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National Rural Network Malta

NEWSLETTER

Dear Readers,

Welcome to the 12th issue of the National Rural Network Newsletter. This year proved to be a very busy yet exciting year for everyone. As we are currently concluding the implementation of the final projects for the 2007-2013 programme, we are happy to announce that the new Rural Development Programme 2014-2020 was successfully launched on the 18th of December.

Networking among stakeholders has always been highly regarded in rural communities; having said this, should you have any queries or would like to share with us your experiences we highly recommend that you get in contact with us and forward any of the above mentioned information so that we can assist you to help spread useful and innovative information and strengthen our rural communities.

Your input and feedback will help us in successfully implementing the new programme.

Network Support Unit



Rural Development Programme for Malta 2007-2013
Part-financed by the European Union
Technical Assistance
The European Agricultural Fund for Rural Development
Co-financing rate: 75% European Union, 25% Government of Malta
Europe Investing in Rural Areas



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EAFRD – Supporting the continued development of Malta’s tourism sector



Malta's rich history and unique mix of cultural influences are some of the characteristics that make an ideal destination. The geographical location of the two islands and the distinctive rural landscape they boast set it even further apart from other spots.

Yet, the sector has been increasingly competitive, with importance being given to a holistic experience being offered. This has resulted in the need for continued investment in tourism-related infrastructure in order to cater for the ever-changing demands of holidaymakers.

In recognising the possible difficulties for small European Union (EU) Member States such as Malta, the 2007-2013 European Agricultural Fund for Rural Development (EAFRD) aims to support investments carried out by National Entities, local councils and small businesses. Funding assistance has been made available through Axis 3, entitled Improving the Quality of Life in Rural Areas. In terms of objectives, applicable interventions centre on upgrading, rehabilitating as well as enhancing key rural sites and landscapes. Management and Protections of areas of cultural and natural are also eligible for financial support.

To improve return on investment, Axis 3 funding has been split into Measures 313 and 323. The two funding measures are tailored to address specific requirements whilst providing added value.

Interested in getting to know more about the contribution of EAFRD's Axis 3? Read on for more details on how the Programme is assisting the continued development of rural tourism in Malta.



Measure 313 Encouragement of Tourism Activities

Investments supported by the measure target:

Projects delivering added value of the natural and manmade heritage, forming a backdrop for the outdoor activities such as walking routes and cycling trails that go through or pass in the vicinity of sites of historical, archaeological and cultural interest;

Development of ICT-based services that provide new opportunities in terms of marketing, distribution and communication of tourism services and products as well as events;

Development of tourist services and products that have a direct link to the rural heritage of areas concerned which are deemed to be isolated from the more frequented zones.

Project Profile – Upgrading of a park to enhance the local tourism product

The project raises the profile of the BirdPark Malta both locally as well as beyond Malta's shores. As a result, investments made earmark the diversification of the tourism product on offer as well as support economic growth within the rural locality of St Paul's Bay.

EAFRD funds contributed towards the construction of the following facilities:

- Administration Block;
- Cafeteria;
- Visitors Centre;
- Cold Rooms;
- Observation Centre;
- Natural Reserve;
- Utilities Block.

Funding was also directed towards the provision of equipment that further improved the daily running of BirdPark and hosting of events. This has enabled it to diversify its activities and potential sources of income.

Maximum co-financing rate: 100% of eligible project costs

Measure 323

Conservation and Upgrading of the Rural Heritage

Investments supported by this measure place their focus on the following:

- Drawing-up of protection and management plans relating to Natura 2000 sites and other places of high natural value;
- Environmental awareness actions;
- Investments directed towards maintenance, restoration along with the upgrading of natural heritage and development of high natural value sites;
- Studies and investments associated with maintenance, restoration and upgrading of cultural heritage as well as cultural features of villages along with the surrounding rural landscape.

Project Profile – Restoration and conservation of farmhouses

EAFRD interventions were directed towards the restoration of three 17th century farmhouses situated in the Buskett area, with the onus also being put on restorations being conducted in order to reflect and complement the area's rural characteristics.

The three rural structures have also been repurposed in order to assist in the activities of the two NGOs and as a visitor centre by the P.A.R.K.S. Directorate currently within the remit of the Ministry for Sustainable Development and Climate Change (MSDEC).

In addition, the investments also supported the development of a consolidated management plan so as to preserve the protected area surrounding the three farmhouses. The Plan also targets the mitigation of any possible environmental threats to the flora and fauna throughout Buskett.

Maximum co-financing rate: 90% of eligible project costs / 10% financed by beneficiary's own resources



Promotion of Gozo as a Distinct Destination



One of the main measures launched by the Gozo Action Group Foundation during 2014 was the Promotion of Gozo as a distinct destination. In fact during the consultation stage it was one of the most important topics discussed by the social partners.

The action aims to generate tourism demand in Gozo, especially in shoulder months. The strategic objective of the action is to develop Gozo distinctiveness and enhance synergies with tourism-related activities in order to promote growth and reduce seasonality in a sustainable manner.

The purpose of the action is to provide assistance to the development and implementation of marketing initiatives focused on Gozo's distinctiveness in six main areas which are: Agriculture, Environment, Landscape, Culture, Heritage and Gastronomy.



Name of Beneficiary:
Gozo Tourism Association

Name of Partner:
Malta Tourism Authority

Name of Project:
Island of Gozo: A unique destination for all

Grant Amount:
€ 154,207

One of the beneficiaries under this action is the Gozo Tourism Association. The project aims to showcase Gozo as a distinct island destination in the Mediterranean. The purpose of this project is to provide assistance to the development of creative and innovative activities to market Gozo's distinctiveness in the short and long term. The strategic objective of this project is to develop Gozo distinctiveness and enhance synergies with tourism related activities in order to promote growth and reduce seasonality in a sustainability manner. This will be done through the assessment of the current situation and the setting up of a marketing action plan that will allow the beneficiary a clear pathway of how to position and market Gozo as a distinct destination for a period of three years. The implementation of a promotional campaign targeting both overseas and local tourists, the enhancement of the website and the setting up of an annual international tourism conference in Gozo all lead to achieving the scope of the action.

The project will encompass a number of interventions that will strengthen the destination's ability to position and promote itself on a variety of niches and as a destination with a distinct personality from Malta. The project will focus on the following interventions:





1. Gap Analysis and Creation of a Gozo Tourism Marketing Plan

This intervention will consist of studies and research related to an analysis of the current situation outlining the macro and micro environmental factors affecting tourism in Gozo, the compilation of finite milestones set over a period of time, the development of an Action Plan and implementation schedule which identifies the details of the work required and marketing strategy specifically designed around Gozo's distinctiveness.



2. Local and International Promotion

Gozo enjoys a combination of domestic and international tourists. The project will implement a local and international promotion campaign focusing on innovative promotional techniques ensuring a maximum exposure of the destination. Part of the promotion will involve short TV spots on local TV stations, themed editorials on various local magazines, online Monthly Traveller's Blog, innovative Ad campaign using traditional print adverts and a varied social media campaign, short promotional videos for social media and youtube as well as promotional material in the form of publications.



3. Enhancement of the website www.islandofgozo.org

The website, developed, owned and managed by GTA will be enhanced and revamped through this project allowing tourists a better online access to the destination. The portal will be re-designed and upgraded to match the professionalism of the national tourism portals. The portal will be upgraded to allow for access from mobile devices and enabling the platform of the Traveller's Blog. The website will also be enhanced to include a booking engine to GTA members.



4. Organisation of an International Tourism Conference

On the 21st of May 2015, the GTA in collaboration with MTA organized the first International Island Tourism Conference with the theme 'The Image & Sustainability of Island Tourist Destinations'. The main aim of this international conference is to present and discuss national and international experiences about tourism competitiveness, customer's experience, destination image and branding, sustainability and tourism marketing on islands.



Support for Artisanal Activities - San Niklaw Estates Project



Project Title:
Acquisition of automatic bottling line, oak
barriques and restoration of visitor's centre.

Total Project Cost:
€65,200 (excl. VAT)

Grant Amount:
€50,000

Project

San Niklaw Estate (SNE) produces and sells quality estate Wine (DOK Malta) and Olive Oil. The investment comprises an automatic bottling line, a stock of French Oak barrels and restoration of a Visitors' Centre where visitors can be attracted to the Xlokk region and participate in wine and olive oil tastings at San Niklaw Estate.

Scope & Aims

San Niklaw Estate (SNE) comprises 4 hectares of vineyards and olive trees. A small scale Estate Boutique Winery serves the existent vineyard holding. SNE focuses on quality Artisanal Wine and Olive Oil on a small scale to ensure that production is sustainable in economic, cultural, social and environmental terms employing the latest winery & olive oil producing technology while preserving the expression of Traditional methods and the Maltese terroir in the wines. The appreciation of local high quality products is on the rise and San Niklaw Estate is committed to offer the best possible experience both in terms of actual product as well as to the overall wine tourism product not only within the Xlokk context but also a national one.

Indeed, at San Niklaw the product is the sum total of various elements, which together provide an experience and all three elements are in line with the Xlokk Local Development Strategy. Therefore, the objectives of this project are complementary to the Xlokk Local Development Strategy and the project contributes to the achievement of the targets of this strategy. In other words, SNE contributes to the strengthening of the identity of the region and therefore its sustainability is a prerequisite for this to materialise.

The existence of SNE has enhanced community cohesiveness and brought about animation of the territory. The restoration of rubble walls, the establishment of manicured vineyards and olive grove and the general rehabilitation of the countryside at San Niklaw have made the region more attractive.

San Niklaw Estates are already an innovative concept, found in a unique property bringing together a 17th century countryside chapel and country house, country grounds and niche quality agricultural products. To this end the project, funded under the LEADER programme, includes 3 main elements:

Acquisition of Automatic Bottling Line

This machinery has enabled SNE to save on costs and time in that bottling, corking, capsuling and labelling are performed in a fraction of the time it used to take previously. This machinery has improved labour efficiency, facilitated major cost savings and enhanced quality enabling the estate to strengthen its sustainability.

Acquisition of Oak Barriques

Oak barriques are central to the aging and maturing process of red wines at SNE with a resultant enhancement of quality in the artisanal product. Wine aged in oak has added intrinsic value in the agro-tourism market. The acquisition of French Oak barrels has allowed us to promote and valorize the quality product from the Xlokk territory.

Restoration of Visitors' Centre

The third element which funding has allowed is the rehabilitation, conservation and internal restoration of the Visitors' Centre where visitors would aim to visit when in the Xlokk region and participate in wine and olive oil tastings at San Niklaw Estate. This element of the entire project will enable SNE to showcase its unique product within the Xlokk region and attract visitors to the region thus not only contributing to the rural economy but also elevating the profile of the region.



What's new?



The Malta's Rural Development Programme (RDP) 2014-2020 has now been approved and adopted by the European Commission; the official launch will take place in mid-December 2015. It is expected that the first calls for applications under the new RDP measures will be launched during the first quarter of 2016.

In preparation for the launch of the programme and subsequently the measures it comprises, it would be useful to have a look at the main, new elements of this programme when compared to its 2007-2013 equivalent.

Structure of the Programme

The 2007-2013 comprised various measures falling under one of the identified 5 priority axes. The first notable difference in the new RDP sees the removal of this axis structure, replaced by 6 EU priority areas, sub-divided in a total of 18 focus areas. The consultation process and preparations leading up to the drafting of the new programme also identified 5 main needs for the Maltese agriculture sector, namely:

- Water, wastes and energy
- Maltese quality produce
- Sustainable livestock
- Landscape and environment
- Wider rural economy and quality of life

These needs were derived from the feedback received during consultation with numerous stakeholders in the sector, from a SWOT (strengths, weakness, opportunities, threats) analysis of the sector which was carried out, and on the basis of the aforementioned EU priorities. The menu of measures selected by the Managing Authority to be programmed under the RDP, was that which was deemed most suitable to address positively the identified 5 needs for Malta and Gozo.



Calls

The new programme will see the launch of an open call An open call is one which does not close, and for which there is no deadline for submission of applications; or rather, calls will only close once the budgetary allocation for the measure in question is entirely used up.

Under an open call procedure, potential beneficiaries will be able to benefit from increased flexibility in submitting project proposals. Periodical evaluations of received applications will be carried out; this means that applicants will be able to revise and resubmit unsuccessful applications quickly, rather than having to wait for the next time the call for applications opens. It will also allow the possibility for beneficiaries to carry out a number of projects during the 2014-2020, being able to apply for further funding under the same measure straight after concluding their initial projects.

Other Regulatory Changes

Other key differences between the 2007-2013 and 2014-2020 programme include:

- A minimum of 30% of the total RDP budget will be earmarked for actions which contribute to the achievement of EU-wide climate change targets
- The new programme will not support interventions carried out to conform to obligatory standards, unless these standards are newly introduced throughout the life of the programme
- The eligibility of expenditure which can be claimed by beneficiaries will commence on the date of signing of the relevant grant agreement, not before

The total RDP budget has also increased when compared to the 2007-2013 funds. The programme will now carry a total of almost €130 million, an increase of around €30 million from the previous RDP. 25% of this total will be covered by the Maltese Government, while the remaining amount will be provided by the European Commission under the European Agricultural Fund for Rural Development (EAFRD).



Measures

Whilst all measures in the new programme are somewhat different to the previous ones, the framework of the more important schemes under the 2007-2013 RDP has been replicated and enhanced further. Equivalents of the most important 2007-2013 measures such as M111, M114, M115, M121, M123, M125, M212 and M214, as well as LEADER will all form part of the new programme, under different titles, and with some slight differences with respect to eligibility conditions and selection criteria, as well as eligible costs financeable under each individual scheme.

Furthermore, the new programme will see the launch of a set of entirely new measures for Malta, namely:

Measure 6 – Farm & Business Development **Farm & Business Development**

This measure will be split between two sub-measures, the granting of start-up aid for young farmers, and support for the development of non-agricultural activities.

The young farmer measures aims to incentivise farmers, who are 40 years or younger, to set up and develop new and sustainable agricultural holdings, while at the same time contributing to creating a younger farming population. The latter sub-measure will provide funding to beneficiaries who are set up in rural areas, but wish to diversify into non-agricultural activities.

Measure 8 **Investments in forest area development and improvement of the viability of forests**

This measure will provide support for three main operations:

- Afforestation activities; that is, the planting of indigenous trees
- Maintenance operations with respect to the protection of habitats and biodiversity
- Investments in public amenities

Given that there are no real forest areas in Malta and Gozo, the RDP has established a specific definition for areas eligible for support under this measure. Areas must have a minimum size of 0.5 Ha, and have a minimum tree cover of 10% of the total area. This tree cover may be achieved through afforestation support.

Measure 16 **Cooperation**

This new measure aims at incentivising the development of cooperation between a more diverse range of actors in the agricultural sector. A number of sub-measures have been programmed under this measure, which will mainly support the following cooperative actions:

- The European Innovation Partnership (EIP) – a new initiative which aims to support innovative cooperative projects
- Pilot projects
- Network for rural tourism
- Development of short supply chains and local markets
- Joint actions related to climate change
- Bioenergy
- Diversification actions

The results of each innovative, cooperative action carried out through support under this measure, must be disseminated publicly through the EIP network.

Measure 17 **Risk Management**

The risk management measure will provide support to cover up to a maximum of 65% of the premium paid by beneficiaries for crop, animal and plant insurance coverage. This is something which is totally new for Malta, as no insurance company has offered such coverage in the past.

Coverage will mainly cater for damages caused by adverse climatic events, animal and plant diseases, pest infestations, and environmental incidents.

For further information concerning the Rural Development Programme for Malta 2014-2020 and the launch of calls for applications, it is advisable to regularly consult our **website: www.eufunds.gov.mt**