RURAL DEVELOPMENT PROGRAMME 2007 – 2013

FINANCIAL EXECUTION 2014



Rural Development Programme 2007-2013 Financial Execution 2013

 The Malta Rural Development Programme 2007 - 2013 and the expenditure up to the end of March 2014
 Disbursement of funds during 2014
 Rural Development Programme Commitments

The Malta Rural Development Programme 2007 – 2013 and the expenditure up to the end of March 2014



Malta's Rural Development Plan 2007 – 2013 was approved by the European Commission during 2008.

The approved value of the programme is €77,653,355.

The programme is financed under the European Agricultural Fund for Rural Development.

The annual commitments were set as follows:

| | | _ |
|-------|--------------|-----|
| | EAFRD | |
| Year | Contribution | |
| | € | |
| 2007 | 12,434,359 | |
| 2008 | 11,527,788 | |
| 2009 | 11,256,597 | |
| 2010 | 10,964,212 | |
| 2011 | 10,347,884 | |
| 2012 | 10,459,190 | |
| 2013 | 10,663,325 | |
| Total | 77 653 355 | 100 |

Malta is obliged to contribute to this programme. The share that are funded out of the National coffers amounts to: €23,957,785.

After adopting the Rural Development Programme, the European Commission provided Malta with the 7% prefinancing, as specified in Article 25 of Council Regulation (EC) No 1290/2005 on the financing of the Common Agricultural Policy.

The amount of pre-financing was €5,364,334.84.



Malta initiated its expenditure under the programme in July 2009.

From then on, Malta succeeded in executing payments that exceed the annual commitments set in it Rural Development Programme.

The total amount that Malta has claimed from the EU Commission up to the end of March 2014 is €52,011,535. This is equivalent to 67 % of the total approved allocation.

When we add the amount of pre-financing Malta will have received a total of ξ 57,375,870.

The remaining balance that Malta has still to declare amounts to €20,277,485.

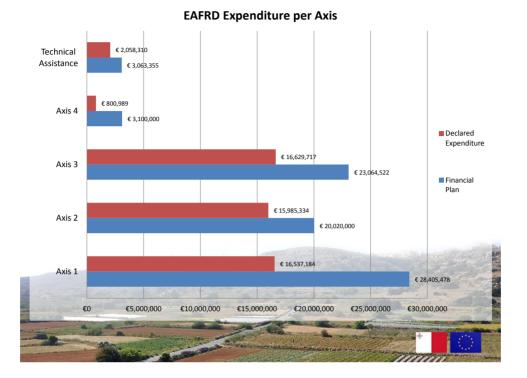
| YEAR | EAFRD EXPENDITURE (€) | PUBLIC EXPENDITURE (€) |
|-------|--------------------------|---------------------------|
| 2009 | 5,295,216 | 6,693,461 |
| 2010 | 15,985,013 | 21,025,334 |
| 2011 | 9,963,803 | 13,099,041 |
| 2012 | 10,492,273 | 13,696,331 |
| 2013 | 9,747,542 | 12,753,235 |
| 2014 | 527,688 | 696,450 |
| TOTAL | 52,011,535 | 67,963,853 |

The table hereunder shows the annual disbursement:

The allocations under the Rural Development Programme are divided into 4 Axes and an amount has been reserved for Technical Assistance.

The following is a table showing how the allocation has been divided among the axes and the declared expenditure up to end of Quarter 1 of 2014:

| | | Axis 1 | Axis 2 | Axis 3 | Axis 4 | Technical Assistance | |
|--------------------------|-------|-----------------|-----------------|-----------------|----------------|-------------------------|--|
| Finano Plar | | € 28,405,478 | € 20,020,000 | € 23,064,522 | € 3,100,000 | € 3,063,355 | |
| Declar Expend | | € 16,537,184 | € 15,985,334 | € 16,629,717 | € 800,989 | € 2,058,310 | |
| Rate Consum of Fur | ption | 58% | 80% | 72% | 26% | 67% | |



| Each Axis is sub- | Measure | Financial Plan | Declared Expenditure |
|-------------------------|--|------------------------------|--|
| divided into | Weasure | € | € |
| Measures. | 111 | 458,250 | 220,170 |
| | 114 | 150,000 | 20,400 |
| The following is a | 115 | 75,000 | 54,545 |
| preakdown of | 121 | 17,552,228 | 12,209,069 |
| | 123 | 4,768,804 | 2,107,258 |
| he approved | 124 | 750,000 | 172,047 |
| allocations and | 125 | 3,900,000 | 1,661,223 |
| related | 132 | 8,696 | 1,248 |
| expenditure per | 142 | 742,500 | 91,224 |
| | 212 | 12,400,000 | 11,226,289 |
| measure: | 214 | 7,620,000 | 4,759,045 |
| | 313 | 10,931,517 | 7,105,041 |
| | 323 | 11,901,677 | 9,293,348 |
| | 341 | 231,329 | 231,328 |
| | 410 | 2,348,000 | 390,267 |
| | 421 | 132,000 | Contraction of the second |
| | 431 | 620,000 | 410,722 |
| | Technical Assistance | 3,063,355 | 2,058,310 |
| | Total | 77,653,355 | 52,011,535 |
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Disbursement of funds during 2014



Though the expenditure to date seems to be rather low, the disbursement of claims is gaining momentum. According to the plans prepared by the Agriculture and Rural Payments Agency there is no risk of decommitment of EU funds during 2014.

| 2012 Commitment | €10,459,190 |
|---|-------------|
| Total expenditure up to end of Q1-2014 | €845,030 |
| Balance that must be disbursed by end of 2014 | €9,614,160 |

| | Forecasted expenditure up to end of 2014 | €9,816,189 |
|------------|--|--|
| | Amount in excess of the 2012 commitment | €202,029 |
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Rural Development Programme Commitments



During 2013 the Commission approved transfer of funds within the Rural Development Programme as follows:

€1,300,000 from Measure 114 to Measure 121
€2,223,808 from Measure 323 to Measure 121
€10,162 from Measure 341 to Measure 121
Therefore, Measure 121 has been topped up by €3,533,970.

•€1,000,000 from Measure 214 to Measure 212.



| | opment Measure | (| Commitments | | |
|-------------------------|-----------------------|---|--|--|---------------------------|
| - Indica | tive Budget - | | | | |
| | EAFRD | Declared EAFRD Expenditure | Pending Commitments | Uncommitted funds | Rate of consumption |
| Axis | Contribution | (up to 31 March 2014) | (EU funds) | (EU funds) | consumption |
| | € | € | € | € | |
| Axis 1 | 28,405,478 | 16,537,184 | 9,669,264 | 2,199,030 | 92.26% |
| Axis 2 | 20,020,000 | 15,985,334 | 4,034,666 | 0 | 100.00% |
| Axis 3 | 23,064,523 | 16,629,717 | 6,015,008 | 419,797 | 98.18% |
| Axis 4 | 3,100,000 | 800,989 | 2,299,011 | 0 | 100.00% |
| Technical Assistance | 3,063,355 | 2,058,310 | 787,978 | 217,067 | 92.91% |
| Total | 77,653,355 | 52,011,535 | 22,805,926 | 2,835,895 | 96.35% |
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Almost 96% of the funds allocated under Malta's Rural Development Programme 2007-2013 are committed. The following are the commitments per axis:

Axis 1 Measures

| | pment Measure ve Budget - | C | ommitments | | |
|---------|------------------------------|-----------------------------------|------------------------|--------------------------|---------------------|
| | EAFRD | Declared EAFRD Expenditure | Pending Commitments | Uncommitted funds | Rate of consumption |
| Measure | Contribution | (up to 31 March 2014) | (EU funds) | (EU funds) | of funds |
| | € | € | € | € | |
| 111 | 458,250 | 220,170 | 238,080 | 0 | 100.00% |
| 114 | 150,000 | 20,400 | 20,976 | 108,624 | 27.58% |
| 115 | 75,000 | 54,545 | 20,380 | 75 | 99.90% |
| 121 | 17,552,228 | 12,209,069 | 4,636,156 | 707,002 | 95.97% |
| 123 | 4,768,804 | 2,107,258 | 2,062,181 | 599,365 | 87.43% |
| 124 | 750,000 | 172,047 | 163,687 | 414,266 | 44.76% |
| 125 | 3,900,000 | 1,661,223 | 2,228,092 | 10,685 | 99.73% |
| 132 | 8,696 | 1,248 | 7,122 | 326 | 96.25% |
| 142 | 742,500 | 91,224 | 292,589 | 358,688 | 51.69% |
| Total | 28,405,478 | 16,537,184 | 9,669,264 | 2,199,030 | 92.26% |
| - | * | and the second second | the second and | and the second second | * |
| - | | Contraction and the second second | | an any of a fast some of | |

Axis 2 Measures

| opment Measure tive Budget - | | Commitments | | |
|---------------------------------|---|--|--|--|
| EAFRD | Declared EAFRD Expenditure | Pending | Uncommitted | Rate of consumption |
| Contribution | (up to 31 March 2014) | (EU funds) | (EU funds) | of funds |
| € | € | € | € | |
| 12,400,000 | 11,226,289 | 1,173,711 | 0 | 100.00% |
| 7,620,000 | 4,759,045 | 2,860,955 | 0 | 100.00% |
| 20,020,000 | 15,985,334 | 4,034,666 | 0 | 100.00% |
| Contraction of the second | a a diga cigani | 1 | | |
| A CONTRACTOR | The second | | | |
| | EAFRD Contribution € 12,400,000 7,620,000 | tive Budget - EAFRD Contribution € € 12,400,000 Contribution Lapha definition EAFRD Lapha definition Lapha definitation Lapha de | EAFRD Contribution Declared EAFRD Expenditure Pending Commitments (up to 31 March 2014) € € 12,400,000 11,226,289 1,173,711 7,620,000 4,759,045 2,860,955 | Live Budget -CommitmentsEAFRD ContributionDeclared EAFRD ExpenditurePending CommitmentsUncommitted funds (EU funds) |

Axis 3 Measures

| 323 11,901,677 9,293,348 2,581,946 26,384 99.78% | - Indicat | ive Budget - | | Commitments | | |
|---|-----------------------|--|---------------------|--|----------------|-------------|
| Measure Contribution (up to 31 March 2014) (EU funds) (EU funds) (EU funds) (EU funds) € € € € € 10,931,517 7,105,041 3,433,062 393,413 96.40% 323 11,901,677 9,293,348 2,581,946 26,384 99.78% | | EAFRD | | 0 | | consumption |
| 313 10,931,517 7,105,041 3,433,062 393,413 96.40% 323 11,901,677 9,293,348 2,581,946 26,384 99.78% | Measure | Contribution | · · | | | of funds |
| 323 11,901,677 9,293,348 2,581,946 26,384 99.78% | | € | € | € | € | |
| | 313 | 10,931,517 | 7,105,041 | 3,433,062 | 393,413 | 96.40% |
| 341 231,328 231,328 0 0 100.00% | 323 | 11,901,677 | 9,293,348 | 2,581,946 | 26,384 | 99.78% |
| | 341 | 231,328 | 231,328 | 0 | 0 | 100.00% |
| Total 23,064,523 16,629,717 6,015,008 419,797 98.18% | Total | 23,064,523 | 16,629,717 | 6,015,008 | 419,797 | 98.18% |
| | | Contraction of the | | | and the second | |
| | and the second second | · ···································· | - and - and - and - | and the second s | manin in | * |

Axis 4 Measures

| - Indicativ | e Budget - | | | | |
|--|--|-------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Measure | EAFRD Contribution | Declared EAFRD Expenditure | Pending Commitments (EU funds) | Uncommitted funds (EU funds) | Rate of consumption of funds |
| | | (up to 31 March 2014) | (20 minus) | (LO fullus) | |
| | € | € | € | € | |
| 410 | 2,348,000 | 390,267 | 1,957,733 | 0 | 100.00% |
| 421 | 132,000 | 0 | 132,000 | 0 | 100.00% |
| 431 | 620,000 | 410,722 | 209,278 | 0 | 100.00% |
| Total | 3,100,000 | 800,989 | 2,299,011 | 0 | 100.00% |
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Technical Assistance

| - Indicati | ive Budget - | | Commitments | | |
|-------------------------|-----------------------|--|--------------------------------------|------------------------------------|------------------------------------|
| Measure | EAFRD Contribution | Declared EAFRD Expenditure (up to 31 March 2014) | Pending Commitments (EU funds) | Uncommitted funds (EU funds) | Rate of consumption of funds |
| | € | € | € | € | |
| Technical Assistance | 3,063,355 | 2,058,310 | 787,978 | 217,067 | 92.91% |
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Thank You

