

# Rural Development Programme (2007-2013)



Gozo Action Group Foundation  
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# Main points for the Gozo Action Group Foundation's Strategy :

- **To develop Gozo distinctiveness:** Enhance synergies with tourism-related activities. Aims at promoting growth and reduce seasonality in a sustainable manner;
- **To increase the sustainability of the agricultural sector:** Strategy recognises the environment constraints, in particular limited resources and how these are used. These threaten the long term viability of the agricultural sector;
- **To promote and enhance product distinctiveness for Gozitan agricultural and traditional products and activities :** seeks to encourage the development of a Brand for Gozo;

- **To reduce cost disadvantages and promote efficiency in the agricultural sector:** improving platforms for the Marketing and sale of Gozitan products;
- **To adopt sustainability principles** : Climate change – this could be significant to agriculture and therefore there is a need to ensure the sector;
- **To preserve and enhance Gozo' landscape value.**

In total the Gozo Action Group has been entrusted with a total budget of €2,883,733.44

## Common Measures for all Local Action Groups:

### **Measure 313 under Axis 3 :** **'Encouragement of Tourism Activities'**

- Setting up of trails that interlink various sites of tourist value ;
- Provision and one-time restoration of small scale recreational amenities such as leisure parks.

- This Measure was launched in March 2011;
- The total allocation under this call is of €1,451.733;
- Beneficiaries for this call were Local Councils, Private entities as well as NGO's if partnered with any of these two;
- The maximum aid for Local Councils was €300,000 whereas for the Private Sector it was capped at €200,000;
- The co-financing rate for Local Councils was 100% while for the Private sector it was 50%.

## This measure aimed at:

- Promoting the re-use of existing structures or development of neglected areas with the aim of rehabilitating them thus improving the quality of life;
- Innovation and uniqueness of the project within the region;
- Sustainability of the investment following completion of the project;
- Investment that increases the potential for recreation in rural areas by offering more varied, authentic and exciting experience which assists in the development of rural tourist destinations and/or that involve added value of the natural and man-made heritage;
- Investment that assists in the development of tourism services and products linked to the uniqueness of rural environs which result in the promotion of economic growth in rural areas and /or promotes the rural heritage tourism product;
- Creation of direct employment or job retention.

## Outcome:

- In total 10 applications were received, out of which 2 were submitted by the Private sector and the other 8 were submitted by Local Councils.
- According to GAG's Evaluation Committee, the funds under this Measure will be shared between 1 Private and 7 Public. However the GAGF is waiting for approval from the Paying Agency in order for these projects to be contracted.

## Another common Measure - 125 under Axis 1 :

‘Infrastructure related to development and adaptation of agriculture’

The scope behind this Measure is to upgrade and resurface existing access passageways to agricultural holdings located within the territory of GAGF.

The 1<sup>st</sup> part of this action –i.e. ‘Expression of Interest’ was opened last October.

The total allocation under this Measure is €192,000 with a co-financing rate of 90%.

## The eligible applicants for this particular call for funding under Measure 125 are:

- Local Councils;
- Legally constituted farmers' groups and associations (such as Producer Organisations);
- Cooperatives;
- Ad hoc farmer groupings legally formed for the purposes of the project);
- Non-governmental organisations (NGOs).

## Applicants have to demonstrate:

- How the proposed project will enable, facilitate and increase accessibility for farmers to agricultural holdings. More specifically, applicants must state how many farmers will benefit from the intervention(s) carried out and the area of agricultural land that will be impacted positively by the project. It is believed that this will increase the competitiveness of the agricultural sector.

- All Expression of Interest's will be reviewed by a MRRA architect. The architect shall consult with MEPA in order to identify whether the project is eligible or not. Any need for a MEPA permit shall also be identified at this stage; if no MEPA permit is required, the works can be classified as general maintenance.
- Right at this stage GAG is still waiting for the MRRA architect to visit the eligible sites and compile a BOQ of works and costs required. This call will co-finance eligible projects up to a maximum of €30,000 (Vat Excluded) for each Expression of Interest.
- However it is really doubted whether with this limited budget this measure can leave real impact.

## Measure 410 – Axis 4

- Under the implementation of the Local Development Strategies, there is a rich package of actions which the Gozitan Region can benefit from. Moreover some of these actions will be complementing the other axis such as : Promoting Agricultural foods, Gozo as a distinct destination, Signposting and also Landscaping. The GAG believes that this particular measure is contributing to Multi-sectoral approach, mobilising development in rural areas and as well as promoting co-operation.
- The Eligibility and Selection Criteria for Measure 410 is very effective in the project selection.

So far the Gozo Action Foundation has launched two actions under this Measure.

These are:

**413.3: Crafts Sector Support – Quality of life:**

Promote and enhance product distinctiveness for Gozitan traditional hand made products and activities. This action seeks to improve the competitiveness of this sector by funding initiatives such as innovative production ideas, buying new equipment, training in human skills, and marketing.

Action was launched on the 9<sup>th</sup> of January 2012. Closing date was the 17<sup>th</sup> February 2012.

The beneficiaries eligible for funding under Measure 413.3 were:

- Individual craft makers / groups / businesses, recommended by a craft body, organisations and associations which must all be registered with the Commissioner for Voluntary Organisations.

- The sum of € 80,000 was allocated to Measure 413.3 under the Rural Development Programme for Malta 2007-2013. 80% of the Total Eligible Project value will be financed under this measure, while the applicant must finance the remaining 20%.
- The maximum grant allowed for *each* applicant is up to €15,000 excluding VAT whereas maximum grant for *joint initiatives* is up to € 20,000 excluding VAT.

## Applicants had to demonstrate:

- How the proposed project will improve the quality of their products and/or reduce costs of production and/or enhance marketing efforts and training as well as if it will have a positive impact on rurality, as it will enhance the rural characteristics of Gozo, in particular its tangible heritage, as an attractor for specific tourism niches;
- Investment that assists in the development of products linked to the uniqueness of rural environs which result in the promotion of economic growth in rural areas and /or promotes the rural heritage tourism product;
- Moreover importance is given to those joint initiatives.

## Outcome:

In total, 4 applications were received, out of which 3 of them are single initiatives and another one joint initiative. In the coming weeks these proposed projects shall be evaluated. By end of June these projects should be approved to start to be implemented.

## 411.1: Promotion of Gozo Produce - Competitiveness

This is another action GAG launched on the 5<sup>th</sup> of March till the 13<sup>th</sup> of April 2012. By beginning of September GAG is hoping to have signed the contracts and the implementation can start. The sum of € 150,000 was allocated to this action.

This action provide assistance to:

- Development of marketing initiatives focused on *Gozo's agricultural products*; It will support a marketing campaigns on Gozo's agricultural products grown and or harvested in Gozo and/or originating from products grown or harvested in Gozo to the exclusion of primary production, interventions like farmers markets and participation to fairs and exhibitions.

This results in improving the competitiveness of the local agricultural and food sectors by encouraging and enabling them to produce better quality products and to enhance the marketing skills of Maltese farmers and agricultural food producers and support activities which enable them to connect with buyers.

The eligible beneficiaries under this action were :

- Farmers;
- Farmer's organisations;
- Agri-processors;
- Producers Organisations.

## Applicants had to demonstrate:

- How the proposed project will have a positive impact on rurality as it will enhance the rural characteristics of Gozo, in particular its local agricultural products;
- Marketing of a new niche market/ cottage industry;
- Marketing of products protected by a Quality Mark, National Mark including Organic;
- Capacity of entity involved to implement the project;
- Investment that assists in the development of products linked to the uniqueness of rural environs which result in the promotion of economic growth in rural areas and /or promotes the rural heritage tourism product;
- Farmer/Consumer Satisfaction

- The sum of € 150,000 is allocated to this action. 80% of this sum will be financed through the EARFD whilst the remaining 20% will be financed by the Maltese Government.
- If it is a single initiative than the capping size is that of €25,000 excluding VAT whereas joint initiatives have a capping of €35,000 excluding VAT.

## Outcome:

5 applications were received, out of which 3 of them are joint initiatives and the other 2 single initiatives.

Coming weeks GAG shall evaluate these projects and by end of July projects shall be contracted.

## 413.1: Promotion of Gozo as a Distinct Destination – Quality of life

- Beneficiary : Gozo Action Group Foundation.
- Total Allocation: €280,000
- Co-rate – 80%

The tender to promote Gozo, will be divided into four areas namely:

1. **Creation of a Web-Portal ( 10% of budget )**: It is going to be the online machine which permits to brand Gozo and get quality tourism to Gozo while also promoting Gozo Products and traditions.
2. **The setting up of Standards ( 25% of budget)**: The setting up of standards will focus on four distinct areas:
  - Creation of a GAG standards;
  - Quality Mark ( together with criteria to qualify for it) for crafts products ( GAG in conjunction with GBC );
  - Quality Mark ( together with criteria to qualify for it) for agricultural products ( GAG in conjunction with MIAF);
  - Quality Mark ( together with criteria to qualify for it) for farmhouse accommodation (GAG in conjunction with GTA )

3. **Promotion Locally (20% of budget):** Promotion locally will basically focus on an education campaign spread over 24 months as to the Gozo's setting up of standards and what lies beneath it. To be effective, the following will be targeted:

National TV;

Billboards in Malta and Gozo;

Magazines;

Informative Fliers to every household in Malta and Gozo.

4. **Promotion Abroad ( 30% of budget):** Finally, with regards to Promotion Abroad, participation in international fairs featuring Gozo as a distinct destination together with its particular crafts, agricultural products and accommodation is sought. In order to penetrate the widest markets, participation in fairs in UK, Spain, Italy, Germany is sought for two years while participation in another 2 fairs in other countries will also be required.

In the coming days the GAG shall launched this action, hoping that by the end of September, the GAG shall start operating this new action.

## 413.4: Landscaping – Quality of life

- This is another action which the GAG is going to launch by the end of May.
- It will provide assistance to local councils to improve the landscaping of the GAGF's region and contribute to increase the quality of life in rural areas. Support shall be applicable to actions that encourage the improvement of landscape in Gozo , such as:
  - landscaping of public areas;
  - street furniture and lighting systems;
  - embellishment of public spaces;
  - cleaning of valleys;
  - improvement of water catchment systems;

- The beneficiaries eligible for funding under Measure 413.4 are: Local Councils.

The sum of € 354,000 is allocated to this action. 80% of this sum will be financed through the EARFD whilst the remaining 20% will be financed by the applicant.

### This measure aims to:

- Develop neglected areas with the aim of rehabilitating them;
- Investment that increases the potential for recreation in rural areas by offering more varied, authentic and exciting experience which assists in the development of rural tourist destinations;
- Increase in water catchment area;
- Joint Initiatives between two or more Local Councils;
- Creation of direct employment or job retention.

Other actions under Measure 410 which will be launched after July are:

- **413.2: Folk and Traditional Activities Support** - Provide assistance to NGO's active in the field of folk and traditions to undertake initiatives that aim at enhancing and revalorising the intangible heritage of Gozo as means to keep traditions alive and improve the quality of life of citizens. Total Allocation – €70,000
- **413.5: Signposting** - Provide assistance to Local Councils to improve the signage of sites of interests in the island of Gozo. Accessibility to these sites will be facilitated through the provision of adequate signage which will allow tourists to be easily directed to the sites of interest from a natural, landscape and heritage point of view. Total Allocation is € 90,000
- **413.6: Festivals and Events** - To support the development of festival and events focussed on the heritage of Gozo. This will engage local communities (Local Councils and NGO's) thereby improving the quality of life for all through increased cultural outlet. Total Allocation is € 150,000

All of them have a co- financing rate of 80%.

## Measure 421 – Inter-territorial and Transnational Co-operation:

- Gozo Action Group is actively participating in activities that are being planned at a National Level so as to facilitate the success of the LEADER throughout the country and also with European networks. In fact last year, GAG manager together the other two Lag Managers, had a visit in Brussels with all European LAGS.
- Moreover, so far, GAG had a study visit with GAL COSVEL (Rotondella, Basilicata Italy) Bari on the 28<sup>th</sup> of June 2011.

## Outcome:

It was noted that GAG's initiatives are very similar to those of Cosvel. The main theme remains sustainable tourism with a strong accent on improving and conserving our unique rural environment. The visit to Basilicata was an eye-opener about future actions that the Gozo group can endorse and implement. Cosvel are already well advanced and experienced with the Leader programme and our group could observe first hand both administrative procedures as well as implementation of the various measures, all similar to LAG's.

## Observations for the whole Strategy:

First experience in the Leader approach - so far it can be said to be an extremely positive one, based on a bottom up approach and which is managing to reach all the peripheral areas within the region of Gozo. There are no major differences between other LAG's. In all, it is strongly believed that the GAG has actions that can contribute to employment creation and maintenance, the quality of environment, co-operation, competitiveness and also tourism diversification.

However, one problem is that:

- The budget is quite limited and therefore the projects themselves are limited. Private investors who are beneficiaries have presented projects whereby they are contributing to a big extent to complete their projects but definitely bigger budgets would help more in order to aid and give a kick start to various sectors in Gozo.