

## **MAJJISTRAL ACTION GROUP FOUNDATION**

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

#### ***Measure 3: Promotion of The Cultural Heritage***

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 3 – Promotion of the cultural heritage*** 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](http://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 Majjistrat LDS – Development of the cultural landscape, social heritage and tourism product of the rural territory.

It is recognised that rural areas are rich in assets of cultural and natural importance that are not exploited for tourism purposes to the same extent as major attractions in capital and larger cities. At the same time, these rural areas have the potential to serve as part of the overall touristic package that is to be experienced by the visitor to Malta, also helping to alleviate the pressure on main places of interest with limited carrying capacity. In order for these rural areas to feature on the visitors' list of sites to visit/things to do, the touristic attractions need to offer the same quality of experience, improved connectivity and facilities, excellent content and sufficient visitor time. In other words, the tourist needs to be offered a number of high-quality attractions/sites that are equipped with the necessary facilities, building on points of unique interest (such as traditional knowledge and experiences), preferably animated by local residents, and that are situated within short distances even if in different localities, thus allowing for the possibility of joint tours and/or trails that centre on a particular theme or product or type of experience.

The need to record, document and translate knowledge that is in danger of being lost is undeniable. In many localities in rural areas, the only surviving tradesman with the know-how and the history of the traditions and the trades is of old age, and unless this information is captured, there is a risk that the heritage will be lost upon his death. The need to address this issue, and to develop the cultural and traditional knowledge base, is in line with the national drive to build a digital platform for Malta's touristic product. In this context, the use of modern technology that is not only more accessible, but also permits user interactivity, is greatly encouraged. As mentioned

earlier, while one locality might not have the necessary density of attractions/sites of interest to afford the tourist an entire day experience, the possibility of combining a number of attractions/sites of interest across neighbouring villages/localities adds value to the touristic experience and improves the cost-effectiveness of the individual operations. Evidence obtained from the analysis of the territory and the consultation findings indicates that the LAG territory has a significant tourism product, which may not be fully exploited due to the lack of information dissemination and promotion activities. This measure aims to promote the territory's cultural and natural heritage and improve accessibility to rural assets of touristic importance to visitors through tourism-oriented actions such as the installation of sign-posting, the recording of local knowledge, and the use of various information dissemination methods, including interactive applications in social media, dedicated websites, and other ICT applications, either as stand-alone initiatives or joined up in the setting up of tours and trails of touristic importance.

### **3. Scope and Objectives of the Measure**

This action supports the marketing, branding, promotion and dissemination of information related to the cultural and natural heritage; the setting up of heritage tours and trails joining up different attractions/sites of touristic importance.

### **4. Eligible Actions**

Support through this action shall be **limited to Capital Expenditure** undertaken by **Local Councils, Registered Cooperatives, Private Entities (only small and micro enterprises within the meaning of Commission Recommendation 2003/361/EC are eligible for funding) 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-Imgarr	Ħad-Dingli
Ir-Rabat (Malta)	Haż-Żebbuġ	Il-Mosta	L-Imdina	San Pawl il-Baħar

## 5. Description of the requirements and targets

In line with the goals of Malta's tourism strategy, which identifies the need to develop opportunities for rural tourism, this measure of this LDS provides an opportunity to develop collaboration between local actors and to improve the marketing and dissemination of information regarding the cultural and natural heritage of the territory. The eco-tourism and rural tourism potential, and the increasing recognition of the value of the cultural landscapes, is recognised as an opportunity for balanced, territorial development.

The need to improve communication and develop networks in order to enable local actors to create and market products and rural tourism experiences is also recognised in the Malta RDP, where opportunities for farm diversification activities and collaboration for the development of rural tourism services are provided.

As shown by the analysis of the territory and the consultation findings, this measure serves as an important tool for the provision of opportunities for the development of tourism services, and for bringing together local actors and economic operators with a similar agenda. The set-up of cultural and natural heritage trails and tours, building around local products, techniques, food, sites and objects of interest, serves to foster collaboration between local actors, improve their economic performance and result in a better tourism product of the territory. Through these interventions, this measure aims to develop cooperation, increase tourism visits and develop new rural tourism experiences within the territory.

### **Contribution to cross-cutting objectives of the RDP (innovation, climate and environment)**

Activities carried out under this measure are expected to promote value-added innovation in rural development through the development of rural tourism, which in turn fosters business innovation. Innovation in the cultural dimension is also spurred

through the selection criteria favouring the mix of technology as a platform for tradition, in what is considered a positive clash of generational differences and an excellent mode of transmitting knowledge from one generation to the next and sustaining the traditional heritage in time.

## **6. Eligible Investments**

The eligible costs to be reimbursed include; investments associated with the development of marketing, branding, promotion and information dissemination activities, including experts' and professional fees (market research, designers, etc.) and the procurement of related services (website development, promotional material, etc.) as well as installation of physical infrastructure for promotion and information (sign-posts, boards, information panels, etc.).

Indicatively direct project costs that are necessary for the implementation of such operations shall be eligible for support. There is no capping on the expenditure in favour of professional and ancillary services as long as these are directly related to the implementation of the marketing and promotion project.

The costs of rural actors participating in heritage trails will also be an eligible cost. This cost is capped at a rate of €12.65/hour.

**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.**

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**

The following is an indicative list of non-eligible investment under Measure 2:

- 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)
- 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 make reference to Article 60 of 1305/2013 of the EP. 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). Grant assistance may be provided in respect of non-recoverable VAT.
- 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 3 are **Local Councils, Registered Cooperatives, Private Entities (only small and micro enterprises within the meaning of Commission Recommendation 2003/361/EC are eligible for funding) 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. Furthermore, Private entities and cooperatives that carry out an economic activity within the meaning of Article 107 TFEU will be subject to State aid rules as outlined below.**

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. State Aid Rules and Obligations**

With regards to private entities and cooperatives that carry out an economic activity within the meaning of Article 107 TFEU, the Measure will be implemented in line with Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of



Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid.

Assistance may not be awarded to the following:

- a) Undertakings active in the primary production of fishery and aquaculture products;
- b) Undertakings active in the processing and marketing of fishery and aquaculture products, where the amount of the aid is fixed on the basis of price or quantity of products purchased or put on the market;
- c) Undertakings active in the primary production of agricultural products;
- d) Undertakings active in the processing and marketing of agricultural products, in one of 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 undertakings concerned;
  - ii. Where the aid is conditional on being partly or entirely passed on to primary producers;
- e) 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;
- f) Aid contingent upon the use of domestic good and services over imported goods and services;

Where an undertaking is active in the sectors referred to in points (a), (b), (c) or (d) above, or has other activities falling within the scope of the *de minimis* Regulation, the *de minimis* Regulation shall apply to aid granted in respect of the latter sectors or activities, provided that the Foundation ensures, by relying on appropriate means such as separation of activities or separation of accounts, that the activities in the sectors excluded from the scope of this Regulation do not benefit from the *de minimis* aid granted in accordance with this Measure.

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €300,000 over any period of three years. The three-year period shall be assessed on a rolling basis.

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 Majjistrat Action Group Foundation. 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 scheme, all enterprises having at least one (1) of the following relationships with each other:

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

Enterprises having any of the relationships referred to in points (a) to (d) above through one or more other enterprises shall also be considered to be a single undertaking.

The *de minimis* Regulation states that a group of linked enterprises is considered as one single undertaking for the application of the *de minimis* rule, but that enterprises which have 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 enterprises 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 2023/2832. It may be cumulated with *de minimis* aid granted in accordance with Commission Regulations (EU) No 1408/2013 and (EU) No

717/2014 up to the relevant ceiling laid down in Article 3(2) of the *de minimis* Regulation.

*De minimis* aid awarded under this measure shall not be cumulated with State aid in relation to the same eligible costs 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* Regulation, records regarding *de minimis* aid shall be maintained for 10 years from the date on which the aid is granted under the Scheme.

## **10. 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.**

## **11. Financing – Budget**

The total allocated funds for this call is set at €13,123.64 of which 75% will be financed through the EAFRD whilst the remaining 25% will be financed through Malta funds.

Individual actions shall be capped at 10,000 EUR for stand-alone/isolated operations, and at 18,000 EUR for actions involving joint collaboration which may result in tours and trails involving at least 2 different actors.

In the case of oversubscription of the call, the MAGF reserves the right to allocate additional funds to this measure following approval by the Managing Authority and ARPA.

## **12. 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 until 31<sup>st</sup> May 2025 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 Local Council, Cooperative, Private Entity 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. Purchase of instrument) 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 Criteria<sup>1</sup>

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
<b>1. Relevance to the objective of the measure (max. 20 points)</b>		
a	Evidence of touristic value of the aspect/ asset to be promoted - <i>High marks will be given to interventions having a tourism potential</i>	10 points
b	Evidence of cultural value of the aspect/ asset to be promoted - <i>High marks will be given to activities with a high cultural value</i>	5 points
c	Evidence that the activity capitalises on local knowledge - <i>High marks will be given for activities promoting local knowledge</i>	5 points
<b>2. Link to the territory (max. 20 points)</b>		
a	Evidence that the aspect/ asset to be promoted has a historical link to the area - <i>The applicant should provide details of the historical aspect of the project in relation to the area</i>	10 points
b	Evidence that the aspect/ asset to be promoted is linked to other objects of cultural value in the same area - <i>The applicant should provide details of the cultural aspect of the project in relation to other objects of cultural value in the area</i>	5 points
c	Evidence that the aspect/ asset to be promoted is linked to other objects of touristic value in the same area - <i>The applicant should provide details of the link between the project and other objects of touristic value within the area</i>	5 points
<b>3. Type of project (max. 20 points)</b>		
a	The activity is targeted towards the achievement of more than one objective (cultural exchange, leisure & entertainment, skills building, etc.)- <i>The applicant should identify which objectives the intervention will be targeting from the following: cultural exchange, enhancing of life quality, leisure &amp; 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>	5 points

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<sup>1</sup> 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

b	The project is area-based and targets more than one object/site of interest within the same area - <i>The applicant should identify where and which objects and sites the intervention will be targeting</i>	5 points
c	The project is a co-operative project; in that it involves three or more local actors - <i>High marks are given to applicants involving other actors which are involved in the above-mentioned sectors. Partners need to contribute tangibly to the project</i>	10 points
<b>4. Social impact on the Community (max. 15 points)</b>		
a	The project shall result in an increase in revenue for businesses - <i>High marks will be given to activities which are able to generate a revenue for businesses in the area</i>	10 points
b	The project shall include initiatives favouring vulnerable groups - <i>Marks are given to applicants describing the direct social impact towards the identified target group. These can include any promotional/dissemination<sup>2</sup> actions taken</i>	5 points
<b>5. Preparedness (max. 15 points)</b>		
a	Evidence that the necessary consultation with stakeholders and business operators (e.g. in tourism sector) has taken place - <i>Marks are given to applicants that have shown evidence of arrangements with entities, persons and competent authorities involved in the development and delivery of activity and other competent Authorities</i>	10 points
b	Evidence that the proposed project is fully compatible with the policies and objectives of Malta's tourism policy, including rural tourism policies, on the basis of consultations and communications with the relevant competent authorities - <i>Applicants are awarded points according to the level of preparedness<sup>3</sup> with regards to permits</i>	5 points
<b>6. Sustainability of the Project (max. 10 points)</b>		
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 social cohesion. Consideration will be made of whether the</i>	5 points

<sup>2</sup> 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.

<sup>3</sup> Marking scheme: - No PA permit required - 5 marks; PA permit in hand – 5 marks

	<i>applicant has a gender mainstream strategy and an adequate policy on equality</i>	
	<b>TOTAL:</b>	<b>100 points</b>

### General Provisions

Interested applicants need to submit the completed application form for Measure 3. 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 Majjstral 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 **8<sup>th</sup> July 2024** 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](http://www.galmajjistrat.com). The time blocks are defined by the MAGF as per following table:

MEASURE 3 – BUDGET €13,123.64							
Launch	Block 1	Subject to Funds Availability	Block 2	Subject to Funds Availability	Block 3	Subject to Funds Availability	Block 4
15.07.24	31.07.24 at noon	→	31.08.24 at noon	→	30.09.24 at noon	→	31.10.24 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](mailto: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.*

### **13. 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.**

#### **14. 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 MAGF 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;

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

#### **15. 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.

## **16. 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 website<sup>4</sup>. In addition, a notification letter shall be sent to applicants informing them of their right of appeal in cases where applications fail to qualify.

## **17. 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.

**The Appeals Board will not consider late appeals.**

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<sup>4</sup> <http://www.galmajjistrat.com/>

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.

### **18. 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.

### **19. 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>

## **20. 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.

## **21. 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/investmentMeasuresPay>

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 31<sup>st</sup> May 2025.**

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

## **22. 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.

### **23. 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.

### **24. 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.

### **25. 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>

## **26. 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: [galmajjistrat@gmail.com](mailto:galmajjistrat@gmail.com)



## **27. 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.

## **28. 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 31<sup>st</sup> May 2025.

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.