

Guidelines for exceptional temporary support under the
European Agricultural Fund for Rural Development
(EAFRD) in response to the impact of Russia's invasion of
Ukraine





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Introduction

Forage feeds are an essential element of animal nutrition. In Malta, forage is primarily obtained from imported sources, complemented by an element of local production which is relatively small and of inferior quality. Prices of local production follow those of imports. The Ministry for Agriculture, Fisheries and Animal Rights has recently performed an analysis of the impact of rising forage prices on the livestock sector. Analysis revealed that the effects of the Ukraine conflict on the prices of straw and dehydrated hay, which are the two most prevalently used components of forage feed, have led to increases estimated at 36% and 41% respectively in 2022 as compared to 2021.

It is for this reason that the MAFA is proposing a scheme to provide support to livestock sectors covered by Voluntary Coupled Support Mechanisms, namely Dairy Production, Beef Production and Sheep, with the addition of Goat rearing provided that they have suffered similar conditions to the sheep sector; this to counteract the effects of the increase in forage feeds arising from the Ukraine conflict.

1. Legal Basis

REGULATION (EU) 2022/1033 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 29 June 2022 amending Regulation (EU) No 1305/2013 as regards a specific measure to provide exceptional temporary support under the European Agricultural Fund for Rural Development (EAFRD) in response to the impact of Russia's invasion of Ukraine

2. Duration of the Scheme

The scheme will be applicable until 15th October 2023.

Endorsed pre-filled applications must be submitted by not later than 31st March 2022. (An automatic claim system shall be used hence the endorsed pre-filled application shall be treated as approval of the competent authority as provided for in Para 4 of Article 39(c) of Regulation (EU) 1305/2013.)

3. Eligibility/Entry Conditions





The Scheme is intended for Bovine, Ovine and Caprine farmers with agriculture holdings registered in Malta.

- Bovine, caprine and ovine producers that are registered in the National Livestock Database as such with the VRD.
- For bovine and ovine: these must be farmers that applied and were eligible for payment for VCS claim year 2022. Farmers must remain with active production during claim year 2023.
- For caprine: Farmers that as at 31 December 2022 had registered in the National Livestock Database at least 20 female animals of at least 1 year of age. Farmers must remain with active production in 2023.
- In line with Para 3(d) of article 39(c) of Regulation 1305/2013, to be eligible for funds under this scheme bovine farmers must store manure in a leak-proof, covered storage clamp which is connected to a cesspit, which cesspits shall be leak-proof, covered and shall be of sufficient capacity to collect all urine and washings for at least fifteen days.
- In line with Para 3(d) of article 39(c) of Regulation 1305/2013, to be eligible for funds under this scheme caprine and ovine farmers must either store manure in a leak-proof, covered storage clamp which is connected to a cesspit, which cesspits shall be leak-proof, covered and shall be of sufficient capacity to collect all urine and washings for at least fifteen days; or where a deep litter system has been adopted those parts of the farm where the animals are kept are suitably covered at all times.
- Applicants must have submitted a valid Bank Payment Form to ARPA.

4. Force Majeure

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 cultivating the land 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;
- 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 trees in the case of vineyards 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: www.arpa.gov.mt

5. Budget

A budget of €2.2 million has been approved for the implementation of the scheme.

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

6. How is the payment and eligible area of support calculated?

- Dairy cows: €580 per head for the two-year period (2022 and 2023) up to a maximum of €15,000 per farmer.
- Beef: €104 per head for the two-year period (2022 and 2023) up to a maximum of €15,000 per farmer.
- Sheep and goats: €96 per head for the two-year period (2022 and 2023) up to a maximum of €15,000 per farmer.





Payment mechanism

The payment shall be based on a claimless system where the threshold indicated below shall be calculated as follows:

- For Dairy and Beef producers: the classification shall be carried out based on the number of eligible heads to be paid for under VCS Measures 1 and 2 for Claim year 2022.
- For Sheep producers the classification shall be carried out based on the number of eligible heads to be paid for under VCS Measures 3 for Claim year 2022.
- For Caprine producers, the classification shall be carried out based on the number of female animals of at least 1 year of age as at 31 December 2022 as recorded in the National Livestock Database.
- In any case no farmer shall receive more than €15,000 under this scheme.





Classification and payment rates

Dairy VCS eligible heads	Lump payment sum
0-10	€4,347
11-20	€10,142
21-30	€15,000
31-40	€15,000
41-50	€15,000
51-60	€15,000
61-70	€15,000
71-80	€15,000
81-90	€15,000
91-100	€15,000
100+	€15,000

Beef VCS eligible heads	Lump payment sum
0-10	€775
11-20	€1,809
21-30	€2,843
31-40	€3,876
41-50	€4,910
51-60	€5,944
61-70	€6,977
71-80	€8,011
81-90	€9,045
91-100	€10,078
100+	€15,000

Sheep VCS eligible Heads	Lump sum payment
20-30	€2,533
31-40	€3,454
41-50	€4,376
51-60	€5,297
61-70	€6,218
71-80	€7,139
81-90	€8,060
91-100	€8,981
101+	€13,818

Goats heads eligible as at 31.12.2022	Lump sum payment
20-30	€2,533
31-40	€3,454
41-50	€4,376
51-60	€5,297
61-70	€6,218
71-80	€7,139
81-90	€8,060
91-100	€8,981
101+	€13,818

7. Commitments

Farmers benefitting from this scheme must:

- remain active in 2023; should checks reveal that a farmer did not remain eligible, action will be taken to recover any funds paid.





8. Applications

An automatic claim less system shall be adopted, whereby eligibility shall be determined from updated registers held by MAFA. The farmers identified shall be provided with a pre-filled application form whereby they shall be requested to declare that they are eligible for the scheme and to express their interest in the scheme.

9. Suspending/Withdrawing the support

- The paying agency may suspend or withdraw in part or in full the support where a non-compliance is detected. The suspension or withdrawal shall be lifted by the paying agency 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.
- ARPA may partially or fully withdraw the support if the Veterinary Regulation Directorate notifies ARPA of inactivity unless such inactivity or underactivity is a result of a Force Majeure recognised in line with section 4 of these guidelines
- ARPA may partially or fully withdraw the support if the Directorate of agriculture notifies ARPA of non-compliances in relation to the eligibility criteria referred to in Section 3 of these guidelines.
- The paying agency will suspend the award and/or payment of any aid under this scheme to any undertaking that has benefited from earlier unlawful aid declared incompatible by a Commission Decision, until that undertaking has reimbursed or paid into a blocked account the total amount of unlawful and incompatible aid and the corresponding recovery interest.

10. Administrative checks and Controls

The checks shall include verification of:

- the eligibility of the beneficiary
- adherence to the commitments of the scheme





Provided that this scheme is an exceptional aid scheme it shall be based on a claimless system, reliance shall be made on the National Livestock Database, hence no additional controls are foreseen by the Agricultural Payments and Rural Agency.

The provisions concerning paragraph 3(d) of article 39(c) of Regulation 1305/2013, shall be checked by requesting information from the Agricultural Directorate within MAFA being the Competent Authority implementing the Nitrates Action Programme, on whether there were any findings from 2021, 2022 and 2023 indicating farmers that are not in line with the last two requirements under the section 3 on eligibility criteria referred to in this document.

11. Penalties

Provided that this is an exceptional aid based on a claimless system no payment penalties are foreseen, however, if it is found that the applicant provided false declarations concerning his/her agricultural activity to receive aid under this scheme, no funds shall be issued; any funds already issued under this scheme will have to be refunded.

12. Debt Recovery

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: www.arpa.gov.mt

The acceptance and objection forms may be downloaded from the Agency's website:

www.arpa.gov.mt 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.

13. Data Protection

The Agriculture and Rural Payments Agency carries out its 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 “Controller” is the Agriculture and Rural Payments Agency and it can be contacted at the Government Farm, Għammieri, Marsa, Malta or on the email address 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;
- 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 recipient of your personal data is the Agriculture and Rural Payments Agency 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;





- You have the right to request from the Controller 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 Agency and its responsibilities.

By submitting this application/request you are declaring that you understand and accept that the Agency is 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.

14. Disclaimer

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.

