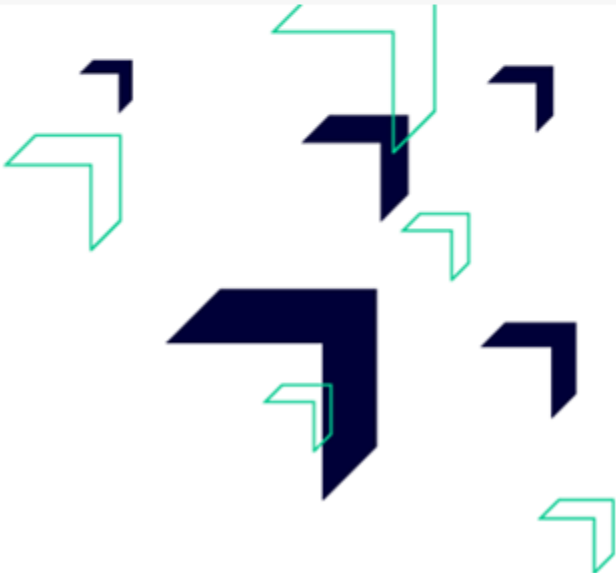


PROGRAMMING OF EUROPEAN UNION FUNDS FOR MALTA

2021-2027

Common Agricultural Policy Strategic Plan
9 March 2023



Co-funded by
the European Union

CAP Strategic Plan

- Covers:
 - **EAGF** - European Agricultural Guarantee Fund (Pillar 1, Direct Payments);
 - **EAFRD** - European Agricultural Fund for Rural Development (Pillar 2, Rural Development);
 - **Support for Apiculture;**
- Total budget: Eur **166mn** (EU+MT);
- Adopted by the European Commission on **30th November 2022**.

Aim: Target the needs of the agricultural sector and aim to provide adequate resources to meet future demands including environmental and climate objectives, new technologies and digitalisation, fair income for farmers and workers, improving rural conditions, and improving farm resilience

Common Agricultural Policy Strategic Plan - Malta

CAP SP Objectives

Malta's CAP Strategic Plan aims to support interventions under the 3 General Objectives and 9 Specific Objectives and a cross-cutting objective.

The three general objectives outlined in the regulatory framework aim to:

General Objectives (GO)	
GO 1	Foster a smart, competitive, resilient and diversified agricultural sector ensuring long-term food security
GO 2	Support and strengthen environmental protection, including biodiversity, and climate action and contribute to achieving the environmental and climate-related objectives of the Union, including its commitments under the Paris Agreement
GO 3	Strengthen the socio-economic fabric of rural areas

What's New?

- i. 1 Plan covering EAGF, EAFRD and Apiculture support;
- ii. Different co-financing rates:
 - EAGF: 100% (EU share);
 - EAFRD: 60% (EU share) – 40% (MT share) mainly, subject to the regulatory parameters (rate is defined at intervention level);
 - Apiculture: 50% (EU share) – 50% (MT share);
- iii. Financial Instrument to support YF in relation to land acquisition;
- iv. Animal Welfare Scheme
- v. Green Architecture – Eco-Schemes under EAGF and Land Based Management Commitments and organic farming under EAFRD;
- vi. Financial transfers of 25% from EAFRD budget towards EAGF;
- vii. Different regulatory parameters, EU ambitions, national socio-economic realities, emerging needs.

Regulatory Parameters for the CAP SP

Policy Area	Regulatory Parameter	% in MT CAP SP
Article 92 – LEADER	Min. 5%	5%
Article 93 – EAFRD contribution to the CAP SP reserved for environment and climate specific objectives and animal welfare	Min. 35%	47.84%
Article 94 – Technical Assistance	Max 6%	4%
Article 95 – Support to Young Farmers and the Setting up of Young Farmers	€ 137,821 per year	€ 137,821 per year
Article 96 – Coupled Income support	Max. 13% or derogation to use up to EUR 3M per year	Applied derogation to use up to € 3m per year
Article 97 – Eco-schemes supporting climate, environment and animal welfare	Min. 25%	25%
Article 105 – Increased Environmental and climate ambitions	Greater contribution to environmental-climate objectives compared to support provided during 14-20	53% compared to 45.64% committed in 2014 -2020 RDP

CAP SP Commitments

- Initiatives supported through the CAP SP will be implemented in line with Government's commitment to earmark **10%** of funds under Cohesion and Agricultural funds for Gozo, whereby the plan will address the needs of the agricultural sector in Gozo through several measures.

Direct Payments

Basic Income Support for Sustainability (BISS)

- Aims to support viable farm income in view of the unique challenges faced by Malta's farmers;
- Continues to build on previous annual decoupled payments per eligible hectare;
- Payment rate enhanced compared to the 2014 – 2020 period.

Funding for this intervention amounts to **€15.7 million**.

Direct Payments

Basic Income Support for Sustainability for Small Farmers (BISS SF)

- Designed to offer a simplified form of income support to active farmers;
- Will take the form of a lump sum for each farmer (payment rate of €250 per holding for 2023-2026) and offered as alternative option to BISS.

Funding for this intervention amounts to [€2.5 million](#).

Direct Payments

Complementary Income Support for Young Farmers (CIS YF)

- Designed as an additional payment to further support to young farmers on top of BISS;
- Will take the form of an annual decoupled payment per eligible hectare area;
- Payment rate significantly enhanced compared to the 2014 – 2020 period.

Funding for this intervention amounts to [€0.72 million](#).

Direct Payments

Coupled Income Support (CIS)

- Aimed at supporting highly disadvantaged sectors by improving their competitiveness, sustainability or quality;
- Continued support targeting the beef, dairy, sheep and tomatoes (for processing) sectors;
- Will consist of an annual payment per eligible head or hectare.

Funding for this intervention amounts to **€15 million**.

Direct Payments

Schemes for the Climate, the Environment and Animal Welfare (Eco-schemes)

- Aim to support farmers who voluntarily make commitments to observe practices beneficial for climate change, protection and improvement of water quality and prevention of soil degradation amongst others;
- Three schemes proposed under the CAP SP:
 - **Biodegradable mulch**: support the switch to biodegradable mulch instead of standard plastic mulch;
 - **Land parcels dedicated for biodiversity purposes**: enhancing and restoring biodiversity on holdings by dedicating a land parcel for plant species that attract pollinators;
 - **Integrated Pest Management Plan**: encouraging farmers to adopt an IPMP on their holding, encouraging controlled use of Plant Protection Products.

Funding for these interventions amounts to **€9.1 million**.

Apiculture Programme

Apiculture Programme

- Aims to support the beekeeping sector through a number of actions, including, amongst others:
 - advisory and training;
 - investments combatting beehive invaders and diseases, in particular varroasis;
 - restocking of beehives and measures rationalising transhumance;
 - research actions and support for labs.

Funding (EU+MT share) for these interventions amounts to [€141,370](#).

Rural Development

Management Commitments

- Payments granted annually to farmers who voluntarily undertake management commitments that are beneficial to the environment and that exceed baseline legislation, for a period of five years;
- Four schemes shall be supported through the CAP SP:
 - 1. Support for the maintenance of newly planted recommended tree species:*** encourage farmers to maintain trees on their holding and carry out the necessary interventions to ensure they are provided with the necessary environment to thrive;
 - 2. Control weeds in orchards and vineyards by mechanical, instead of chemical methods and green cover:*** aims to reduce the use of herbicides on agricultural holdings, therefore reducing the impact on soil and biodiversity;
 - 3. Introduction of bee boxes on holdings:*** shall incentivise farmers to set up bee boxes on their holding and to support established beekeepers;
 - 4. Implementation of soil management and conservation plan:*** aims to increase organic content of the soil and promote sustainable use of soil and its preservation.

Funding (EU+MT share) for this intervention amounts to **€3.9 million**.

Rural Development

Organic farming

- Annual payments for farmers aiming to convert their holding to organic farming and to those who have already been granted organic status and aim to maintain;
- The aim is to increase the area under organic farming from 0.6% to 2.54%;
- Significant increase in support rates compared to the 2014 – 2020 period
 1. **Conversion to organic farming:** annual payments for conversion shall apply for a maximum of two years;
 2. **Maintenance of organic farming:** annual support for farmers to maintain organic farming practices for a minimum of 5 years.

Funding (EU+MT share) for this intervention amounts to **€ 2.3 million**.

Rural Development

Animal Welfare

- Payments granted annually, to livestock breeders who voluntarily undertake management commitments that aim to improve the welfare of animals, exceeding baseline legislation, for a period of five years;
- One animal welfare scheme shall be supported through the CAP SP:
 - *Animal welfare scheme for broilers*: aims to incentivize broiler breeders to improve broiler welfare by reducing the stocking density during the growing period, support rate of €0.35c per head.

Funding (EU+MT share) for this intervention amounts to **€1 million**.

Rural Development

Genetic Resources

Integration and maintenance of autochthonous Maltese species

- Support will be provided in the form of annual payments for the conservation of indigenous tree and animal species, namely:
 - Carob (harrub) and (White/ Black) Mulberry (cawsla and tuta);
 - Maltese Black Chicken;
 - Maltese Ox.

Support for conservation and sustainable use and development of genetic resources in agriculture

- Aimed at supporting plant and animal species vulnerable to genetic erosion;
- Support for conservation-type operations, promoting ex situ and in situ conservation, characterisation, collection and utilisation of genetic resources in agriculture.

Funding (EU+MT share) for this intervention amounts to [€1.2 million](#).

Rural Development

Natural and other area specific constraints (ANC)

- This scheme provides eligible beneficiaries with an annual payment, aimed to address the specific constraints faced by agriculture production in Malta, to ensure continued agricultural land use across rural areas;
- This intervention has been offered in previous programming periods, covering all agricultural land across Malta's entire territory, since EU accession in 2004.

Funding (EU+MT share) for this intervention amounts to [€14 million](#).

Rural Development

Young Farmers (YF)

Start-up aid – Grant

- Aimed at supporting young farmers through the provision of start-up aid in the form of a lump sum to be used for the implementation of a business plan, through which, the farmer will set up as the head of the agricultural holding;
- The support rate shall be of up to *€100,000 per YF*.

Financial Instrument

- Aimed at supporting young farmers specifically in the purchase of agricultural land, subject to the submission of a business plan.

Funding (EU+MT share) for this intervention amounts to **€7.1 million**.

Rural Development

Non-productive investments

On-farm non-productive investments

- Aims to support investments that include the restoration and/or establishment of rubble walls and other rural landscape, planting of trees and ancillary works and the creation and/or restoration of different types of terrestrial habitats.

Funding (EU+MT share) for this intervention amounts to **€1.25 million**.

Rural Development

Non-productive investments (cont.)

Off-farm non-productive investments and afforestation

- Aims to contribute to the conservation of existing woodland and support new planting of trees, to improve habitats and biodiversity;
- Supports the establishing, restoring, or re-instating of rural infrastructure including the restoration and/or establishment of rubble walls, the creation and/or restoration of various terrestrial habitats;
- Support may also be provided for the rehabilitation of valleys;
- Support for the planting of trees and ancillary works non on agricultural parcels.

Funding (EU+MT share) for this intervention amounts to circa **€8.8 million**.

Rural Development

Productive Investments

On-farm productive investments

- Aims to support investments in agricultural holdings to improve competitiveness of holdings and their environmental performance;
- Support may be provided for investments in farm modernisation, purchase of resource efficient equipment, smart irrigation equipment, investments in precision farming, detection of diseases through investments in antimicrobial resistance and upgrades to the National Veterinary Laboratory, investments in greenhouses, interventions related to handling of manures and slurries, preventive measures aimed at reducing the impact of extreme weather events, improvements in the welfare conditions of farmed animals, and diversification by established farmers.

Funding (EU+MT share) for this intervention amounts to **€21.4 million**.

Rural Development

Productive Investments (cont.)

Off-farm productive investments

- This intervention aims to fund productive off-farm investments related to processing and/or development of agricultural products;
- Farmers, other businesses, public entities, and land managers shall be eligible for support under this intervention.

Funding (EU+MT share) for this intervention amounts to **€6.7 million**.

Rural Development

Off-farm Infrastructure

Water and waste

- Aims to support investments that take place off the farm but which are of benefit to the agricultural sector;
- Intervention is expected to support the extension of the 'New Water' network and the establishment of projects aimed at treating farm waste as a resource.

Funding (EU+MT share) for this intervention amounts to **€31 million**.

Rural Roads

- Aims to support investments in the upgrade and modernisation of rural roads in rural areas, to improve accessibility of farmers to their holdings.

Funding (EU+MT share) for this intervention amounts to **€5.7 million**.

Rural Development

Cooperation

EIP Operational Groups - support horizontal and vertical cooperation among supply chain actors with regards to short supply chains, local markets, sustainable use of biomass for use in food and energy production, and support for pilot projects for the development of new products, practices, processes and techniques.

Funding (EU+MT share) for this intervention amounts to [€1.67 million](#).

Quality Schemes - support eligible beneficiaries to participate in quality schemes for products, including those subscribed to the Products of Quality National Scheme, existing or new PDO or PGI-labelled products for Malta, and organic farming if applicable.

Funding (EU+MT share) for this intervention amounts to [€1.56 million](#).

Rural Development

Cooperation (cont.)

LEADER

- Aims to provide support for the LEADER programme that will be implemented by Local Action Groups;
- Following selection of Local Action Groups, this intervention shall finance the running costs of selected LAGs, measures programmed in the respective LDS and implementation of cooperation activities.

Funding (EU+MT share) for this intervention amounts to **€5.2 million**.

Rural Development

Knowledge exchange and dissemination of information

- Support may be provided for vocational training, education, skills acquisition actions, knowledge transfer such as training and farm advisory services;
- Training and farm advisory services will target increasing economic viability of the farms, improving competitiveness, sustainable and efficient use of resources, protection of biodiversity, animal welfare and improved environmental awareness, amongst others.

Funding (EU+MT share) for this intervention amounts to [€4.4 million](#).

Technical Assistance

Type of potential actions:

- Planning and management of human resources, including external expertise required to evaluate the CAP SP;
- Simplification of administrative work;
- Improve selection procedures;
- Enhance IT systems;
- Running of the National CAP Network/AgriConnect;
- Support the operation of Monitoring Committee;
- Reimburse costs of related to publicity;
- Reimburse travel-related costs;
- Develop plans, studies and roll out of awareness actions;
- Reprogramming of the CAP SP and programming of CAP SP post 2027.

Funding (EU + MT share) for TA amounts to **€5.2 million**.

Partnership



In the run up to the development of the Plan, various stakeholders were involved in the development of the Plan between 2019-2021, including through the 2014-2020 MC, consultative meetings with farmers, farmers' representatives, rural businesses and NGOs and a public consultation exercise.

Next Steps



Launch of calls – Quarter 2-3 of 2023



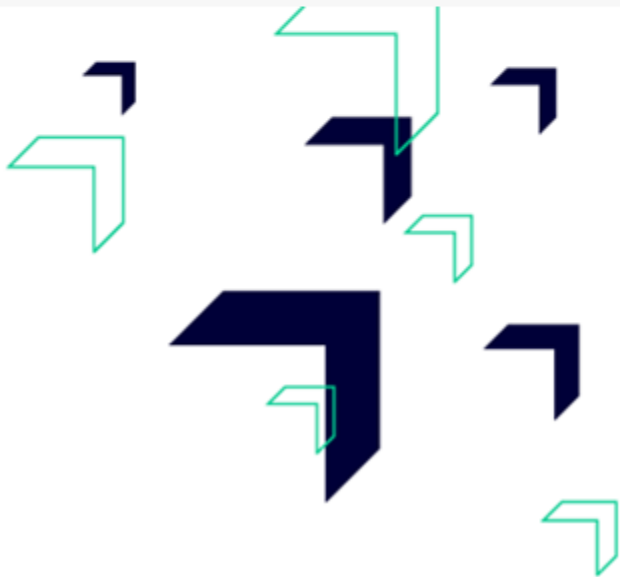
Continued monitoring of the CAP SP implementation and the outcome of relevant evaluations



Continued engagement with the Monitoring Committee

Thank you !

<https://fondi.eu/programme/common-agricultural-policy-strategic-plan/>



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