.

The human resource challenges are particularly evident for Majjistral and the Gozo LAG as there has been a complete change in the administration from the previous programming period with engaged individuals embarking on a learning curve. This in effect, has also led to a delay in the implementation of the Strategies. Indeed, Xlokk LAG is the only one which has seen an element of continuation in the administration with the secretary engaged during the previous programming period promoted to Manager at the end of 2018. With the given experience, the LAG is the first one to have contracted applicants and with works currently being conducted.

Further challenges have also been identified from the meeting conducted with the LAGs. Indeed, similar for the implementation of measures such as M4.1 and M4.3, there is currently in the country a shortage of available contractors which can conduct works. This challenge is also being faced by contracted Local Councils participating in the Xlokk Strategy. Construction prices are on the rise and while no projects have as yet been dropped due to the quoted prices being higher than envisaged, this possibility has not been ruled out.

Another issue is the lack of cash at the disposal of NGOs which may also be beneficiaries of the measures launched by the LAGs. Most projects are first undertaken and paid by the applicants, and then the applicant can claim for reimbursement against that expenditure. However, this poses a challenge for NGOs which often do not have such liquidity to engage in these arrangements. NGOs are also not always in a position to provide the necessary guarantees required for advance payments.

M19.3 – Preparatory support for cooperation

No projects under this measure had been submitted by the end of 2018 for the aforementioned reasons. This measure is considered an important measure which contributed towards building the capacity in implementing LEADER during the previous programming period (Ex-Post Evaluation).

The first call under M19.3 was submitted by the GAL Xlokk in April 2019 and is currently being reviewed by the PSC.

M19.4 – Running Costs and Administration

This measure provides support for day to day running of the LAG including: Training of LAG members and travelling expenses, staff costs, bookkeeping, legal fees and insurance, utilities, other operating costs (office supplies, internet, rent & insurance, repair & maintenance, cleaning), evaluation of projects Management and Monitoring and implementation of the strategy are included under this measure.

By the end of 2018, expenditure amounted to €280,000 resulting in an absorption of about 20%. This budget has been used for the following elements:

a. Staff

As explained previously the Majjistral LAG consists of a Manager, who commenced employment in October 2018, and a secretary who has been engaged through a supporting services company. This is a temporary solution until a full-time secretary is employed.

The administration of the Gal Xlokk LAG consists of a Manager, who was previously the secretary under the previous programme, and then promoted to Manager in April 2018. In July 2018 a full-time secretary was engaged.

As for the Gozo, the LAG is administered by a full-time manager who was engaged in June 2018 after the previous manager resigned in April 2018. A secretary was engaged in February 2019.

It is also to be noted that each LAG has a Committee made up of members from different backgrounds. These committees normally meet monthly, supervise all communication activities as well as the correct implementation of the local development strategies (Ex-Post evaluation). This committee also decides on

project selections.

a. Bookkeeping

All three LAGs engaged in the procurement for an accountant to provide services up to 2023.

Judgement Criteria

Judgment criteria	Common result indicator	Value
Services and local infrastructure in rural areas has improved	R22/T21 - % of rural population covered by local development strategies	105.75%
Access to services and local infrastructure has increased in rural areas	R23/T22 - % of rural population benefiting from improved services/ infrastructures	0
Rural people have participated in local actions Rural people have benefited from local actions Employment opportunities have been created via local development strategies	R24/T23 - Jobs created in supported projects (Leader)	0
Rural territory and population covered by LAGs has increased		

For this CEQ there are a number of judgement criteria which are considered relevant to answer the CEQ. These include improvement in local infrastructure, access to services, participation of local actors and the rural population. A number of indicators including output indicators have been used to answer this CEQ.

As at the end of 2018 progress was attained for the following output indicators:

O3: Number of LAGs selected – 3

O15: Population covered by LAG – 283,284

Result Target Indicators

In terms of the result target indicators the following progress was attained as at the of 2018:

T21: percentage of rural population covered by local development strategies (focus area 6B) – 105.75% as the three strategies cover the entire rural population. [3]

T23: Jobs created in supported projects (Leader) (focus area 6B) – Nil as at end of 2018.

T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B) – Nil (as at end of 2018).

Overall the absorption rate for this Focus area remains low due to the delays encountered in the implementation of LAG strategies since the allocation of expenditure for M19.2 constitutes the largest component contributing towards this FA. The absorption rate has picked up late in 2018 and is expected to pick up during 2019 as more measures under each of the LAG strategies will be implemented. This higher absorption rate would need to be considered in relation to the indicators established under each of the strategies for monitoring purposes but also to conduct the evaluation of this focus area.

Conclusions:

The financial performance across this FA has been driven through the implementation of M19. Indeed as at 2018, realised expenditure amounted to nearly €0.5 million spurred through the implementation of M19.1, M19.2 and M19.4. The Strategies were selected on the basis of a number of criteria adequately taking into consideration the development of local priorities which is evidence based, the extent to which local priorities had been developed in the submitted LDS, evidence presented as a basis for the formulation of the LDS as well as the degree of engagement with local stakeholders and action planning to begin implementation.

A key challenge which has had an impact on the implementation of the LAG strategies is the lack of administrative capacity. Similar for the implementation of investment measures there is currently in the country a shortage of available contractors which can conduct works leading to the delays in the implementation of M19.2 Furthermore, the lack of cash at the disposal of NGOs which may also be beneficiaries of the measures, launched by the LAGs poses a challenge.

Recommendations:

In terms of recommendations, for Measure 16, greater attention is required to monitor links between, on the one hand, the agriculture community (broadly defined) and, on the other, the research and innovation community to ensure the effective take up of the Measure. In particular the development of pilot projects is considered of utmost importance in the context of a local agricultural sector which is small in size and which exhibits difficulties in obtaining economies of scale which is often required for the introduction of innovative techniques. Such progress would also complement national as well as EU policy objectives which aim at enhancing innovation such as through the Strategic Plan for the next programming period. At a national level, the National Agricultural Policy (2018-2028) indicates that the Maltese farming community can serve as incubator of innovative ideas through pilot projects, experimentation, link with scientific

research and integration with SMEs and rural entrepreneurs. The Policy refers to various areas where the development of pilot projects can be considered such as the investment in the production, presentation and marketing of quality products, investments in the rural environment, investments in nutrition aspects of food and pharmaceuticals and development of health and beauty products, and more. The RDP therefore complements national policy.

For LEADER, the MA should encourage greater cooperation between the LAGs so that common challenges can be overcome and positive lessons can be brought forward. Given that LEADER also has a Monitoring and Evaluation Strategy against which LAGs will have to report, the MA together with evaluators should engage in active dialogue in the upcoming months to ensure that relevant data for the purpose of evaluation can be collected. Indeed, it is to be ensured that the monitoring system in place will provide evidence for the economic, environmental and social impacts. Towards this end, the MA has already engaged in the provision of training for LAGs as at the end of 2018 the MA, through the Evaluation Helpdesk, conducted training on the basis of the Guidelines developed for the evaluation of LEADER/CLLD.[2]

[1] https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/LEADER%202014-2020/LEADER_2014-2020_LDS%20Guidelines.pdf

[2] https://enrd.ec.europa.eu/evaluation/publications/evaluation-leaderclld_en

[3] Given that the rural population has increased since the approval of the first draft of the Programme the target indicator has been superseded.

7.a18) CEQ18-6C - To what extent have RDP interventions enhanced the accessibility, use and quality of information and communication technologies (ICT) in rural areas?

7.a18.a) Answer to evaluation question

The measure contributing to Focus Area 6C is Measure including the following sub-measures:

- 1.1 - skills acquisition
- 1.2 - demonstration projects
- 1.3 - farm exchange visits

The only measure which had been launched by end of 2018 was M1.1 for which one application had been received. The other measures had not been launched by the end of 2018 and thus limited evaluation is possible in this regard.

For each of these measures, 5% of the budget allocated is expected to contribute towards this FA. CEQ 01 and CEQ 03 provide a further assessment on these sub-measures contributing towards this FA.

Judgement Criteria

As explained above, the measures contributing towards this FA are M1.1, M1.2 and M1.3 and therefore the

judgement criteria will be established in relation to these measures and will focus more intently on participation in training and projects to enhance accessibility in the use and quality of information and communication technologies (ICT) in rural areas. Output indicators such as number of participants in training and expenditure will be considered for this CEQ.

No result target indicator in the RDP has been established for this FA.

Conclusion

As at the end of 2018, the measures falling under this FA had either not been launched or recently launched awaiting the selection of beneficiaries. As a result, the extent to which RDP interventions enhanced the accessibility, use and quality of the ICT could not be assessed.

7.a19) CEQ19-PE - To what extent have the synergies among priorities and focus areas enhanced the effectiveness of the RDP?

7.a19.a) Answer to evaluation question

The RDP sets out the justification and combination of the selection of measures and outlines the contribution of the measures to focus areas. Following the identification of the needs for the local agricultural and rural sector, derived through the SWOT analysis, the RDP maps each of these needs to the different focus areas of the Programme. For instance, landscape and environment including managing habitats is to be addressed through support provided under focus areas 1A, 1C, 4A to 4C and 5E. A similar mapping is conducted for the other four needs identified in the Programme namely Maltese quality produce, Sustainable livestock, Waste, water and energy as well as the wider rural economy and quality of life. The identification of these needs is based on an intervention logic which was assessed in the ex-ante assessment and is considered to remain valid. This is also evident by the fact that the National Agricultural Policy for the Maltese Islands (2018-2028), which was conducted after the development of the RDP programme, has identified similar needs for the sector.

In terms of synergies, one of the main area of synergies within the Programme is through P1 as all other Priorities have an indirect impact under P1 through the architecture of Regulation (EU) No 1305/2013. Synergies are also expected between P2 and P5 particularly through the adoption of M4.3 in terms of the distribution of tertiary treated sewage water which not only has an impact on efficiency in water use but may also have complementary effects on the competitiveness of farms. It is also evident that there are synergies between P4 and P5 as measures such as M10 contribute towards both areas with the demarcation of the primary and secondary contribution not easily defined.

When it comes to complementarity with other Funds, as explained in CEQ 04, the ex-ante had indicated that complementarity was evident. With due implementation, the MA addressed immediately potential overlaps such that M6.4 was specifically re-dimensioned due to support available for SMEs through ERDF. As a result, the budget allocation for this measure has been reduced and redirected towards other measures which are expected to have a greater impact. There is also evident complementarity with Cohesion Funds as M4.3 which is funding the distribution of tertiary treated sewage water effluent is being undertaken with the

context of a larger water project undertaken by Water Services Cooperation and which is focusing on the enhancement of water quality in Malta.

At this point there is no data to allow for the calculation of secondary contributions of operations to Focus Areas and they synergies of the Programme. Furthermore, given that a number of actions are still to be implemented, the synergy of actions across areas remains unclear but is expected to become more evident as the implementation rate rises. In due course, as outlined in the Guidelines, an assessment of the positive, negative or neutral effects data on will be undertaken.

A possible recommendation in this regard is that data on possible secondary contributions can be collected even at the application stage. This however needs to be recorded in the IT system and thus interaction is required with IT developers to ensure that sufficient data will be collected in order to determine the effectiveness of the Programme driven through the synergies.

Conclusion

The intervention logic which was assessed in the ex-ante assessment is considered to remain valid. This is also evident by the fact that the National Agricultural Policy for the Maltese Islands (2018-2028), which was conducted after the development of the RDP programme, has identified similar needs for the agricultural and rural sector.

In terms of synergies, there are apparent synergies in the implementation of measures particularly across P2 and P5 and P4 and P5 although the demarcation of the primary and secondary contribution is not easily defined. Indeed, there is currently no data to allow for the calculation of secondary contributions of operations to Focus Areas. Furthermore, given that a number of actions are still to be implemented, the synergy of actions across areas remains unclear but is expected to become more evident as the implementation rate rises.

7.a20) CEQ20-TA - To what extent has technical assistance contributed to achieving the objectives laid down in Art. 59(1) of Regulation (EU) No 1303/2013 and Art. 51(2) of Regulation (EU) No 1305/2013?

7.a20.a) Answer to evaluation question

The main scope of the technical assistance measure is the effective and correct implementation of the programme through preparatory, management, monitoring, evaluation and information and control actions of the financed interventions. Over the period 2016 to 2018, around €766,000[1] were allocated towards the financing of human resource requirements, publicity and information requirements and other related activities. Most of the Technical Assistance funds have so far been devoted to the salaries of the MA and PA staff. The total allocation to Technical Assistance is equivalent to 4% of the total EAFRD allocation under the RDP 2014-2020.

This CEQ has been answered using various judgement criteria such as;

- Institutional and administrative capacities for the effective management of the RDP have been strengthened.
- RDP has been communicated with the public and information has been disseminated
- RDP implementation has been improved

For some judgement criteria which are relevant for this CEQ such as reduction in administrative burden on beneficiaries could not be undertaken as information was not available at the time of drafting on for instance the length of the application for reimbursement and payment process.

Answer to the judgement criteria have been based on information from the monitoring systems of the MA to incorporate available data as well as through the use of meetings with the MA on RDP management.

The objectives of the Technical Assistance measure include those of strengthening the human resources capacity, simplifying administrative work, promoting RDP measures, improving selection activities, having more trained and knowledgeable staff and working towards increased collaboration. Against this background, the TA Plan[2] categorises the eligible activities under M20 under 6 areas of intervention, as well as a dedicated area for the National Rural Network (NRN) which includes various horizontal activities. The indicative financial allocation plan shown in Figure 1, demonstrates that Action 1 is attributed with the highest percentage allocation, standing at 25%.

The performance under each area of intervention is assessed below.

Action 1: Preparation and Programming

The TA funds have supported activities relating to the preparation of the programme, selection, appraisal, management and monitoring of actions. Funds allocated towards this action will also support the preparation of the future Strategic Plan. Furthermore, a portion of the technical assistance budget has been devoted to attendance of meetings, conferences and workshops organised at EU-level in order to ensure that MA and PA staff are provided with adequate and effective training. Indeed, expenditure related to travelling represented around 5% of the total allocation to M20 in 2018.

Furthermore, TA funds were also dedicated to technical training which included programmes to facilitate programme/project management and implementation. MA staff and related stakeholders attended various training seminars over the period 2016 to 2018. The table below provides a snapshot of the key training events attended to by staff involved in the management and implementation of the RDP.

Table 1: Training Events[1]

	Training Event	Date of Event
	New Public Procurement Regulations Conference	28th March
	Project Selection Committee Training	10th June
	NRN training by ENRD	21-22nd July
	Anti-Fraud Policy & Anti-Fraud Strategy for the FPD	27th July
	FPD Corporate Risk Register	12th August
2016	Performance Auditing Seminar	26-27th September
	ePPS Training	24-26th October
	IAID Training seminar Programming Period 2014-2020	15-16th November
	Various CDRT courses	
	EvaluationWORKS! - Getting prepared for reporting on evaluation in AIR submitted in 2017	2nd December
2017/8	Public Management Toolkit Courses and other courses organised throughout the year by the Institute of Public Services	

New Public Procurement Regulations at the Department of Contracts	5th March 2017
Cross compliance seminar	5th April 2017
Farm Advisory Services information session	30th August 2017
Training seminar, hosted by the MA and the European Evaluation Helpdesk for Rural Development	10th January 2018

During 2019, MA staff members will be involved in a shadowing experience with two Italian regions' MA's. MA staff will also be involved in a training programme supported through ESF[2].

Action 2: Administrative and Managerial Support

The activity supported by TA funds and which relates to this action involves the acquisition, installation and maintenance of computerised systems for the management, monitoring and evaluation of the EAFRD.

The TA funds have the scope of addressing the administrative capacity issue which in the past has posed a challenge to the implementation of the RDP. Lessons learnt are being used to continually improve the implementation of the RDP over time. Nevertheless, at the start of the RDP for the period 2014-2020, the MA lost two of its staff members who moved to the PA, such that it was operating with 5 employees as indicated in Table 2.

In 2017, the MA experienced almost 100% turn over, with most Fund Officers (FOs) and Project Managers (PMs) moving to other government entities or to further their education abroad. To this end, in 2017, a public call for the recruitment of Senior Managers, Programme Managers and Programme Officers was issued, in order to mitigate the shortage of staff experienced across all ESIF Managing Authorities. Indeed, the RDP MA was operating with 5 members of staff during the first half of 2018. The staff complement was doubled over the year, such that it stood at 10 members by the end of 2018. 2019 has been rather stable, with just 1 PM resigning and moving to another Division within the same Ministry and with one FO re-joining the MA after being away for one year. The MA also outsourced a number of its functions to third parties including the drafting of the evaluation tender, as well as other technical support[3].

Action 3: Monitoring

M20 has also been used to finance meetings of monitoring committees and sub-committees relating to the implementation of actions. This also included the costs of experts and other participants in these committees, where their presence has been essential to the effective implementation of actions.

Action 4: Evaluation

The evaluations of actions or projects has also been financed through M20. The use of TA funds which have been dedicated towards monitoring and evaluation is considered positively in the Programme in terms of strengthening the administrative capacity of the authorities involved in the implementation of the programme.

Action 5: Information

The TA funds have also been used to finance activities related to the publicity, information and communication activities pertaining to the RDP, targeting potential stakeholders, private and public entities on a local or national basis, on methodologies and implementation process thereby catering for a transparent process. As shown in Figure 1, it is projected that this expenditure element will represent around 10% of the

total budget allocated towards Technical Assistance[4].

In 2016, the MA participated in the Farmers’ Market to promote the RDP and attended the Annual Event. Furthermore, 8 information sessions were held with farmers in both Malta and Gozo[5]. Over the period 2017-2018, the MA intensified its communication efforts such that it participated in the following events:

- *Informal Meeting of the Directors of Rural Development:* This was held between the 22nd and the 24th of March 2017. The main theme was the Role of Pillar II in Supporting the Future of Young Farmers. Attending this event were participants from each Member State, the European Commission, Maltese authorities, young farmers and other stakeholders with expertise in the sector. The event also included farm visits around the Maltese Islands.
- *Information sessions with potential M4.1, M4.3 and M4.4 applicants:* these sessions took place between January and May of 2017.
- *Information sessions with potential applicants: AECM 5 2018:* these sessions took place in March 2017.
- *Information sessions held at ARPA:* The MA also participated in three information sessions organised by the Agriculture and Rural Payments Agency for applicants who had been awarded funding. During these sessions, the MA explained issues related to the Grant Agreement whereas ARPA gave an overview of the payment and control processes[6].

Furthermore, a new EU Funds website was launched in April 2018. This website has a very user-friendly interface and includes information concerning all funds managed by the Funds and Programmes Division, including the EAFRD. The website is also device responsive for an enhanced browsing experience[7].

Action 6: Controls

Funds under M20 have also been used to support audits and on-the-spot checks of actions or projects.

Action 7: National Rural Network

Further information in this regard is available in the answer to CEQ21.

Indicators

While there are no result indicators identified in the Programme in relation to M20, the evaluators suggest the development of a list of additional indicators as highlighted below to monitor progress and the effectiveness of TA.

Indicator type	Indicator code and name (unit)	Indicator value Ratio (at end of 2018(Calculate d gross value	Calculate d net value	Data and information sources
Addition al Result Indicator	Number of staff involved in RDP management	No 10			10 members of staff involved in RDP management. These include 2 EU Funds Officers, 5project/programme managers, 2 senior managers and the Head of the MA.
Addition al Result	Types and number of capacity building	No			Since the start of the RDP, around 30 activities were held[8]. Of these, around

Indicator activities			16 capacity building activities were held in 2018. These include Evaluation Helpdesk training events, Public Management Toolkit Courses which are organised throughout the year by the Institute of Public Services and the Cross-Compliance seminar. Data has been compiled from presentations delivered to MC.
Addition al Result Indicator	Number and type of RDP communication and dissemination activities	No 35	Since the start of the Maltese RDP, around 35 communication and dissemination activities were held. Of these, around 18 took place in 2018 and chiefly included information sessions targeted towards potential beneficiaries of various measures. Data has been compiled from presentations delivered to MC.
Addition al Result Indicator	Information on the use of evaluation results	No	No evaluation activities were undertaken during 2018.

Conclusion

Similar to the previous programming period, TA continues to have a particularly important role in enhancing the capacities of the MA and enabling it to fulfil its duties regarding the implementation and monitoring of the RDP

Utilisation of the total allocated budget for TA is expected to become more intensive in the upcoming years as the implementation of the Programme continues to intensify in management, controlling, monitoring and evaluation.

Recommendations

In terms of recommendations, the harmonisation of the IT systems is considered a particularly important element serving as the backbone for monitoring and evaluation. Therefore, the evaluators, which have been recently engaged, will be holding in depth discussion with relevant stakeholders chiefly, the PA and the IT developers, to discuss the collection of relevant data for the above-mentioned purposes.

Towards this end, the evaluators also recommend that the MA considers the establishment of an evaluation committee which is similarly adopted in other RDP programmes. The key aim of this evaluation committee is to ensure that the data required for the evaluation, in particular, for the *ex post* evaluation, will be available. The committee would be made up of the evaluators, the MA, PA, IT developers with participation in specific meetings by other stakeholders such as NSO and ERA.

Furthermore, the skills of the staff should continue to be enhanced and exchanges should be encouraged so that lessons learnt from other Programmes which may be similar to size and structure to Malta could be

absorbed.

The role of TA is considered crucial in the successful implementation, management, controlling and evaluation of the Maltese RDP and needs to continue to contribute to a significant extent to MA's capacity enhancement. Therefore, eventually the evaluation of the TA will need to capture in a greater manner the improvements undertaken due to the TA which has not been possible to undertake in time of the submission of this AIR.

[1] Source:

https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/4th%20MC/RDP%20Monitoring%20Committee%20-%20Update%20on%20RDP%20Implementation_16.05.18_v2.pdf

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/2nd%20MC-25th%20Nov%2016/Training%20Communication%20%20Evaluation.pdf>

[2] Source:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/5th%20MC/01%20-%20Update%20on%20RDP%20Implementation.pdf>

[3] Source:

https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/4th%20MC/RDP%20Monitoring%20Committee%20-%20Update%20on%20RDP%20Implementation_16.05.18_v2.pdf

[4] Source: Slide 20 of:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/Communications%20Strategy%202014-2020.pdf>

[5] Source:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/2nd%20MC-25th%20Nov%2016/Training%20Communication%20%20Evaluation.pdf>

[6] Source:

https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/4th%20MC/RDP%20Monitoring%20Committee%20-%20Update%20on%20RDP%20Implementation_16.05.18_v2.pdf

[7] Source:

https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/4th%20MC/RDP%20Monitoring%20Committee%20-%20Update%20on%20RDP%20Implementation_16.05.18_v2.pdf

[8] Source: 2nd MC Meeting Training, Communication and Evaluation presentation, Update on RDP Implementation presentations

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Pages/Monitoring-Committee-2014-2020.aspx>

[1] Source: Main TA Expenditure (Excel File)

[2] Available at:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Technical%20Assistance/TA%20Plan%202014-2020.pdf>

	Head	Senior Managers (SM)	Project/ Programme Managers (PM)	EU Fund Officers/ Programme Officers (FO)	EU Supprt Officers (SO)	Clerk	Total***
2014	0	1	1	3	0	0	5
2015	1*	0	3	3	0	0	6
2016	1	0	3	5	0	0	9
2017	1	1	2	2	0	1	7
2018**	1	2	6	1	0	0	10
2019	1	2	5	2	0	0	10

*Joined in October

** First 6 months MA was composed of 1 Head, 1 SM, 1 PM, 1 Fund Officer and 1 Support Officer.

***Total refers to the number of different officers working within the MA throughout the respective year and not necessarily operating within the MA throughout the year.

Table 2: Staff involved in RDP Management

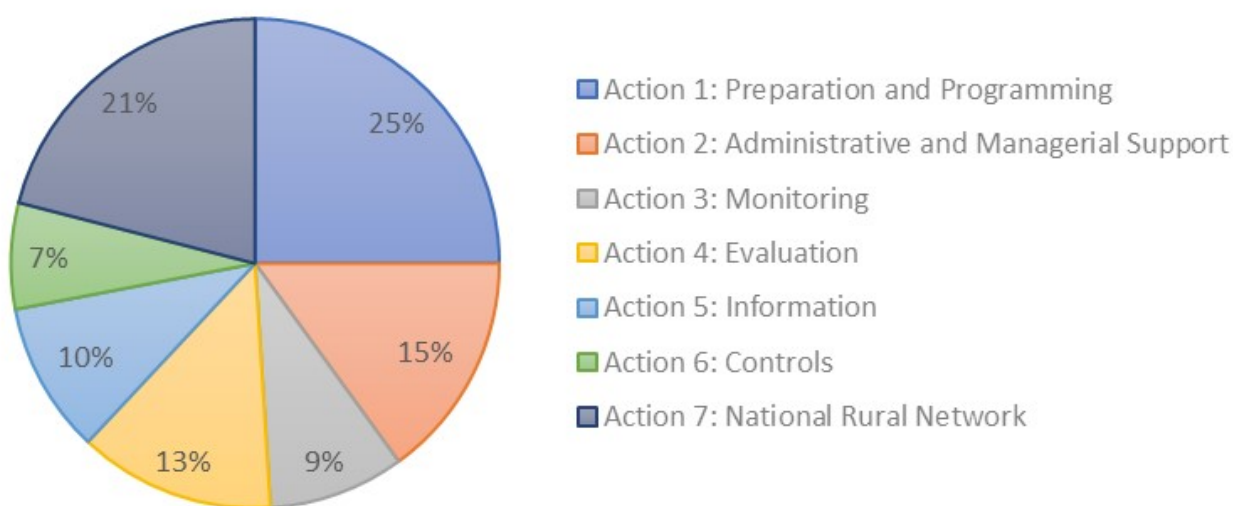


Figure 1: Indicative Budget Allocation across Actions under TA

7.a21) CEQ21-RN - To what extent has the national rural network contributed to achieving the objectives laid down in Art. 54(2) of Regulation (EU) No 1305/2013?

7.a21.a) Answer to evaluation question

The National Rural Network of Malta aims to provide a platform for bringing together Rural stakeholders with the scope of facilitating and ensuring a more effective implementation of the Rural Development Programme. The structure of the NRN serves the purpose of carrying out publicity and information actions to a broader public.

In accordance with Article 54(2) of Regulation (EU) No 1305/2013, the NRN aims to:

1. increase the involvement of stakeholders in the implementation of rural development;
2. improve the quality of implementation of rural development programmes;
3. inform the broader public and potential beneficiaries on rural development policy and funding opportunities;
4. foster innovation in agriculture, food production, forestry and rural areas.

A number of judgement criteria are relevant for this CEQ but data for the indicators to answer the criteria were not readily available.

In terms of number and types of stakeholders the Maltese National Rural Network is established and managed from within the Managing Authority for Rural Development. Nevertheless, rural actors and stakeholders have a primary role in this Network in order to ensure that it has a wide representation of organisations and administration involved in the Rural Development Programme.

A significant number of organisations engaged in the NRN are also involved in the Monitoring Committee (MC) in line with article 5 of EU Reg.(1305/2013).

Between 2016 and 2018 the NRN[1] organised a number of activities in line with the Communication Plan[2] with the purpose of carrying out publicity and information actions to a broader public.

Potential beneficiaries have also become more aware of the rural development policy and funding opportunities through activities of the NRN specifically the following:

Activities carried out during the year 2016 included:

1. A series of information sessions on the measures of the Rural Development Programme 2014-2020 were held in:
 - Gozo on the 12th April
 - Zabbar on the 15th April
 - Mgarr on the 26th April
 - Ta Qali on the 29th April
1. A field trip was carried out for the members of the Managing Authority where the staff had the opportunity to visit various agricultural holdings on the 3rd of June
2. The annual event of the NRN, which was held at the Farmer's Market on the 2nd November

3. An Information session with Gozitan beekeepers on AECM3(Support for bee boxes on holdings) on the 29th November
4. An Information session with Maltese beekeepers on AECM3(Support for bee boxes on holdings) on the 30th November
5. A series of information sessions on measure 4.1 (investments on agricultural holdings) and Measure 10.1(AECMs) were held in:

- Gozo on the 8th November
- Mgarr on the 10th November
- Ta' Qali on the 11th November
- Hal-Far on the 15th November

1. On the 21st and 22nd July 2016, a training programme was organised in Malta by the MA where the ENRD were invited to assist in the development of an enhanced NRN and share best practices.

Activities carried out during the year 2017

1. An Information session with Local Councils on M4.3 (Construction/improvements of farm access roads) on the 31st January in Gozo
2. An Information session with Local Councils on M4.3 (Construction/improvements of farm access roads) on the 6th February in Malta
3. An Information session with Gozitan farmers (who are members of the KPH) on M4.1, on the 21st February
4. An Information session with Maltese young farmers, on M6.1 (young farmers) on the 21st February
5. An Information session with Gozitan farmers, on M6.1 (young farmers) on the 22nd February
6. An Information session with potential beneficiaries on M3.1 (Quality Schemes) on the 17th May
7. On the 12th June 2017, the Managing Authority delivered a presentation to ARPA personnel; the presentation offered an insight on the overall approach for all measures and delving into more detail on the below measures:

Measure 4.1: support for investments in agricultural holdings

- Measure 4.3: support for investments in infrastructure related to development, modernisation or adaptation of agriculture and forestry
- Measure 4.4: support for non-productive investments linked to the achievement of agricultural-environment-climate objectives
- Measure 6.1: Business start-up aid for young farmers
- Measure 19.1: Preparatory support

Activities carried out during the year 2018

1. An Information session with Maltese farmers on AECM 5 on the 2nd March
2. AECM 5 information sessions on:
 - Gozo – 22nd March 2018

- Salini –2nd March 2018

1. A series of information sessions mainly on AECM 5, Organic Farming and on measure 4.1 (investments on agricultural holdings) were held in:

- Mgarr on the 30th July
- Hal Far on the 31st July
- Ta Qali on the 1st August
- Gozo on the 2nd August

1. Information Session – M4.2: The Managing Authority has held an information session on M4.2 with local processors of agricultural products and farmers on 31st October 2018. The session was held within the premises of the Agriculture and Rural Payment Agency, Qormi.

2. Information Session – M6.1: The Managing Authority has held an information session on M6.1 with KPH members on 3rd September 2018. The session was held at Kooperattivi Malta, Qormi.

3. Other Events:

- 9th May 2018 – Managing Authority at Europe Day, Valletta
- 6th May 2018 – Managing Authority at Europe Day, Rabat Gozo
- 5th December 2018 – Evaluation Helpdesk Seminar 2018
-
- Publishing of NRN newsletter on a regular basis with notifications on RDP programme 2014-2020 measures and the meeting dates with farmers. The latest publication was published in June 2019.[3]

It is also worth noting that significant outreach efforts were carried out through the Farm Extension Services, as outlined in Section 4 of this AIR; however, these were funded through National Funds and hence not captured within the scope of this evaluation.

The budget allocation for the NRN is about €1.1 million. Judgement on the effectiveness of the NRN is limited given that at this stage the tasks of the NRN have mainly focused on the provision of information sessions and sufficient time was not available to determine whether variables such as the quality of the RDP has been improved through the activities of the NRN and whether the broader public and potential beneficiaries are aware of the rural development policy and funding opportunities through activities of the NRN. These are however considerations which will be considered during the evaluation phases of the Programme.

No monitoring data from the operations database was provided in relation to the tasks of the NRN. No additional data obtained via surveys of stakeholders were available to the evaluators. Information for this CEQ has thus been provided through published information on the role of the NRN and interview with the MA in order to provide the context for this qualitative analysis.

Conclusion

The Maltese National Rural Network is established and managed from within the Managing Authority for Rural Development. Rural actors and stakeholders have a primary role in this Network in order to ensure that it has a wide representation of organisations and administration involved in the Rural Development Programme.

Up to 2018, the tasks of the NRN focused on the provision of information mainly through information sessions. Judgement on the effectiveness of the NRN is limited given that sufficient time was not available

to determine whether variables such as the quality of the RDP has been improved through the activities of the NRN and whether the broader public and potential beneficiaries are aware of the rural development policy and funding opportunities through activities of the NRN. With further implementation of the Programme the NRN would be expected to take a greater role in terms of improving the quality of the implementation as well as through fostering and promoting the importance of innovation.

Recommendations

Further to the provision of tasks which have been undertaken by the NRN, it is suggested that the NRN actively engages in other tasks which also fall within the objectives of the network such as increasing the direct and formal involvement of stakeholders in the implementation of rural development, improving the quality of implementation of rural development programmes and supporting innovation. Indeed, the NRN has an important role to play in bringing together the stakeholders and enhancing the effectiveness of the Programme through dialogue undertaken within the Network.

Furthermore the evaluators recommend that data in relation to the NRN is collected in a structured manner so that expenditure and output by the NRN can be classified accordingly under its functions allowing for an assessment of how the national rural network contributes towards achieving the objectives laid down in Art. 54(2) of Regulation (EU) No 1305/2013

[1] <https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Pages/National-Rural-Network-2014-2020.aspx>

[2] https://enrd.ec.europa.eu/sites/enrd/files/nrn-profile_communication-plan.pdf

[3] <https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/Newsletter/2017/Issue%2015-%20July%202017.pdf>

7.a22) CEQ22-EM - To what extent has the RDP contributed to achieving the EU 2020 headline target of raising the employment rate of the population aged 20 to 64 to at least 75 %?

7.a22.a) Answer to evaluation question

As highlighted in the Evaluation Guidelines, RD priorities 1, 2, 3 and 6 and focus areas (1A, 1C, 2B, 3A, 6A and 6B) directly support an increase in the employment rate. The measures which directly support the generation of employment are M01, M02, M03, M04, M06, M16 and M19.

During 2018, the Measures which had begun with implementation and for which operations commenced and are expected to contribute to employment are mainly related to M 4.1 and M6.1. In terms of the former, the majority of applications which were approved were related to F2A as they focus more intently on competitiveness and are not contributing towards F2B and F3A which primarily contribute towards the

generation of employment. In terms of M6.1, 19 holdings commenced their activity as at the end of 2018 and more applications have been approved throughout the first half of 2019, currently resulting in approx. 90% commitment rate with further applications being assessed at time of writing this AIR. The rest of the measures which are relevant for this CEQ had either not been launched by the end of 2018 or else launched but with limited progress reported in 2018. For instance, while the strategies of the LAGs had been approved by 2018 and LAGs have launched measures pertaining to their strategies, the operations are either still ongoing or still set to commence. Consequently, the assessment of the contribution of these actions towards the generation of employment cannot be undertaken.

It is however worth considering the employment structure of the agricultural sector. The majority of workers in the agricultural sector, that is over 90%, are classified as part-time workers, clearly indicating that agriculture is not the main source of income for most of the people representing the farming community. Furthermore, the sector continues to face an ageing population with the majority of full-time workers over the age of 45 (Farm Structure Survey, 2013). The employment distribution between part-time employment and full-time employment as well as the age distribution reflects the fragility of the sector in terms of its future potential development. Within the context of the overall economy, full time workers in the agricultural sector account for 1% of the gainfully occupied population in 2017. Therefore, any increase in employment generated by the sector is in any case not expected to lead to a significant contribution towards the attainment of the EU 2020 target on employment.

Furthermore, movements in the labour market are also an important consideration in light of the fact that Malta is currently experiencing strong economic growth and a tight labour market. Indeed, the unemployment rate, at 2018 is historically low at 3.7%. Also, the employment rate for 20-64 individuals (EU2020 headline indicator) has already achieved significant progress increasing from 71.7% in 2014 to 77.6% in 2018. This is driven by sectors which have been experiencing strong growth such as gaming and financial services. Furthermore, wages are on the rise in Malta and therefore workers are enticed to enter sectors of economic activity which are experiencing the strongest growth in wages. Indeed, earnings in Malta increased by 28% between 2006 and 2014 compared to 16% in the EU (Structure of earnings survey: annual earnings, Eurostat).

This CEQ is to eventually be answered by the impact indicator related on the rural employment rate (I.14) Additional indicators which are of relevance is the indicator related to the EU 2020 headline target: Employment rate of the population aged 20-64.

As indicated by the European Evaluation Helpdesk Guidelines , the target indicators to be used in the assessment of this CEQ are as follows:

- T1 - percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A). As at 2018 no expenditure for these corresponding measures had been undertaken and thus the value is nil.
- T3 -Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013. Likewise given that approval of M1 beneficiary was in 2019, up to 2018 the value for this indicator is also nil.
- R3/T5 - % of agriculture holdings with RDP supported business development plans/investments for young farmers (focus area 2B). The value for this indicator at the end of 2018 is 19 holdings corresponding to 32% of the target established for 2023. The value also corresponds to 0.15% of total holdings.
- R4/T6 - Percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A). The value of this indicator is nil as either the measures had not been launched as at end of 2018 or there was no take up as in

the case of M3.1

- R21/T20 - jobs created in supported projects, (focus area 6A). The value of this indicator in 2018 is nil.
- R24/T23 - jobs created in supported projects (Leader), (focus area 6B). The value of this indicator in 2018 is also nil as projects had commenced but are not as yet completed.

Conclusion

During 2018, operations which had commenced and are expected to contribute to employment are M4.1 and M6.1. The rest of the measures which are relevant for this CEQ had either not been launched by the end of 2018 or else launched but with limited progress reported in 2018 as is the case for LAG strategies. As a result, the value of target indicators contributing to this CEQ are nil as at the end of 2018.

Recommendation

In terms of recommendations it is suggested that discussions are undertaken soonest to ensure the adequate data is captured which allows for an assessment of the CEQ. Adequate and appropriate economic techniques to derive the impact will also have to be adopted.

7.a23) CEQ23-RE - To what extent has the RDP contributed to achieving the EU2020 headline target of investing 3 % of EU's GDP in research and development and innovation?

7.a23.a) Answer to evaluation question

Innovation is understood as a process which emerges from the interaction between actors in the innovation system. The RDP is expected to foster innovation through various measures and sub-measures. In turn, innovation plays a substantial role in achieving rural policy objectives.

This CEQ is answered by the impact indicator related to the EU2020 headline target which is the percentage of the EU's GDP to be invested in R&D/innovation.[1] As at 2015, this overall indicator stood at 0.75%, which figure fell to 0.54% by 2017.[2] The target for this indicator from a macro perspective stands at 2% implying that Malta will seek to attain an expenditure rate on research and innovation amounting 2% of GDP. The RDP can contribute towards the attainment of this target mainly through interventions falling under M01 - Knowledge transfer, M02 - Advisory services and M16 – Cooperation expected to positively contribute towards this target.

As indicated by the European Evaluation Helpdesk Guidelines[3], the target indicators used in the assessment of this CEQ are as follows:

- T1 - percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A). As at the end of 2018, the value for this target was nil.
- T2 - Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B). As at the end of 2018, the value for this target was nil.

In view of the fact that only one sub-measure under the measures contributing towards the EU2020 headline target related to R&D and innovation had been launched up to the end of 2018, the extent of evaluation that could be undertaken in this regard is limited. Furthermore, while sub-measure 1.1 was launched at the end of 2018 the applicant has been approved in June 2019. As for M1.2 and M1.3, these are expected to be launched by the third quarter of 2019. M2.1 was launched in May 2019, with the other two sub-measures are still to be launched.

While the benefits of cooperation targeted under M16 are recognised in the Programme as well as the National Agricultural policy, a shift in culture is required for cooperation to take-off successfully. Against this background, an RDP amendment was undertaken in 2018 in order to reduce the allocated budget under all M16 sub-measures and a reduction of operations under M16.4. As at the end of 2018, these sub-measures had not been launched.

In conclusion, as at the end of 2018, most of the research and innovation projects to be funded through the RDP had either not been completed or respective measures are still to be launched. As a result, no assessment could be undertaken in relation to their intended effect.

During 2018, operations which had commenced and are expected to contribute to employment are M4.1 and M6.1. The rest of the measures which are relevant for this CEQ had either not been launched by the end of 2018 or else launched but with limited progress reported in 2018 as is the case for LAG strategies. As a result, the value of target indicators contributing to this CEQ are nil as at the end of 2018.

Recommendations

It is recommended that steps are taken to ensure that the impact of RDP interventions in terms of the degree of innovation supported can be evaluated during the course of the Programme and for the *ex-post* evaluation. More specifically, efforts are to intensify with respect to addressing existing data lacunae, thereby ensuring that data on the indicators relevant to this CEQ are available. For instance, it may also be worth considering whether at application stage, applicants are asked to specify whether the project/operation contains any innovative elements. This would allow for a first level assessment of such projects which would need to be corroborated by the evaluators.

[1] Source: European Evaluation Helpdesk (2018) Guidelines: Assessing RDP Achievements and Impacts in 2019

[2] Source: Eurostat (2019) Europe 2020 indicators, Gross Domestic Expenditure on R&D (GERD)

[3] Source: European Evaluation Helpdesk (2018) Guidelines: Assessing RDP Achievements and Impacts in 2019

7.a24) CEQ24-CL - To what extent has the RDP contributed to climate change mitigation and adaptation and to achieving the EU 2020 headline target of reducing greenhouse gas emissions by at least 20 % compared to 1990 levels, or by 30 % if the conditions are right, to increasing the share of renewable energy in final energy consumption to 20 %, and achieving 20 % increase in energy efficiency?

7.a24.a) Answer to evaluation question

The focus areas that are identified to chiefly contribute to climate change mitigation and adaptation are under Priority 5, focus areas 5B, 5C, 5D with the following measures that have been programmed in Malta's RDP: M01 - Knowledge transfer and information actions, M02 - Advisory services, farm management and farm relief services, M04 – Investments in physical assets, M08 - Investments in forest area development and improvement of the viability of forests, M10 – Agri Environment Climate and M16 – Cooperation.

As indicated in previous CEQs, sub-measures 1.1, 4.1, and 10.1 under the above measures had been launched up to the end of 2018. In this context, the extent of evaluation activities that could be undertaken to assess the extent to which RDP interventions have contributed to climate change mitigation and adaptation, has been limited. Going forward, the evaluation activities to be conducted with respect to this CEQ will take into account the Guidelines on 'Assessing RDP Achievement and Impacts in 2019'.

Indeed, the target and result indicators relevant to the CEQ for Malta are:

- T15 – Total investment for energy efficiency (focus area 5B).
- T16 – Total investment in renewable energy production (focus 5C).
- R16/T17 - Percentage of LU (Live-stock Unit) concerned by investments in livestock management in view of reducing GHG (Green House Gas) and/or ammonia emissions (focus area 5D).
- R17/T18 - Percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D).
- R20/T19 - percentage of agricultural and forest land under management contracts contributing to carbon sequestration or conservation (focus area 5E).

Conclusions:

None of the indicators have been computed due to the fact that measures are still being taken up, other measures have not been launched yet and instances where projects have commenced, they have as yet not been completed.

Data on the latest context indicators which are relevant for this CEQ are available up to 2017 in most instances, with the exception of GHG emissions from agriculture for which the latest data is 2016.

Recommendations:

In terms of recommendations, answering this CEQ as well as CEQs related to P5 is data intensive requiring data ranging from renewable energy production, energy efficiency, carbon sequestration and so on. It is thus recommended that together with the MA, meetings are set up soonest with relevant authorities including the Environment & Resources Authority and Energy & Water Agency to discuss the most plausible approach to collect relevant data, even though the proposed committee referred to in section CEQ 20.

7.a25) CEQ25-PO - To what extent has the RDP contributed to achieving the EU 2020 headline target of reducing the number of Europeans living below the national poverty line?

7.a25.a) Answer to evaluation question

Priorities 1, 2, 3 and 6 of the RDP which contribute towards this CEQ include operations which can support the generation of skills, income, employment creation and improved service and accessibility to combat poverty in rural areas. Eventually, the approach to be undertaken is a screening analysis to identify how each of the respective measures/sub-measures contribute towards a reduction in poverty for instance in respect to the creation of employment.

Measures which primarily contribute towards this CEQ are M01, M02, M03, M04, M06, M16 and M19. As highlighted in the CEQs that addressed 1A, 1B, 1C, 2A, 2B, 3A, 3B, 6A, 6B and 6C, there were at the end of 2018 no completed actions for which an assessment on the reduction in poverty could be undertaken. Consequently, the common impact indicator (I.15) on the degree of rural poverty due to RDP interventions cannot be assessed. Furthermore, data on rural poverty is only available for 2017. Indeed, the total poverty rate in Malta as at 2017 amounted to 20.1% out of the total population. Data on poverty in rural areas is being queried as the value registered in 2017 amounted to 2% while that in 2015 was 50%. As highlighted in the Evaluation Helpdesk Guidelines[1] relevant indicators which can be considered to assess this CEQ include:

T3 - Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (Refer to FA1C) - No training as at end of 2018 had been initialised.

- R1/T4 - Percentage of agriculture holdings with RDP support for investment in restructuring or modernisation (Refer to FA2A)- The target set for 2023 is of 116 holdings. By 2018 progress amounted to 19 holdings representing 16% of the 2023 target.
- R2 - Change in Agricultural output on supported farms/AWU (Annual Work Unit) (Refer to FA2A) - This indicator value cannot be derived as no data is currently available. Discussions will need to be undertaken for the collection of relevant data on agricultural output in line with the methodology for capturing this data taking into account the difference between the gross and net output as highlighted in the Guidelines. It is also to be noted that FADN data is only available for 2017 and no actions had been completed in that timeframe.
- R3/T5 - percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (Refer to FA2B) - The target set for 2023 is of 60 holding. By 2018, 19 holdings received support amounting to 31% of the 2023 target.
- R4/T6 - Percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (Refer to FA3A)- Value for this indicator as at the end of 2018 is nil.
- R21/T20 - jobs created in supported projects (Refer to FA6A) - Value for this indicator as at the end of 2018 is nil.
- R22/T21 – Percentage of rural population covered by local development strategies - 105.75% attainment.
- R23/T22 - Percentage of rural population benefiting from improved services / infrastructures (Refer to FA6B) - Value for this indicator as at the end of 2018 is nil.
- R24/T23 - jobs created in supported projects (Leader) (Refer to FA6B) - Value for this indicator as at the end of 2018 is nil.

Conclusion

Measures which primarily contribute towards this CEQ have either been recently launched or were up to end of 2018 still to be launched. Indeed, as highlighted in the CEQs that addressed 1A, 1B, 1C, 2A, 2B, 3A, 3B, 6A, 6B and 6C, there were at the end of 2018 no completed actions for which an assessment on the reduction in poverty could be undertaken. Consequently, the common impact indicator (I.15) on the degree of rural poverty due to RDP interventions cannot be assessed. Most of the values for target indicators contributing to this CEQ are nil as at the end of 2018.

Recommendation

Discussion to be undertaken with the MA, PA, IT and other stakeholders such as the NSO to ensure that sufficient data is collected to capture the impact of the Programme on rural poverty by the time of the ex-post evaluation.

[1] Guidelines Assessing RDP Achievements and Impacts In 2019 (EC, 2018)

7.a26) CEQ26-BI - To what extent has the RDP contributed to improving the environment and to achieving the EU biodiversity strategy target of halting the loss of biodiversity and the degradation of ecosystem services, and to restore them?

7.a26.a) Answer to evaluation question

The focus area that is identified to chiefly contribute to improving the environment is focus area 4A with the following measures that have been programmed in Malta's RDP: M02 - Advisory services, M04 – Investments, M 8.5 - Investments improving the resilience and environment value of forest ecosystems, M10 – Agri-Environment Climate, M11 – Organic Farming, M13 – Compensation to areas facing specific constraints and M16 – Cooperation.

As indicated in previous CEQs, sub-measures 4.4, 10.1, 11.1 and 13.3 under the above measures had been launched up to the end of 2018. In this context, the extent of evaluation activities that could be undertaken to assess the extent to which RDP interventions have contributed to improving the environment and to achieving the EU Biodiversity Strategy of halting loss of biodiversity, is limited to the impact of these measures. Going forward, the evaluation activities to be conducted with respect to this CEQ will take into account the Guidelines on 'Assessing RDP Achievement and Impacts in 2019.'

Indeed, the target and result indicator relevant to the CEQ for Malta is:

- R7/T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A). This indicator has been estimated at 7% (802.84 ha as a % of UAA 11,453ha) as at the end of 2018. The target in the RDP is 6%. Although the target indicator has already been exceeded, it is likely to increase as more take up is anticipated for M10.1 in 2019.

Conclusions: The CAP common impact indicators have not yet been computed as the measures affecting the indicators are still being implemented. Furthermore, given that the evaluators were contracted in May (2019), there was not sufficient time to conduct the numerous impact indicators for this CEQ. Existing data

is also limited and thus the evaluators will be engaging with the MA, PA and other relevant stakeholders to ensure sufficient collection of data for the ex-post evaluation.

Recommendation:

Discussion to be undertaken with the MA, PA, IT and other stakeholders such as the NSO to ensure that sufficient data is collected to capture the impact of the Programme on biodiversity and ecosystem services.

7.a27) CEQ27-CO - To what extent has the RDP contributed to the CAP objective of fostering the competitiveness of agriculture?

7.a27.a) Answer to evaluation question

The RDP is expected to affect the competitiveness of the agricultural sector in three key ways:

- through a change in the competitiveness of supported farms occurring through the direct effect of measures implemented mainly under P1, P2 and P3
- through a change in the competitiveness of supported farms occurring as an indirect effect of measures implemented under other RDP priorities such as P4, P5 and P6
- through a change in the competitiveness of non-supported farms affected indirectly (positive or negative) by the RDP.

This CEQ is answered by the following common CAP impact indicators:

- **Agriculture entrepreneurial income (I.01):** In 2018, the Agricultural Entrepreneurial Income per Family Working Unit (in real terms) stood at €9,613, falling from €11,185 in 2016[1].
- **Agriculture Factor Income (I.02):** In 2018, the Agricultural Factor Income per AWU (in real terms) stood at €9,602, falling from €11,002 in 2016[2].
- **Total Factor Productivity in Agriculture (I.03):** The Total factor Productivity Index (3-year moving average, base year 2005) stood at 62 in 2017, falling from 64 in 2015[3].

The competitiveness of the agricultural is an area which is a priority for Malta to safeguard its economic sustainability. This is in light of the fact that the productivity of this sector is among the weakest in the economy. Indeed, the Gross Value Added per employee for the agricultural sector is estimated at around €33,000. With an average productivity level in the economy[4] estimated at around €50,000, the agricultural sector is considered to be a laggard sector[5].

As indicated by the European Evaluation Helpdesk Guidelines[6], the target indicators used in the assessment of this CEQ are as follows:

- **T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A):** Given that as at the end of 2018, only one sub-measure (M1.1) from the measures associated with Articles 14, 15 and 35 was launched, the value for this target was nil as at the end of 2018.

- **T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B):** As at the end of 2018, the value for this target was nil.
- **T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C):** As at the end of 2018, the value for this target was nil.
- **R1/T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A).** The value for this indicator as at the end of 2018 was 48 holdings 0.38% of holdings and contributing towards the target set for 2023 of 0.92% of holdings.
- **R2: Change in Agricultural output on supported agriculture holdings/AWU (Annual Work Unit) (focus area 2A) (*).** Given that most of the actions have not been completed the value of this indicator has not been assessed.
- **R3/T5: percentage of agricultural holdings with RDP supported business development plan/investments for young agriculture holdings (focus area 2B):** As highlighted in CEQ05-2B, some progress has been recorded for this target indicator whereby with progress of 19 holdings linked to M6.1, the result target as at 2018 is 0.15% of the total number of holdings compared to a target of 0.48% in 2023. It is to be noted that while M6.1 is closed as a measure there are a number of applications which are still being assessed.
- **R4/T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A).** The value of this indicator is nil given that as at the end of 2018 there were no applications for M3.1.

The relevant measures which primarily contribute to the CAP objective of fostering competitiveness in agriculture are identified to be M01, M02, M03, M04, M06, M16.

Conclusion:

In conclusion, as at the end of 2018, there was not sufficient progress in measures contributing to this CAP objective and hence, no assessment could be undertaken in relation to their intended effect and the derivation of the impact indicator.

Recommendations

It is recommended that steps are taken to ensure that the impact of RDP interventions which contribute to increased competitiveness in the agricultural sector can be evaluated during the course of the Programme and for the ex-post evaluation. More specifically, efforts are to intensify with respect to addressing existing data lacunae, thereby ensuring that data on the indicators relevant to this CEQ are available.

[1] Source: https://ec.europa.eu/agriculture/cap-indicators/context/2018_en

[2] Source: https://ec.europa.eu/agriculture/cap-indicators/context/2018_en

[3] Source: https://ec.europa.eu/agriculture/cap-indicators/context/2018_en

[4] This excludes the Real Estate sector which is considered to be an outlier.

[5] This analysis is based on Eurostat Data whereby GVA data has been obtained from [nama_10_a10] and

Employment data has been obtained from [nama_10_a10_e] in May 2019.

[6] Source: European Evaluation Helpdesk (2018) Guidelines: Assessing RDP Achievements and Impacts in 2019

7.a28) CEQ28-SU - To what extent has the RDP contributed to the CAP objective of ensuring sustainable management of natural resources and climate action?

7.a28.a) Answer to evaluation question

The focus areas that are identified to chiefly contribute to ensuring sustainable management of natural resources and climate action are focus areas 4 and 5 with the following measures that have been programmed in Malta's RDP: M01 - Knowledge transfer and information actions, M02 - Advisory services, farm management and farm relief services, M04 – Investments in physical assets, M 8 - Investments in forest area development and improvement of the viability of forests, M10 – Agri-Environment Climate, M11 – Organic Farming, M13 – Payments to areas facing natural or other specific constraints and M16 – Cooperation.

As indicated in previous CEQs, sub-measures 1.1, 4.1, 4.3, 4.4, 10.1, 11.1 and 13.3 under the above measures had been launched up to the end of 2018. Progress has been attained particularly in terms of implementation of projects under M10.1 and M13.3. However the the extent of evaluation activities that could be undertaken to assess which RDP interventions have contributed to ensuring sustainable management of natural resources and climate action, is limited due to the unavailability of detailed data in time for the submission of the AIR. Going forward, the evaluation activities to be conducted with respect to this CEQ will take into account the Guidelines on 'Assessing RDP Achievement and Impacts in 2019'.

Indeed, the target and result indicators relevant to this CEQ for Malta are:

- R7/T9 - percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A).
- R8/T10 - percentage of agricultural land under management contracts to improve water management (focus area 4B).
- R10/T12 - percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C).
- R12/T14 - percentage of irrigated land switching to more efficient irrigation system (focus area 5A).
- T15 - Total investment for energy efficiency (focus area 5B).
- T16 - Total investment in renewable energy production (focus area 5C).
- R16/T17 - percentage of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus area 5D).
- R20/T19 - percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)

Indicator R7/T9 - % of agricultural land under management contracts supporting biodiversity and/or landscapes has been estimated at 7% (802.84 ha as a % of UAA 11,453ha). The target in the RDP is 6%. Although the target indicator has already been exceeded, it is likely to increase as more take up is

anticipated for M10.1 in 2019.

Indicators R8/T10, R10/T12, R12/T14, T15, T16, R16/T17, R17/T18, and R20/T19 all register a value of nil as at the end of 2018 due to the fact that funds have not all been drawn down in the specific measures as well as the fact that Measures 8 and 16 were not launched in 2018.

Conclusions:

The CAP common impact indicators relevant for this CEQ have not yet been computed as the measures affecting the indicators are still being implemented. It is envisaged that with the progression of project implementation, the evaluators will have more significant data and time to work with in terms of evaluation in the future. Existing data is also limited and the evaluators will work closely with the MA and other authorities in order to ensure data provision.

Recommendations:

The evaluators will be engaging with the MA, PA and other relevant stakeholders to ensure sufficient collection of data for the ex-post evaluation. This would also include commissioning of surveys as relevant for example for the computation of the Farmland Bird Index.

7.a29) CEQ29-DE - To what extent has the RDP contributed to the CAP objective of achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment?

7.a29.a) Answer to evaluation question

As highlighted in the Evaluation Guidelines, RD priority 6, focus areas: 6A, 6B and 6C directly support the contribution towards attaining a balanced territorial development of rural economic economies and communities. The measure which directly supports territorial development in the Malta RDP is M19.

As explained in CEQ17 all four sub-measures under measure 19 have been launched. Three LAGS (GAL Xlokk, GAL Majjistral and Gozo) have been formed and their strategies approved and launched. The development of each strategy reflects a multi-sectoral approach with measures in each of the strategy varying from the development of cultural landscape, social heritage and tourism product in the rural territory, development of the environmental landscape and transfer of skill. Specific to the territory of Gozo, the strategy focuses on increasing investment and job creation in an area which lags behind the economic development of the main island of Malta. The strategy also aims at creating innovation, increasing the number of businesses and infrastructural amenities employing sustainable environmental and climate-friendly approaches, valorising the environmental and cultural heritage and enhancing partnerships across the territory.

By the end of 2018, 11% of the total budget allocation for M19 has been absorbed. All LAGS have launched their first measures, some of which are still in the application processing stage. At this stage none of the projects have been completed. The LAGs have faced capacity constraints which led to the late implementation of the strategies but these capacity challenges have recently been addressed which will lead to a quicker implementation of the strategies.

This CEQ is answered by the impact indicators on the Rural employment rate (I.14), Degree of rural poverty

(I.15); and Rural GDP per capita (I.16). Given that progress on the implementation of the LAG strategies as at the end of 2018 was lagging, the impact on territorial development cannot be assessed at this point in time.

As indicated by the European Evaluation Helpdesk Guidelines , the target indicators used in the assessment of this CEQ include the following:

- R21/T20: Jobs created in supported projects (focus area 6A). Value of indicator is nil as at end of 2018.
- R22/T21: percentage of rural population covered by local development strategies (focus area 6B) – The strategies which were approved in 2018 are covering 105.75% of the rural population.
- R23/T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B). The value of the indicator as at end of 2018 is nil.
- R24/T23: Jobs created in supported projects (Leader) (focus area 6B).). The value of the indicator as at end of 2018 is nil.

Conclusions:

In conclusion, as at the end of 2018, there was limited progress on the implementation of M19. As a result, no assessment could be undertaken in relation to the extent that the RDP has contributed towards territorial development.

Recommendations:

It is recommended that steps are taken to ensure that the impact of RDP interventions in terms of the degree of a balanced territorial development can be evaluated during the course of the Programme and for the ex-post evaluation through the provision of adequate data. More specifically, efforts are to intensify with respect to addressing data requirements, thereby ensuring that the impact can be assessed. As also indicated in CEQ 17, discussions should also be undertaken with the LAGS to ensure capturing of relevant data allowing for an assessment of this CEQ.

7.a30) CEQ30-IN - To what extent has the RDP contributed to fostering innovation?

7.a30.a) Answer to evaluation question

The sub-measures which are identified to chiefly contribute to fostering innovation are those falling under M01 - Knowledge transfer, M02 - Advisory services and M16 – Cooperation. Indeed, the target indicator put forward by the Evaluation Helpdesk Guidelines is:

- T1: % of expenditure under Art. 14,15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP for which the value for the Malta RDP as at the end of 2018 was nil.

As indicated in CEQ23, only one sub-measure under the above measures had been launched up to the end of 2018, being M1.1. In this context, the extent of evaluation activities that could be undertaken to assess the extent to which RDP interventions have fostered innovation, has been limited. Going forward, the evaluation activities to be conducted with respect to this CEQ will take into account the Guidelines on

‘Evaluation of innovation in RDPs 2014-2020’.

In view of the limited progress in this regard, it is recommended that higher efforts are directed towards promoting and implementing measures and sub-measures targeting innovation. This is also recognised by the Council Recommendation on the 2019 National Reform Programme of Malta and delivering a Council opinion on the 2019 Stability Programme of Malta[1] whereby one of the recommendations is to ‘focus investment-related economic policy on research and innovation, [...]’. Furthermore, existing data lacunae are to be addressed particularly in terms of the identification of projects which are innovative and which would also be contributing towards enhancing innovation.

[1] Source: https://ec.europa.eu/info/sites/info/files/2019-european-semester-country-specific-recommendation-commission-recommendation-malta_en.pdf

7.a31) PSEQ01-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

n.a.

7.a32) PSEQ02-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

n.a.

7.a33) PSEQ03-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

n.a.

7.a34) PSEQ04-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

n.a.

7.a35) PSEQ05-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

n.a.

7.a36) PSEQ01-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

n.a.

7.a37) PSEQ02-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

n.a.

7.a38) PSEQ03-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

n.a.

7.a39) PSEQ04-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

n.a.

7.a40) PSEQ05-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

n.a.

7.b) Table of result indicators

Result indicator name and unit (1)	Target value (2)	Main value (3)	Secondary contribution (4)	LEADER/CLLD contribution (5)	Total RDP (6)=3+4+5	Comments (max 500 char)
R1 / T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	0.93	0.38	N/A	0.00	0.38	
R2: Change in Agricultural output on supported farms/AWU (Annual Work Unit) (focus area 2A)* (GROSS VALUE)	N/A					Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R2: Change in Agricultural output on supported farms/AWU (Annual Work Unit) (focus area 2A)* (NET VALUE)	N/A					Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R3 / T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	0.48	0.15	N/A	0.00	0.15	
R4 / T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)	1.56	0.00	N/A	0.00	0.00	
R5 / T7: percentage of farms participating in risk management schemes (focus area 3B)		0.00	N/A	0.00	0.00	
R6 / T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)			N/A			
R7 / T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	6.37	13.48	N/A	0.00	13.48	
R8 / T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2.98	4.12	N/A	0.00	4.12	
R9 / T11: percentage of forestry land under management contracts to improve water management (focus area 4B)			N/A			
R10 / T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2.98	5.45	N/A	0.00	5.45	
R11 / T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)			N/A			
R12 / T14: percentage of irrigated land switching to more efficient irrigation system (focus area 5A)	5.44	0.00	N/A	0.00	0.00	

R13: Increase in efficiency of water use in agriculture in RDP supported projects (focus area 5A)*	N/A					Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R14: Increase in efficiency of energy use in agriculture and food-processing in RDP supported projects (focus area 5B)*	N/A					Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R15: Renewable energy produced from supported projects (focus area 5C)*	N/A					Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R16 / T17: percentage of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus area 5D)	16.09	0.00	N/A	0.00	0.00	
R17 / T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)		0.00	N/A	0.00	0.00	
R18: Reduced emissions of methane and nitrous oxide (focus area 5D)*	N/A					Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R19: Reduced ammonia emissions (focus area 5D)*	N/A					Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R20 / T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	5.31	2.06	N/A	0.00	2.06	
R21 / T20: Jobs created in supported projects (focus area 6A)	35.00	0.00			0.00	Indicator value was not estimated as relevant measures commenced in 2018, actions are not completed and other measures are still to be launched
R22 / T21: percentage of rural population covered by local development strategies (focus area 6B)	99.97	105.75	N/A		105.75	
R23 / T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	0.00	0.00	N/A	1.06	1.06	
R24 / T23: Jobs created in supported projects (Leader) (focus area 6B)	10.00	0.00	N/A		0.00	
R25 / T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	0.00	0.00	N/A	0.00	0.00	

7.c) Table of additional and programme specific indicators used to support evaluation findings

Indicator type	Code	Indicator name	Focus Area	Unit	Indicator value	Comments (max 500 char)
Output		Number of operations supported under M4.2 contributing to FA3A	3A	Operations	0.00	Beneficiaries for M4.2 had not been selected in 2018
Result		Percentage of total public expenditure (M1.1 to M1.3) allocated for ICT actions /interventions		Percentage	0.00	Beneficiaries for M1.1 had not been selected in 2018. M1.2 and M1.3 had not been launched.

7.d) Table of CAP impact indicators

Name of common impact indicator	Unit	Updated indicator value	RDP contribution	Comments (max 500 char)
1. Agricultural Entrepreneurial Income / Standard of living of farmers	EUR/AWU	9,613.00		Pertains to year 2018 Source: CAP context indicators, Agri Entrepreneurial income table – 2018 No projects are completed allowing estimation of RDP contribution.
2. Agricultural factor income / total	EUR/AWU	9,601.80		Pertains to year 2018 Source: CAP context indicators, Agri factor income table – 2018 No projects are completed allowing estimation of RDP contribution.
3. Total factor productivity in agriculture / total (index)	Index 2005 = 100	62.00		Pertains to year 2017 Source: CAP context indicators, Labour productivity in agriculture table – 2018 No projects are completed allowing estimation of RDP contribution.
7. GHG emissions from agriculture / total agriculture (CH4 and N2O and soil emissions/removals)	1000 t of CO2 equivalent	64.90		Pertains to year 2016 Source: CAP context indicators, Emissions income table – 2018 No projects are completed allowing estimation of RDP contribution.
7. GHG emissions from agriculture / share of total GHG Emissions	% of total net emissions	3.10		Pertains to year 2016 Source: CAP context indicators, Emissions income table – 2018 No projects are completed allowing estimation of RDP contribution.
7. GHG emissions from agriculture / ammonia emissions from agriculture	1000 t of NH3	0.70		Pertains to year 2016 Source: CAP context indicators, Emissions income table – 2018. No projects are completed allowing estimation of RDP contribution.
8. Farmland Birds index (FBI) / total (index)	Index 2000 = 100	0.00		n.a. Pertains to year 2014 Source: CAP context indicators, Farmland Birds index table – 2018
9. HNV Farming / total	% of total UAA	0.00		n.a. Survey will need to be conducted to determine contribution
10. Water Abstraction in Agriculture / total	1000 m3	28,000.00		Pertains to year 2015 Source: CAP context indicators, Water abstraction table – 2018 No projects are completed allowing estimation of RDP contribution.
11. Water Quality / Potential surplus of nitrogen on agricultural land	kg N/ha/year	147.00		Pertains to year 2015 Source: CAP context indicators, Water Quality table

				- 2018 No projects are completed allowing estimation of RDP contribution.
11. Water Quality / Potential surplus of phosphorus on agricultural land	kg P/ha/year	30.00		Pertains to year 2015 Source: CAP context indicators, Water Quality table - 2018 No projects are completed allowing estimation of RDP contribution.
11. Water Quality / Nitrates in freshwater - Surface water: High quality	% of monitoring sites	0.00		n.a. "Pertains to year 2012 Source: CAP context indicators, Water Quality table - 2018 No projects are completed allowing estimation of RDP contribution."
11. Water Quality / Nitrates in freshwater - Surface water: Moderate quality	% of monitoring sites	0.00		n.a. Pertains to year 2012 Source: CAP context indicators, Water Quality table - 2018 No projects are completed allowing estimation of RDP contribution.
11. Water Quality / Nitrates in freshwater - Surface water: Poor quality	% of monitoring sites	0.00		n.a. Pertains to year 2012 Source: CAP context indicators, Water Quality table - 2018 No projects are completed allowing estimation of RDP contribution.
11. Water Quality / Nitrates in freshwater - Groundwater: High quality	% of monitoring sites	4.10		"Pertains to year 2012 Source: CAP context indicators, Water Quality table - 2018 No projects are completed allowing estimation of RDP contribution."
11. Water Quality / Nitrates in freshwater - Groundwater: Moderate quality	% of monitoring sites	27.60		Pertains to year 2012 Source: CAP context indicators, Water Quality table - 2018 No projects are completed allowing estimation of RDP contribution.
11. Water Quality / Nitrates in freshwater - Groundwater: Poor quality	% of monitoring sites	68.40		"Pertains to year 2012 Source: CAP context indicators, Water Quality table - 2018 No projects are completed allowing estimation of RDP contribution."
12. Soil organic matter in arable land / Total estimates of organic carbon content	mega tons	0.70		"Pertains to year 2015 Source: CAP context indicators, Soil Organic table - 2018 No projects are completed allowing estimation of RDP contribution."
12. Soil organic matter in arable land / Mean organic carbon content	g kg-1	15.70		Pertains to year 2015 Source: CAP con No projects are completed allowing estimation of RDP contribution.
13. Soil Erosion by water / rate of soil	tonnes/ha/year	6.00		Pertains to year 2012

loss by water erosion				Source: CAP context indicators, Soil Erosion table – 2018 No projects are completed allowing estimation of RDP contribution.
13. Soil Erosion by water / agricultural area affected	1000 ha		0.00	(0.0015) Pertains to year 2012 Source: CAP context indicators, Soil Erosion table – 2018 Data is give in ha i.e 1.5ha for malta which is equivalent to 0.0015 1000ha
13. Soil Erosion by water / agricultural area affected	% of agricultural area		9.60	"Pertains to year 2012 Source: CAP context indicators, Soil Erosion table – 2018 No projects are completed allowing estimation of RDP contribution."
14. Employment Rate / * rural (thinly populated) (15-64 years)	%		71.90	"Pertains to year 2017 Source: CAP context indicators, Employment table – 2018 No projects are completed allowing estimation of RDP contribution."
14. Employment Rate / * rural (thinly populated) (20-64 years)	%		75.30	"Pertains to year 2017 Source: CAP context indicators, Employment table – 2018 No projects are completed allowing estimation of RDP contribution."
15. Poverty rate / total	% of total population		20.10	"Pertains to year 2017 Source: CAP context indicators, Poverty rate table – 2018 No projects are completed allowing estimation of RDP contribution."
15. Poverty rate / * rural (thinly populated)	% of total population		2.00	Pertains to year 2012 Source: CAP context indicators, Poverty rate table – 2018 No projects are completed allowing estimation of RDP contribution.
16. GDP per capita / * rural	Index PPS (EU-27 = 100)		0.00	n.a. Source: CAP context indicators, GDP per capita table – 2018 No projects are completed allowing estimation of RDP contribution.

8. IMPLEMENTATION OF ACTIONS TO TAKE INTO ACCOUNT THE PRINCIPLES SET OUT IN ARTICLES 5, 7 AND 8 OF REGULATION (EU) No 1303/2013

8.a) Promotion of equality between men and women and non-discrimination (Article 7 of Regulation (EU) No 1303/2013)

Relevant entities responsible for promoting equality, non-discrimination and accessibility were involved in the consultation process of the RDP in line with Malta's commitment to Article 7 of Reg. (EU) No.1303/2013. This approach combined a bottom-up and top-down approach thereby ensuring a multi-level governance, all-inclusive structure that comprised relevant entities responsible for promoting equality, non-discrimination and accessibility.

The National Commission for the Promotion of Equality and the Commission for the Rights of Persons with Disability are strategic partners within the Ministry for European Affairs and Equality in the promotion of equality, non-discrimination and accessibility at the national and local level. The participation of entities responsible for promoting equality and non-discrimination in the implementation of the ESI Funds was consolidated with their inclusion in the RDP MC in accordance with the MC Terms of Reference.

Specific sections of the EAFRD application forms for project proposals issued by the MA include references and information to be provided in relation to how applicants aim to contribute to equal opportunities for all. Such references are also found in the approved Admissibility and Selection Criteria whereby specific points are allocated for operations targeting horizontal priorities, one of which is the principle of equal opportunities. Applicants are requested to describe what actions were/will be taken to promote equal opportunities and prevent discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the operation.

With the aim of promoting equality between men and women and non-discrimination and taking into consideration the needs of the target audience, especially in terms of administrative burden and equal access to funding opportunities, application forms and the required supporting documentation were kept to a minimum.

8.b) Sustainable development (Article 8 of Regulation (EU) No 1303/2013)

As also identified in the Partnership Agreement of Malta 2014-2020, Malta is committed towards achieving a sustainable and healthy environment which is considered fundamental in order to attract investment, create jobs and improve standards of living.

The Rural Development Programme 2014-2020 includes a number of actions contributing to sustainable development under most measures of the programme. A good coverage of such considerations is reflected both in the drawing up of the programme and also in the implementation of these measures. Sustainable development is also included as one of the contributory horizontal selection criteria for project applications. Points are allocated to proposed operations fulfilling this criterion in line with the Selection Criteria approved by the MC.

Overall, the measures adopted and being implemented through Malta's RDP target sustainable

development as highlighted in the list below:

- Measure 1 – Knowledge transfer and information actions (art 14): this priority impinges on the environmental and climate change aspects through the provision of training measures leading to more environmentally friendly farming practices as well as towards the mitigation of emissions, and by making the Maltese agriculture more adaptable and resilient to climate change. According to the RDP, training will be provided across all 5 needs namely: water, wastes and energy: improving sustainable use and generating renewable energy (need 1); Maltese quality produce: improving quality, traceability, strategic marketing, adding value, branding and promotion (need 2); sustainable livestock: improving resource efficiency, competitiveness and productivity, and welfare (need 3); landscape and environment – managing habitats and features (need 4); wider rural economy and quality of life – developing rural tourism, rural skills and promoting social inclusion (need 5). Addressing these needs, specifically needs 1, 4, and 5 ensures that the multi facets of sustainable development are addressed.
- Measure 2 – Advisory Services, farm management and farm relief services (art 15) – advisory services, which can be set up through sub-measure 2.2 with the necessary training of advisors supported under sub-measure 2.3, will include advice on impacts of agricultural activity on the environment as well as climate mitigation and adaptation, and the means by which farmers and rural businesses can reduce their impacts. Advice and advisory support (through sub-measure 2.1) will be linked closely to training and application for grant funding. Advisory services will provide support for applicants by ensuring business plans take into account environmental and climate impacts in a holistic manner. In summary this measure will provide a range of advisory support that can be targeted at all of the five thematic areas of need (identified above). Advisory support will go beyond simple provision of information and involve understanding of particular issues in an individual farm or business context, in order to provide guidance on improvements.
- Measure 3 – Quality Schemes for agricultural products and foodstuffs (art16) – this specifically relates to climate change aspects through the development of shorter supply chains and supporting wider use of local products will contribute indirectly to mitigating GHG emissions through the reduction of fossil fuel used in transport.
- Measure 4 – Investment in physical assets (art 17) – in terms of sustainable development, this measure in particular sub-measures 4.1, 4.3 and 4.4 contribute towards the potential reduction in groundwater consumption through the provision of for example, water storage infrastructure and distribution of treated sewage effluent for use in agriculture. Other actions related to landscape enhancement and biodiversity conservation are also expected under this measure. The measure is already contributing towards reduced energy consumption and increased renewable energy generation through the investment in alternative energy.
- Measure 6 – Farm and business development (art 19) – this measure does not contribute directly to the cross-cutting principle of sustainable development. Given that the focus is to support young farmers to start their agri business or the carrying out of non-agricultural activities, the attention is directed more towards innovation.
- Measure 8 – Investments in forest area development and improvement of the viability of forests (art 21-26) – once launched this measure will contribute directly towards the cross-cutting objective ‘environment’ as well as ‘climate change’. Improvement to woodland management will contribute to conservation of habitats and biodiversity. New planting, removal of invasive species and improved woodland management will also contribute to enhancement of habitats for

indigenous species. The measure is also expected to contribute towards ‘climate’ since improvement in woodland management or increase in tree planting will assist in climate change mitigation through carbon sequestration.

- Measure 10 – Agri-environment-climate (art 28) – the sub-measures under M10 are all expected to directly contribute towards sustainable development in a number of ways. The reduction in pesticide use, will benefit local flora and fauna as well as groundwater bodies. Ecosystem services are expected to improve through AECMs contributing towards bee-keeping, tree planting, enhancement of native species as well integrated pest management and spoil management.
- Measure 11 – Organic Farming (art 29) – this measure is contributing both towards the cross cutting principles ‘environment’ and ‘climate’. The reduced use of pesticides and inorganic fertilisers will benefit local flora and fauna, will reduce the impact of nitrates on ground water and the enhanced use of local organic fertilisers will contribute to solving the livestock waste problem.
- Measure 13 – Payments to areas facing natural or other specific constraints (art 31) - this measure is contributing both towards the cross-cutting principles ‘environment’ and ‘climate’. The main benefit is to help retain Maltese farm land under active management. The contribution towards ‘climate’ is indirect through cross compliance with the Nitrates Directive.
- Measure 16 – Co-operation (art 35) – this measure is expected to contribute towards the cross cutting objectives of the environment and climate through the implementation of co-operation initiatives between farmers that are expected to yield wider impacts, than farmers working in isolation. This is expected to enable strategic decisions to be made that target the most vulnerable or high risk areas as well as in relation to waste management and renewable energy development, including energy generation from waste and recycling of nutrients through composted material.
- Measure 19 - Support for LEADER local development (art 35) - this measure also contributes towards sustainable, especially through its measure focusing on green infrastructure which has already been launched.

8.c) The role of the partners referred to in Article 5 of Regulation (EU) No 1303/2013 in the implementation of the programme

Various consultations spanning over a 2-year period have been undertaken gearing to inform the design and development of the 2014-2020 RDP. For this purpose, the MA engaged a team of consultants who in liaison with the MA embarked on an extensive consultation process with stakeholders who had some form of interest in rural development in Malta. This included amongst others interviews and discussions with a wide range of farming businesses representing the largest sectors in Malta (including vines, olives, carpines as well as dairy, pigs, poultry rabbits and horticulture), environmental NGOs and other important SMEs. Also consulted were LEADER LAGs, Department for Local Government, Planning Authority, Environmental and Resources Authority, Food Standards, MCAST and the University of Malta. Consultation was also undertaken with the context of the National Rural Network.

This also comprised the drafting of the SWOT analysis which involved consultation meetings with the sector participants & key stakeholders, including sectoral NGOs, Co-operatives and Associations as well as the main government bodies involved in the regulation of the agricultural sector in particular. This preliminary SWOT analysis was followed by a public workshop where the results of the preliminary SWOT

were presented and discussed. The SWOT analysis was also discussed during consultation meetings that were held during sectoral sub-committee meetings that were specifically set up as part of a consultation structure for the 2014-2020 programming period, in order to enable key stakeholders across Maltese constituted bodies and civil society to actively participate in the consultative process.

This process was concluded by means of a nationwide public consultation exercise involving MCESD, NGOs, civil society and the general public. Another round of consultation meetings followed with the private and public sector to further delve into the priorities identified through the sectoral sub-committee meetings and consequently ascertain those project ideas deemed of essence to form part of the RDP. Finally, a workshop was held among the various stakeholders in/directly related to the industry to attain further feedback on the draft measures of the OP and raise awareness of the likely contents of the OP.

To this end, it can be noted that a multi-level governance approach was followed for the preparation of the Maltese RDP where all key stakeholders were involved throughout the whole process of the drafting of the document including the involvement of the following entities: [i] competent regional, local, urban and other public authorities [ii] economic and social partners and [iii] bodies representing civil society, including environmental/climate authorities/partners, entities/experts responsible for promoting equality, non-discrimination and NGOs. All partners were actively involved in the whole process of the preparation of the OP that comprised of the drafting of the SWOT analysis that invariably assisted in the identification of the sector's needs. This resulted in numerous discussions with the parties concerned that enabled the identification and selection of priorities and related specific objectives and was invariably instrumental in the allocation of funding. Allocation of funding was determined following a series of one-to-one consultation meetings, workshops and sub-committee meetings.

With reference to actions taken during the implementation of the RDP, this multi-level governance approach is also reflected in the EAFRD Monitoring Committee (MC) set up to monitor implementation of the programme in line with Article 47 of Reg. (EU) No. 1303/2013. In accordance with Article 3 of Commission Delegated Regulation (EU) No. 240/2014, the members of the MC consist of partners from competent regional, local, urban and other public authorities, economic and social partners, and bodies representing civil society (including environmental/climate authorities/partners, entities/experts responsible for promoting equality and non-discrimination, and non-governmental organisations). Partners in this committee include amongst others representatives from the Malta Council for Economic and Social Development (MCESD), the Ministry for the Environment, Sustainable Development and Climate Change, Ministry for the Economy, Investment and Small Business, Department of Contracts, Ministry for Tourism, Ministry for Gozo and the Ministry for Finance. The committee also includes representatives from farmers cooperatives and associations representing different agricultural sub-sectors as well as environment NGO, *Din l-Art Helwa* and Equality and Inclusion Authorities.

The MC meets at least once a year to review the implementation of the RDP including progress made towards achieving its objectives and examine issues that affect the performance of the RDP. As mentioned previously, the MC is consulted at various stages in the implementation of the RDP to give an opinion on the amendments of the programmes as proposed by the Managing Authority including amendments to the Admissibility and Selection Criteria, where relevant. MC consultations can be and were also undertaken through written procedure in line with the applicable Terms of Reference. Partners are thus kept updated on-the-state-of-play of the implementation on all adopted measures, and are also invited to provide feedback and provide their contribution accordingly. In fact, some of amendments included in the RDP, reflect feedback provided by the sector representatives. Apart from MC Meetings, one-to-one/ bilateral meetings and communication exchanges were also held throughout the years with the relevant experts in view of partners which need to be consulted more frequently, especially bearing in mind specific RDP measures

being implemented.

The Managing Authority manages the functions of the National Rural Network with the support of the rural actors and stakeholders who have a primary role in the running of the RDP in order to ensure a wide representation of organisations and administration for the Programme. Details on the activities of the NRN can be found in Section 4a of this AIR.

Other actions relating to the monitoring of implemented activities are carried out through progress reports and bilateral meetings during which feedback and input of attending partners is taken into consideration. In the application process in line with the selection criteria approved by the MC, for some measures, additional points are awarded for projects involving multiple collaborations as well as on the degree of engagement with local stakeholders.

In this regard, it can be noted that the role of partners in the implementation of the RDP is deemed to be essential and has as at time of reporting contributed to the effective implementation of the operational programme.

9. PROGRESS MADE IN ENSURING INTEGRATED APPROACH TO USE EAFRD AND OTHER UNION FINANCIAL INSTRUMENTS

In line with the objectives of the programme, throughout the course of 2018, the RDP implemented operations that compliment other ESI Funds geared towards enhancing Malta's competitiveness and quality of life. It has supported investment that foster the competitiveness of the agricultural sector as well job creation, also for young farmers through specific forms of support.

The RDP set up co-ordination mechanisms in order to facilitate synergies between the different operational programmes, while at the same time avoiding unnecessary duplication of effort. This has been established through the framework of the Inter Ministerial Coordination Committee (IMCC) as well as Intermediate Body Steering Committee Meeting (the latter mainly through ERDF Schemes).

The members of the IMCC are representatives from the Managing Authority of the different funding programmes (including ERDF/CF, ESF, EAFRD, EMFF, Migration and Asylum Programmes); Intermediate Bodies set up under OPI (ERDF/CF) and OPII (ESF); and other key stakeholders, including

ARPA, Malta Enterprise, MEDE Scholarship Unit, Trade Malta, Malta Tourism Authority, Malta Communication Authority, Malta Film Commission, Arts Council, MEASAC, NCPE, CRPD. The IMCC also brings together the contact points of the European Territorial Co-operation Programmes and those of EU centralised funding programmes.

Monitoring was undertaken through the dynamics of the IMCC to ensure the maximisation of resources whilst reducing the risk of overlap and duplication of effort by providing the necessary direction on the complementarity between different funds and programmes.

To further enhance complementarity and demarcations between the RDP and the different funds, the MA for EAFRD:

- attends the ESF and ERDF monitoring committee meetings (as a voting member)
- is also the Managing Authority of a number of other mainstream programmes such as EMFF and Migration Funds
- is the National Contact Point for the Interreg Programmes
- is the national coordinator for direct funds managed by the European Union
- meets the Managing Authority for ERDF/CF and ESF on a regular basis to discuss common and horizontal issues. This MA is also a voting MC member on the EMFF and EAFRD Monitoring Committee meetings.

Complementarity with OPI (ERDF and CF)

During 2018, a cause of concern was the demarcation between the ERDF Grant Schemes and the Grant Scheme programmes under Measure 6.4. M6.4 is the first measure of its kind to be launched under the RDP and although at programming stage, Malta has taken steps to ensure delineation between ERDF and EAFRD, through the dynamics of the IMCC it was noted that furthermore clarity was necessary to seal these demarcations. Consequently, during 2018, the necessary efforts were put in place to address the matter. As a result of these changes, the EAFRD Grant Scheme is now only considering farmers who are diversifying into non-agricultural activities as eligible applicants. These are then, not considered eligible under the ERDF Grant Schemes.

The funding priorities for the ERDF and CF are complementing Malta's priorities within the Rural Development Programme for 2014-2020 in the fields of water management, waste management and lower-carbon-based economy through measures aiming at improving production efficiency.

- Water management: OPI is investing the national water infrastructure by investing in projects as:
 - the upgrade of the water production/distribution as well as of the sewage network with the aim of addressing existing obstacles to the water production, wastewater collection and treatment and water reuse in the Maltese Islands
 - the retrofitting of the Sant Antnin Waste Water Treatment Plant with innovative activated sludge-based technologies in order to enable the future operation of this plant in support of national wastewater treatment and reuse objectives
 - enhancing National Monitoring and Public Engagement Capacity for improved Water Resources Management with the aim of optimising the management of water resources management in the Maltese islands.
 - a **Rain Water Integrated Infrastructure Network** with the aim of establishing an integrated infrastructure network for rainwater management in five catchments in Malta[1].

Complementary to this, the RDP focused on water efficiency related intervention which are earmarked to improve resource efficiency focusing exclusively on agriculture. M4.1 supports investment in agricultural holdings, of which one of the supported Focus Areas is directed towards promoting increased efficiency in water use by agriculture. More specifically this sub measure assists farmers in storage of water through the construction of reservoirs, irrigation systems, water treatment facilities, for example. Measure 4.3 also focused on water efficiency through support for investment in infrastructure related to development, modernisation, or adaptation of agriculture and forestry. One project, with an estimated value of €27 million (of which €10 million was committed in 2018) is being implemented by the Water Services Corporation to provide treated sewage effluent (TSE) to agricultural land located in proximity to the treatment plants located in Malta and Gozo.

- Waste management: OPI is investing in the national waste management system by investing in projects as:
 - the **rehabilitation of the former landfill at Wied Fulija** with the objective of safeguarding the environment, removing the disamenity caused to neighbouring villages and to return one of the most scenic areas back to the general public whereby footpaths will be created along the parameter of the former landfill which will enable people to enjoy the open space
 - the setting up of a **Multi-Material Recovery Facility** within the grounds of the Civic Amenity site in Hal Far which will enable the gathering of different waste streams for preparation and storage for eventual reutilisation and export where necessary thus, reducing the amount of waste that is channeled towards landfilling
 - encouraging **Sustainable Waste Practices in Households** and Beyond in order to increase the separation of Municipal Solid Waste at source in order to increase the amount of recycling and to divert organic waste away from landfill[2].

Through M4.3, the RDP is also streamlining efforts to improve waste management system. As explained under the water management section, the project focuses on the provision of treated sewage effluent for agricultural use. Consequently, besides maximising the efficient use of water resources, the RDP is pushing for the reuse of waste water for agricultural purposes.

- Low carbon economy: OPI is investing in a low carbon economy by investing in projects as:
 - Increasing the use of RES in the domestic sector through a **RES support scheme** which provides financial support to cover part of the costs of PV systems installed in domestic use.
 - **Installing PVs in public buildings** as well as in other **buildings belonging to NGOs** to shift towards the use of RES.
 - Increasing energy efficiency in Malta's arterial and distributor roads street lighting through the installation and operation of **smart LED street lighting**.
 - Investing in energy efficient measures to minimise energy demand, hence reducing the carbon footprint of St. Vincent De Paul Residence, a Government-owned retirement home.
 - **Upgrading and retrofitting of the Gozo Administration Centre** to minimise the energy consumption of the targeted building.

The RDP has measures earmarked to increase efficiency in energy use in agriculture and food processing, however, during 2018, no related projects were completed.

Complimentarity with OPII (ESF)

Interventions carried out under the ESF will also seek to complement Malta's priorities under the EAFRD.

Actions earmarked under M1, covering:

- Support for vocational training and skills acquisitions actions
- Support for demonstration activities and information actions
- Support for short-term farm and forest management exchange as well as farm and forest visits,

are considered as complementary actions aiming to valorise human capital under the ESF. The ESF focuses on continuous education and training in a number of areas and through different forms of support. These include, measures directed towards the individual to get engaged in education and training activities as well as towards enterprises to invest in their people.

Through the ESF, human capital investment that is of direct relevance to the rural sector is being undertaken. These complement the initiatives undertaken within the Rural Development Programme for 2014-2020 in the fields of water management, waste management and lower-carbon-based economy through measures aiming at improving production efficiency. Complementary projects include:

- Development of Training Programmes at MQF level 7, covering the area of water resource management amongst others.
- ENDEAVOUR Scholarships Scheme, covering Level 7 or 8 courses in related areas such as Sustainable Energy, Energy and the Environment, Natural Environment and Resource Management, Sustainable Development.
- PA+ covering institutional and administrative capacity of the Planning Authority (PA) and other public and local authorities to ensure the effective implementation of planning-related reformed procedures.
- Skills development and life-long learning for technical, operational and laboratory staff covering also training in waste management at MQF level 3, amongst others.
- Skills development and life-long learning for technical, operational and laboratory staff directed towards public officers covering participation in training conferences such as European Sustainable Development Network Conference, 5th Green Industry Conference for sustainable Development; Crop management in soilless culture and hydroponics; IX International Agriculture Symposium - 1 participant; Masters in Education and Sustainable Development.

To ensure that there are no overlaps, training directed towards farmers is not covered under the ESF but covered under M1 of the RDP. As the RDP notes, M1 will focus on human capital investment for rural actors so that innovative ideas can take root.

Measures financed by other common agricultural policy instruments or other instruments in the

sectors listed in Annex I to this Regulation

Initiatives under the first pillar of the Common Agricultural Policy are complementing rural development measures implemented under the EAFRD. First pillar interventions under CAP is providing direct income support to farmers through greening payments that are directed towards agricultural practices that are beneficial for the climate and the environment. These greening measures include crop diversification and ecological focus areas. These initiatives will, amongst others, aim to encourage farmers to protect and enhance the environment of their farmland.

The majority of small farmers applying for aid under the Single Payment Scheme account for around 5,000 farmers who cultivate holdings less than 2ha in size. Micro and small farmers are receiving low-value entitlements under Pillar I notwithstanding that they are still largely obliged to respect the same obligations as larger farmers. The EAFRD complements the greening payments provided under Pillar I through the agri-environmental-climate measures, organic farming and areas with natural constraints which on their part compensate farmers to adopt an environmental service/practice on a voluntary basis.

Other forms of support include:

Direct Payments

Malta implemented measures under Pillar I from January 2015, these measures replaced the Single Payment Scheme (SPS). The direct payments support package contributes circa €5 million to the Maltese economy each year, between 1st January 2015 and end 2019. Pillar I is implemented using various options under Regulation (EU) No. 1307/2013.

No of participants supported: 5,090

Amount Claimed: €5,156,549.57

Voluntary Coupled Support

Malta is providing support to the dairy, beef, sheep and tomatoes for processing sectors. The Voluntary Coupled aid is the only solution to support specific sectors facing constraints/ difficulties which are of significant socio-economic importance. Malta €3 million per year to these measures.

No of participants supported: 345

Amount Claimed: €2,969,652.68

Young Farmers Scheme

As a result of the importance to invest in young farmers for the continuation of the sector and its enhanced competitiveness, the RDP's focus on young farmers through its M6.1 is also being complemented by the new direct payments regime which gives priority to young farmers both in terms of the allocation from the National Reserve as well as providing for an additional payment through the Young Farmers Scheme.

No of participants supported: 137

Amount Claimed: €3,056.30

Small Farmers Scheme

Malta has implemented the Small Farmers Scheme applying the provisions of Article 62(2) and considering all farmers having a holding of more than 0.3ha, but receiving a payment of not more than €1250, to be part of the scheme.

No of participants supported: 4,070

Amount Claimed €1,434,043.70

National Apiculture Scheme

The Agriculture and Rural Payments Agency provides aid to registered beekeepers through the National Agriculture Programme which aims to promote quality in honey production through actions that facilitate the dissemination of information and knowledge to beekeepers, that support the control of diseases, and support methods of production and quality control. Associations of beekeepers are also eligible to apply under Article 55(d) of Regulation (EU) 1308/2013 under which they may benefit from support for research actions concerning apiculture.

On the other hand, the measures under Malta's RDP 2014-2020 have separate objectives and do not finance the same actions. The RDP's agri-environmental-climate measure 3 rather complements the Apiculture Programme by providing beekeepers with support for the maintenance of active beehives on agricultural land.

No of participants supported: 58 participants

Amount Claimed: €16,607.77

[1] Source: OPI – 2018 Annual Implementation Report

[2] Source: OPI – 2018 Annual Implementation Report

10. REPORT ON IMPLEMENTATION OF FINANCIAL INSTRUMENTS (ARTICLE 46 OF REGULATION (EU) No 1303/2013)

30A. Has the ex-ante assessment been started ?	No
30B. Has the ex-ante assessment been completed ?	No
30. Date of completion of ex-ante assessment	-
31.1. Has selection or designation process already been launched ?	No
13A. Has the funding agreement been signed ?	No
13. Date of signature of the funding agreement with the body implementing the financial instrument	-

11. ENCODING TABLES FOR COMMON AND PROGRAMME-SPECIFIC INDICATORS AND QUANTIFIED TARGET VALUES

See Monitoring Annex

Annex II

Detailed table showing implementation level by Focus areas including output indicators

Focus Area 1A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1A	T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A)	2014-2018					8.19
		2014-2017					
		2014-2016					
		2014-2015					

Focus Area 1B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1B	T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	2014-2018					4.00
		2014-2017					
		2014-2016					
		2014-2015					

Focus Area 1C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1C	T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	2014-2018					7,200.00
		2014-2017					
		2014-2016					
		2014-2015					

Focus Area 2A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
2A	T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	2014-2018	0.44	47.53	0.38	41.05	0.93
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2A	O1 - Total public expenditure	2014-2018	22,852,466.00	98.44	9,116,670.20	39.27	23,215,010.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	200,000.00
M04	O1 - Total public expenditure	2014-2018	22,852,466.00	108.36	9,116,670.20	43.23	21,090,010.00
M04	O2 - Total investment	2014-2018			10,129,633.56	33.00	30,691,713.00
M04.1	O1 - Total public expenditure	2014-2018			0.00	0.00	8,165,666.00
M04.1	O4 - Number of holdings/beneficiaries supported	2014-2018			48.00	41.38	116.00
M04.3	O1 - Total public expenditure	2014-2018			9,116,670.20	70.54	12,924,344.00
M06	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,925,000.00
M06	O2 - Total investment	2014-2018			0.00	0.00	4,200,000.00

Focus Area 2B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
2B	T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	2014-2018	0.15	31.33	0.15	31.33	0.48
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2B	O1 - Total public expenditure	2014-2018	1,750,000.00	33.27	1,120,000.00	21.29	5,259,597.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	200,000.00
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	759,597.00
M04	O2 - Total investment	2014-2018			0.00	0.00	1,519,194.00
M04.1	O4 - Number of holdings/beneficiaries supported	2014-2018			0.00	0.00	10.00
M06	O1 - Total public expenditure	2014-2018	1,750,000.00	40.70	1,120,000.00	26.05	4,300,000.00
M06	O2 - Total investment	2014-2018			1,120,000.00	22.40	5,000,000.00
M06.1	O1 - Total public expenditure	2014-2018			1,120,000.00	26.05	4,300,000.00
M06.1	O4 - Number of holdings/beneficiaries supported	2014-2018			19.00	31.67	60.00

Focus Area 3A

FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
3A	T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)	2014-2018					1.56	
		2014-2017						
		2014-2016						
		2014-2015						
	Nr of operations supported under M4.2 contributing to FA3A (M4.2) (operations)	2014-2018						25.00
		2014-2017						
		2014-2016						
		2014-2015						
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023	
3A	O1 - Total public expenditure	2014-2018	387,766.00	4.22	0.00	0.00	9,178,538.00	
M03	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,100,000.00	
M03.1	O4 - Number of holdings/beneficiaries supported	2014-2018			0.00	0.00	90.00	
M04	O1 - Total public expenditure	2014-2018	387,766.00	5.20	0.00	0.00	7,453,538.00	
M04	O2 - Total investment	2014-2018			0.00	0.00	14,907,077.00	
M04.1 M04.2	O3 - Number of actions/operations supported	2014-2018			2.00	3.13	64.00	
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	625,000.00	
M16.4	O9 - Number of holdings participating in supported schemes	2014-2018			0.00	0.00	105.00	

Priority P4								
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
P4	T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2014-2018			5.45	182.94	2.98	
		2014-2017			2.00	67.14		
		2014-2016						
		2014-2015						
	T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2014-2018				4.12	138.30	2.98
		2014-2017				2.00	67.14	
		2014-2016				1.32	44.31	
		2014-2015						
	T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	2014-2018				13.48	211.69	6.37
		2014-2017				9.62	151.08	
		2014-2016				9.78	153.59	
		2014-2015						
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023	
P4	O1 - Total public expenditure	2014-2018	26,459,990.75	52.67	13,226,092.83	26.33	50,236,643.00	
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,760,000.00	
M01.1	O1 - Total public expenditure	2014-2018			0.00	0.00	1,440,000.00	
M01.1	O12 - Number of participants in trainings	2014-2018			0.00	0.00	2,880.00	
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,050,000.00	
M02.1	O13 - Number of beneficiaries advised	2014-2018			0.00	0.00	630.00	
M04	O1 - Total public expenditure	2014-2018	13,085,897.00	52.54	5,127,440.27	20.58	24,908,690.00	
M04	O2 - Total investment	2014-2018			5,889,797.08	17.85	32,987,379.00	
M04.4	O3 - Number of actions/operations supported	2014-2018			59.00	31.38	188.00	
M08	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,750,000.00	
M08.5	O1 - Total public expenditure	2014-2018			0.00	0.00	1,750,000.00	
M10	O1 - Total public expenditure	2014-2018	3,343,974.92	49.05	1,864,116.51	27.34	6,817,953.00	
M10.1	O5 - Total area (ha)	2014-2018			1,537.21	229.06	671.10	
M11	O1 - Total public expenditure	2014-2018	5,742.00	2.87	901.34	0.45	200,000.00	
M11.1	O5 - Total area (ha)	2014-2018			3.41	7.58	45.00	
M11.2	O5 - Total area (ha)	2014-2018			2.91	22.38	13.00	
M13	O1 - Total public expenditure	2014-2018	10,024,376.83	83.54	6,233,634.71	51.95	12,000,000.00	
M13.3	O5 - Total area (ha)	2014-2018			8,153.00	93.71	8,700.00	
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,750,000.00	

Focus Area 5A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5A	T14: percentage of irrigated land switching to more efficient irrigation system (focus area 5A)	2014-2018					5.44
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5A	O1 - Total public expenditure	2014-2018	10,961,336.00	52.93	5,515,860.02	26.64	20,708,157.00
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,760,000.00
M01.1	O1 - Total public expenditure	2014-2018			0.00	0.00	1,440,000.00
M01.1	O12 - Number of participants in trainings	2014-2018			0.00	0.00	2,880.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	350,000.00
M02.1	O13 - Number of beneficiaries advised	2014-2018			0.00	0.00	222.00
M04	O1 - Total public expenditure	2014-2018	10,961,336.00	59.74	5,515,860.02	30.06	18,348,157.00
M04	O2 - Total investment	2014-2018			6,128,733.36	27.76	22,074,834.00
M04	O5 - Total area (ha)	2014-2018			0.00	0.00	154.00
M04.1 M04.3	O3 - Number of actions/operations supported	2014-2018			9.00	16.98	53.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	250,000.00

Focus Area 5B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5B	T15: Total investment for energy efficiency (€) (focus area 5B)	2014-2018					759,597.00
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5B	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,169,798.00
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	440,000.00
M01.1	O1 - Total public expenditure	2014-2018			0.00	0.00	360,000.00
M01.1	O12 - Number of participants in trainings	2014-2018			0.00	0.00	720.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	350,000.00
M02.1	O13 - Number of beneficiaries advised	2014-2018			0.00	0.00	230.00
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	379,798.00
M04	O2 - Total investment	2014-2018			0.00	0.00	759,597.00
M04.1 M04.2 M04.3	O3 - Number of actions/operations supported	2014-2018			0.00	0.00	5.00

Focus Area 5C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5C	T16: Total investment in renewable energy production (€) (focus area 5C)	2014-2018					3,038,387.00
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5C	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	2,119,194.00
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,519,194.00
M04	O2 - Total investment	2014-2018			0.00	0.00	3,038,387.00
M04.1 M04.3	O3 - Number of actions/operations supported	2014-2018			0.00	0.00	22.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	600,000.00

Focus Area 5D							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5D	T17: percentage of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus area 5D)	2014-2018					16.09
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5D	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,614,446.00
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	220,000.00
M01.1	O1 - Total public expenditure	2014-2018			0.00	0.00	180,000.00
M01.1	O12 - Number of participants in trainings	2014-2018			0.00	0.00	360.00
M02	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	350,000.00
M02.1	O13 - Number of beneficiaries advised	2014-2018			0.00	0.00	230.00
M04	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,044,446.00
M04	O2 - Total investment	2014-2018			0.00	0.00	2,088,891.00
M04.1 M04.3 M04.4	O3 - Number of actions/operations supported	2014-2018			0.00	0.00	15.00
M04.1 M04.3 M04.4	O8 - Number of Livestock Units supported (LU)	2014-2018			0.00	0.00	6,700.00

Focus Area 5E							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5E	T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	2014-2018			2.06	38.78	5.31
		2014-2017			0.31	5.84	
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5E	O1 - Total public expenditure	2014-2018	294,405.46	15.24	190,703.49	9.87	1,932,047.00
M08	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,750,000.00
M08.5	O1 - Total public expenditure	2014-2018			0.00	0.00	1,750,000.00
M08.5	O3 - Number of actions/operations supported	2014-2018			0.00	0.00	25.00
M10	O1 - Total public expenditure	2014-2018	294,405.46	161.72	190,703.49	104.76	182,047.00
M10.1	O5 - Total area (ha)	2014-2018			235.60	38.74	608.20

Focus Area 6A

FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
6A	T20: Jobs created in supported projects (focus area 6A)	2014-2018					35.00
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6A	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	2,175,000.00
M06	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	1,925,000.00
M06	O2 - Total investment	2014-2018			0.00	0.00	4,200,000.00
M06.2 M06.4	O4 - Number of holdings/beneficiaries supported	2014-2018			0.00	0.00	32.00
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	250,000.00

Focus Area 6B								
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
6B	T23: Jobs created in supported projects (Leader) (focus area 6B)	2014-2018					10.00	
		2014-2017						
		2014-2016						
		2014-2015						
	T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	2014-2018						0.00
		2014-2017						
		2014-2016						
		2014-2015						
	T21: percentage of rural population covered by local development strategies (focus area 6B)	2014-2018				105.75	105.79	99.97
		2014-2017				99.97	100.00	
		2014-2016						
		2014-2015						
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023	
6B	O1 - Total public expenditure	2014-2018	6,154,000.00	91.17	736,529.39	10.91	6,750,000.00	
M16	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	250,000.00	
M19	O1 - Total public expenditure	2014-2018	6,154,000.00	94.68	736,529.39	11.33	6,500,000.00	
M19	O18 - Population covered by LAG	2014-2018			284,284.00	105.79	268,733.00	
M19	O19 - Number of LAGs selected	2014-2018			3.00	100.00	3.00	
M19.1	O1 - Total public expenditure	2014-2018			345,014.71	58.11	593,750.00	
M19.2	O1 - Total public expenditure	2014-2018			111,239.37	2.51	4,425,000.00	
M19.3	O1 - Total public expenditure	2014-2018			0.00	0.00	300,000.00	
M19.4	O1 - Total public expenditure	2014-2018			280,275.31	23.73	1,181,250.00	

Focus Area 6C								
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
6C	T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	2014-2018					0.00	
		2014-2017						
		2014-2016						
		2014-2015						
	Percentage of total public expenditure (M1.1 to M1.3) allocated for ICT actions/interventions (%)	2014-2018						20.00
		2014-2017						
		2014-2016						
		2014-2015						
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023	
6C	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	220,000.00	
M01	O1 - Total public expenditure	2014-2018	0.00	0.00	0.00	0.00	220,000.00	
M01.1	O1 - Total public expenditure	2014-2018			0.00	0.00	180,000.00	
M01.1	O12 - Number of participants in trainings	2014-2018			0.00	0.00	360.00	

Documents

Document title	Document type	Document date	Local reference	Commission reference	Checksum	Files	Sent date	Sent By
AIR Financial Annex 2014MT06RDNP001	Financial annex (System)	05-12-2019		Ares(2020)553096	3836143768	AIRfinancialAnnex2014MT06RDNP001_mt.pdf	29-01-2020	nscicken
Citizens' summary	Citizens' summary	31-08-2019	Citizens' summary	Ares(2020)553096	1910469589	Citizens' summary	29-01-2020	nscicken
Reply to the EC on Ares(2019)5028363 – 01/08/2019	Other annex	31-08-2019	Reply to AIR 2018 observations letter	Ares(2020)553096	3031340695	Reply to EC on AIR 2018 observations letter	29-01-2020	nscicken

