

GUIDELINES FOR THE TRAINING SCHEME FOR YOUNG FARMERS V4





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Young farmers knowledge transfer Scheme

1. INTRODUCTION

Agricultural production in Malta is characterised by a constant production throughout the year, and by an ageing farming community hindered by various factors that make a career in the agricultural sector unattractive to new generations.

Young farmers face a wide array of barriers to enter agricultural activity especially in obtaining land due to the high costs of purchasing or renting agricultural land. In Malta and Gozo, fragmentation of land as a result of succession and inheritance is another factor that makes the sector unattractive. Difficulties in obtaining loans for business investments, problems in accessing markets, and resistance from older farmers to pass on their experience to non-family individuals also pose struggles for new farmers to enter the industry.

To alleviate these modern challenges and facilitate this transfer of knowledge, the Ministry for Agriculture, Fisheries, and Animal Rights (MAFA) – Agriculture and Rural Payments Agency (ARPA) in collaboration with the Malta College of Arts, Science and Technology (MCAST) have designed this scheme. Through this scheme, young farmers can enter into an arrangement with an established local land farmer whereby under the coordination, supervision and guidance of MCAST, they will be spending an allocated number of hours assisting in the everyday work planned by the host farmers. The aim is for the young farmers to attain the necessary experience both through hands-on training by an experienced farmer, as well as a structured theoretical approach and theoretical learning, and thus encourage potential individuals to enter the agricultural sector. The ultimate benefit of this scheme is to identify, nurture and develop the next generation of farmers in the present times.

2. BUDGET

A total amount of €428,000 has been allocated for this scheme (€214,000 for each call). This scheme is fully funded by the Government of Malta. The Ministry of Agriculture, Fisheries, and Animal Rights reserves the right to allocate funds, increase or extend the scope of this scheme depending on the availability of funds at any time.

3. LEGAL BASIS

- Agriculture and Fishing Industries (Financial Assistance) Act (CAP 146 of the Laws of Malta)
- Commission Regulation (EU) No 1408/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid in the agriculture sector, as amended by Commission Regulation (EU) No 2019/316 of 21 February 2019 amending Regulation (EU) No 1408/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid in the agriculture sector.





4. GENERAL REQUIREMENTS/CONDITIONS

- This call is targeted to land farming;
- The farmers hosting the young farmers will be referred to as the Host Farmers;
- The individual seeking training under this measure will be referred to as the Young Farmer;
- Arrangements to team up between both parties falls within the responsibility of the applicants themselves;
- One host farmer can only host one young farmer on his holding throughout the duration of the contract;
- Applications under this scheme are to be submitted jointly between the host farmers and the young farmers.
- The training period under the scheme shall be of one (1) year from signing of the contract;
- The agricultural holdings pertaining to the host farmers should be registered in Malta and/or Gozo;
- A crop plan as per Annex 1 for the host farmer's holding covering the contractual duration needs to be submitted together with the joint application;
- Applicants must submit a valid Bank Payment Form to ARPA.
- Applicants must submit together with the application a *de minimis* declaration form indicating any *de minimis* aid received during the previous two fiscal years and the current fiscal year. This will ensure that the total amount of *de minimis* aid granted under the *de minimis* rule will not exceed €20,000 per single undertaking over three fiscal years.

5. ELIGIBILITY/ENTRY CONDITIONS

Host Farmers

- The host farmers need to be registered in the Integrated Administrative Control System (IACS) with ARPA;
- The host farmers should be at least 50 years of age by the closing date of the application;
- Host farmers are defined as natural persons who have applied in the last 3 years under the European Agricultural Fund for Rural Development (EAFRD) (Articles 31 and 32 of Regulation (EU) No 1305/2013) Measure 13 – Payments to Areas facing Natural or other specific Constraints.
- The host farmers need to present the RA1 form endorsed by the Inland Revenue Department showing a turnover of €10,000 or more in at least one year from the last three calendar years preceding this application. This document needs to be submitted together with the application.
- Applicants must submit a valid Bank Payment Form to ARPA.

Young Farmers

- Young farmers shall be not more than 41 years of age upon submission of the application and are either active or seeking to become active in the agriculture sector;
- Young farmers are defined as natural persons who are interested in setting up for the first time an agricultural holding, or who have already set up such a holding during the five years preceding the first submission of an application under the basic payment scheme referred to in Article 72(1) of Regulation (EU) No 1306/2013;
- Applicants must submit a valid Bank Payment Form to ARPA.





5.1 CALL FOR SUBMISSION OF APPLICATION

Applications are to be submitted to ARPA jointly by one host farmer and one young farmer.

All proposals received will be evaluated and ranked by the Project Selection Committee appointed by the MAFA based on ranking criteria stipulated under Section 8 of this document. Ranking of applicants for operations proposed in Malta and Gozo shall be drawn up as separate selections.

6. WHAT HAPPENS IF A BENEFICIARY CANNOT FULFIL COMMITMENTS DUE TO A *FORCE MAJEURE* INCIDENT?

If a beneficiary has been unable to comply with commitments or 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. However, if the force majeure application is rejected, ARPA may seek to recover or withdraw all funds related to this scheme.

Cases of Force Majeure for the purposes of this scheme:

- Mandatory quarantine of young/host farmers
- Expropriation of land may in particular be recognised in the expropriation of all or a large part of the holding if that expropriation could not have been anticipated on the day of lodging the application
- An illness or other intervening health condition of the young/host farmers making them unfit to participate in the scheme
- Death of young/host farmers
- 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.

7. COMMITMENTS

- The period that shall be covered as training under this scheme is that of twelve (12) calendar months from the date of signing of the contract;
- Contracts signed shall include a fifteen (15) day probation period in which applicants may decide to opt out of the contract;





- Each month the young farmers are to complete at least 72 hours (80%) out of the 90 contact hours of training to be performed on the holding of the host farmers in order to be eligible for payment;
- The young farmers shall also attend in total of one hundred twenty (120) hours of theoretical training delivered by MCAST. This training will incorporate at least the following subjects: Basic Crop Production, Basic Pest Control, Basic Bookkeeping, An Introduction to Marketing, Cross Compliance obligations, Use of ARPA Mobile Apps and any other subject/s agreed upon between MCAST and ARPA;
- Young farmers participating in the scheme shall record all the duties carried out as part of their training under the scheme in the appropriate logbook as indicated by MCAST.

8. RANKING SYSTEM

The Selection Board will evaluate the proposals and assign points according to the requirements of the call. The ranking system will be based on the following criteria (**Maximum 100 Points**).

1. Young Farmers Qualifications - **Maximum mark 20 points**. Points will be assigned for the highest level of Qualification presented.
 - MQF 3 5 points
 - MQF 4 10 points
 - MQF 5 15 points
 - MQF 6 and above 20 points
2. Other courses directly related to agriculture by the young farmers (1 point for each course with a maximum of **10 points**) (courses must be attested by appropriate certificates)
3. Other courses directly related to agriculture by the host farmers (1 point for each course with a maximum of **5 points**) (courses must be attested by appropriate certificates)
4. Crop Plan by the host farmers to be used for the scheme – **Maximum Mark 15 points**
 - Crops 2 – 5 5 points
 - Crops 6 – 10 10 points
 - Crops 11 or more 15 points

For a crop to qualify for the above points, it must be cultivated on agricultural land of not less than one continuous tumolo.

These details will form part of the assessment of the projects and failure to abide by the proposed crop plan can lead to the host farmer to lose the right of payment.

5. Age of host farmers (**Maximum Points 10**)
 - Host farmers of at least 55 years of age by the closing of the application – 5 points
 - Host farmers of at least 60 years of age by the closing of the application – 10 points





6. Sales by host farmers - **(maximum 20 Points)**

- Sales of at least €20,000 in at least one (1) year from the last three (3) calendar years preceding this application (5 points)
- Sales of at least €30,000 in at least one (1) year from the last three (3) calendar years preceding this application (10 points)
- Sales of at least €40,000 in at least one (1) year from the last three (3) calendar years preceding this application (15 points)
- Sales of at least €50,000 in at least one (1) year from the last three (3) calendar years preceding this application (20 points)

7. If the host farmer makes available at least one (1) tumolo (0.1124Ha) of agricultural land to the young farmer for the latter to plan and cultivate such area for the duration of this scheme as instructed by MCAST, the application will be awarded a further **20 marks**;

Should there be instances where different applications obtain the same scoring in line with the scoring criteria described above, these shall then be ranked in accordance to the amount of eligible area found in IACS for the Area with Natural Constraints scheme for CY 2021 as provided for in Regulation (EU) No 1305/2013, in the application of the host farmers.

9. HOW IS THE PAYMENT CALCULATED?

Payments related to this scheme will be issued on a monthly basis by ARPA upon confirmation and approval by MCAST which, as coordinating body, will be assessing all the approved ongoing proposals on a monthly basis including attendances, participation, fulfilling of commitments by all parties involved as well as any other assignments required by MCAST. A written confirmation will be provided by MCAST to ARPA to authorise the periodic payments.

- The payment for the young farmers will be €500 per month for a period of twelve (12) months
- The payment for the host farmers will be €200 per month for a period of twelve (12) months

For the coordinating services rendered by MCAST, and as an educational institution, it shall be awarded €94 per month for each active contract under the scheme

10. SUSPENDING / WITHDRAWING THE SUPPORT

MCAST and ARPA may suspend or withdraw in full the support under this scheme where a non-compliance by any of the parties or a disagreement between the host and young farmers 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 MCAST, support shall be withdrawn or recovered.





11. EQUAL OPPORTUNITIES AND NON-DISCRIMINATION

Beneficiaries are required to take a pro-active approach to equal opportunities and must ensure that at all stages of the implementation of the contract consideration is given to equal opportunities. Equal opportunities and non-discrimination addresses gender discrimination and also includes topics of race, ethnicity, religion or belief, disability, age and sexual orientation.

12. UNSUCCESSFUL APPLICANTS

ARPA will inform all applicants about the outcome of the selection process.

13. APPEALS

Applicants who feel aggrieved by the outcome of the procedure have the right to appeal in writing to the Appeals board appointed by MAFA within ten (10) working days from the date of the publication of result.

14. LETTER OF ACCEPTANCE

ARPA will proceed to write to the successful applicants informing them of the decision of acceptance of their application. Letters of acceptance may include conditions which the Selection Board may deem required.

15. GRANT AGREEMENT

Applicants whose expression of interest has been selected in accordance with the procedure described above, in terms of being eligible and having obtained the necessary scoring for selection, and furthermore, could be allocated the requisite budget for funding, shall be invited to enter into an agreement with ARPA and MCAST by signing the Grant Agreement. More details on the generic provisions applicable in the Grant Agreement and the contractual obligations of the beneficiary are provided in the subsequent sections. From time-to-time ARPA may issue further information and guidelines.

No assistance, payment or benefit will be provided by ARPA without the conclusion of a relevant Grant Agreement, and all the contents of these guidelines are subject to said conclusion and are to be considered as an integral part of the relevant Grant Agreement.

16. CHANGES

If amendments to the Grant Agreement need to be made by the beneficiary, the beneficiary must indicate the required amendments to ARPA prior to the changes being actually implemented (*a priori*). ARPA



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will review the request, consult with MCAST and notify the beneficiary accordingly. Amendments are subject to common agreement between the parties.

No amendment shall retrospectively validate any non-compliance according to the Grant Agreement, and the relevant beneficiary retains full responsibility for the said non-compliance.

17. 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 Agriculture and Rural Paying Agency (ARPA) may, issue further information and guidelines.

18. DOCUMENTATION

For audit purposes, the beneficiaries (Host farmers and Young farmers) as well as MCAST are to retain documents for three (3) years from the date of the contract agreement.

19. DATA POLICY

By submitting the application, the applicant understands that his personal and project details shall be retained by ARPA and MCAST, to be used for the processing of the application, and for contractual, monitoring and evaluation purposes. These details shall also be provided to audit bodies when requested. ARPA shall retain these records for a minimum of ten (10) years.

20. DATA PROTECTION

For the purposes of the application and the grant agreement, whilst abiding with applicable obligations under the EU's General Data Protection Regulation and all other applicable data protection law, ARPA retains the right to disclose, exchange or request information about any applicant, application and agreement to or with other organisations or consultants which ARPA considers appropriate for the purposes of administration and evaluation.



