

# Guidance Notes

## Agroforestry Pilot Project

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The Agriculture and Rural Payments Agency (ARPA) reserves the right to amend certain provisions established by this guidance document.

Such amendments may become applicable and enforced retrospectively.

The English version will be the legally binding text.

The Agriculture and Rural Payments Agency also reserves the right to request additional information not included in this Guidance Document.

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# 1. Definitions

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**Agroforestry System:** Means land use systems where trees are grown in combination with agriculture on the same land;

**Parcel under Agroforestry:** A parcel not smaller than 0.1124ha on which Agroforestry actions provided in this scheme shall take place with planting density of at least 400 trees per Ha, with a view of having the whole parcel planted with trees.

**Scheme:** Refers to the pilot project where successful applicants are provided with trees listed in the first schedule of S.L. 549.123 for planting, and for which ARPA shall provide a maintenance grant for the establishment and upkeeping of the Agroforestry system.

**ARPA:** The Agriculture and Rural Payments Agency within the Ministry for Agriculture, Food, Fisheries and Animal rights (MAFA), known as the Paying Agency.

**Applicant:** A person or legal entity that applied for financial assistance under this Scheme.

**Beneficiary:** An applicant whose application has been selected to receive financial assistance under this Scheme.

**Agriculture Directorate:** The government department providing the trees for the Agroforestry systems and necessary support.

**Checks and Controls:** Provide a means of verification that the claimed setting up expenses and maintenance are in conformity with the rules provided in these guidelines and relevant legislation

**Grant Agreement:** An agreement signed between the ARPA and the beneficiary containing provisions and conditions related to the support.

**Application:** An application document (Annex I) submitted to the Agriculture Directorate where farmers declare their interest by identifying and committing parcels to the scheme.

**Monitoring:** Regular examination of the resources, outputs and results of interventions.

**Eligible Area:** Eligible area for (payment purposes) refers to arable land.

# 2. Introduction

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These Guidance Notes are intended to assist applicants in understanding the requirements to apply for support under this scheme.

Applicants are advised to familiarise themselves with these Guidance Notes prior to completing the expression of interest. These Guidance Notes, the expression of interest, Annexes and other documentation are available on

[https://agrikoltura.gov.mt/en/agricultural\\_directorate/Pages/agroForestry.aspx](https://agrikoltura.gov.mt/en/agricultural_directorate/Pages/agroForestry.aspx)

## 2.1 Objectives

As provided for in Malta's RDP 2014-2020, trees and woodland are comparatively rare in Malta and Gozo, and such scarcity provides opportunities for the:

- Enhancement of biodiversity
- Soil conservation through the reduction of run-off and wind erosion
- Reduction of the impact of wind on crops
- Improving water retention and reducing flood risk
- Increase of carbon sequestration on agricultural lands
- Improved land scape management
- Integration of agroforestry
- Adaptation due to climate change

The scheme will support farmers and land managers who agree to implement an Agroforestry system on the parcels indicated in the application and commit to adequately care and maintain the planted trees for at least four (4) years from the signing of the grant agreement.

Trees for replanting during the first year after establishment of the agroforestry system may be provided in cases of Force Majeure if submitted by the beneficiary in accordance with section 15 of these guidelines and recognised as such in line with section 14 of these guidelines.

The aid provided to the beneficiary will be in the form of a cash grant which will be paid directly via bank transfer. The payment shall be based on a rate per hectare (Ha), based on the amount of land dedicated for scheme.

## 3. Submission of Applications

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Applications under this Scheme will be received between the **16th of March** and the **8th of April**.

Applications received after this date will not be accepted.

## 4. Duration

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Beneficiaries must maintain the planted trees for four (4) years from the signing of the grant agreement.

## 5. Budget

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The budget available for the maintenance grant to beneficiaries is of €150,000 which will be entirely funded through National funds.

ARPA reserves the right to amend the budget allocated and to set and amend support rates in accordance with the budget available.

## 6. Liability

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MAFA may not be held responsible for any damages incurred directly or indirectly in connection to the implementation of this scheme.

## 7. Maximum Financial Assistance

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The rate of financial assistance applicable to beneficiaries under this Scheme shall be based upon the budget available and area applied for under the scheme.

In all circumstances it shall not exceed €4000 over the whole commitment period for each beneficiary, which means that the maximum maintenance rate per beneficiary each year may not exceed €1000, that is the equivalent of the yearly maintenance rate for 1 Ha.

1 Ha is the maximum area allowed per beneficiary under this scheme. Nonetheless ARPA reserves the right to revise the proposed area ceilings and payment mechanism as required for the successful implementation of this scheme.

## 8. Regulatory Framework

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The following is the relevant legal basis for this Scheme:

- Commission Regulation declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union and repealing Commission Regulation (EU) No 702/2014
- Chapter 146 of the Laws of Malta – Agriculture and Fishing Industries (Financial Assistance) Act
- S.L. 549.123 - Trees and Woodlands Protection Regulations

# 9. Eligibility

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## 9.1 Eligible Beneficiaries

For applicants to be eligible for support under this Scheme the following conditions must be met:

- Applicants with agricultural holdings in the Maltese territory registered in Integrated Administrative Control System (IACS) with ARPA. This scheme is a pilot project and thus shall be limited to applicants who have parcels on the locations indicated in Annex II of these Guidelines.
- Applicants must submit a valid Bank Payment Form to ARPA (this does not apply to applicants who are already beneficiaries under other support schemes administered by ARPA).
- Commit to carry out the scheme as defined in section 1 of these guidelines on the parcels indicated in the application referred to in section 4.
- Parcels committed must be at least 0.1124 Ha of eligible land

## 9.2 Eligible Costs

The maintenance grant covers:

- The cost of land preparation and the planting of trees up to 1 Ha;
- The costs of the necessary treatment connected to the establishment of the agroforestry system, including watering, pruning, pest and fertiliser application and any other activity required in maintaining the trees and parcels under adequate minimum maintenance up to 1 Ha;
- The costs for replanting during the first year after the establishment, regeneration or renovation of an agroforestry system.

No additional funds are to be provided except for the maintenance grant referred to in this chapter. ARPA reserves the right to revise the proposed area ceilings and payment mechanism as required for the successful implementation of this scheme.

## 9.3 Commitments

Beneficiaries shall:

- Care and maintain the planted trees for at least four (4) years from the signing of the grant agreement in line with supplementary guidelines issued by Agriculture Directorate. Such obligation shall at least include: minimum activity as provided for in Article 4 of Regulation (EU) No 1307/2013, tending, pruning, irrigating, and thinning as appropriate, in the interest of the development of the Agroforestry system. Planting and maintenance practices should not go against such principles as outlined in guidelines issued by ERA concerning forestation practices.
- Allow within a notice period of three (3) working days, ARPA officials (including their representatives) or personnel delegated by the Agriculture Directorate to inspect or carry out necessary supervision to assess the general upkeep of the Agroforestry system.
- Replace dead trees during the first 4 years of the project
- Provide geo-tagged photos when requested through the mobile app BiedjaCam

The Agriculture Directorate shall:

- Receive and process the applications submitted by applicants as referred to in section 13 of this document
- Identify the trees that are to be planted in the parcels declared in the application in line with the definition of the scheme and the conditions provided for in section 3.2 of these guidelines.
- Provide a report to ARPA containing: details of the applicant, parcels to be entered in the grant agreement and the number and type of trees to be planted in each parcel.

- Provide the trees, and the necessary technical support as regards the planting of trees and the land management required for the initial establishment of the Agroforestry system and its upkeep.
- Provide trees for replanting during the first year following the signing of the grant agreement in cases of Force Majeure if recognised as such in line with section 14 of these guidelines.

## 10. Compatibility

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Farmers with ongoing commitments under Measure 10 (AECMs) of Malta's RDP 2014-2020 must ensure that efforts carried out in line with this scheme fall within the eligibility parameters on ongoing commitments provided for in the Measure 10 guidelines, otherwise withdrawal/ suspension of support and/or recovery of payments shall apply as indicated in the same guidelines. Particular attention should be given to parcels under AECM 5 provided that areas planted with trees may not be supported under the scheme.

## 11. Payment Calculation

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Beneficiaries shall be paid €1000 per hectare on the eligible area committed for the scheme, and up to a maximum of €4000 over the whole commitment period. Thus, irrelevant of the amount of area applied for the maximum payment per beneficiary per year shall not exceed €1000.

ARPA reserves the right to revise the proposed payment mechanism as required for the successful implementation of this scheme.

# 12. Applications

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## 12.1 Submission of Applications

Applicants must submit an application form as outlined in Annex I. All applications must be completed in full, signed and dated by the Applicant.

Applications which do not satisfy all of the requirements provided for in section 9 of these guidelines will not be considered. In addition, the following must also be provided:

- Original signed and fully filled-in Application Form, as well as all necessary supporting documentation
- Copy of ID Card of Applicants (for natural persons) or VAT Registration Certificate for (companies/ partnerships) – this is only applicable if such information was not already provided to ARPA under other schemes
- Current Memorandum of Association or equivalent (applicable to Legal Entities)

## 12.2 Receipt of Applications

Applications may be sent to the Implementing Authority either by post or delivered by hand, by not later than **8th April 2022**

In **Malta** applications shall be received between **08:00** and **12:30** at:

Front Office, Agriculture and Rural Payments Agency, Pitkali Markets, Ta' Qali,  
L/O Attard, Malta.

Ċentru Ċiviku, Triq ic-Cawsli, Ғaż-Ғabbar  
10, Triq is-Salib, Mellieħa

In **Gozo** applications shall be received between **07:30** and **13:00** at:

Gozo Office, Government Experimental Farm, Mġarr Road, Xewkija, Gozo.



## 12.3 Acknowledgement

An acknowledgement shall be issued by the receiving officer upon submission of a completely filled-in application form at one of the offices indicated above.

**Disclaimer:** The official receiving the application is not responsible for the administrative compliance or completeness of the application form. The issuance of an acknowledgement letter does not mean or imply that the applicant has submitted all the necessary documentation. The application may be refused and returned to the applicant following the issuance of the acknowledgement letter.

# 13. Assessment

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## 13.1 Validation of Applications

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

Only complete applications will be considered, nonetheless the Agriculture Directorate may ask for necessary clarifications from applicants. Applications for which such clarifications are not provided by the date stipulated by the Agriculture Directorate will be conclusively rejected.

## 13.2 Assessment of Applications

Applications for support that pass the admissibility check will proceed to the next step and shall be assessed against the applicable eligibility criteria as indicated in sections 3 and 4 of these guidelines.

The Agriculture Directorate reserves the right to reject partially or in full application where in its discretion it deems that the claims submitted are incorrect.

# 14. Force Majeure

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If a beneficiary has been unable to comply with the obligations as a result of Force Majeure or exceptional circumstances s/he shall retain her/his right to eligible aid up till when the case of Force Majeure or the exceptional circumstance occurred.

Cases of Force Majeure and exceptional circumstances shall be notified in writing to the competent authority (ARPA), with relevant evidence to the satisfaction of the competent authority, within fifteen (15) working days from the date on which the beneficiary or the person entitled through him, is in a position to do so.

After consultation with the Force Majeure Board, ARPA will decide whether there is a case of force majeure or otherwise according to the parameters of the applicable EU Regulations. Should ARPA deem a case to be affected by a Force Majeure event, the beneficiary may be justified or excused, totally or partially, with respect to some default that there may be. But if the Force Majeure application is rejected, ARPA may seek to recover or withdraw all funds related to this scheme.

## Potential cases of Force Majeure for the purposes of this scheme:

- Mandatory quarantine of the applicant which impedes the applicant from taking care of the Agroforestry system for prolonged periods of time;
- An illness or other intervening health condition of the applicant preventing him/her from continuing with the commitment;
- Death of the beneficiary;
- Death or untreatable disease of the trees planted on which the beneficiary had no control;
- Other cases of force majeure according to Maltese law.

Official documentation needs to be submitted together with the Force Majeure application. In case of illness a medical certificate is required and in case of mandatory quarantine, the official notification issued by the Ministry for Health is required, in cases of Plant diseases and/or death of the tree a report must be presented by the Agriculture Directorate or the Plant Protection Directorate (depending on the case).

Further information on Force Majeure requests may be accessed from ARPA's website at: <<link>>

## 15. Suspending/Withdrawing the Support

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ARPA may suspend or withdraw in full the support under this scheme where a non-compliance by the beneficiary is detected. The suspension or withdrawal shall be lifted by ARPA as soon as the beneficiary proves to the satisfaction of the agency that the situation has been remedied.

Suspension of the support will be applied in cases where commitments and/or other obligations are not fulfilled, and the beneficiary is expected to be able to correct the non-compliance. If the beneficiary cannot remedy the situation during a period provided for by ARPA, support shall be withdrawn or recovered.

Except for cases of Force Majeure, should the number of trees in the parcel go below 400 trees per Ha (calculated proportionately depending on the area under commitment) and the beneficiary does not remedy the situation during a period provided for by ARPA, no more maintenance funds shall be issued for that particular parcel.

### 15.1 Contractual Obligations

Upon signing the Grant Agreement, the Beneficiary becomes legally bound by certain provisions. The following sections provide information on some aspects of the contractual obligations of the Beneficiary.

The ARPA may, from time to time, issue further information and guidance concerning the interpretation and implementation of such agreement. Payments under this scheme shall be issued by the ARPA in accordance with established procedures and in line with the criteria established in these guidelines.

Except for cases of Force Majeure should the beneficiary stop the commitment on a parcel no more maintenance funds shall be issued for that parcel, and funds issued in relation to that parcel may have to be completely or partially recovered.

## 15.2 Controls and Penalties

Beneficiaries must note that by submitting the application they are agreeing to undertake an obligation for the relevant checks and controls by the respective Authorities including the following:

- The Agriculture Directorate, Ministry for Agriculture, Fisheries, Food and Animal Rights (MAFA)
- The Agriculture and Rural Payments Agency (ARPA), Ministry for Agriculture, Fisheries, Food and Animal Rights (MAFA)
- Internal Audit and Investigations Department (IAID), Office of the Prime Minister (OPM)
- The National Audit Office (NAO) in view of the fact that public funds are being utilised for the implementation of the investment
- The Audit Services of the European Commission (EC) in view of state aid

The following sections are intended as a guide on applicable checks and controls:

### 15.2.1 Administrative Checks

The checks shall include verification of:

- The eligibility of the beneficiary
- Adherence to the commitments of the scheme

The Agriculture Directorate and ARPA will perform several checks on the submitted applications. Checks include, but are not limited to, verification of the correctness and completeness of the information included in the application

In cases where ARPA or the Agriculture Directorate, based on administrative checks, notices an error in an application form after the closing date for submission of the application, and the error can be determined from the application and its supporting documentation, ARPA or the Agriculture Directorate may decide to ask the applicant to amend the application accordingly within a given period.

## **15.2.2 On-the-spot Checks**

On-the-spot checks shall be carried out by the Agriculture Directorate and/or ARPA as required to ensure an effective management of risks. Funds may be withdrawn/suspended or recovered in case of identified non-compliances.

## **15.2.3 Timing of On-the-spot Checks**

Applicants may be given advance notification (not exceeding three (3) working days) of the on-the-spot checks to ensure that the relevant staff and documentation are made available by the beneficiary during the check. Nonetheless, ARPA and the Agriculture Directorate reserve the right to carry out unannounced on-the spot checks without any notification to the applicant.

# 16. Debt Recovery

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Should the ARPA and/or the Agriculture Directorate identify any undue payments issued to a beneficiary or note that irregularities have been made by a beneficiary, ARPA will initiate debt recovery procedures. A beneficiary will be notified of a debt through a notification sent to the same beneficiary through registered mail. Such a letter will include the amount to be recovered and the reason for recovering these amounts. On receiving a debt notification, the Beneficiary is required to either accept the debt or object to it.

If the Beneficiary accepts the debt, he/she is to complete a Debt Acceptance Form, which would mean that the beneficiary would like to have the said amount deducted from any upcoming payments. If the Beneficiary does not have any upcoming payments, the debt is to be settled within thirty (30) calendar days from the date of the notification.

If on the other hand the Beneficiary does not agree with the debt, an Objection Form is to be completed and submitted to the Agency within fifteen (15) working days from the date of the debt notification. Objections submitted to the Agency will be reviewed by the Agency's Objection Board. The Beneficiary will be notified in writing of the Board's decision to accept or refuse such an Objection. Beneficiaries are encouraged to consult the Guidance for the Submission of Objections to Penalties/Reductions imposed by ARPA which may be accessed from ARPA's website at: <https://agrikultura.gov.mt/en/arpa/Pages/guidelines.aspx>.

The acceptance and objection forms may be downloaded from the Agency's website: <https://agrikultura.gov.mt/en/arpa/Pages/applicationForms.aspx> and may be submitted at:

- Front Office, Pitkali Markets, Ta' Qali, L/O Attard or,
- Gozo Office, Experimental Farm, Mgarr Street, Xewkija, Gozo
- AgriConnect Offices

If the Beneficiary has any pending debts after the elapse of sixty (60) calendar days from the date of debt notification and has neither submitted a Debt Acceptance Form nor an Objection Form, interest at a rate of 8% will be applied as per Commission Regulation (EC) No 1122/2009, Directive 2011/7/EU and Article 1852 of Chapter 16 of the Laws of Malta.

# 17. Data Protection

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The Agriculture and Rural Payments Agency and Agriculture Directorate carry out their functions in accordance with the applicable laws and in line with standing good practices.

In line with Article 13 of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (hereafter 'GDPR'), the Agency is hereby providing you with the following information:

- The “Controllers” are the Agriculture and Rural Payments Agency and the Agriculture Directorate it can be contacted at the Government Farm, Għammieri, Marsa, Malta or on the email address [arpa.mafa@gov.mt](mailto:arpa.mafa@gov.mt);
- The “Data Protection Officer” can be contacted at the Agriculture and Rural Payments Agency, Government Farm, Għammieri, Marsa, Malta or on the email address [dpo.arpa@gov.mt](mailto:dpo.arpa@gov.mt);
- The general purpose of processing your personal data is to implement the measures under the Common Agricultural Policy in accordance with Title III of the Treaty on the Functioning of the European Union and related EU and National Law, more specific policies are dependent on the measures concerned and may be found specified further down;
- The recipients of your personal data is the Agriculture and Rural Payments Agency and Agriculture Directorate both within the Ministry for Agriculture, Fisheries, Food and Animal Rights. The category of recipients of your personal data is public authorities including also Union institutions, bodies, offices and agencies;
- Your personal data shall be retained for as long as legally required or reasonably necessary to satisfy the declared purposes and any legal obligations and, or claims that might possibly arise from your relationship with the Agency, or otherwise according to the Agency's Data Retention Policy provided with this declaration or accessible online at [www.arpa.gov.mt](http://www.arpa.gov.mt);

- You have the right to request from the Controllers access to and rectification or erasure of personal data or restriction of processing of personal data concerning yourself or to object to processing as well as the right to data portability, according to law;
- You have the right to lodge a complaint with the Office of the Information and Data Protection Commissioner, or any other supervisory authority, if applicable in accordance with the Regulation.

The personal data you are providing to us is a contractual and, or legal requirement relating to your rights and obligations with respect to the controllers and their responsibilities.

By submitting this application/request you are declaring that you understand and accept that the controllers are to process personal data relating to you for the specific purpose of processing this application/request, in accordance with law. In order for your application/request to be processed, you shall provide your personal data for the declared purposes and anything reasonably and, or legally necessary to satisfy said purposes. Failure to provide such data might result in the impossibility of processing your application/request, without prejudice to other consequences according to law.

The processing of personal data shall be conducted according to the GDPR and the Data Protection Act.

## 18. Disclaimer

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The ARPA reserves the right to amend from time-to-time certain criteria established by this guidance document. Such amendments may become applicable and enforced retrospectively, as from the date of application.

Potential beneficiaries are requested to seek any clarifications deemed necessary prior to commitment.

NB: Where reference is made to size of parcels, this is referring to eligible agricultural land.

# 19. Contact Details

For more information regarding the Pilot Project, kindly contact:

Address:	AgriConnect Ċentru Ċiviku, Triq ic-Cawgli , Haż-Żabbar
Telephone Number:	21804981/2/4
E-mail:	agricconnect.mafa@gov/mt

or

Address:	Agriculture and Rural Payments Agency Agriculture Research and Innovation Hub Marsa MRS3000
Telephone Number:	+356 2292 6148
E-mail:	arpa.mafa@gov.mt

## Annex I

Application template

## Annex II

Eligible locations identified for this pilot project are fields found in the outskirts of:

Xagħra, Nadur, iż-Żebbuġ, Għasri, Xewkija, Sannat, Haż-Żabbar, il-Mellieħa

