


GOVERNMENT OF MALTA
 MINISTRY FOR AGRICULTURE, FISHERIES,
 FOOD AND ANIMAL RIGHTS


ARPA
 AGRICULTURE AND
 RURAL PAYMENTS AGENCY


**QUALITY
 SERVICE**

EAFRD Financial Execution

Rural Development Programme 2014-2020

DRAFT

Agriculture and Rural Payments Agency

Monitoring Committee

17 December 2021


Rural Development Programme for Malta 2014-2020


Project part financed by the European Union
 Co-financing Rate:
 75% European Union; 25% Government of Malta





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


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General Overview

- Malta's financing plan of its RDP 2014-2020 provides an allocation of €97,326,898 EU Funds.
- A performance reserve of 6% is applied to the annual allocation, which in total will amount to €5,839,614. This is going to be used by Malta by 2023.
- The National contribution to the programme is €32,442,299.
- The last approved modification is dated 30.01.2020 and provides the following allocations:

Commitment Year	2014 €	2015 €	2016 €	2017 €	2018 €	2019 €	2020 €	Total €
Annual	0	20,905,107	20,878,690	13,914,927	13,893,023	13,876,504	13,858,647	97,326,898
Performance reserve	0	1,254,306	1,252,721	834,896	833,581	832,590	831,519	5,839,614
Net Amount	0	19,650,801	19,625,969	13,080,031	13,059,442	13,043,914	13,027,128	91,487,284


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State of Play of Programme

Measure	Total Public Expenditure Net of Recoveries (€)	Total EAFRD Expenditure Net of Recoveries (€)
1	€3,224.14	€2,418.11
2	€0.00	€0.00
3	€0.00	€0.00
4	€59,425,763.67	€44,569,322.75
6	€3,703,010.54	€2,777,257.91
8	€0.00	€0.00
10	€6,080,390.00	€4,560,292.50
11	€9,471.20	€7,103.40
13	€10,433,724.89	€7,825,293.67
16	€0.00	€0.00
19	€2,252,571.85	€1,689,428.89
20	€4,224,966.78	€3,168,725.09
Total:	€86,133,123.07	€64,599,842.30

- By the end of Quarter 3 of 2021, Malta has issued payments amounting to **€64,599,842.30** (EAFRD component), equivalent to **€86,133,123.07** Public Expenditure.

- The total expenditure was spread among 7 Measures and Technical Assistance.

- The highest uptake is under M04.

State of play per Measure

Measure	EAFRD Financing Plan in force	Total EAFRD amount Requested (€)	EAFRD Requested Financing Plan (%)	EAFRD available to declare for the remaining period
M01	€ 3,300,000.00	€2,418.11	0.07%	€3,297,581.90
M02	€ 1,875,000.00	€0.00	0.00%	€1,875,000.00
M03	€ 609,878.00	€0.00	0.00%	€609,878.00
M04	€ 56,841,121.88	€44,569,322.75	78.41%	€12,271,799.13
M06	€ 5,683,828.12	€2,777,257.91	48.86%	€2,906,570.22
M08	€ 2,625,000.00	€0.00	0.00%	€2,625,000.00
M10	€ 5,680,244.00	€4,560,292.50	80.28%	€1,119,951.50
M11	€ 150,000.00	€7,103.40	4.74%	€142,896.60
M13	€ 9,000,000.00	€7,825,293.67	86.95%	€1,174,706.33
M16	€ 2,793,750.00	€0.00	0.00%	€2,793,750.00
M19	€ 4,875,000.00	€1,689,428.89	34.65%	€3,185,571.11
M20	€ 3,893,076.00	€3,168,725.09	81.39%	€724,350.92
Total:	€ 97,326,898.00	€64,599,842.30	66.37%	€32,727,055.70

Summary Table EAFRD Quarterly Declaration during FY 2021 (Q4 2020 – Q3 2021)

Budget Code	Total Public expenditure excluding adjustments	Union Contribution before adjustments	Union contribution financial adjustments (irregularities)	Total Public contribution financial adjustments (irregularities)	Union contribution other adjustments	Total Public contribution other adjustments	Union contribution requested amount	
05 04 60 01 0121 100	€3,224.14	€2,418.11	€0.00	€0.00	€0.00	€0.00	€2,418.11	
05 04 60 01 0221 100	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	
05 04 60 01 0321 100	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	
05 04 60 01 0421 100	€12,144,731.54	€9,108,548.69	-€164,141.63	-€218,855.49	€0.00	€0.00	€8,944,407.06	
05 04 60 01 0621 100	€399,010.54	€299,257.91	€0.00	€0.00	€0.00	€0.00	€299,257.91	
05 04 60 01 0821 100	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	
05 04 60 01 1021 100	€694.37	€520.78	-€60,138.42	-€87,751.05	€0.00	€0.00	-€59,617.64	05 04 60 01 1021 100
	€33,583.04	€25,187.28	-€4,004.09	-€5,338.79	€0.00	€0.00	€21,183.19	05 04 60 01 3021 100
	€2,217,986.01	€1,663,489.51	-€1,670.89	-€2,227.85	€0.00	€0.00	€1,661,818.62	05 04 60 01 4021 100
05 04 60 01 1121 100	€0.00	€0.00	-€9.47	-€12.62	€0.00	€0.00	-€9.47	05 04 60 01 1121 100
	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	05 04 60 01 3121 100
05 04 60 01 1321 100	€3,594.55	€2,695.92	€0.00	€0.00	€0.00	€0.00	€2,695.92	05 04 60 01 4121 100
	€307.46	€230.60	-€858.85	-€1,145.13	€0.00	€0.00	-€628.26	05 04 60 01 1321 100
	€3,156.53	€2,367.37	€0.00	€0.00	€0.00	€0.00	€2,367.37	05 04 60 01 3321 100
05 04 60 01 1621 100	€1,935,731.17	€1,451,004.48	€0.00	€0.00	-€774.44	-€1,036.58	€1,450,230.04	05 04 60 01 4321 100
05 04 60 01 1921 100	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00	
05 04 60 01 2021 100	€1,060,298.87	€795,224.15	-€548.26	-€731.02	€0.00	€0.00	€794,675.89	
05 04 60 01 2021 100	€2,455,105.06	€1,841,328.80	€0.00	€0.00	€0.00	€0.00	€1,841,328.80	
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Decommitment of EAFRD allocation

- **Since Malta's RDP was approved late in 2015, the 2014 allocation was added on to the allocations approved for 2015 and 2016.**
- **Malta has succeeded in disbursing all respective allocations due so far applying the N+3 rule and leaving the Performance reserve (6%) to be used by 2023:**
 - ❖ **The 2015 allocation and 2016 allocation by end of 31 December of 2018 and 2019 respectively.**
 - ❖ **With regards to the 2017 allocation, Malta has reached this disbursement by Q3 2020.**
 - ❖ **With regards to the 2018 allocation, Malta has reached this disbursement by Q2 2021.**


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RDP 2014-2020	2014	2015	2016	2017	2018	2019	2020	Total
Allocation per Year	€0.00	€20,905,107.00	€20,878,690.00	€13,914,927.00	€13,893,023.00	€13,876,504.00	€13,858,647.00	€97,326,898.00
Total	€0.00	€20,905,107.00	€20,878,690.00	€13,914,927.00	€13,893,023.00	€13,876,504.00	€13,858,647.00	€97,326,898.00
Out of which performance reserve	€0.00	€1,254,306.42	€1,252,721.40	€834,895.62	€833,581.38	€832,590.24	€831,518.82	€5,839,613.88
Net Amount	€0.00	€19,650,800.58	€19,625,968.60	€13,080,031.38	€13,059,441.62	€13,043,913.76	€13,027,128.18	€91,487,284.12
To be used by	2017	2018	2019	2020	2021	2022	2023	
Actual Expenditure Declared								
Pre-Financing		€2,919,806.94						€2,919,806.94
Q1 2016		€0.00						€0.00
Q2 2016		€565,944.07						€565,944.07
Q3 2016		€23,512.81						€23,512.81
Q4 2016		€1,654,062.09						€1,654,062.09
Q1 2017		€305,557.24						€305,557.24
Q2 2017		€88,102.98						€88,102.98
Q3 2017		€123,251.05						€123,251.05
Q4 2017		€1,664,858.49						€1,664,858.49
Q1 2018		€773,254.33						€773,254.33
Q2 2018		€404,854.30						€404,854.30
Q3 2018		€6,548,266.47						€6,548,266.47
Q4 2018		€4,579,329.81	€6,508,560.25					€11,087,890.06
Q1 2019			€620,865.42					€620,865.42
Q2 2019			€4,054,637.63					€4,054,637.63
Q3 2019			€3,666,529.00					€3,666,529.00
Q4 2019			€4,775,376.30	€2,665,557.33				€7,440,933.63
Q1 2020				€3,339,671.66				€3,339,671.66
Q2 2020				€4,050,418.15				€4,050,418.15
Q3 2020				€3,024,384.24	€202,723.74			€3,227,107.98
Q4 2020					€5,389,174.47			€5,389,174.47
Q1 2021					€2,064,622.89			€2,064,622.89
Q2 2021					€5,402,920.52	€347,464.83		€5,750,385.35
Q3 2021						€1,755,944.23		€1,755,944.23
Total Expenditure Declared	€0.00	€19,650,800.58	€19,625,968.60	€13,080,031.38	€13,059,441.62	€2,103,409.06	€0.00	€67,519,651.24
Disbursement Balance								
Remaining Balance For Disbursement	€0.00	€0.00	€0.00	€0.00	€0.00	€10,940,504.70	€18,866,742.06	€29,807,246.76
W/O Performance Reserve								€97,326,898.00


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EAFRD allocation for 2015	
Malta's allocation for commitment year 2015	€20,905,107.00
less Performance Reserve	€1,254,306.42
Net amount to be disbursed by end of 2018	€19,650,800.58
Less:	
Pre Financing	€2,919,806.94
Declarations of EAFRD expenditure submitted to EC between Quarter 2 of 2016 and Quarter 4 of 2018	€16,730,993.64
Balance as at 31 December 2018	€0.00

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EAFRD allocation for 2016


Malta's allocation for commitment year 2016	€20,878,690.00
less Performance Reserve	€1,252,721.40
Net amount to be disbursed by end of 2019	€19,625,968.60
Less:	
Pre Financing	
Declarations of EAFRD expenditure submitted to EC between Quarter 4 of 2018 and Quarter 4 of 2019	€19,625,968.60
Balance as at 31 December 2019	€0.00



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EAFRD allocation for 2017

Malta's allocation for commitment year 2017	€13,914,927.00
less Performance Reserve	€834,895.62
Net amount to be disbursed by end of 2020	€13,080,031.38
Less:	
Pre Financing	
Declarations of EAFRD expenditure submitted to EC between Quarter 4 of 2019 and Quarter 3 of 2020	€13,282,755.12
Balance as at 15 October 2020	-€202,723.74



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EAFRD allocation for 2018

Malta's allocation for commitment year 2017	€13,893,023.00
less Performance Reserve	€833,581.38
Net amount to be disbursed by end of 2020	€13,059,441.62
Less:	
Pre Financing	
Declarations of EAFRD expenditure submitted to EC between Quarter 3 of 2020 and Quarter 2 of 2021	€15,162,850.68
Balance as at 15 October 2020	-€2,103,409.06

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Expenditure for Q4 2021

- **In July 2021, Malta has reported a forecast of €2,850,880.00 (eafrd Contribution) for Q3 2021 and €5,018,226.00 (EAFRD Contribution) for Q4 2021.**
- **For Q4 2021, up till 30th November 2021, Malta has already made €507,185.88 worth of Payment Executions. A number of recoveries are been collected in Q4 2021, amounting to €595,203.27.**
- **By the end of December it is envisaged the remaining amounts are paid accordingly. The majority of the expenditure is going to be on M04, M10, M13 and M20.**

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Error Rate for FY 2020

As Per Management Declaration for FY 2020 the following Error Rates were declared, based on Control Statistics of 2019:

EAGF IACS: 0.40%

EAGF Non-IACS: 3.00%

EAFRD IACS: 1.87%

EAFRD Non-IACS: 0.00%

Total Error Rate: 0.70%



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Extract from Management Declaration

Population	Population Error rate in financial year 2019	Error rate in previous financial year	Explanations in the event of the three cases defined above, please indicate
TOTAL EAGF – IACS	0.40%	1.08%	The error rate at population level in the financial year is below the allowable threshold and hence no explanation is deemed necessary.
TOTAL EAGF Non-IACS	3.00%	1.77%	This high error rate was mainly due to School Scheme. During Scholastic Year 2019/2020, the suppliers of Milk and Fruit and Vegetables did not always respect the tender specifications on the time of delivery of the products to schools early morning. Due to this, a daily penalty had to be applied on the supplier. For the next Scholastic Year, a new tender with new specifications will be applied, as the present tender has expired at the end of Scholastic Year 2019/2020.
TOTAL EAFRD – IACS	1.87%	2.51%	The error rate at population level in the financial year is below the allowable threshold and hence no explanation is deemed necessary.
TOTAL EAFRD Non-IACS	0.00%	0.00%	The error rate at population level in the financial year is below the allowable threshold and hence no explanation is deemed necessary.
TOTAL	0.70%	1.34%	



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Thank you

