

**Guidance Notes for Applications for Funding under Measure 19.3 of the Rural
Development Programme 2014-2020 – ‘Preparation and Implementation of
cooperation activities of the local action’**

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MANAGING AUTHORITY (EAFRD)

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Rural Development Programme for Malta 2014-2020



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

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1. Rationale for Intervention

During the period 2014 – 2020, the European Agricultural Fund for Rural Development (EAFRD) will provide support for inter-territorial and trans-national cooperation projects undertaken by Local Action Groups (LAGs) across the EU Member States through RDP M19.3.

This sub-measure is also linked to the Local Development Strategies (LDS) approved by the Managing Authority and the LAG's for RDP 14-20 as well as the contracts signed between the same parties for implementation of same LDS.

Measure 19.3 provides support for preparation and implementation of cooperation projects between LAGs in different territories and local public-private partnerships in other types of areas¹, **which are implementing a local development strategy**. One of the partners in the co-operation project must play the role of coordinator, who shall oversee the successful implementation of the project and being the channel of communication with the national and/or regional authorities. In cases where the local LAG is not the coordinator, the MA and ARPA will also seek direct input both from the coordinator as well as the local LAG (including progress report from the latter).

Cooperation is understood to extend beyond basic networking, to incorporate joint actions by LAGs with other groups in another region or Member State. There is a high added value which results from cooperation between rural territories. It is through interaction with other regions and countries that Member States will be able to gain possession of information and innovative ideas and to acquire skills and means to improve delivery. Cooperation will also help to broaden local views and improve on local development strategies, which would result in real added value for the area. The benefit goes both ways as an exchange of knowledge will take place.

Cooperation can also help LAGs to boost their regional activities and allow them to be able to address certain challenges or add value to local resources. Ultimately, the knowledge that results from cooperation should be filtered to other LAGs, with special attention given to those action groups which so far had little or no experience in cooperation projects.

¹ LAGs are allowed to co-operate not only with partners implementing a local development strategy in rural areas, but also with public-private partnerships in other types of areas **which are implementing a local development strategy**. Cooperation with local public-private partnerships located outside the borders of the EU will ONLY be possible with partners located in rural areas.

2. Authorities

The Funds and Programmes Division (FPD) within the Ministry for European Affairs and Equality (MEAE) is the Managing Authority (MA) responsible for managing the measures of the European Agricultural Fund for Rural Development Fund (EAFRD) in accordance with the Rural Development Programme (RDP) for Malta for the 2014 – 2020 programming period. The Paying Agency (PA) is the Agriculture and Rural Payments Agency (ARPA) within the Ministry for the Environment, Sustainable Development and Climate Change (MESDC) responsible for performing verification prior to issuing the payment to the beneficiaries

3. Scope and Objectives

Measure 19.3 seeks to spur cooperation initiatives within regions and across different countries by supporting local initiative and local drive for diversification. The bringing together of partners with a common interest leads to the generation of new ideas, the development of innovative approaches and sparks entrepreneurial activity.

Inter-territorial cooperation supported under this Measure includes cooperation between the LAGs in Malta who can propose a joint project of a national dimension. Trans-national cooperation includes cooperation between different rural areas covered by LAGs from at least two Member States or between local LAG and a public-private partner from another Member State operating in other types of areas which are implementing a local development strategy. Cooperation with public-private partnerships outside the borders of the EU is also possible provided the partners are located in rural areas.

4. Contribution to cross-cutting objectives, focus areas and needs

Applications for support will be considered on the basis of their contribution to one or more of the following cross cutting objectives, focus areas and needs².

Contribution to Cross-Cutting Objectives

Project proposals under the LEADER Measure are expected to contribute to one or more of the following cross-cutting objectives:

² For further details on the Focus areas and cross-cutting objectives, please refer to chapter 8 of the RDP 2014-2020 'Support for LEADER local development, section 8.2.12.2 'General description of the measure including its intervention logic and contribution to focus areas and cross-cutting objective'.

1. Environment: LAG activities have the potential to contribute to environmental objectives through their selection of project and operations.
2. Climate: LAG activities have the potential to contribute to environmental objectives through their selection of project and operations.
3. Innovation: LAG operation may facilitate the development, use and transfer of new ideas, products or technologies in order to improve a system, product, or service.

Contribution to Focus Areas

Project proposals under the LEADER Measure are expected to contribute to one or more of the following focus areas:

1. Focus Area 6B: Promoting social inclusion, poverty reduction and economic development in rural areas.

Contribution to the Needs of the Rural Development Programme

Applicants are also required to demonstrate how their proposed projects shall result in the achievement of certain targets by clearly outlining the proposed project's contribution to one or more of the following needs that have been identified in the Malta Rural Development Programme (RDP).

1. **Maltese Quality Produce:** Produce may contribute to support innovation and improved productivity, also of quality produce.
2. **Wider rural economy & quality of life:** Development of rural tourism activities and enhance the cultural and natural heritage of villages and rural landscapes.

Applicants can also choose to venture into other needs as they seem appropriate.

5. Duration

The Cooperation Measure will remain open until a notification of closure is sent from the Managing Authority to the eligible applicants two weeks before the closure of the call and on the date of the closure.

6. Budget

The sum of €300,000.00 is allocated to Measure 19.3 under the Rural Development Programme for Malta 2014-2020. The breakdown of this allocation is as follows:

€99,000.00 – Gal Xlokk Foundation

€99,000.00 – Gozo Action Group Foundation

€102,000.00 – Majjistral Action Group Foundation

Budget allocated to a specific LAG which remains uncommitted by 29th November 2019, will be redirected by the MA as necessary to other RDP commitments, respecting Article 59 (5) of EU Regulation 1305 (2013).

7. Aid Intensity

The maximum aid intensity under this measure is:

- 80% public financing
- 20% private financing
- The total amount of *de minimis* aid granted to a single undertaking will not exceed €200,000 over any period of three fiscal years.
- Applicants must submit a signed *de minimis* declaration form indicating any *de minimis* aid received during the previous two fiscal years and the current fiscal year.

8. Implementation

Actions financed under Measure 19.3 are to be implemented and payment documentation submitted within 24 months from date of award letter.

For a detailed description of the correct documentation necessary for the PA to be in a position to issue the respective payment can be found on the following link, The document is entitled Investment Measures Payments Guidelines:

<https://agriculture.gov.mt/en/arpa/Pages/guidelines.aspx>

Uncommitted funds will be redirected by the MA as necessary to other RDP commitments, respecting Article 59 (5) of EU Regulation 1305 (2013).

9. Calls Procedure

The call for application will open on the 31st October, 2018 and shall remain open until the 29th of November 2019.

10. Regulatory Framework

The following is the relevant legal basis for the Cooperation Measure:

- a. Articles 42, 43, 44 and 59 of Regulation (EU) No. 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD);
- b. Article 11 of Commission Delegated Regulation (EU) No. 807/2014 supplementing Regulation (EU) No. 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and introducing transitional provisions;
- c. Regulation (EU) No 1306/2013 of the European Parliament and of the council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008.
- d. Commission Implementing Regulation (EU) No. 808/2014 laying down rules for the application of Regulation (EU) No. 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD);
- e. Regulation (EU) No. 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No. 1083/2006.
- f. Commission Guidance for Implementation of the Leader Co-operation activities in rural development programmes 2014 – 2020 (Draft – 11/10/2013, Last updated at time of publishing of these guidelines – 27/04/2017)³;
- g. Malta Partnership Agreement for the Programming Period 2014-2020;
- h. Malta’s Rural Development Programme 2014-2020;
- i. Environment Protection Act, 2016, ACT No. I of 2016.

All above as may be amended.

11. Eligible Actions

Projects submitted for support under this measure should be in line with the five Malta needs as identified in Malta’s Rural Development Programme:

³ https://enrd.ec.europa.eu/sites/enrd/files/leader-cooperation_guide_en_update_april-2017.pdf

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

Actions eligible for funding under this sub-measure will include:

- Finance of Transnational cooperation projects (between Malta and other EU member state or EU non-member states) and Inter-territorial cooperation project (within Malta) among Local Action Groups.
- Preparatory actions that will lead to a potential project commitment. In case of failure to formalise an agreement with a partner LAG preparatory expenses incurred would still be eligible.
- Implementation of a cooperation project.
- Networking support by making the necessary contact with the ENRD and National Rural Networks from other Member States, to identify potential cooperation opportunities with their country LAGs.
- Support shall be granted to cooperation projects within a member state (inter-territorial cooperation) or cooperation project between territories in several member states or with territories in third countries (trans-national cooperation). Cooperation can also encompass more than one local LAG along with partners from other countries;
- Support shall be granted to preparatory technical support for inter-territorial and trans-national cooperation projects, on condition that LAGs are able to demonstrate that they are clearly planning the implementation of a concrete project.

12. Eligible Applicants

Beneficiaries under Measure 19.3 are Local Action Groups (LAGs) approved by the Managing Authority. Malta has 3 LAGs, namely: Gal Xlokk Foundation, Majjistral Action Group and Gozo Action Group.

13. Eligible Expenditure

As per section 4.2.5.12.1 of Operating Guidelines expenditure in relation to preparatory activity, co-ordination and animation costs may be eligible for funding prior to the submission of an application

under M19.3 only. LAG has to demonstrate that they are envisaging the implementation of a concrete project and have to consult, in writing, the MA for approval prior to expense being incurred.⁴

All other expenditure will be eligible for reimbursement only if it has been incurred after an application has been submitted to the Managing Authority and an acknowledgement is issued by the Managing Authority in line with article 60(2) Reg (EU) 1305/2013.

Below is a non-exhaustive list of eligible costs supported under this measure:

- Technical Preparatory actions for a co-operation project;
- Organisation of events and events planning;
- Support for innovation in products / services in rural areas;
- Adoption of common methodological and working methods;
- Communication and networking;
- Marketing activities;
- Job creation and sustaining of existing jobs;
- Generation of additional and alternative incomes in rural areas;
- Capacity building exercise/s;
- Travel for inter-territorial missions.

14. General Provisions

Cooperation must not be limited to the exchange of information, but must consist of a joint project between the groups involved, possibly including training across frontiers or joint marketing initiatives.

15. Application Process

The MA shall publicise the call through its website and will collaborate with the respective stakeholders to ensure the widest visibility possible.

16. Submission of Applications

Applicants must submit an application as outlined in the call for applications.

It is strongly advisable that prior to the preparation and submission of the application, prospective applicants read these Guidance Notes.

All applications must be completed, signed and dated by the Applicant.

⁴ Updated in version 1.1 (28/11/2018) to align with RDP and OG.

In case where an applicant is submitting an application for funding on behalf of an organisation, the applicant should submit evidence to show that he/she forms part of the organisation and has the necessary authority to apply.

Applicants should submit the following:

- One signed original bound copy of the completely filled Application Form;
- Soft copies of the filled in application form as follows, on CD or pen drive:
 - in Word format;
 - signed copy in PDF format;

Only upon submission of both versions will the application be accepted. All copies must include all supporting documentation attached to the original Application Form, as explained in the following section.

17. Documents to be submitted with the Application

The following is a list of supporting documentation that concerns the proposed investment.

| |
|--|
| Cooperation methodology which must be integrated into the LAGs business plan at the outset of the programme. The business plan must be signed by both the LAG representative and the cooperating entity representative. |
| Letter of intent from cooperating organisation/s. This should be a common document in legal form recognised in one of the participants' countries and signed by all parties (Including the coordinating Local Action Group). The document should set out clearly the project goals, the initiatives that will be implemented to attain them, the role of each partner in carrying out the project together with the financial participation of each one in the project. The cooperation agreement will set out all components of the whole budget for the joint measure. |
| In case of Match funding from own financial resources please provide an accountant or lawyer declaration attesting that funds are available. |
| In case of Match funding from Bank Loan please provide a bank sanction letter. |
| Proposed budget for the whole project. |
| Detailed timeline/implementation schedule. |
| Feasibility study (where required). |
| Organigram of the entity applying for the grant clearly indicating the structure within which the project will be implemented. |

18. Receipt of Applications

In Malta applications are received at the office of the Managing Authority during office hours.

19. Acknowledgement

An acknowledgement shall be issued by the receiving officer upon submission of an accepted application form, as per instructions in section above.

Disclaimer: The person receiving the application is not responsible for the administrative compliance of the application form. This issuance of this acknowledgement letter does not imply that the applicant has submitted all the necessary documentation. The application may be refused and returned to the applicant following the issuance of the acknowledgement letter.

20. Validation of applications

The MA will undertake a validity check of all applications that are received.

There are two types of documents that need to be submitted: (1) obligatory and (2) required (non-obligatory).

Should any documentation that is required (non-obligatory) be missing from the Application Form, the MA shall notify the Applicant through a notification letter. Any required non-obligatory documents that were missing from the Application Form are to be submitted within not more than 5 (five) working days from the date of the notification letter.

Only complete applications will be considered by the Project Selection Committee. Applications that remain incomplete after the 5 (five)-working day notice period has elapsed will be rejected.

Should the applicant wish to re-submit an application, the process is considered a new one. In such cases, the effective application date would be that of the new submission.

21. Assessment of Applications

Applications for support that pass the admissibility check will proceed to the next step and shall be assessed according to the eligibility and selection criteria (sections 22 and 23 below are intended to provide guidance, however, applicants are advised to refer to the official document on the criteria, available on the website).

Applications shall be assessed and ranked on the basis of selection criteria relevant to the Measure.

The Project Selection Committee (PSC) will award marks according to the criteria and rank projects according to the marks obtained. In order to qualify for selection, the proposal needs to obtain at least 50% of the total marks of the general and measure-specific selection criteria.

During the assessment and selection process, checks will also be carried out to assess the reasonableness of the cost where applicable. Grants will be awarded ensuring the cost-effective and value-for-money principles.

The selection of projects may be limited by the available budget, in which case the highest-ranking projects will be offered a grant.

22. Eligibility Criteria

All valid applications shall be assessed against the eligibility criteria that have been established for the RDP 2014-2020. Eligibility criteria consist of two sets: general eligibility criteria and measure-specific eligibility criteria.

It is important to note that all applications need to conform to/fulfil ALL general and measure-specific eligibility criteria in order to be considered for ranking and selection.

The MA reserves the right to revise the eligibility criteria applicable to the Measure, subject to pre-notification.

General Eligibility Criteria

The following are the general eligibility criteria to which the application must conform:

- a. Submitted application is fully completed/filled-in⁵
- b. Applicant demonstrates that he/she forms part of (or is the legal representative) the beneficiary/applicant organisation
- c. The proposed project will be implemented within the eligible territory
- d. Evidence of sufficient financial capacity required to cover the private financial component (where applicable) is provided
- e. The proposed project contributes to the targets and objectives of the relevant measure/s
- f. The proposed project contributes to at least one indicator target

Measure-Specific Eligibility Criteria

In order to be eligible for assistance under this measure, the following list of criteria must be met:

⁵ In terms of details as required by the selection committee to evaluate the application for eligibility and selection accordingly.

- In case of cooperation with Non-EU Member states the private-public partnership must be similar in form and function to a LAG and operate in a rural area;

Additional Eligibility Conditions as Per RDP Measure 19.3

- LAGs have to envisage implementation of a concrete project;
- The scope and objectives of cooperation must be in line with the submitted LDS (Malta and Gozo);

23. Selection of Proposed Investments

Selection criteria are designed to assess the fit and contribution of project proposals with the RDP strategy, its target group and its objectives. These criteria are divided in two groups: those that rely on a quantitative assessment and those that require a qualitative assessment. The evaluation will combine both data (quantitative and qualitative) in order to have a comprehensive understanding of the proposal.

For a project to be considered for funding, it has to obtain at least 50% of the marks available in total (both general and measure-specific criteria). Projects will be ranked according to marks and funds allocated to those projects which obtain the highest marks. In cases of over-demand for funding, other projects which obtain the pass mark but which are not funded/selected will be placed on a reserve list according to marks obtained and funding offered if and when funds become available.

The voting members shall decide how the project proposal addresses each of the criteria and assign points according to the following guide:

- Excellent 81 to 100% of points;
- Very good 76 to 80% of points;
- Satisfactory 50 to 75% of points;
- Very poor 26 to 49% of points;
- Unacceptable 01 to 25% of points.

For the purpose of project selection, the Cooperation Measure carries a total maximum scoring of 180 marks. The general selection criteria carry a maximum of 100 marks, while the measure-specific criteria carry a maximum of 80 marks.

In selecting the projects the following principles will be included:

- Proposed project has to be innovative by building upon new processes, idea, forms of cooperation, etc;
- The extent the project will generate cross benefit result for various local community groups;

- The relevance of the project objectives to key LDS and/or RDP priorities.

Managing Authority will set up a system of on-going applications (Up to deadline specified in section 9). Decision on the allocation of funding will take place within 4 months after the date of submission of the project.

An evaluation of the quality of proposals, including the financials, will be carried out in accordance with the selection criteria set out within the Selection Criteria Grid below.

| Selection Criteria | Score |
|--|--------------|
| Project proposal targeting multiple indicators | 20 |
| Level of preparedness | 10 |
| Organisational capacity including administrative capacity, competence and technical resources available to the organisation. | 20 |
| Cost effectiveness | 20 |
| Complementarity to other funding opportunities | 10 |
| Horizontal Priorities including equal opportunities, equality, non-discrimination and improved accessibility. | 20 |
| Innovation | 20 |
| Cross-benefit results | 20 |
| Project relevance | 40 |
| Total | 180 |

General Selection Criteria

The following is a list, together with maximum scoring, of general selection criteria applicable to the Cooperation Measure. The maximum total marks that can be obtained by fulfilling these general selection criteria is 100.

Project proposal targeting multiple indicators – max marks 20

Applicants are awarded points on the basis of how well their project proposal targets more than one indicator, and how well the proposal fits within the relevant RDP/LDS priorities.

Preparedness / Readiness – max marks 10

Applicants are awarded points according to the level of preparedness with regard to permits, drafting of tenders, CBAs, etc. as and where applicable.

Organisational capacity – max marks 20⁶

Points awarded according to the administrative capacity, competence and technical resources available to the organization, and how well the project demonstrates long term sustainability. Consideration will be made of how the project will continue to benefit the business/sector/rural area after RDP funding comes to an end. Application should demonstrate evidence of applicant's financial viability.

Cost effectiveness – max marks 20

Points awarded according to evidenced added value, effectiveness and reasonableness of costs proposed. Consideration will be made as to whether the applicant considered other forms of funding and set out clearly the impact the funding will make on the business and/or the surrounding market. The outputs and outcomes of the proposal should be proportionate to the level of funding offered. Project deliverability will also be assessed on the basis of whether competitive quotes have been sought, clear rationale in cases where the lowest valid offer is not chosen, whether the costs are realistic and whether the application shows how the project will be successful at the end of the contract.

Complementarity – max marks 10

Points awarded according to the potential of the proposed project to lead to funding opportunities under other measures/funds.

Horizontal Priorities (Social Criterion) – max marks 20

Points awarded on the basis that the proposed intervention/s contribute towards the promotion of equal opportunities, equality, non-discrimination and improved accessibility whilst targeting sustainable development in the areas of economic growth, social cohesion and environmental protection. Consideration will be made of whether the applicant has a gender mainstream strategy, an appropriate policy on equality and diversity (e.g. as an employer), access requirements have been taken into account (e.g. for buildings, websites), and whether any jobs created are open to a diverse range of applicants.

Measure-Specific Selection Criteria

The following are the measure-specific selection criteria and relevant scores for the Cooperation Measure:

⁴ Applicants will be required to obtain a minimum of 10 marks from this selection criterion.

Innovation – max marks 20

Points awarded in relation to the degree of innovation showed in terms of the transnational co-operation project/activities proposed.

Cross-benefit results – max marks 20

Points awarded on the basis as to whether cross-benefit results for various sectors/areas will be achieved as a result of the proposed project.

Project relevance – max marks 40

Points awarded according to how relevant the project is to overarching RDP/LDS objectives and targets.

The applicable eligibility and selection criteria, including scoring per criteria, can be accessed on the MA website on the following link:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Documents/MC/29th%20September%202017%20-%20MC/EAFRD%20Eligibility%20and%20Selection%20Criteria%202014-2020%20version%201.2.pdf>

The MA reserves the right to update and change the selection criteria as deemed necessary, respecting the appropriate legal provisions. Any updates would be reflected in the version of the criteria and the Guidance Notes for the Cooperation Measure uploaded online.

24. Unsuccessful applicants

The MA will inform all applicants about the outcome of the selection process.

25. Appeals

Applicants who feel aggrieved by the outcome of the procedure have the right of appeal within five (5) working days from the date of the letter of rejection by the PSC.

26. Letter of Acceptance

The MA will proceed to write to the successful applicants informing them of the decision of acceptance of their project. Scanned copies of the letter shall also be submitted through email. Letters of acceptance may include conditions which have been raised by the PSC.

27. Durability of Investment

Where applicable beneficiaries are obliged to maintain the project as a going concern for three (3) years, as defined in line with the spirit of Article 71 of Regulation 1303/2013, from the date of final payment to the beneficiary. The period shall also be stipulated in the Grant Agreement.

Projects will be subject to ex-post on-the-spot checks. Failure to comply with the obligation for the durability of projects will result in penalties being applied.

28. Documentation

Beneficiaries are obliged to retain all supporting documentation for a two (2)-year period from 31 December following the submission of the accounts in which the final expenditure of the completed operation is included. A signed inventory, listing any items bought in connection with the project, should be compiled and held on site and this should be made available to ARPA whenever requested. A copy of the inventory can be downloaded from the following link:

<https://eufunds.gov.mt/en/EU%20Funds%20Programmes/European%20Agricultural%20Fund/Pages/Circulars.aspx>

The PA has its' own set of check and procedures which are binding and it will demand that all the necessary documentation to justify the expenditure is in place. In order to ensure this LAGs are encouraged to follow the Investment Measures Payment Guidelines available in Maltese and English on the following website:

<https://agriculture.gov.mt/en/arpa/Pages/guidelines.aspx>

29. Public Procurement

Beneficiaries of Grant Support are to be aware that they are bound by the principles of good governance, sound financial management and relevant EU or National Legislation.

Checks in relation to public procurement will verify that Union public procurement rules and related national rules are complied with and that the basic principles of transparency, objectivity, non-discrimination and appropriate disclosure have been respected throughout the entire process.

In cases of non-compliances with the rules of public procurement, the financial corrections towards the service provider beneficiary will be determined by the Paying Agency on the basis of the guidelines C(2013)9527 final of 19.12.2013.

30. Provision of interim payments

Where applicable, the beneficiary may opt to request an interim payment. These payments will be carried out in lots meaning that the beneficiary will compile a claim of expenditure incurred and the PA will reimburse that amount after the necessary verifications are completed.

In total, these lots cannot exceed 80% of the total eligible grant amount and shall be paid upon presentation of relative invoices and eligible proof of payment in accordance with the PA's Investment Measures Payment guidelines available in Maltese and in English on the following website:

<https://agriculture.gov.mt/en/arpa/Pages/guidelines.aspx>

The applicant may only claim back expenditure that is incurred from the date of submission of the application to the Managing Authority. The final amount, the remaining 20% of the eligible grant amount, shall be issued by the Paying Agency only after the project is completed.

Only and specifically for the last 20% of the beneficiaries' budget, the beneficiary may submit a request for reimbursement once:

- all project components have been completed,
- payments are settled in full and
- after the Control Unit has carried out the necessary on-the-spot checks confirming that the project was completed according to the agreed terms and conditions of the contract (grant agreement) in question.

Nota Bene: Invoices with values of less than €100 (excluding VAT) shall not be eligible for reimbursement.

31. Publicity Obligations

Publicity is an integral part of the project. The Beneficiary must be aware of the source of funding through which he/she has been given the Grant. In addition, upon completion of the project, the Beneficiary must ensure that the necessary EU publicity requirements are adhered to in accordance to provisions laid down in Annex III of Commission Implementing Regulation (EU) No 808/2014, (e.g. stickers indicating the source of co-financing are to be attached to all equipment procured through the Grant). Where appropriate, the Beneficiary is obligated to install posters, explanatory plaques, billboards and any other publicity material as may be required.

Beneficiaries will be advised to refer to the applicable Visual Identity Guidelines published by the Managing Authority and to adhere to the applicable provisions.

Further guidance on publicity are available on the Managing Authority Website:

32. Community Policy General Principles

It is the responsibility of the Beneficiary to ensure compliance with Community Policy, namely:

- a. Public Procurement
- b. Equal Opportunities
- c. Sustainable development

33. Public Procurement

Beneficiaries should note that Grants awarded for actions under Measure 19.3 are public funds. In this regard, all Beneficiaries should ensure that any procurement undertaken for cost items to be financed through Measure 19.3 is carried out in line with the principles of sound financial management, good governance, transparency, and equality together with the provisions of the Manual of Procedures issued by the relevant authorities together with these Guidance Notes.

34. Equal Opportunities and Non-discrimination

Beneficiaries are required to take a pro-active approach to Equal Opportunities and must ensure that at all stages of the implementation of the action/s consideration is given to Equal Opportunities.

Equal Opportunities and non-discrimination are not meant to just address gender discrimination but have a wider scope and include race, ethnicity, religion or belief, disability, age and sexual orientation.

35. Sustainable Development

Beneficiaries should include Sustainable Development in their action/s and must ensure that the operation is structured in such a manner that concrete positive actions towards better sustainability and mainstreaming feature throughout. It is important that environmental matters should also be taken into consideration at all stages of the design, development and implementation of the action and the action should be structured to avoid any related environmental damage.

36. Data Policy

By submitting the application, the applicant is giving his/her consent to have personal and project details published in line with the obligations in the relevant EU Regulations and other requests by relevant bodies.

37. Data Protection

Whilst abiding to the provisions set in the Data Protection Act (Cap 586) and the General Data Protection Regulation (EU) 2016/679 (GDPR) regarding the handling of personal data, the Managing

Authority and/or Paying Agency will retain the right to disclose, exchange or request information about any applicant, application and agreement to or with other organisations or consultants which the Managing Authority and/or Paying Agency consider appropriate for administration, statistical, monitoring, evaluation and dissemination purposes.

38. Transparency

Because projects implemented under Measure 19.3 involve expenditure of public money, there is public interest in how the money is spent. In this respect the Managing Authority will ensure that the principle of transparency is fully respected in the implementation of operations under Malta's Rural Development Programme 2014-2020.

Annually, and by no later than 30th May of each year, the Agriculture and Rural Payments Agency (ARPA) is bound to publish a list of beneficiaries who received payment during the preceding financial year (16th October to 15th October) in line with Regulation (EU) No 1306/2013 of the European Parliament and of the Council.

39. Monitoring, Evaluation and Dissemination

From time to time, the Managing Authority and/or the Paying Agency, as well as other National and/or EU entities as may be identified by the Managing Authority, may conduct economic, environmental or other evaluation of the measure which may involve the beneficiary in surveys/interviews of various types. Managing Authority officials or consultants/evaluators engaged by the Managing Authority may contact beneficiaries as necessary. In applying for support under this measure the beneficiary is deemed automatically as agreeing to cooperate with or take part in such studies, which are important for reviewing the effectiveness of the measure as well as evidencing implementation of projects. The MA may also request cooperation from beneficiaries' vis-à-vis promotion of the RDP, including use of pictures/videos taken from projects supported through this measure.

40. State Aid Rules and Obligations

Applicable State Aid

The terms and conditions set out in these Guidance Notes are in line with Commission Regulation (EU) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid [OJ L 352/1] (the *de minimis* Regulation).

Assistance may not be awarded to the following:

- a) Undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No. 104/2000;

- b) Undertakings active in the primary production of agricultural products;
- c) Undertakings active in the sector of processing and marketing of agricultural products, in the following cases:
 - i. Where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the businesses concerned;
 - ii. Where the aid is conditional on being partly or entirely passed on to primary producers;
- d) Aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
- e) Aid contingent upon the use of domestic over imported goods;

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 over any period of three consecutive fiscal years. This period covers the fiscal year concerned as well as the previous two fiscal years. 'Fiscal year' means the fiscal year as used for tax purposes by the undertaking concerned.

This maximum threshold would include all State aid granted under this aid scheme and any other State aid measure granted under the *de minimis* rule including that received from any entity other than the Funds and Programmes Division. Any *de minimis* aid received in excess of the established threshold will have to be recovered, with interest, from the undertaking receiving the aid.

The term 'single undertaking' is defined as follows:

Single Undertaking includes, for the purposes of this Regulation, all undertakings having at least one (1) of the following relationships with each other:

- a) one (1) undertaking has a majority of the shareholders' or members' voting rights in another undertaking;
- b) one (1) undertaking has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another undertaking;

- c) one (1) undertaking has the right to exercise a dominant influence over another undertaking pursuant to a contract entered into with that undertaking or to a provision in its memorandum or articles of association;
- d) one (1) undertaking, which is a shareholder in or member of another undertaking, controls alone, pursuant to an agreement with other shareholders in or members of that undertaking, a majority of shareholders' or members' voting rights in that undertaking.

Undertakings having any of the relationships referred to in points (a) to (d) of the first subparagraph through one or more other undertakings shall also be considered to be a single undertaking.

The same regulation states that a group of linked undertakings is considered as one single undertaking for the application of the *de minimis* rule, but that undertaking which has no relationship with each other except for the fact that each of them has a direct link to the same public body or bodies are not treated as being linked to each other. The specific situation of undertakings controlled by the same public body or bodies, which may have an independent power of decision, is therefore taken into account.

In terms of Article 5 of the *de minimis* Regulation, *de minimis* aid granted under this measure may be cumulated with *de minimis* aid granted in accordance with Commission Regulation (EU) No 360/2012 up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted in accordance with other *de minimis* regulations up to the relevant ceiling fixed in terms of these Guidance Notes.

De minimis aid awarded under this measure shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the European Commission. *De minimis aid* which is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission.

The *de minimis* declaration form must be filled in and submitted together with the application form. In line with the *de minimis* State Aid regulation, records regarding *de minimis* aid shall be maintained for 10 years from the date on which the last individual aid is granted under the Scheme.

41. Contact Details

For more information regarding the Cooperation Measure, kindly contact the Funds and Programmes Division.

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