

NATIONAL RURAL NETWORK MALTA



PARLIAMENTARY SECRETARIAT
FOR THE EU PRESIDENCY 2017 AND EU FUNDS

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EDITION 13 OCTOBER 2016

The Rural Development Programme 2014-2020

Welcome to the 13th issue of the National Rural Network Newsletter. Malta is now implementing the 'new' Rural Development Program for the 2014-2020 Programming Period. Over the past months, the Managing Authority has issued a number of calls and pre calls for Measures 4.1, 4.4, 10.1, 13 and 19.1. The latter (M19.1, LEADER) included an expression of interest for the Submission of Applications for Funding under- 'Preparatory Support for the Design and Development of a Local Development Strategy (LDS)'. As mentioned above, the Managing Authority also launched the applications for ANC: M13 M13.3 - 'Compensation payment to other areas affected by specific constraints'. The Managing Authority also launched AECMs 1 (control of weeds in orchards and vineyards),

AECMs 6b and 6c supporting the integration and maintenance of autochthonous Maltese species covering the Maltese Ox, carob and mulberry trees.

The Managing Authority for the European Agricultural Funds for Rural Development will also shortly issue a pre-announcement for Measure 4.4 Support for non-productive investments linked to the achievement of agri-environment climate objectives. Besides Measure 4.4 the forthcoming Agro-Environment Climate Measures will also be launched shortly AECM 2 - the removal of alien tree species and the planting and upkeep of trees, AECM 3 - Support for the introduction of beehives on holdings and AECM 4 - Measure for the implementation of an

integrated Pest Management Plan targeting vineyards and orchards and AECMs 6a supporting the Maltese black chicken will be issued shortly.

Networking among stakeholders is very important, and the Managing Authority is currently in the process of re-launching the National Rural Network with proper intermediaries and points of reference. In the meantime should you have any queries or would like to share with us your experiences we invite 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.

Best Regards,
Network Support Unit



Rural Development Programme for Malta 2014-2020

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*

Rural Development Programme 2007-2013

AN OVERVIEW

The Rural Development Programme 2007-2013 aimed at improving the economic, social and environmental conditions in rural areas. The Programme brought together a wide range of funding opportunities for the farming and primary processing sectors, rural enterprises and rural tourism. It included measures to support and encourage rural communities and delivered the LEADER initiative for local innovation in rural areas.

The Programme helped farmers, and their families, agricultural organisations and other people involved in the agricultural industry. Aid under the RDP versified from farm modernisation, training and advice, to developing new business ideas or enhancement of a local community.

The total public funding for the Rural Development Programme for Malta 2007-2013 amounted for €101,467,415. The national contribution (i.e. from the Maltese Government) was of €23,814,060 while that from the European Union amounted to €77,653,355 financed from the European Agricultural Fund for Rural Development (EAFRD). The budget was divided

FINANCIAL PLAN BY AXIS (IN EUR TOTAL PERIOD)

Axis	Total public	EAFRD contribution rate (%)	EAFRD amount
Axis 1	39,177,245	75/25	29,382,935
Axis 2	27,180,867	80/20	21,744,694
Axis 3	27,149,830	75/25	20,362,371
Axis 4	3,875,000	80/20	3,100,000
Technical Assistance	4,084,473	75/25	3,063,355
Total	101,467,415	76/24	77,653,355

between the five axes of the programme wherein each axis was allocated a share to be used under a number of measures that lead to the realization of the final objectives of the Rural Development Programme.

AXIS 1

Improving the competitiveness of the Agricultural sector-building and improving human capacity and supporting investments to increase competitiveness in the agricultural and agro-food sector.

The objective of Axis 1 was that of improving the competitiveness of the agricultural sector by putting emphasis on investments targeting restructuring and innovation, and enhancement of human and physical potential.

This Axis focused on 4 priorities: knowledge transfer, modernisation of holdings, adding value to agricultural products with respect to quality and enhancing cooperation among producers.



Projects financed under M121- The modernisation of agricultural holdings



Vinegar from Maltese tomatoes: Project financed through Measure 124: Cooperation for development of new products, processes and technologies in the agriculture and food sector



*M 125 Investments in infrastructure related to the development and adaptation of agriculture
Road resurfacing by Marsascala Local Council, contracted through GXF*

AXIS 2

Improving the environment and the countryside- targeting environmental challenges in a sustainable manner.

Measure 212: Less Favored Areas

Malta is designated as “less-favored”, meaning agricultural production is more difficult because of natural handicaps leading to a risk of agricultural land abandonment and loss of biodiversity, desertification, fires and the loss of highly valuable



rural landscape. To mitigate these risks, the Less Favored Area (LFA) payment schemes was an important tool which supports farmers in areas with handicaps to compensate for the disadvantaged conditions in which they operate.

Beneficiaries: over six thousand (6,000) farmers in Malta and Gozo.

Measure 214: Agri- Environment payments

Measure 214 consists of ten (10) Agri- environment measures: AEM 1-9 and designed to encourage farmers to protect and enhance the environment on their farmland by paying them for the provision of environmental services and AEM 10 Supports project type actions directly focused on conservation procedures of local endangered species and breeds.

Project under AEM10: The study and sustainability conservation of varieties of local plants

Beneficiary: Plant Health Directorate

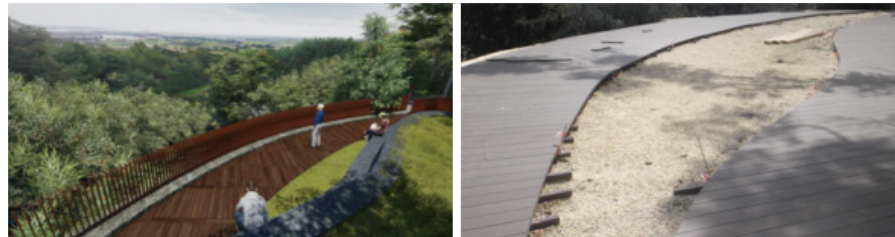
Results and benefits: This project aims to conserve a number of local species and varieties whether cultivated or wild which are under a number of local species and varieties whether cultivated or wild which are under high threat of disturbance or disappearance and are at risk of genetic erosion. Furthermore, such plants being of traditional, agricultural and cultural importance need to be conserved in order to halt their eventual extinction. This project shall create local public awareness on the valuable plant genetic resources of the Maltese Island and their sustainable use.



Axis 2- Improving the environment and the countryside



M313 Gharghur Local Council project Encouragement of Tourism Activities



Mtarfa Local Council M313 project, contracted through MAGF Encouragement of Tourism Activities

AXIS 3

Improving the quality of life in rural areas and diversification of the rural economy- encouraging new ways and methods that will improve rural areas and promote the diversification of rural products.

Measure 313 Encouragement of tourism Activities

This Measure focused on the promotion of economic growth and rural heritage as a tourist product in rural areas. The encouragement of rural tourism, including cultural tourism, ecotourism and agri-tourism, offered support for individual initiatives that build on the traditional, cultural and natural heritage of rural areas.

Furthermore this Measure enhanced entrepreneurial activities, increased diversification, growth and employment in rural areas, contributing to a better territorial balance.

Measure 323 - Conservation and upgrading of the rural heritage

The Measure was aimed at improving the quality of life in rural areas while also supporting the conservation, restoration and upgrading of the rural heritage; increasing awareness of the value of the natural and built rural heritage; and ensuring the sustained use of rural heritages resources for economic and social benefits.



Sannat Local Council Project- M323 (Conservation of rural heritage) • Wasteserve project-M323 (Conservation of rural heritage)

AXIS 4

LEADER- introducing a new approach of the local governance in a more target manner.

Under Leader, the three Local Actions Groups (LAGs) Xlokk (GALXLOKK), Majjistral (MAGF) and Gozo (GAGF) implemented an integral local development strategy for the region. The LAG's cover 46 localities with a population of 260,635 and cover 287 square Kilometers.

The main objective of the LEADER initiative under the RDP 2007-2013 was that of building local capacity and improve the efficiency of local decision making. The financial assistance provided under Axis 4 focused on bringing together the different local public and private actors in the form of local action groups to promote cooperation, innovation and improve local governance.

Projects financed through LEADER in the LAGs regions include the creation, management and promotion of a rural tourism networks, artisanal and agricultural activities, embellishment projects, cultural and educational activities, encouragement of tourism activities.



Malta's Rural Development Programme 2014-2020

AN INTRODUCTION

MALTA'S RURAL DEVELOPMENT PROGRAMME FOR 2014-2020 WILL CONTINUE BUILDING ON THE 2007-2013 RURAL DEVELOPMENT PROGRAMME. THE RURAL DEVELOPMENT PROGRAMME FOR 2014-2020 WILL INCORPORATE SOME KEY DIFFERENCES FROM THE 2007-2013 PROGRAMME.

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.

The 2014-2020 Programme will include important changes such as: 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 total RDP 2014-2020 budget has also been 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).

Malta's agricultural sector is characterised by very small holdings as well as problems with water supply and an ageing workforce. Therefore, taking into consideration local characteristics and difficulties the Rural Development Programme for 2014-2020 identified five main needs:

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

In addressing these challenges, Malta's RDP will fund operations under all six Rural Development priorities, with a particular emphasis on Restoring, preserving and enhancing ecosystems related to agriculture, as well as improving the competitiveness of the

farm sectors and promoting social inclusion and economic development in rural areas. The priorities are:

1. Knowledge transfer and innovation in agriculture, forestry and rural areas;
2. Competitiveness of agricultural sector and sustainable forestry;
3. Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture;
4. Restoring, preserving and enhancing ecosystems related to agriculture and forestry;
5. Resource efficiency and climate;
6. Social inclusion and local development in rural areas

The Rural Development Programme for Malta 2014-2020 will help the island's agricultural sector to further adapt to current and future challenges and participate fully in the European Union's single market.

An Overview of Measures 1 and 2

FORMING PART OF THE RURAL DEVELOPMENT PROGRAMME FOR MALTA 2014-2020

MEASURE 1 - KNOWLEDGE TRANSFER AND INFORMATION ACTIONS

Training is required to meet the five areas of need identified for the local agricultural sector, while whenever possible, training objectives will contribute to the achievement of relevant national strategies and priorities. Some training topics which will be supported under Measure 1 will also be relevant for actors in the sector which are not necessarily farmers.

Under Measure 1, Malta has programmed the following sub-measures:

MEASURE 1.1 - SUPPORT FOR VOCATIONAL TRAINING AND INFORMATION ACTIONS

The eligible beneficiaries (recipients of funds) for support under this measure are entities or bodies that will provide knowledge transfer and/or information actions to the profit of persons engaged in the agricultural, food and forestry sector, land managers, economic actors/SMEs operating in rural areas.

Eligible expenditure under sub-measure 1.1 includes the cost of organizing and delivery of the knowledge transfer or information action, more specifically:

The cost of attending a training course. In cases of lack of capacity, competence or expertise in organising a certain training course in Malta, beneficiaries will be eligible to attend such training overseas;

- Hire of facilities to deliver training events;
- Venue costs;
- Contracts with providers of training and external specialists;
- Salaries of employees;
- Marketing and promotion of training events/courses;
- Publication of training materials;
- Development and delivery of training

For 'advanced' training sessions only and lasting at least one full day or longer: Cost of replacement of farmer is also an eligible expense. It means any person suitable to replace the farmer (head of the holding) when participating in training.

MEASURE 1.2 - SUPPORT FOR DEMONSTRATION ACTIVITIES AND INFORMATION ACTIONS

As for sub-measure 1.1, the eligible beneficiaries (recipients of funds) for support under this measure are entities or bodies that will provide knowledge transfer and/or information actions to the profit of persons engaged in the agricultural, food and forestry sector, land managers, economic actors/SMEs operating in rural areas.

The eligible expenditure under sub-measure 1.2 covers costs for demonstration activities and information actions, more specifically:

Demonstration Activities:

- Capital costs for the setting up of the project
- Hire of facilities
- Venue costs
- Hire of specialist expertise
- Salaries of employees
- Travel
- Accommodation
- Per diem expenses
- Information Actions:
- Publication of training materials
- Marketing and promotion costs

MEASURE 1.3 – SUPPORT FOR SHORT-TERM FARM AND FOREST MANAGEMENT EXCHANGE AS WELL AS FARM AND FOREST VISITS

The eligible beneficiaries (recipients of funds) for support under this measure are entities or bodies that will be entrusted to organise the exchanges and visits with the scope of providing knowledge transfer and/or information actions to the profit of persons engaged in the agricultural, food and forestry sector, land managers, economic actors/SMEs operating in rural areas.

Eligible expenditure under sub-measure 1.3 involves the cost of organizing and delivering a farm exchange and/or farm visit experience thus any cost incurred in implementing the operation, more specifically:

- Hire of facilities
- Venue costs
- Contracts with providers of training and external specialists
- Salaries of employees
- Marketing and promotion
- Publication of training materials
- Development and delivery exchange visit
- Costs of participants, including accommodation and other travel costs
- Travel costs

For visits lasting at least one full day or longer: Cost of replacement of farmer is also an eligible expense. It means any person suitable to replace the farmer (head of the holding) when participating in training.

MEASURE 2 – KNOWLEDGE TRANSFER AND INFORMATION ACTIONS

The measure will provide a range of advisory support that can be targeted at all of the five areas

of need identified for the local agricultural sector. Advisory support will go beyond simple provision of information and involve understanding of particular issues in an individual farm of business context, in order to provide guidance on improvements.

Measure 2 support will be provided in the form of provision of advice to farmers, forest holders, other land managers, SMEs operating in rural areas, support for the setting up of advisory services, together with training of the advisors.

Under Measure 2, Malta will be programming sub-measures:

MEASURE 2.1 - SUPPORT TO HELP BENEFITING FROM THE USE OF ADVISORY SERVICES

The eligible beneficiaries for support under this sub-measure are advice providers, public and/or private entities having competence in the area covered by the sub-measure. The end beneficiary will be farmers, young farmers and other land managers, forest holders and SMEs operating in rural areas who will be the recipients of advice.

Advice providers will be selected by an independent Selection Board following launch of a call by the Managing Authority, which will stipulate requirements and eligibility conditions, selection criteria, and other requirements as necessary. Selection of advice providers will be carried out in line with applicable public procurement rules.

Eligible costs under this measure include:

- Cost of the advice provided: cost incurred by the advisory service to provide the advice (which may involve salaries of employees, travel, material, cost related to the place where the advice is delivered, etc.).

MEASURE 2.2 - SUPPORT FOR THE SETTING UP OF FARM MANAGEMENT, FARM RELIEF AND FARM ADVISORY SERVICES AS WELL AS FORESTRY ADVISORY SERVICES

The eligible beneficiaries for support under this sub-measure are authorities or bodies, public and/or private entities, selected to set up of the farm management, farm relief of forestry advisory service. The end beneficiary will be farmers, young farmers and other land managers, forest holders and SMEs operating in rural areas who will be the recipients of advice.

Eligible costs under this sub-measure include:

Setting up costs of farm management, farm relief, farm advisory services and forestry advisory services: costs directly link to the setting up of the services (such as technical/legal assistance, administrative cost, cost of activity license, etc.) which go beyond the scope of what the Malta Farm Advisory Service (FAS) is currently able to.

MEASURE 2.3 - SUPPORT FOR TRAINING OF ADVISORS

The eligible beneficiaries for support under this sub-measure are entities, public and/or private, providing training for advisors. The end beneficiary will be farmers, young farmers and other land managers, forest holders and SMEs operating in rural areas who will be recipients of advice.

Eligible costs under this measure include:

- Cost of training of advisors: costs incurred in organizing and deliver the training to the advisors (such as salaries of employees, travel cost, material prepared for the training, costs related with the place where the training is delivered, etc.).

An Overview of Measure 10

AGRI-ENVIRONMENT-CLIMATE MEASURES (AECM)

AGRI-ENVIRONMENT-CLIMATE MEASURES (AECM) SUPPORT FARMERS WHO WANT TO PROTECT AND ENHANCE THE ENVIRONMENT OF THE LAND THEY MANAGE. THE RURAL DEVELOPMENT PROGRAMME (RDP) ALLOCATES €12,250,000 BETWEEN TWO SUB-MEASURES:

- **Sub-measure 10.1** - payment for agri-environment-climate commitments and
- **Sub-measure 10.2** - support for conservation and sustainable use and development of genetic resources in agriculture

Amongst the Article 5 of Regulation (EU) no. 1305/2013 of the European Parliament and of

the Council highlights four focus areas and cross-cutting objectives. These are:

- Focus Area 4A: restoring, preserving and enhancing biodiversity, including in Natura 2000 areas and high nature value farming, and the state of European landscapes.
- Focus Area 4B: improving water management, including fertiliser and pesticide management
- Focus Area 4C: preventing soil erosion improving soil management.
- Focus Area 5E: fostering carbon sequestration in agriculture and forestry.

MEASURE 10.1

The six operations and their respective allocated budget are illustrated in table 1 below.

In most cases, the eligible beneficiaries falling under measure 10 include:

- Farmers
- Groups of farmers.
- Other land managers, including NGOs.
- A mixture of the above (as indicated under the general description) who carry out, on a voluntary basis, operations consisting of one or more agri-environment-climate commitments on agricultural land.

AECMS OVERVIEW

AECM 1

AECM 1 aims to incentivise farmers to clear weeds in vineyards and orchards between 15th October and 15th March. The control of weeds through mechanical means all year round does not provide sufficient pest control in the Maltese environment and if controlled solely through mechanical means, it would not be economically and ecologically viable. Weeds removed during this period with mechanical means may also be used as mulch.

AECM 2

AECM 2 compliments measure 4.4 for the replacing of alien tree species with endemic and indigenous trees or the planting of new trees on slopes or terraces in registered cultivated land. Under

TABLE 1: AECM BUDGET ALLOCATION

Measure
AECM 1: Using mechanical control (rather than herbicides) for weeds in permanent crop production systems (olives, vines, orchards).
AECM 2: Tree maintenance.
AECM 3: Support for introduction and management of bee boxes on holdings to improve pollination.
AECM 4: Implementing integrated pest management plans for vineyards and orchards.
AECM 5: Introduction and implementation of soil management and conservation plans for whole holdings.
AECM 6: Integration and maintenance of autochthonous Maltese species (2 types of animal, 3 plant species)

* Indicative Budgetary Expenditure

this AECM, land managers may apply to for the maintenance of the planted trees, including clearing of weeds, removal of dry undergrowth in summer months, any trimming, pruning or any other support to safeguard and protect the trees.

AECM 3

This measure aims to incentivise farmers to set up bee boxes on their holdings and to support beekeepers to continue their role in the apiculture sector. This measure would be particularly beneficial in areas with a high garrigue/maquis ratio due to the wild flower varieties that are present in such environments.

AECM 4

The aim of this AECM is to incentivise farmers to develop an Integrated Pest Management Plan to reduce the use of pesticides on a calendar spraying basis and incentivise the application of pesticides only when necessary, resulting in lower pesticide application rates. Due to the nature of these plans and lack of national authority with this knowledge base, these plans have to be outsourced and due to this it is not feasible to introduce across the board for all crops. IPMs emphasise the growth of a healthy crop with the least possible disruption to agro-ecosystems and encourage natural pest control mechanisms.

AECM 5

The aim of this measure is to incentivise farmers to prepare and implement a soil management plan on their holding targeting three primary soil related threats on a holding level; erosion, compaction and low soil organic matter.

AECM 6

This measure promotes the protection and maintenance of autochthonous Maltese species. This measure will target two species of livestock the (6A) Maltese ox and the (6B) Maltese black chicken as well as provide support for the (6C) carob and mulberry trees.

The Leader Programme

WHAT DOES LEADER STAND FOR?

Though Leader has a meaning in English the acronym for 'LEADER' Programme derives from the French words "*Liaison Entre Actions de Développement de l'Économie Rurale*" which means, 'Links between activities for the development of rural economy'. The main idea was to engage the energy and resources of people and bodies as actors having a role in their development rather than beneficiaries, empowering them to contribute to the future development of their rural areas by forming area based Local Action Group (LAG) partnerships between the public, private and civil sectors. These Local Action Groups are the main tool for the application of the LEADER approach to area development directly involving local representatives the development and delivery of local strategies, decision-making and resource allocation.

When first proposed in 1990, the LEADER concept of connecting and involving local people was innovative as an idea. The LEADER approach was introduced in response to the failure of traditional, top-down policies to address problems faced by many rural areas in Europe. The added value of this approach is associated with local empowerment through local strategy development and resource allocation. The main tool for the application of the LEADER approach to area development and involving local representatives in decision-making is the Local Action Group (LAG).

A BRIEF HISTORY

LEADER was first introduced as a Community Initiative, as a financial instrument of the EU structural policy aimed to find new solutions to specific problems affecting the whole EU. In its experimental phase between 1991-1993 the LEADER initiative involved 217 areas in designated disadvantaged rural regions. This focus on disadvantaged areas also applied to LEADER II between 1994-1999 although the number of LAGs increased to around 1,000. The encouraging results led to the applicability of the method being expanded under LEADER+ (2000 - 2006) to cover all types

of rural areas. The approach was 'mainstreamed' in its fourth programming period (2007-2013) as an integral part of the EU's rural development policy, covering 2416 rural territories across all the Member States. It has become a mandatory component of all Rural Development Programmes, with a minimum budget allocation (5% in EU-15 and 2.5% in the new Member States).

In Malta the LEADER Programme was introduced in the 2007-2013 funding period as part of the Rural Development Programme for Malta for the same period. Three LAGs were constituted, two for Malta; Majjistral Action





Group Foundation and Galxlokk Foundation and a third LAG encompassing all of Gozo. Maltese LAGs have also participated in Transnational Cooperation projects that have helped them to share their experience and network with other LAGS from different participating countries including Italy and Denmark.

2014-2020 - BUILDING ON THE LEADER EXPERIENCE IN MALTA

LEADER has developed so as to have the mechanisms to support the approach, formal networking structures through National Rural



Networks and the European Network for Rural Development provide technical support and other networking services for LAGs.

The aim of the 2014-2020 RDP is to build on the foundations and recognition that have been created during the current programming period.

The strategies devised by the LAGs will complement the goals established by the Rural Development Programme but also focus on the particular needs of that given LAG area. The main themes that the LDS must build upon shall be the five main needs identified for the RDP (refer to introduction). Thus measures and actions proposed in the LDS will be complementary and contribute to the achievement of their goals and targets.

Under Measure 19, Malta has programmed four sub-measures:

- 19.1 - preparatory support
- 19.2 - implementation of operations under the CLLD strategy
- 19.3 - preparation and implementation of cooperation activities of the local action group
- 19.4 - running costs and animation

UNDER MEASURE 421 TRANSNATIONAL COOPERATION MALTESE LAGS COULD COOPERATE WITH OTHER EUROPEAN LAGS

An expression of interest for potential LAGs was issued by the Managing Authority EAFRD and potential LAGs are in the process of drawing up the Local Development Strategy and issuing a call.

The LEADER Programme has been given its due importance in the 2014-2020 Rural Development Programmes and in fact in the RDP for Malta there has been a significant increase in the budget for Leader to a total of €6.5 million including Malta's Public contribution.

MEASURE 421 - HELPED LOCAL LAGS TO PROMOTE LOCAL PRODUCE IN OTHER EU MEMBER STATES

The LEADER Programme has been crucial in giving further impetus to rural communities across Malta and Gozo, helping to provide funds for projects including refurbishment, projects by different enterprises, projects promoting sports and exercise as well as branding of the relevant regions covered by the LAGs.