



GUIDANCE NOTES
“Rejuvenating Gozo” – Improve the attractiveness of living in
Gozo for young persons and young families
Measure 4 (Third Call)

LEADER Programme (Community Led Local Development) – Rural
Development Programme (Malta) 2014 – 2020

Version 1.0

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European Agricultural Fund
for Rural Development:
Europe Investing in Rural Areas

Notices.

Procedure for the submission of applications

- Applications are to be send by email on info@leadergozo.eu
- Applicants are to ensure to submit their application before noon (12pm Central European Time) of the indicated closing date.
- If the application and supporting documentation exceeds 10MB, please split the files in separate zipped folders and send in separate emails (**e.g. Application M4 – Joe Borg – Part 2 of 3**)
- The Gozo Action Group Foundation remains available to confirm with applicants that an application has been received if contracted via email on info@leadergozo.eu or via Tel. 2155 0322 during office hours. After a manual check on the submitted applications, the Gozo Action Group Foundation will also issue an acknowledgement letter.
- Note that any automated acknowledgement send from the Gozo Action Group Foundation does not in any way confirm or otherwise that (a) successful receipt of part or full application, not, (b) that the application is deemed admissible.
- The applicants will be advised further, during the evaluation process, with regards to the submission of any necessary clarifications/documents required.
- The Gozo Action Group Foundation reserves the right, in particular on the basis of approval or direction by the European Commission, to amend form 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 guidelines and the text of the Local Development Strategy (LDS) for Gozo and Comino 2014 – 2020 and other legislative text, the interpretation given by the LDS and relevant legalisation will be given priority. The English version will be the legally binding text.
- The Gozo Action Group Foundation reserves the right to request additional information not included in the Guidance Document.

Contents

Contents.....	3
Definitions:.....	4
1. Project Details.....	6
2. Rationale for Intervention	7
3. Aim and Scope of the Measure.....	9
4. General Description of the Actions.....	9
5. Eligibility Criteria	10
6. Eligible Investment.....	10
7. Non-Eligible Investment.....	11
8. Type of Beneficiaries.....	12
9. State Aid Rules and Obligations.....	12
10. Aid Intensities	14
11. The Measure’s Indicators and Targets (As per regulation 808/2014).....	14
12. Financing – Budget.....	15
13. The Application Process – General Provisions.....	15
14. Evaluation – Administrative Checks.....	16
15. Selection Process	17
16. Ranking of Projects and Selection Process	17
17. Unsuccessful Project Proposals	17
18. Publication of Final Result.....	18
19. Eligible Procurement Procedures	19
20. Contracting with Beneficiaries.....	19
21. Payment	19
22. Extension to Contract Timeframes and Changes in Project	20
23. Project Sustainability	21
24. Publicity.....	21
25. Data Protection	22
26. Retention of Documents.....	23
27. Basic Terms and Conditions	23
28. Selection criteria and Sub-criteria	24

Definitions:

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

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

Cost-effectiveness analysis: Compares the costs and effects of an intervention to assess the extent to which it can be regarded as providing value for money.

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

DNO: Development Notification Order

EAFRD: European Agricultural Fund for Rural Development.

EAFRD regulation: Regulation (EU) No 1305/2013 of 17 December 2013 on support for rural development by the EAFRD.

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

Evaluation: A periodic collection and analysis of evidence to form conclusions on the effectiveness and efficiency of interventions.

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

GAGF: Gozo Action Group Foundation

Local Action Groups (LAGs): A Local Action Group (LAG) is a non-profit-making composition made up of public and private organizations from rural villages having a broad representation from different socio-economic sectors.

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.

Local Development Strategies (LDS): a coherent set of operations established to meet local objectives and needs, and which contributes to meeting the Union strategy for smart, sustainable and inclusive growth, and which is designed and implemented by a local action group.

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

Measure: An Aid 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.

PA: Planning Authority

Project Selection Appeals Board (PSAB): 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.

Results: The direct effects or changes that arise due to the intervention.

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.

Single undertaking includes all enterprises having at least one of the following relationships with each other:

- a. One enterprise has a majority of the shareholder's or members' voting rights in another enterprise;
- b. One 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 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 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) through one or more other enterprises shall also be considered to be a single undertaking.

1. Project Details

These Guidance Notes are intended to assist Applicants understand the requirements for requesting and receiving funding support under **Measure 4 – Rejuvenating Gozo – Improve the attractiveness of living in Gozo for young persons and young families – Third Call** - of the Local Development Strategy for Gozo and Comino.

The outward migration of youths and young families is one of the major socio-economic problems Gozo is currently facing. This is in good part due to a relative absence of suitable job opportunities, which is being addressed through other actions in the Local Development Strategy, and through measures at the national level. This action is complementing such efforts by aiming to improve the quality of life amenities which Gozo offers to young persons and young families, ranging from family and work-life balance (including life skills) support, to community entertainment facilities, to cultural activities and amenities. The budgets allocated to individual applications are intended to secure an element of critical mass in interventions balanced by a spread across the territory and across areas of focal interest of youths and young families.

The action is expected to provide lifestyle attractions to young people and young families by focusing on amenities and activities associated with the 'new economy', with potential spin-off effects on employment generation.

Investments and activities promoted through this action will need to deliver improvements in environmental and climate performance, due to the importance of these factors for a healthy lifestyle of young persons and families.

The main focus of this action is the preservation, valorisation and evolution of the Gozitan lifestyle through the retention and attraction of a younger population.

The action is expected to improve on the cultural heritage assets as a means to improve the lifestyle for young persons and young families.

The action is expected to make a positive contribution to Gozitan landscape and environment as a means to enhance the quality of life in Gozo for young persons and families towards environmental improvement (e.g. restoration of degraded land, prevention of environmental damages, etc.).

The action is expected to make a direct impact to the quality of life in Gozo by rendering the region a more attractive location to live in for young persons and families, through the establishment of hard and soft infrastructural facilities and services that respect the surrounding environmental context and the landscape, and where possible, improve their state of conservation.

The action will involve elements of innovation by supporting activities for young persons associated with the 'new economy'.

Interventions through this action will need to demonstrate environmental sustainability and resource efficiency.

The action will stimulate the retention, attraction and creation of human capital in Gozo by focusing on lifestyle improvements needs of young persons and young families.

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.leadergozo.eu under the sub-heading Downloads – Funding Calls¹.

Applicants are reminded to check that they refer to the latest guidance notes as available on the 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

Relevance to LEADER approach	Enhancing competitiveness, innovation and quality of life	The action is innovative in targeting better quality of life for youths and young families for the purposes of economic and cultural regeneration, which are in themselves key to fostering innovation.
	Promoting to a bottom-up approach, partnership and networking	The measure requires partnerships between NGOs, public governance entities and business operators. Networking within a bottom-up approach is therefore promoted.
	Avoidance of overlapping with other interventions	This action, within its full scope and reach, is not considered to replicate other interventions, although there may be specific elements that could be financed through other sources but that would be more effectively and efficiently undertaken as part of the holistic action that was proposed in the LDS.
Relevance to Gozo	Identified addresses under this measure	<ul style="list-style-type: none"> • The Action is expected to provide lifestyle attractions to young people and young families by focusing on amenities and activities associated with the ‘new economy’, with potential spin-off effects on employment generation. • The investment and activities promoted through this action are likely to deliver improvements in environmental and climate performance, due to the importance of these factors for a healthy lifestyle of young persons and families. • The main focus of this action is the preservation, valorisation and evolution of the Gozitan lifestyle through the retention and attraction of a younger population. • The action is expected to improve on cultural and natural heritage² assets as a

¹ <http://leadergozo.eu/index.php/downloads/funding-calls/>

² Natural heritage refers to the physical environment, biodiversity, including flora and fauna, ecosystems, geological structures and natural water bodies.

		means to improve the lifestyle of young persons and young families.
	Elements of continuation from previous programme	The previous programme financed aspects of improvements in infrastructure, although not with a youth and young families' direct focus. A number of interventions of the same type and scale can also be undertaken under this action, but with the specific demographic focus that is required.
	Innovative elements for Gozo	The creation of infrastructures and services where business elements would be involved is innovative in Gozo, leading to better outcomes with a greater chance of future financial sustainability.
	Improving networking in Gozo	
	Engendering critical mass in interventions	While absorbing a significant amount of the available budget, the resources which this measure could potentially take are significantly larger. Critical mass thus requires investment by the private sector and public governance entities, to leverage the resources provided through LEADER (CLLD). The leveraging of such resources, and the particulate advantages which public-private partnerships may offer in this regard, is to be clearly explained in the context of animation activities.
Effectiveness	Best available approach as compared to other actions	Other alternative actions that could be contemplated would involve individual, differentiated actions without a specific demographic focus. These alternatives are considered to involve higher costs and to be less effective than a unified approach that encourages partnerships and synergies.
	Balance in interventions within and across actions	The action is absorbing around 30% of the total budget and is itself to be by design divided among various complementary interventions.
	Synergies within action and with other actions	The components of the action provide obvious synergies. The action itself can provide material to be used within the context of Measure 1, as well as a younger population with a direct interest in the operations of Measure 1.
	Sustainability of project benefits	This is designed to be obtained through the participation of private business and public governance entities, which would financially sustain the activity through the improved business performance which it would be generating.
Efficiency and Regulatory Compliance		The budget is considered to be sufficient so that through the partnership base established, efficiency and regulatory compliance can be attained in a cost-effective manner. The

	participation of public governance entities could support this function.
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3. Aim and Scope of the Measure

The action will improve amenities and services in Gozo so as to improve the quality of life for young persons and young families, thereby contributing to retaining skills and to demographic and culture regeneration.

4. General Description of the Actions

Projects must be **physically undertaken** in any of the rural localities that constitute the Gozo Action Group Foundation territory, listed in the following table.

Rural Localities within the Gozo Action Group Foundation Territory		
Fontana	Għajnsielem	Għarb
Għasri	Kerċem	Munxar
Nadur	Qala	Rabat (Citta' Victoria)
Sannat	San Lawrenz	Xagħra
Xewkija	Żebbuġ	

Type of Operation

The action will provide resources to:

- i. Improve the attractiveness of Gozo for young persons and young families through the creation of hard and soft support infrastructures that respect the surrounding environmental context and the rural landscape, wherever possible, improve their state of conservation;
- ii. Enhance the involvement of Local Councils, NGOs and business operators in improving the quality of life and the environment in Gozo for young persons and families.

Type of Support

The type of activities which can be supported through grants include:

- i. Development of infrastructures aimed at improving the quality of life and environment for young persons and young families (e.g. family parks, picnic areas)
- ii. Investments by NGOs, Local Councils, and/or business operators, with a direct interest in young persons and young families, in equipment and in providing new and/or extended services which is specially required for their specialised activities (e.g. childcare, sports, cultural, education activities, community entertainment activities compatible with the Gozitan lifestyle), capacity-building in undertaking innovative and/or extended activities of direct interest to young persons and young families.

These activities, and similar ones as may be proposed by project proposers, will furthermore be subject to inspection and verification in terms of their functional set-up. In this regard, the LAG will

be following the spirit, the principles and practices that are applicable within the public service in Malta in the area of procurement.

5. Eligibility Criteria

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

- Submitted application is fully completed, and duly filled-in with details required by the Decision Committee to evaluate the application for eligibility and selection;
- The applicant (project leader) is able to demonstrate that s/he forms part of (or is the legal representative of) the beneficiary/applicant organisation;
- The proposed project will be implemented within the GAGF territory;
- The applicant is able to demonstrate evidence of sufficient financial capacity required to finance the project and to fund the private financial component (*refer to section 7 of the application – Supporting Documentation*);
- The proposed project contributes to the general and specific objectives of the measure for Gozo's needs as identified in the Local Development Strategy for Gozo and Comino:
 - *'New Economy Activities'*: The action is expected to provide lifestyle attractions to young people and young families by focusing on amenities and activities associated with the 'new economy', with potential spin-off effects on employment generation;
 - *'Climate and Environment'*: Investment and activities prompted through this action will need to deliver improvements in environmental and climate performance, due to the importance of these factors for a healthy lifestyle of young persons and families;
 - *'Gozo Lifestyle'*: The main focus of this action is the preservation, valorisation and evolution of the Gozitan lifestyle through the retention and attraction of a younger population;
 - *'Cultural Heritage'*: The action is expected to improve on cultural heritage assets as a means to improve the lifestyle for young persons and young families.

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

Description of the requirement and targets

The applicant is required to demonstrate that the proposed investment shall result in the achievement of the Measure's objectives.

Applicants must demonstrate how the proposed project leads to the improvement of the attractiveness of living in Gozo for young persons and young families.

6. Eligible Investment

Eligible Investment supported under Measure 4 is as follows:

- Investment in public infrastructure by Local Councils, up to 100% of budget
- Investment in equipment by NGOs, Local Councils and business operators, up to 100% of budget.
- Capacity-building by NGOs including running costs of offering services, up to 15% of budget.

The percentages are a cap on the amount allowed to be allocated on each area. For instance: if the budget is €200,000, €30,000 maximum is to be allocated to capacity building (not more than 15%).

Projects should remain functional for at least five years following the last payment.

Investments must be in line with the General Description of the Actions as outlined in Section 4 of the Guidance Notes.

7. Non-Eligible Investment

The following is an indicative list of non-eligible investments under Measure 4:

- Acquisition of lands and buildings;
- Construction of new buildings (or extension of build structures) in the countryside or on the coast;
- Hard-surfacing, clearing or formalisation of rural/coastal land (e.g. soil, natural bedrock, informal beaten earth tracks or pathways), or new or extended roads in the countryside;
- Topographical alterations in the countryside or on the coast, or removal/dismantling of natural/rural features (e.g. excavation of natural bedrock, dismantling of rubble walls, uprooting of trees) on rural/coastal land;
- Installation of overhead wiring and poles (including new or extended installation, or replacement with new poles), or trenching in the countryside beyond the legal footprint of already-existing roads;
- Sanction of illegal rural structures;
- Acquisition of second-hand equipment;
- Acquisition of means of transportation;
- Currency exchange losses;
- Bank Interest;
- Provisional costs that are not directly related to the investment (e.g. storage costs for keeping materials);
- Indirect Administration fees not directly related to the investment (salaries, insurance obligations and running costs);
- Income Tax or other operational costs of the entity applying for the project, including provisions for possible future losses or debts;
- Inputs which are the subject of a contribution in kind;
- Works in kind;
- Expenditures made before the launch of the call for application (the applicant should refer to Article 60 of Regulation 1305/2013 of the European Parliament and Council);
- Value Added Tax (except where it is non-recoverable under national VAT legislation). Grant assistance may be provided in respect of non-recoverable VAT. Written confirmation from the VAT Department that the project application is not-registered for VAT must be presented by the applicant;
- Statutory fines and penalties;
- Works that are connected with projects, process or intervention that are in breach of law or which infringe the terms, conditions or approved specifications of any permit or licence issued by a public authority.

8. Type of Beneficiaries

Applications are accepted from entities regularly operating or providing a service within the geographic area covered by the GAGF.

Applicants can be Local Councils, NGOs and business operators. Each application must consist of at least three (3) entities, spanning at least two of the aforementioned categories. The applicant has to co-operate with at least two other partners. A lead partner should also be appointed who shall be considered as the project applicant. The application shall clearly specify the role to be played by the applicant and the project partners.

It is important to note that:

- i. Private undertakings where eligible, are to be limited to SME's. Large firms (as per Eurostat definition), are excluded.
- ii. NGOs refer to entities that are enrolled and fully compliant with the Voluntary Organisations Act and its subsidiary legislation 492.02 (Annual Returns and Annual Accounts) Regulations 2012. The GAGF will confirm with the Commissioner whether VOs are compliant prior to the disbursement of funds.
- iii. Only Local Councils that have fully paid the LAG membership fees are eligible for funding.
- iv. Any one entity (whether main beneficiary and/or partner) can apply under one or more of the measures, but cannot participate under different/competing applications within the same measures throughout the whole programming period.

Any conflict of interest in the selection process is removed through the exclusion of applicants from board of selection, since all foreseen local councils in Gozo are members of the LAG.

It is important that the applicant is a member of the decision board/unit/committee (or is the legal representative) of the beneficiary/applicant organizing.

9. State Aid Rules and Obligations

9.1 State Aid rules applicable for undertakings that carry out an economic activity within the meaning of Article 107 TFEU

In the case of applicants that carry out an economic activity within the meaning of Article 107 TFEU, as well as applications proposing a project involving an economic activity, the following terms and conditions shall apply.

Aid awarded in such instances shall be in line with the provisions of Commission Regulation (EU) No. 1407/2013 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 [OJ L 352/1], as amended by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation [OJ L 215/3] (the *de minimis* Regulation).

Assistance may not be awarded to the following:

- a) Undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No. 104/2000;
- b) Undertakings active in the primary production of agricultural products;

- c) Undertakings active in the sector of processing and marketing of agricultural products, in 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 businesses concerned;
 - ii. Where the aid is conditional on being partly or entirely passed on to primary producers;
- d) 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;
- e) Aid contingent upon the use of domestic over imported goods;

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 over any period of three consecutive fiscal years. This period covers the fiscal year concerned as well as the previous two fiscal years. ‘Fiscal year’ means the fiscal year as used for tax purposes by the undertaking concerned.

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 Gozo 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 undertakings having at least one (1) of the following relationships with each other:

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

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

The *de minimis* Regulation states that a group of linked undertakings is considered as one single undertaking for the application of the *de minimis* rule, but that undertaking which has 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 undertakings 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 360/2012 up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted in accordance with other *de minimis* regulations up to the relevant ceiling fixed in terms of these Guidance Notes.

De minimis aid awarded under this measure shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, 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 last individual aid is granted under the Scheme.

9.2 Applicants and applications not involving the carrying out of an economic activity within the meaning of Article 107 TFEU

In the case of applicants that do not carry out an economic activity and applications proposing a project which does not involve an economic activity within the meaning of Article 107 TFEU, the rules outlined in section 9.1 do not apply.

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. Written confirmation from the VAT Department that the project applicant is not registered for VAT must be presented by the applicant.

The VAT Declaration Form (annex 1 of the application) should be duly filled-in by the applicant, in case the Grant assistance is being requested by the applicant.

11. The Measure's Indicators and Targets (As per regulation 808/2014)

Number of Local Councils (municipalities) offering new and improved amenities for young persons and families:	8
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Number of businesses offering new and improved services for young persons and families:	23
Number of NGOs offering new and improved services for young persons and families:	15

12. Financing – Budget

The total allocated budget for this call is set at **€ 60,591.42** , will be financed through the EAFRD.

The **maximum** grant support through the EAFRD for each project is **capped at € 60,591.32**. The remaining 20% will be financed by the Beneficiary.

The **minimum** grant support through the EAFRD for each project is **capped at €40,000**. The remaining 20% will be financed by the Beneficiary.

In the case of oversubscription of the call, the **GAGF MAY** reserve the right to allocate additional funds to this measure following approval by the Managing Authority.

13. The Application Process – General Provisions

- Interested applicants need to submit the completed application form for Measure 4.
- 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 GAGF 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 the project proposed, and any related investments are eligible for funding and that the application form and the requested supporting documentation **are submitted within the deadline of the call**.
- It is not the duty of GAGF to verify the above matters; irrespective of any meetings that may have been held between GAGF and the applicants.
- Applicants should submit the application by email on info@leadergozo.eu in one compressed zipped file. The application must include a soft copy of all the supporting documentation. Each separate document is to be individually presented and adequately titled for ease of reference.
- A checklist of attachments is attached to the Application Form. The applicants must ensure that ALL the mandatory supporting documentation as per *Section 7* of the application form are submitted.
- Any financial declarations / certificates need to be dated not more than three months prior to the deadline of the call.

- The Gozo Action Group Foundation will undertake a validity check following receipt of the application. Any required documentation not submitted with the application form shall be submitted within not more than 5 working days from the date of a notification letter sent by Gozo Action Group Foundation. Only complete applications will be considered by the Project Selection Committee.
- The Call for proposal will open on Monday, 24th of July 2023 as an Open Block Call Procedure. This means that a batch of applications received with a respective time block will be assessed separately from applications received in subsequent batches. The different time block periods are outlined in the below table and are subject to funds availability. If funds are exhausted following a time block period, the following time block period will not open and the call will close. The Gozo Action Group Foundation will issue a notification on the LAG's website³, should the allocated budget have been committed or should the call be withdrawn.

Launch	Deadline for Clarifications	Deadline for Block 1	Deadline for Clarifications	Deadline for Block 2
Monday, 24 th July 2023	Thursday, 24 th of August 2023 at noon	Thursday, 31 st of August 2023 at noon	Friday, 22 nd of September 2023	Friday, 29 th of September 2023

- Applications received after any time block period **WILL NOT BE CONSIDERED** as part of that time block period.
- Applicants are encouraged not to leave to the last day to submit their application.

All applications are to be sent by email to info@leadergozo.eu. The submission must be in one compressed file containing a soft copy of the application form, and soft copies of all annexes, documents and supporting documents. Each separate file is to be individually presented and adequately titled for ease of reference.

In case of queries or clarifications required, applicants may contact Gozo Action Group Foundation on the following contact details on email: info@leadergozo.eu or telephone: +356 2155 0322.

***Disclaimer:** The issuance of the receipt acknowledgement 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.*

14. Evaluation – Administrative Checks

The Gozo 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 from the date of the notification to submit the missing documentation and/or information.

³ www.leadergozo.eu

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 Gozo Action Group Foundation administration to inform the applicant.

Gozo Action Group Foundation 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 any information/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 GAGF. 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 the application stage or any other information as requested by GAGF. **Any false or misleading information will lead to the immediate rejection of the application.**

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 Gozo Action Group Foundation's official website⁴. In addition, a notification letter shall be sent to applicants informing them of their right of appeal in cases where applications fail to qualify.

17. Unsuccessful Project Proposals

⁴ <http://www.leadergozo.eu>

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 GAGF, Gozo Action Group Foundation, 23, Triq G.P.F Agius De Soldanis, Victoria, VCT 1032**, to be received within 5 working days from receipt of the email/letter of notification (whichever the earliest) of result sent by the LAG.

The Appeals Board will not consider late appeals.

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

The Chairperson of PSAB shall review and assess the validity of all the appeals submitted within the stipulated timeframe. Valid appeals will be presented to the PSAB for assessment. No additional information other than that presented at application stage will be considered during the review. The relevant documentation shall be provided for the sole purpose of supporting the basis of the information provided in the appeal letter. An appeal that does not provide sufficient detailed reasons may be refused at the preliminary stage as unjustified.

Upon submission of the appeal, the Appeals Board shall be convened within no later than 5 working days to review the appeals presented. All necessary relevant documents will be made available to the Appeals Board by the LAG Manager.

The Appeals Board must conclude the process of appeals by no later than 15 working days from the appeals closure date. Upon finalisation of the process, a detailed report articulating all decisions taken must be presented to the DC.

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, GAGF 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 ((BPF), sent with the letter of offer) 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.

19. Eligible Procurement Procedures

Local Councils are to follow the Public Procurement Regulations as applicable (both for quotations and/or tenders).

NGOs and Private undertakings are to follow MA PA EAFRD Circular 01/2021 for procurement procedures, which can be downloaded from: <https://fondi.eu/wp-content/uploads/2023/01/MA-PA-EAFRD-Circular-01-2021.pdf>

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

20. Contracting with Beneficiaries

Contracting shall be undertaken by the GAGF with the beneficiaries. In the case of entities, contracts are to be signed by the LAG’s Chairperson (or any formally authorised delegate) and a legal representative of the beneficiary. In case where the signatory on behalf of the beneficiary is not a legal representative, a power of attorney must be presented showing delegation of signatories between the legal representative and the appointed signatory. The power of attorney is to be endorsed by a public notary.

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 and all the relevant documentation of the project must be maintained in a secure location by the beneficiaries for a period of seven (7) years from the date of signing. Gozo Action Foundation will retain records for ten (10) years from the date on which the last aid was granted under the scheme.

21. Payment

- The Gozo Action Group reserves the right to make an advance payment of up to 50% of the total eligible cost of the project to all eligible beneficiaries.
- The issuing of an advance payment is subject to the submission of a financial guarantee issued by a recognised financial institution equivalent to the 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 (of up to 80% of the total eligible value of the project) will be issued following the 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 made following the completion of the services and submission of the request for reimbursement together with the necessary financial documentation (including invoices and receipts, and where applicable - a provisional certificate of works or a final completion certificate of works prepared by a warranted architect).
- The final payment will be affected once an on-the-spot-check is carried out by GAGF 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.
- In case of irregularities, penalties and sanctions may be applied.
- Official certification by the architect appointed by the beneficiary is required for settlement of final payment (in case of infrastructural works).
- The project is to be completed within fifteen (15 months) or by not later than December 2024 (which ever is the earliest), from the date of the signing of the contract between the LAG chairperson and a legal representative of the beneficiary.
- The final claim for reimbursement of funds allocated to the project must also be submitted within this deadline.

22. Extension to Contract Timeframes and Changes in Project

Should the beneficiary require an extension to the timeframe stipulated in the application form and contract, a written request is to be submitted to GAGF. The form to be used in such case is the 'Change Request Form' and the request should be sent 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 GAGF, the final decision will be sent to the beneficiary in writing. Should an extension be approved, the period of extension shall be determined by GAGF, after consultation with the Managing Authority.

In cases where amendments to the contract are required, the beneficiary must submit a 'Change Request Form' to GAGF prior to the changes being actually implemented (a priori) and the beneficiary must wait for a reply from GAGF. The Change Request Form can be downloaded from the GAGF website⁵.

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.

⁵ www.leadergozo.eu

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 GAGF. For example, funding is approved for the purchase of Model X of a laptop and following the contracting, the applicant wishes to purchase Model Y of this laptop 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.

GAGF 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 GAGF, 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.

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 GAGF, Agriculture and Rural Payments Agency, Internal Audit and Investigations Department (IAID), the European Commission (EC), 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.

23. Project Sustainability

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

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

The beneficiary must not commit any infringement or circumvention of the terms under which a clearance was issued by the relevant competent authorities (e.g. significant departure from approved specifications, or breach of conditions).

24. Publicity

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

the Ministry for the Economy, European Funds and Land, and which may be contacted on the email: communications.eufunds@gov.mt.

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:

- a. making potential participants aware of the opportunities afforded by it;
- b. making the general public aware of the role of the Community in relation to the project;
- c. ensure transparency of the assistance concerned;
- d. As an example, materials used by the Beneficiary and major correspondence, including contracts signed with third parties must include any acknowledgement of EAFRD support;
- e. Any publicity material, such as advertisements, billboards and information leaflets about EAFRD co-financed projects must acknowledge this support;
- f. Publicity of individual projects must be incorporated into the project budget;
- g. Applicants are to be cautious when determining publicity actions for the project;
- h. 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;
- i. 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;
- j. 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; and
- k. Marketing efforts should be included as a separate activity in the project and as a separate budgetary allocation and justified accordingly.
- l. The Applicant may also make reference to the 'Visual Identity Guidelines' that may be downloaded from the below link:

<https://fondi.eu/visual-identity-guidelines-2021-2027/>

25.Data Protection

Gozo Action Group Foundation 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 Gozo Action Group Foundation. The officer in charge can be contacted by e-mail on: info@leadergozo.eu

26.Retention of Documents

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

All documents pertaining to the implementation of the project must be retained by the applicant for at least seven (7) years following the end of the programming period. This is to facilitate audits and the ex-post evaluation of the programme. Gozo Action Group Foundation will retain records for ten (10) years from the date on which the last aid was granted under the scheme.

27.Basic Terms and Conditions

- If a project application is successful, EU Funds will be offered on rigorous terms and conditions, which will be stipulated in the Grant Agreement. In accepting the offer of EU Funds, the Applicant will take on responsibility for compliance with these terms and conditions. These include requirements to demonstrate satisfactory progress in delivering what the project has set out to achieve and adherence to an agreed pattern and time schedule of spending. Failure to meet these conditions and any false information given in the application may lead to the EU Funds being withdrawn and any EU Funds paid being recovered from the Applicant.
- All projects are subject to management verifications; and audits carried out by auditors (including by the Internal Audit and Investigation Department (IAID), the European Court of Auditors and European Commission (EC) Auditors), and evaluations (programme evaluators) enquiries by the DG OLAF. Officials from the GAGF, ARPA and MA and other horizontal stakeholders will 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 of 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.
- The project proposals should remain subject to any legally required environmental assessment and environmental permits, and any ensuing restrictions, obligations and timelines. Any application for funding shall not affect such requirements and obligations and shall not bind the relevant authorities to approve a project or to adopt less rigorous conditions or specifications.
- Planning permit where relevant. In case where a PA permit is required, the valid PA permit and approved drawings or the application submitted to PA and related drawings must be presented as part of the documentation with the application. GAGF reserves the right to reject any project if the PA permit is not presented in time to allow the project to be completed by 12 months from the letter of award. Grant agreements for projects in need of such permits will only be signed once the valid PA permit is granted.

28. Selection criteria and Sub-criteria

An evaluation of the proposals will be carried out in accordance with the selection criteria set out in the Selection Criteria grid below:

	SELECTION CRITERIA	Maximum POINTS
1.	Number of distinct infrastructural interventions supported by the project, (5 points per intervention up to a maximum of 15 points).	15 points
2.	Number of distinct lifestyle support services enabled by the project, (5 points per Intervention up to a maximum of 15 points).	15 points
3.	The degree of financial sustainability of the project:	
	i. during project implementation; and	5 points
	ii. after project implementation.	10 points
4.	The quality of the project in terms of:	
	i. the potential for the infrastructure developed to:	
	a. improve the quality of life in Gozo for youths and young families;	5 points
	b. enhance lifetime opportunities for youths;	5 points
	ii. the potential for the services proposed to:	
	a. improve the quality of life in Gozo for youths and young families;	5 points

	b. enhance lifetime opportunities for youths;	5 points
	iii. the degree of synergy between infrastructures developed and services proposed.	15 points
5.	Overall quality of the project proposal.	5 points
6.	Implementation readiness.	5 points
7.	Number of partners in proposed project (3 points per partner up to a maximum of 10 points)	10 points
TOTAL:		100 points

To be considered for funding or to be placed on the reserve list, a project must pass all the eligibility criteria (refer to Section 5 of these Guidance Notes) and must also obtain a minimum of **50 marks** out of the total marks allocated to the selection criteria. Please note that in relation to the above, the Project Selection Committee will be using the eligible criteria to mark the projects.