

MAJJISTRAL ACTION GROUP FOUNDATION

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Guidance Notes for application for funding under the Majjistrat Local Development Strategy

Measure 1: Restoration Of Assets Of Artistic And Cultural Value

The GAL Majjistrat Foundation reserves the right, in particular on the basis of the approval or direction by the European Commission, to amend from time to time certain provisions established by this guidance document.

Such amendments may become applicable and enforced retrospectively.

In case of any conflicts between these guidance notes and the text of the Rural Development Programme (RDP) 2014-2020, GAL MAJJISTRAL Local Development Strategy and other legislative text, the interpretation given by the relevant legislation will be given overall priority.

The Foundation reserves the right to request also additional information not included in the accompanying application form

Definitions:

Agriculture and Rural Paying Agency (ARPA): The Agriculture and Rural Payments Agency within the Ministry for Agriculture, Fisheries, and Animal Rights is the Paying Agency.

Checks and controls: Provide a means of verification that the investment operation compiles with, and is in conformity to, the relevant rules and regulations.

Decision Committee (DC): The DC of the LAG is the decision-making body in relation to all activities.

EAFRD: European Agricultural Fund for Rural Development.

Evaluation Committee (EC): A committee appointed by the LAG and can be constituted by a least 2 members. Both are responsible for administratively checking the applications.

Grant Agreement: An agreement signed between the MA and the selected applicant (beneficiary) containing provisions and conditions related to the particular support.

LEADER: *Liason Entre Actions de Development de l'Economie Rurale*'. The LEADER programme refers to the implementation of the actions included in the Local Development strategies by the LAG to address specific local issues in line with the Rural Development programme for 2014-2020.

Managing Authority (MA): A national or regional body designated by a Member State to manage a rural development programme.

Measure: A Scheme for implementing a policy. Each measure sets out specific rules to be complied with by the projects or actions that can be financed. There are two main types of measures: investment measures and area-related aid.

Project Selection Appeals Board: An independent Committee that assesses any submissions of appeals.

Project Selection Committee (PSC): The role of the Decision Committee includes the assessment and review of all recommendations made by the Evaluation committee. The PSC assesses and ranks applications.

Rural Development Programme (RDP): A document prepared by a Member State or region, and approved by the Commission, to plan and monitor the implementation of the rural development policy.

Project closure: Closure takes place after the Agriculture and Rural Payments Agency has issued the final payment to the beneficiary, after it has carried out all the necessary checks and controls.

Project completion: A project can be deemed completed when the final request for payment has been submitted to the Agriculture and Rural Payments Agency

Voluntary Organisations (VO): Eligible VOs shall be those that are fully enrolled with the VO Commissioner, compliant in their annual returns, in line with the Voluntary Organisations Act 2007 (Chapter 492 of the Laws of Malta) and that do not carry out an economic activity within the meaning of Article 107 of the Treaty of the Functioning of the European Union.

1. Introduction

These Guidance Notes are intended to assist Applicants in understanding the requirements for requesting and receiving funding support under ***Measure 1 – Restoration of assets of artistic and cultural value*** of the MAGF Local Development Strategy (LDS).

Applicants are advised to familiarise themselves with these Guidance Notes prior to filling in and preparing the Application Form. The Guidance Notes, Application Form and all annexes and other documentation are available at www.galmajjistrat.com.

Applicants are reminded to check that they referred to the latest guidance notes as available on the Foundation's website, and that they have filled in the latest available version of the application form that is available for download from the website. Only the latest version at the time of application will be accepted.

2. Rationale for Intervention

This measure falls under Objective 1 of the MAGF LDS – Development of the cultural landscape, social heritage and tourism product of the rural territory.

The analysis of the MAGF territory and findings from the consultation exercise have shown that several stakeholders own, or have access to, items and artefacts with a clear historical and cultural link to the territory which would benefit from conservation and restoration practice. Given the cultural and historical value of these artefacts, their conservation and restoration and subsequent inclusion in educational programmes, heritage trails and other tourism activities is expected to provide opportunities for the promotion of local culture and identity, fostering job creation and facilitating the diversification of the economy of the rural areas making up the MAGF territory.

This measure supports the one-time restoration of these small-scale items, while also promoting the cultural and historical identity of the MAGF territory by opening up opportunities for educational and tourism activities related to the artistic, cultural, historical and inspirational value of the restored items.

3. Scope and Objectives of the Measure

This action supports the restoration of small-scale sites and objects of significant cultural and historical value to the territory, in conjunction with the development of educational and tourism activities relating to the subject of restoration.

It is to be noted that projects that do not include the associated educational and/or promotional and/or information activity with a related minimum expenditure within the limit stipulated, shall not be considered for support.

Based on the analysis of the territory and the findings of the consultation exercise, the following list presents best estimates of the type of operations that are likely to be supported through this measure:

- the conservation of paintings of significant artistic and historical value in conjunction with the development of educational information dissemination about the artefact and its cultural and historical significance;
- the restoration of objets d'art, located within the territory and which have a religious, cultural or historical significance to the community, together with their inclusion in a heritage trail;
- the restoration of local statues or street niches and their inclusion in a heritage or tourism trail;
- the restoration of historical archives found on the territory accompanied with opportunities for youth education;
- the restoration of chapel facades and shrines, and the exhibition of sacred art and historical objects to the youth/ community;
- the conservation/restoration of features of historical importance within sites that are accessible to the general public e.g. public gardens;
- the restoration of sites and rural structures of architectural and/or archaeological importance, such as military rooms, parts of fortifications, and rooms of historical and/or traditional importance;
- the restoration of artefacts found in the interior of registered VOs and NGOs premises that are accessible to the general public free of charge.

4. Eligible Actions

Support through this action shall be **limited to Capital Expenditure** undertaken by **Local Councils, Natural Persons and Registered Voluntary Organisations (VOs) in line with the Voluntary Organisations Act 2007 (Chapter 492 of the Laws of Malta) and that do not carry out an economic activity within the meaning of Article 107 of the Treaty of the Functioning of the European Union.**

The operations of such entities must be in compliance with national rules and regulations, and regularly operating within the Majjistral territory.

Projects must be physically undertaken in any of the rural localities that constitute the GAL Majjistral Foundation territory, listed in the following table. With respect to Local Councils, only Local Councils that have become full-paid members for the (2014-2020) programming period are eligible for funding.

Rural Localities within the Majjistral Action Group Foundation Territory				
L-Imtarfa	Is-Sigġiewi	Il-Mellieħa	Ħal Għargħur	Ħ'Attard
Is-Swieqi	L-Iklin	In-Naxxar	L-Imġarr	Ħad-Dingli
Ir-Rabat (Malta)	Haż-Żebbuġ	Il-Mosta	L-Imdina	San Pawl il-Baħar

5. Description of the requirements and targets

The applicant is required to demonstrate that the proposed investment shall result in the achievement of the following targets:

- The support of interventions aimed at fostering local development by adding value to the socio-economic and environmental aspects of the territory. Historical features and artefacts within the territory are seen as an asset with significant cultural value, and which provide an opportunity to promote local development. This measure will support one-off small-scale restoration projects to promote the cultural identity and subsequently, to continue to develop the tourism product of the MAGF territory, whilst encouraging job creation, cooperation, diversification and capitalisation of rural assets.
- The restoration of objects of cultural value will promote confidence in the territory's rural and cultural identity and provide opportunities for capacity building, both of which are aspects associated with an improved rural economy and quality of life, as identified within the innovation cross-cutting objective of the RDP.

6. Eligible Investments

The eligible costs to be reimbursed through this grant support relate to two types of investments:

Type 1: Structural investments that are directly related to the restoration of the site or object.

Type 2: Non-structural investments associated with the development of educational, tourism and information dissemination initiatives.

In view of the importance that restoration actions result in the promotion of the cultural and historical heritage of the rural area for tourism and educational purposes, Type 2 investments in education, promotion and information activities shall make up a minimum of 5% and up to 10% of the total eligible costs of the project.

Both eligible and non-eligible costs outlined in this section make part of an indicative list.

In the case of the restoration of sites, costs incurred are only eligible if investment operations are in line with all relevant planning, environmental and development permits, including, permits from the authorities competent for the restoration and heritage, where applicable.

The following is an indicative list of the eligible costs relating to the structural investments (type 1):

- a. the improvement of immovable property;
- b. general costs linked to expenditure referred to in point (a), such as architect, engineer and consultation fees, feasibility studies and research costs related to the restoration project;
- c. the following intangible investments: acquisition or development of computer software and acquisitions of patents, licenses, copyrights, trademarks.

General costs referred to in point (b) are eligible up to 10% of the total eligible costs of the project.

Only Projects covered by a valid Planning Authority permit and those which are in the process of a permit application are eligible under this Action.

Projects of conservation/restoration of features of historical importance must be based within sites that are accessible to the general public, like public gardens.

Projects of restoration of artefacts found in the interior of registered VOs premises must have free access to the general public.

Applications from natural persons including restoration of paintings, *objets d'art* and any other artefact belonging to a private collection are excluded from the scope of this measure and do not qualify for support.

Investments must be in line with the Eligibility Actions outlined in Section 4 of the Guidance Notes.

The beneficiary can only claim EAFRD funds for eligible and approved expenditure that has been incurred after an application has been submitted to the MAGF and an

acknowledgement is issued by the Foundation, in line with EU Regulation 1305 of 2013 Article 60 (2).

7. Non-Eligible Investments under Measure 1

The following is an indicative list of non-eligible investment under Measure 1:

- Purchase of land and buildings;
- Currency exchange losses;
- Provisional installations that are not directly related to the investment (e.g. warehouses for keeping materials for the construction)
- Expenditures made before the launch of the call for application (the applicant should refer to Article 60 of Regulation 1305/2013 of the European Parliament and Council. The applicant may at his own risk initiate the implementation of the project as from the date of submission of application);
- Income Tax and or other operational costs of the entity applying for the project, including provisions for possible future losses or debts;
- Bank Interest;
- Inputs which are the subject of a contribution in kind;
- Administration fees (salaries, insurance obligations and running costs);
- Second-hand equipment;
- Value Added Tax (except where it is non-recoverable under national VAT legislation). Refer to section 10 of these guidance notes.
- Work in kind
- Statutory fines and penalties
- Planning Authority Fees

In accordance with the Public Procurement Regulations, expenditure relating to economic operators convicted of a criminal offence are considered ineligible for funding and such expenditure will not be reimbursed by the Paying Agency.

8. Eligible applicants

The beneficiaries eligible for funding under Measure 1 are **Local Councils, Natural Persons and Registered Voluntary Organisations (VOs) in line with the Voluntary Organisations Act 2007 (Chapter 492 of the Laws of Malta) and that do not carry out**

an economic activity within the meaning of Article 107 of the Treaty of the Functioning of the European Union.

Local Councils applying for funds must be full-paid members of the MAGF.

Beneficiaries should be willing to invest within the Majjistral Action Group Foundation territory, and provide **a service directly related to the cultural identity** within MAGF's territory.

9. Aid Intensities

A beneficiary will be granted the following financial assistance should the proposed investment be selected:

- 80% of the total eligible expenditure.

The other 20% of the total eligible expenditure must be borne by the applicant.

The VAT element must be borne by the applicant (except where it is non-recoverable under National VAT legislation). Grant assistance may be provided in respect of non-recoverable VAT.

10. Financing – Budget

The total public funds allocated for this call is set at **€54,000.00** of which 75% will be financed through the EAFRD whilst the remaining 25% will be financed through Malta funds.

Actions for the restoration of one small-scale site shall be capped at a total eligible capping of 40,000 EUR whilst actions for the restoration of two or more sites shall be capped at a total eligible cost of 80,000 EUR; actions for the restoration of objects shall not exceed a total eligible cost of 20,000 EUR whilst actions for the restoration of multiple artefacts (3 or more objects) which by themselves form a historic/cultural trail, shall be capped at a total eligible cost of 50,000 EUR.

In the case of oversubscription of the call, the **Majjistral Action Group Foundation** reserves the right to allocate additional funds to this measure following approval by the Managing Authority.

11. The Application Process

Section A – Administrative Forms

- **Project Title** - The applicant should name the project in a way that it can be easily understood and captures the gist of the project. Must be within 15 words.

- **Project Duration** - The applicant must insert the number of months required to complete the proposed project. The maximum project duration is 12 months and thus applicants are advised to be realistic in their project in view of the timing constraints. The project duration in months will be calculated from the date of the signing of the grant agreement.
- **The applicant** - The applicant must tick the box according to whether being a Natural person, Local Council or VO.
- **Applicant's Information** - The applicant must fill-in only the section that is relevant according to the nature of activity which you ticked.

Section B – Technical Description

- **Key Investment Plan (Project Summary)** - This is a critical section of the application form. This is where all the details and technical specifications of the project are to be explained. The applicant is being asked to provide details of the proposed actions and investments, together with the objectives of the same project.
- **VAT Declaration** - The applicant should declare whether the project gives rise to sales. If the project is directly related to sales on which VAT is charged the applicant can recover the VAT element from the VAT department. If not, the applicant will cover the VAT from the LEADER funds. The declaration will become legally binding once the project is approved and the applicant has signed the Grant Agreement.
- **Source of funding** - The applicant should declare whether other sources of funding were considered. The declaration will become legally binding once the project is approved and the applicant has signed the Grant Agreement.
- **Project Costs** - For each investment proposed, the applicant must list down in the table (double – click on the table) the line item (e.g. Restoration of niche) and the Quantity (e.g 1). Each investment is to be backed up by a quotation or Bill of Quantities to be enclosed with the application form. Only items listed in this section will be considered for application assessment and grant award. Projects co-funded through this Measure will be assisted with 80% contribution from the European Agricultural Fund for Rural development and Government of Malta funds. The amount of each component is to be included under the year in which the investment is expected to be procured.
- **Project location** - Details where the project will be located should be provided.

Section C – Selection Criteria¹

The PSC will proceed to award marks to each proposal based on the information submitted in the applications and provided through clarifications (where applicable). In order to qualify for selection, the proposal needs to obtain a total of at least 50% of the total marks of the selection criteria. For those eligible projects going through the assessment stage, the PSC may seek clearance from the State Aid Monitoring Board (SAMB).

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

	SELECTION CRITERIA	Maximum POINTS
1. Relevance to the objective of the measure (max. 20 points)		
a	Evidence of cultural and historical value of the site/asset in question - <i>High marks will be given to interventions with a high cultural and historic value</i>	5 points
b	Evidence of the tourism potential of the site/asset that is to be restored - <i>High marks will be given to restoration interventions having a tourism potential</i>	5 points
c	Evidence, through the project plan, of adequate information and promotion activity (also demonstrated through budget allocation) - <i>High marks will be given for to restoration interventions with adequate information and promotion activity</i>	10 points
2. Link to the territory (max. 20 points)		
a	Evidence that the site/asset to be restored has a historical link to the area - <i>The applicant should provide details of the historical background of the asset/site in relation to the territory</i>	10 points
b	Evidence that the site/asset to be restored is linked to other sites/assets of cultural and historical value in the same area - <i>The applicant should provide details of the link between the site or asset to be restored and other sites or assets of cultural and historical value within the territory</i>	5 points
c	Evidence that the site/asset to be restored is linked to other sites/assets of touristic value in the same area - <i>The applicant should provide details of the link between the site or asset to be restored and other sites or touristic value within the territory</i>	5 points
3. Type of project (max. 20 points)		
a	The project is an integrated project in that it incorporates the achievement of more than one objective - <i>The applicant should identify which objectives the intervention will be targeting from the</i>	5 points

¹ The applicant shall keep in mind that the information submitted in the application form shall be used for scoring purposes and thus it is the applicants' interest to be comprehensive when providing such information

	<i>following: cultural exchange, enhancing of life quality, leisure & entertainment and skills building. Here the applicant is not obliged to achieve all objectives but is required to provide details how the objective/s will be reached.</i>	
b	The project is area-based and targets more than one site/asset within the same area - <i>High marks are given to projects which are strongly connected to the area and to the extent to which the intervention targets more than one site/asset</i>	10 points
c	The project is a co-operative project; in that it involves collaboration with at least one local council from the Majjistral territory - <i>Projects with at least another partner from one local council from the Majjistral territory, apart from the lead partner, will be given full marks. Partners need to contribute financially to the project</i>	5 points
4. Social impact on the Community (max. 15 points)		
a	The project's information and education components are targeted to children (less than 13 years of age), youths (over 13 years of age) and persons with learning difficulties and/or disabilities - <i>Marks are given to applicants describing the direct social impact towards the identified target group. These can include any promotional/dissemination² actions taken</i>	15 points
5. Preparedness (max. 15 points)		
a	Evidence that the necessary consultation with stakeholders and regulatory entities has taken place - <i>Marks are given to applicants that have shown evidence of a consultation process with the Superintendence of Cultural Heritage, Archdiocese of Malta and other competent applicable Authorities</i>	10 points
b	The development permitting process has already been initiated (where applicable) - <i>Applicants are awarded points according to the level of preparedness³ with regards to permits</i>	5 points
6. Sustainability of the Project (max. 10 points)		
a	Evidence that the project has a neutral or positive impact on the environment and the climate - <i>Points awarded on the basis that the proposed intervention/s contribute towards environmental protection.</i>	5 points
b	Evidence that the project has a neutral or positive impact on gender and other forms of non-discrimination policies - <i>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 and</i>	5 points

² Beneficiaries are obliged by Commission Implementing Regulation (EU) No 808/2014 to acknowledge support from the Fund through plaques or billboard depending on the Grant Amount. Additional marks are given to applicants describing promotional actions which go beyond the regulatory obligations.

³ Marking scheme: - No PA permit required - 5 marks; PA permit in hand – 5 marks

	<i>social cohesion. Consideration will be made of whether the applicant has a gender mainstream strategy and an adequate policy on equality</i>	
	TOTAL:	100 points

General Provisions

Interested applicants need to submit the completed application form for Measure 1. 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 in full. No parts of the application form are to be left blank – in cases where specific requested information in the application are not applicable to the applicant, the applicant must fill in the field with the note ‘Not applicable’.

Although MAGF representatives are available for meetings with interested applicants, it is the ultimate duty of the applicants to read thoroughly the guidance notes and application form. It is also the ultimate responsibility of the applicants to ensure that all documentation requested is correctly presented. Applicants must also ensure that the applicants themselves fall within the criteria of eligibility and that project proposed and any related investments are eligible for funding and that the application form and the requested supporting documentation **are presented by hand within the deadline of the call.**

It is not the duty of MAGF to verify the above matters irrespective of any meetings that may be held between MAGF and the applicants.

Applicants should submit two copies (1 original and 1 copy) of the Application Form and soft copies (in both Word and pdf format) of the Application Form on an electronic device. All copies must include all supporting documentation attached to the original Application Form.

A checklist of attachments is attached to the Application Form. The applicants must ensure that ALL the mandatory supporting documentation of the application form are submitted.

For the application to be considered complete, all attachments marked compulsory are to be submitted with the Application Form. The Majjistrat Action Group Foundation will undertake a validity check following receipt of the application. Any required documentation not submitted with the application form shall be requested within 5 working days from the date of a notification letter sent by MAGF. Only complete applications will be considered by the Project Selection Committee.

The call for applications will open on the **14th July 2023** and shall remain open until the entire budgetary allocation under this Measure is allocated. The MAGF will be adopting an ***Open Block Calls Procedure***. This means that a batch of applications received within a respective time block will be assessed separately from applications received in subsequent batches. Applications received after any set time block **WILL NOT BE CONSIDERED AS PART OF THAT BLOCK**. Applicants are encouraged not to wait to the last day to submit their application.

The MAGF may re-issue the call in a similar or different format. The MAGF may also issue clarifications and amendments during the time period of the open call for applications without necessarily closing and re-opening the call. Such clarifications will be uploaded on our website: www.galmajjistrat.com. The time blocks are defined by the MAGF as per following table:

MEASURE 1 – BUDGET €54,000.00							
Launch	Block 1	Subject to Funds Availability	Block 2	Subject to Funds Availability	Block 3	Subject to Funds Availability	Block 4
14.7.23	31.08.23 at noon	→	29.09.23 at noon	→	31.10.23 at noon	→	30.11.23 at noon

All applications are to be delivered **BY HAND** to the GAL Majjistrat Foundation at the following address:

Majjistrat Action Group Foundation, 12, Triq it-Tullier, Attard. ATD 1631

In case of queries or clarifications required applicants may contact GAL Majjistrat on the following contact details:

Email: galmajjistrat@gmail.com

Tel: +356 2099 2080

Disclaimer: *The issuance of the receipt letter does not imply that the applicant will be considered as a main beneficiary under this call. The application may be refused and returned to the applicant following the issuance of the receipt letter.*

12. Evaluation – Administrative Checks

The MAJJISTRAL ACTION GROUP FOUNDATION will carry out administrative checks on submitted applications. It is important that the submitted application form is filled-in correctly and completely. In case an application is submitted with missing documentation/information, a notification letter will be sent to the applicant allowing a period of 5 working days to submit the missing documentation and/or information from the date of such letter.

If the requested documentation is not submitted within this timeframe, the application will be automatically disqualified, and a rejection letter will be sent by the MAGF administration to inform the applicant.

MAGF will then carry out verification of the eligibility of the supporting documentation submitted, as well as the screening of the application in terms of the eligibility criteria. It is important to note that it is within the responsibility of the applicant to ensure that the content of the application and the supporting documentation submitted is in full and in line with what is being requested.

With reference to the quotations to be submitted by the applicant, the Evaluation Committee reserves the right to ask for further clarifications or necessary adjustments even after the applicant submits the missing documentation/clarifications. The Evaluation Committee reserves the right to contact suppliers/service providers to validate the quotations provided.

No further additional information will be accepted after the closing date for applications unless it is requested by MAGF. In this regard, it is the applicant's sole responsibility to ensure that the application is complete in the best possible way before submission. Evaluation of the application will be carried out only on the information submitted at application stage or any other information as requested by MAGF. **Any false or misleading information will lead to the immediate rejection of the application.**

13. Eligibility Criteria

The following general eligibility criteria shall apply for the evaluation of proposals for actions to be supported under this measure:

- The applicant is able to demonstrate that he/she forms part of (or is the legal representative of) the beneficiary/applicant organisation;
- Submitted application is fully completed and duly filled-in;
- Voluntary Organisations should be compliant with the Office of the Commissioner for Voluntary Organisations;
- The proposed project will be implemented within the GXF territory;
- The applicant is able to demonstrate evidence of sufficient financial capacity required to finance the project and to fund the private financial component ;
- The proposed project contributes to the general and specific objectives of the measure;
- The proposed project contributes to at least one indicator target;
- The item/artefact/site must be accessible to the general public and must be free of charge.

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

14. Selection Process

A Project Selection Committee (PSC) made up from the Decision Committee members will be responsible for ranking and selecting applications for support after close liaison with the EC members. The PSC may request the services of a technical expert to assist the whole evaluation process. The PSC reserves the right to request additional information and further clarifications on the project as part of the selection process.

15. Ranking of Projects and Selection Process

The PSC will proceed to award marks to each proposal based on the information submitted in the applications and provided through clarifications (where applicable). In order to qualify for selection, the proposal needs to obtain a total of at least 50% of the total marks of the general and measure-specific selection criteria.

A preliminary list of the proposals containing selected, on reserve and failed applicants together with their respective score shall be drawn up. Furthermore, the PSC reserves the right to request project re-dimensioning in special circumstances.

The preliminary result shall be published on MAGF's official website⁴. In addition, a notification letter shall be sent to applicants informing them of their right of appeal in cases where applications fail to qualify.

16. Unsuccessful Project Proposals

In the notification letter sent to the applicant, reasons why the project was not selected shall be provided. The applicant shall have the right to appeal in writing through a registered letter within 5 working days from receipt of the email / letter of notification of result sent by the LAG.

The appeal is to be addressed to the Chairperson of the Project Selection Appeals Board (PSAB). The PSAB is an independent Committee set up to review in an autonomous way any appeals lodged. The PSAB will be composed of a minimum of three (3) individuals with a Chairperson chairing the appeals process. The appellant is required to sustain the clarifications provided by including justified reasons backed by necessary supporting documentation / testimonials.

The applicants wishing to lodge an appeal must send a registered letter addressed to **"The Chairperson", Project Selection Appeals Board of MAGF, 12, Triq it-Tullier, Attard, ATD 1631**, within 5 working days from when the applicant receives the notification letter.

⁴ <http://www.galmajjistrat.com/>

The Appeals Board will not consider late appeals.

The letter should include detailed reason/s of why the appeal is being made, supported by any relevant documentation/testimonials.

The decision of the Appeals Board **is final**, and the applicant cannot contest this decision. The DC must notify in writing the decisions to each appellant. The appeals procedure shall be published on LAGs website.

17. Publication of Final Result

Upon completion of the appeals process, MAGF shall publish the final result of the projects eligible for financial support on its website and notice board.

The successful applicants will receive a 'Letter of offer' following the publication of the Final list of results. The applicants will be required to send a 'Letter of acceptance' (a draft copy of the Acceptance letter will be sent with the letter of offer) and a Bank Payment Form within 10 working days from the receipt of the 'Letter of Offer'.

If, after 10 working days, the LAG does not receive the letter of acceptance, it will be considered that the applicant is no longer interested in undertaking the project and funds will be relocated according to the discretion of the LAG.

Should the beneficiary accept the offer, eligible period of expenditure should start from the date of submission of application (*Refer to Article 60 of EU Regulation 1305/2013*).

If the applicant accepts the offer, the bank payment form should be completed and referred to the Front Office of the ARPA. The form must be endorsed by a bank official and should show the IBAN of the applicant.

18. Procurement Procedures

Given that the eligible applicants under this call comprise of Local Councils, the Procurement Guidelines issued by the Department for Local Government must be strictly adhered to. An architect's Bill of Quantities (BOQ) with details is to be presented. This has to be prepared by an architect appointed by the applicant and submitted as part of the application submitted.

In the case of natural persons and Voluntary Organisations and, where Public Procurement Regulations allow, Local Councils, a minimum of three (3) comparable and independent quotations should be submitted for each line item. It is being suggested that more than three (3) quotes are obtained. **However, only one quotation is required at application stage.** Applicants are then obliged to present three (3) comparable valid quotations for each line item prior to the project implementation, together with an

adjudication report. The applicant should send a letter or email to the chosen and rejected suppliers upon issue of the adjudication report, informing them of the organisation's decision.

It is being further suggested that, for comparability purposes, a financial bid form is issued by the Applicant and presented to the bidder. The bidder would quote the price on the bid form accordingly. The financial bid form must include the signature of the bidder. A copy of the Financial Bid Form can be found in Annex 2 of the Application Form.

Notwithstanding the above, it is to be specified that quotes issued by bidders on their letterhead are also accepted, as long as the description of the items required from the applicant is comparable with the other quotes of the particular line item.

If the cheapest quotation is not chosen by the applicant, a justification would need to be provided. The applicant is to note that in such cases, the amount of funding co-financed through the EAFRD (2014 – 2020) can only be based on the cheapest quotation obtained.

Should for some reason three (3) quotations cannot be obtained by the applicant, a justification why, should also be provided by the applicant and it would be the Paying Agency's prerogative, after consulting with the MAGF, whether to accept such justification or not.

In the case of infrastructural works for Voluntary organisations a Bill of Quantities (BOQ), has to be presented at application stage. This has to be endorsed and dated by a warranted architect appointed by the applicant. Nonetheless, applicants submitting a BOQ are still obliged to present three (3) comparable quotations for each line item prior to the project implementation.

It is to be noted that any financial declarations / certificates need to be dated not more than three months prior to the date on which the batch closes.

In accordance with the Public Procurement Regulations, expenditure relating to economic operators convicted of a criminal offence are considered ineligible for funding and such expenditure will not be reimbursed by the Agriculture and Rural Payments Agency.

Applicants are guided to refer to the "Guidelines on the Submission of Payment Claims related to Investment Measures" issued by ARPA for details related to the required content and format of quotations and other procurement procedures; these guidelines may be downloaded at the below link:

<https://agriculture.gov.mt/en/arpa/Documents/guidelines/investmentMeasuresPaymentGuidelinesFinalEN-V3.0.pdf>

19. Contracting with Beneficiaries

Contracting shall be undertaken by the MAGF with the beneficiaries. Contracts are to be signed by the LAG's Chairperson (or any formally authorised delegate) and a legal representative of the beneficiary.

The contract shall be given to the beneficiary for verification prior to it being signed. The contract shall be signed in two originals (one for the LAG and another for the beneficiary). Copies must be maintained in a secure location by the parties.

20. Payment

The Agriculture and Rural Payments Agency (ARPA) reserves the right to make an advance payment of up to 50% of the total eligible cost of the project. The issuing of an advance payment is subject to the submission of a financial guarantee issued by a recognized financial institution equivalent to 100% of the amount eligible as advance payment.

The facility of interim payments will be provided by the Agriculture and Rural Payments Agency (ARPA). Interim payments together with the advance payment (if applicable) will make up 80% of the total eligible value of the grant agreement.

Interim payments must be preceded with a submission of a request for reimbursement and financial documentation (including invoices and receipts).

In case of infrastructural works a provisional certificate of works prepared by an engineer/architect must also be presented.

The final payment of the remaining 20% of the total eligible cost of the project will be claimed following the completion of the works and submission of the request for reimbursement together with the necessary financial documentation (including invoices and receipts, and a provisional certificate of works prepared by a warranted architect).

Official certification by the architect appointed by the beneficiary is required for settlement of final payment (in case of infrastructural works).

The final payment will be affected once an on-the-spot-check is carried out by MAGF and ARPA and adherence to the contract is confirmed.

The main applicants must present a payment claim through the LAG, so that the necessary verifications and controls are undertaken prior to submission to ARPA for processing.

Claims are to be presented as outlined in ARPA's payment guidelines available at:

<https://agriculture.gov.mt/en/arpa/Documents/guidelines/investmentMeasuresPaymentGuidelinesFinalEN-V3.0.pdf>

In case of irregularities, penalties and sanctions may be applied. These will be deducted from eventual payment claims or through requests for refund of financial assistance paid by ARPA.

The project must be completed, and payment claims submitted by not later than 1 year from signature of contract agreement.

The final claim for reimbursement of funds allocated to the project must also be submitted within this deadline.

21. Extension to Contract Timeframes

Should the beneficiary require an extension to the timeframe stipulated in the application form and contract, a request is to be submitted to MAGF. The form to be used in such case is the '*Change Request Form*' and the request should be made before the actual expiry of the original timeframe.

A request for approval of an extension of the time required in order to terminate the project is to be backed by written justified reasons. Cases related to poor project management will not be accepted. Following review of the request by the MAGF, the final decision will be sent to the beneficiary in writing. Should an extension be approved, the period of extension shall be determined by MAGF.

In cases where amendments to the contract are required, the beneficiary must submit a *Change Request Form* to MAGF prior to the changes being actually implemented.

If a request for changes to the contract is submitted after these changes have actually taken place (ex-post), the changes will not be eligible for funding and, depending on the extent of the changes, this may lead to the whole project being considered ineligible.

The written request for changes must indicate the changes required, the necessary justification and relevant supporting documentation.

If the applicant wishes to change the specification of the investments, a written request prior to such changes must be sent to MAGF. For example, funding is approved for the purchase of Model X of a projector and following the contracting, the applicant wishes to purchase Model Y of this projector as the previous model is no longer produced / available, then a request for change must be submitted and the applicant must wait for a reply from the competent Authority.

MAGF will review the request and if the proposal does not affect the nature of the project and remains in line with the objectives of the Measure, the changes may be approved. A notification letter will be sent to the beneficiary in writing and an addendum to the contract shall be carried out and signed between all parties.

If the request for changes is not approved by MAGF, the beneficiary will receive a notification and will be requested to confirm whether the project as stipulated in the contract will be completed or withdrawn.

22. Failure to comply with the contract

Failure to meet the commitments stipulated in the contract shall result in sanctions applied to the amounts committed or paid. The Agriculture and Rural Payments Agency, Internal Audit and Investigations Department (IAID), the European Commission (EC), the European Court of Auditors (ECA), the European Anti-Fraud Office (DG OLAF) and/or the Managing Authority reserve the right to undertake further checks and controls and to recover any funds from the beneficiary by withholding the bank guarantee in case of advanced payments or to request the beneficiary to refund financial assistance paid out by ARPA.

23. Project Sustainability

It is to be noted that in line with Article 71 of Regulation 1303 / 2013, in the case of an operation in infrastructure or productive investment, the applicant shall repay the contribution from the EAFRD Funds if within (5) years of the final payment to the beneficiary or within the period of time set out in State aid Rules, where applicable, it is subject to any of the following:

- a cessation or relocation of a productive activity outside the programme area;
- a change in ownership of an item of infrastructure which gives to a firm or a public body an undue advantage;
- a substantial change affecting its nature, objectives or implementation conditions which would result in undermine its original objectives.

24. Publicity

In case of information and publicity, the main beneficiaries must abide by the provisions of Part 2 of Commission Implementing Regulation (EU) No. 808/2014, as well as any Publicity/Visibility Guidelines that may be provided by the MAGF through MA.

In order to meet the requirements of the EAFRD Regulations, beneficiaries must ensure that adequate publicity is given to the project with a view to:

- Making potential participants aware of the opportunities afforded by it;

- Making the general public aware of the role of the Community in relation to the project;
- Ensure transparency of the assistance concerned.
- As an example, materials used by the Beneficiary and major correspondence, including contracts signed with third parties must include any acknowledgement of EAFRD support.
- Any publicity material, such as advertisements, billboards and information leaflets about EAFRD co-financed projects must acknowledge this support.
- Publicity of individual projects must be incorporated into the project budget.
- Applicants are to be cautious when determining publicity actions for the project.
- Applicants should also ensure that the project benefits from any free publicity and that anything that will be proposed to be funded under the project is either obligatory or adds value to the results of the project, taking into account the value for money principle. In this regard, publicity measures of individual projects should take into account the nature of the project and must be relative to the size and objectives of the project.
- The Beneficiary should note that publicity may only be used to increase awareness of what EU funds are used for and to disseminate results. Publicity measures undertaken must be project specific.
- Publicity and information measures must not be used as a marketing tool to promote an organisation, its products, services or infrastructure. Where a project includes an element of marketing, this must be used to complement but not replace the project's obligatory information and publicity measures.
- Marketing efforts should be included as a separate activity in the project and as a separate budgetary allocation and justified accordingly. The Applicant may also make reference to the 'Visual Identity Guidelines' that may be downloaded from the below link:

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

25. Data Protection

MAGF has the duty to protect data provided in the Application Form. Any queries regarding Data Protection matters should be brought to the attention of the MAGF. The officer in charge can be contacted by e-mail on: galmajjistr@l@gmail.com

26. Retention of Documents

The applicant is to retain all documentation in a project file (required to ensure any adequate audit trail) safely stored.

All documents pertaining to the implementation of the project must be retained by the applicant for at least five (5) years following the end of the programming period. This is to facilitate audits and the ex-post evaluation of the programme.

27. Basic Terms and Conditions

If a project application is successful, EU Funds will be offered on rigorous terms and conditions, which will be stipulated in the Grant Agreement. In accepting the offer of EU Funds, the Applicant will take on responsibility for compliance with these terms and conditions. These include requirements to demonstrate satisfactory progress in delivering what the project has set out to achieve and adherence to an agreed pattern and time schedule of spending. Failure to meet these conditions and any false information given in the application may lead to the EU Funds being withdrawn and any EU Funds paid being recovered from the Applicant.

All projects are subject to management verifications, audits carried out by auditors (including by the Internal Audit and Investigations Department (IAID), the European Court of Auditors and the European Commission (EC) auditors), evaluations (programme evaluators) and inquiries by DG OLAF. Officials from the MAGF, ARPA and MA and other horizontal stakeholders would also have rights of access to the project and all relevant documentation. Such officials could carry out spot checks (physical and documentary) to establish that sufficient progress is being made in line with the Grant Agreement and that the Beneficiary has put in place systems of management and control that ensure the efficient implementation of the project in line with the relevant Regulations and Procedures.

If the project is selected for funding, the Applicant would be bound by the principles of transparency, good governance, sound financial management and the relevant national regulations.

By submitting the Application, the Organisation is giving its automatic consent to publishing (including on the internet) the details of the Organisation and the project (including budget and implementation period) in line with the obligations in the relevant Council and Commission Regulations.

The applicant should also be aware of the durability clause enshrined in Article 71 of Regulation 1303/2013, which states that an operation retains the contribution from the EAFRD only if that operation does not, within five years from the final payment of the competent authorities, undergo a substantial modification.

The applicant is to declare whether an application for part or all of the proposed project has been submitted for assistance under any other Community Source including European Regional Development Fund (ERDF), Cohesion Fund (CF), etc. If in the affirmative the applicant is required to indicate all relevant details.

The applicant organisation should note that if the project is accepted, the applicant will be automatically giving his/her consent to have all the documents and data related to the project, (including name of project leader and other persons relevant to the project, invoices, receipts and documents related to contracts etc...) made available to all the relevant stakeholders including third party evaluators and auditors involved in the EAFRD fund system. The LAG reminds the Applicant that it is the responsibility of the Applicant to inform any third parties (including contractors) that all data and information relating to the project will be shared with other stakeholders, local and European.

The chosen entity must ensure that all activities are carried out in compliance with applicable national and community rules and any other mandatory requirements as laid down in the Rural Development Programme for Malta (2014-2020). Failure to do so will result in penalties with respect to the grant received plus interest accrued according to the law.

In case where a Planning Authority (PA) permit is required, the valid PA permit and approved drawings or the application submitted to PA and related drawings have to be presented as part of the documentation with the application. Grant agreements for projects in need of such permits will only be signed once the valid PA permit is granted. MAGF reserves the right to reject any project if the PA permit is not presented in time to allow the project to be completed by not later than 1 year from signature of contract agreement.

Once the applicant endorses the contract with the LAG, the applicant will be automatically be giving its consent to the publication of data related to the payments that the ARPA will eventually be affecting. This will be in line with Regulation (EU) 1306/2013 of the European Parliament and of the Council. The regulation requires all Member States of the European Union to publish details of beneficiaries, who received payments under the CAP.