# GUIDANCE NOTES

## Measure 1

## Keeping the Culture and Traditions of Gozo Alive

CAP STRATEGIC PLAN 2023-2027 (LEADER)

Local Development Strategy for Gozo 2023 – 2027

Version 1.1

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# Disclaimer

The Gozo Action Group Foundation reserves the right, in particular on the basis of approval or direction by the European Commission, to amend from time-to-time certain provisions established by this guidance document. Such amendments may become applicable and enforced retrospectively.

In case of any conflicts between these guidelines and the text of the CAP Strategic Plan 2023 – 2027 (LEADER) – Local Development Strategy for Gozo 2023 - 2027 and other legislative text, the interpretation given by the CAP SP and relevant legislation will be given priority.

The English version will be the legally binding text.

The Gozo Action Group Foundation also reserves the right to request additional information not included in this Guidance Document, in order to proceed with checks and evaluation of the application throughout the process.

This notification supersedes any previous guidance notes, website notifications or other media notification issued on this measure prior to the launch of this call. Other notifications can be issued on such platforms following the issue of this call.

Further details on the application process may be published in due course on the website of the Gozo Action Group Foundation, www.leadergozo.eu. For more information, the Gozo Action Group Foundation can be contacted by email at info@leadergozo.eu or (+)356 2155 0322 during office hours.

# History of Changes

| Version | Publication Date | Change |
|---|---|---|
| 1 | 01/09/2025 | Publication of call under the CAP Strategic Plan 2023 – 2027 (LEADER) – Local Development Strategy for Gozo 2023 - 2027 |
| 1.1 | 13/04/2026 | Minor amendment to eligibility conditions |

# Procedure for the submission of applications

- Applications are to be sent by email on info@leadergozo.eu.

- If the application and supporting documentation exceeds 10MB, please split the files in separate compressed folders (ZIP) and send in separate emails (*e.g. Application M1 – Joe Borg – Part 2 of 3*).

- Application submissions in hard copy, whether submitted by mail, by hand or other means, will not be accepted and in this case, the application will not be deemed admissible and hence will not be considered during the evaluation process. Pen-drives and CDs, etc., are not required and will not be accepted.

- All documentation has to be submitted through email with the application, including but not limited to, quotations, estimate of works, qualifications, tax, etc. is to specify the name of applicant and not of any other individual/company/entity.

- Upon receipt of applications, the Gozo Action Group Foundation will not be in a position to validate with applicants whether their submission satisfies the admissibility checks to be considered for evaluation. It is the applicant's sole responsibility to ensure the application has been submitted in its entirety.

- The Gozo Action Group Foundation remains available to confirm with applicants that an application has been received, if contacted 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 send an acknowledgement letter.

- Note that any automated acknowledgement (if any) sent from the Gozo Action Group Foundation does not in any way confirm or otherwise (a) the successful receipt of part or full application, nor, (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 to request additional information not included in the Guidance Document.

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# Definitions:

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

CAP: Common Agricultural Policy is a commitment that the EU is promoting amongst its Member States to ensure a stable supply of food, safeguards farmer's income and protects the environment, while keeping rural area vibrant.

CSP: Common Agricultural Policy – Strategic Plan is a plan drawn up by each Member State to contribute towards reaching the aims of the Common Agricultural Policy. CAP Strategic Plan encourage the transition towards a smart, sustainable, competitive, resilient and diversified agricultural sector, while ensuring long-term food security.

CAP-SP Regulation: REGULATION (EU) 2021/2115 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 and REGULATION (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013.

CPR: (where applicable) Common Provision Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy.

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

Contact Person: A person that is authorised by the applicant and can be contacted directly for matters in connection with the application and eventually the project.

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. The DC also assesses and ranks applications.

DNO: Development Notification Order

EAFRD: European Agricultural Fund for Rural Development.

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.

Grant Award Letter: A letter sent by the Gozo Action Group Foundation to the selected applicants upon the completion of the selection process as to inform applicants of its outcome. The award letter can include certain conditions and actions expected on the part of the applicant.

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 CAP Strategic Plan 2023-2027 (LEADER).

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. The Managing Authority for Malta is the Funds and Programmes Division within the Ministry responsible for EU Funds.

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 Leader: Is a person who is authorised by the applicant to ensure a project is carried through and in line with commitments. The Project Leader can be contacted directly for matters relative to an on-going project and is expected to have responsibility for the execution of a project. The Ultimate responsibility rests with the beneficiary.

Project Selection Appeals Board (PSAB): An independent Committee that assesses any submissions of appeals.

Results: The effects or changes that arise due to the intervention, beyond the activities of a project.

Single undertaking means 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 pursuant 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. Introduction

These Guidance Notes are intended to assist Applicants understand the requirements for requesting and receiving funding support under Measure 1: Keeping the Culture and Traditions of Gozo Alive.

Applicants are advised to familiarise themselves with these Guidance Notes prior to completing an application. The Guidance Notes, Application Form and all Annexes and other documentation are available at www.leadergozo.eu during the application period.

Applicants are reminded to ensure that they refer to the latest guidance notes 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 version available at the time of opening of batch will be considered for evaluation. The relevant version of the guidance notes will be made online available together with a specific call. The guidance notes may change from time to time, applicants are to ensure that reference is made to guidance notes accompanying any specific call in order to ensure that the application is considered compliant.

## 1.1 The Gozo Action Group Foundation

The Gozo Action Group Foundation (GAGF) is a legally established foundation with registration number LPF-224 built on a public-private partnership representing the Gozitan territory and operating as a non-profit organization, in line with Article 33, paragraph (b) of Regulation (EU) 2021/1060. The GAGF has been selected as the Local Action Group (LAG) for the *Għawdex* territory, to implement the LEADER programme under the Common Agricultural policy 2023 – 2027 programming period.

## 1.2 Authorities

The Funds and Programmes Division (FPD) within the Ministry for European Funds and the Implementation of the Electoral Programme is the Managing Authority (MA) responsible for managing the interventions of the European Agricultural Fund for Rural Development Fund (EAFRD) in accordance with the Common Agricultural Policy – Strategic Plan for the 2023-2027 programming period.

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

Other national authorities may be involved and referred to in the assessment of an application, or during project implementation.

# 2. Scope, Objectives, and Details of the Measure

## 2.1 Aim and Scope

The objective of the measure is to enable the distinctive elements of the culture and traditions of Gozo to serve as a means of enhancing the quality of life in the Region. Activities supported by the measure will culminate into at least one event to serve as a focal point where culture and tradition will engender social interactions between different demographic cohorts of resident and visitor population. Furthermore, culture and traditions at risk of being lost will be kept alive especially among the younger population and immigrants, thereby being preserved and evolved to be passed on to future generations.

## 2.2 General Description of the Action

This measure will support actions culminating in the holding of at least one event which will feature attractions and activities spread out at different locations throughout Gozo during a pre-determined period, where all the beneficiaries would showcase their cultural assets and instil an appreciation of local traditions, skills and crafts.

Beneficiaries will be supported to facilitate the exchange of culture and traditional values between different demographic cohorts, acquire necessary materials and equipment, undertake small scale infrastructural interventions across the Region consistent with the objectives of the measure, and undertake research, including through practice-based approaches, into culture and traditions. Beneficiaries will also be supported to undertake the necessary activities related to the participation in the event – which the general public must have access to.

This measure will enable the distinctive elements of the culture and traditions of Gozo, including agricultural and rural traditions, to serve as a means of enhancing the quality of life and social inclusion. Through this measure, culture and traditions at risk of being lost will be re-discovered, recognised and kept alive especially among the younger population and immigrants.

## 2.3 Regulatory Framework

The following is the relevant, but not exhaustive, legal basis for 'Keeping the Culture and Traditions of Gozo Alive':

a. Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013;
b. Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013;
c. Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy;
d. Commission Implementing Regulation (EU) 2022/1475 of 6 September 2022 laying down detailed rules for implementation of Regulation (EU) 2021/2115 of the European Parliament and of the Council as regards the evaluation of the CAP Strategic Plans and the provision of information for monitoring and evaluation;

Other documentation for reference:

e. Common Agricultural Policy Strategic Plan for Malta 2023-2027; and
f. CAP Strategic Plan 2023 – 2027 (LEADER) – Local Development Strategy for Gozo 2023 – 2027.

The above list is not exhaustive and may be amended. It is up to the applicant to ensure that all national and EU rules are being followed at all times.

## 2.4 Contribution to Gozo needs

The Intervention Logic in terms to which *Keeping the Culture and Traditions of Gozo Alive* contributes to Gozo-Specific Needs as per LDS are:

Need 5 – Gozo Lifestyle – The valorisation of Gozo's culture and traditions is expected to foster a deeper connection between residents and the Gozitan traditional lifestyle.

Need 6 – Cultural Heritage – The action is expected to create a medium for showing cultural and natural heritage assets.

Need 7 – Traditional values – The action is expected to create awareness on traditional values and attract different cohorts towards participating in traditions.

## 2.5 Contribution towards the CAP SP Objectives

The most relevant CAP Strategic Plan (CAP-SP) objectives to which Keeping the Culture and Traditions of Gozo Alive contributes are:

Objective 8.1 – Support small projects within rural areas to foster local development – The action is expected to support small projects within rural areas directly contributing towards the need identified under SO8 of the CAP SP.

Objective 8.2 – Promote and encourage community and social activities within rural areas – This action is specifically focused on encouraging community involvement through the showcasing of projects during the annual events linked to the measure.

Cross-cutting objective – Modernising the sector through fostering knowledge sharing, innovation and digitalisation in agricultural practices and rural areas – This action seeks to promote knowledge sharing particularly through the support aimed at promoting the traditions in Gozo which are being lost across generations, and their valorisation and accessibility to younger generations.

## 2.6 Results indicators addressed by the intervention:

- Number of events: 1
- Number of infrastructure/amelioration/restoration projects of important cultural value: 4
- Number of projects promoting traditions in Gozo: 8
- Number of affected locations: 8

## 2.7 Complimentary and demarcation with other interventions

This intervention complements actions outlined in the CAP Strategic Plan 2023 – 2027 (LEADER) – Local Development Strategy for Gozo 2023 – 2027 through broader involvement of stakeholders, achievement of objectives, and synergies with other measures.

## 2.8 Duration

This Call for Proposals will open on Monday, 1st September 2025 under an Open Rolling Call Procedure. Applications will be assessed in batches based on their submission time, with each batch evaluated separately from subsequent ones, until funds are exhausted. The deadline for Block 1 is 31st of October 2025. Subsequent batches shall be evaluated at two (2)-month intervals, on the last calendar day of the respective month. The Gozo Action Group Foundation will issue a notification on the LAG's website[1] should there be any changes, if the call be withdrawn, or if the funds are exhausted.

[1] www.leadergozo.eu

The project must be completed within twelve (12) months from the date of the letter of award issued by GAGF to the beneficiary.

### 2.9 Budget

The indicative budget available for this measure is €415,418.82 in total (public expenditure), financed through EAFRD. The Gozo Action Group Foundation reserves the right to amend the budget allocation.

The Gozo Action Group Foundation reserves the right to reject an application, including but not limited to, cases where funds are not available under the respective intervention. In such instances the Gozo Action Group Foundation may consider the creation of a Reserve List of project proposals.

### 2.10 Minimum and Maximum Grant Value[2]

- The minimum amount of assistance to be requested by the applicant is set at €5,000.
- The maximum amount of assistance to be requested by the applicant is set at €50,000.

An indirect cost rate of 7% on total eligible costs, intended to cover any overheads incurred by the Beneficiary, will be applied within the €50,000 capping —not in addition to it. Where VAT is eligible, the flat rate shall also be applied to it, whereas where VAT is not eligible, the flat rate shall not be applied.

The grant value is subject to State Aid rules that may be applicable depending on the type of activity and the status of the applicant. Kindly refer to Section 8 below for more information on the applicability of State aid rules or otherwise.

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.

### 2.11 Aid Intensity

This measure will finance 80% of the eligible costs (as per CAP SP 2023-2027). The remaining 20% will be financed by the Beneficiary.

Value added Tax (VAT) is not eligible for aid if it is recoverable. In case of SMEs, VAT is not an eligible cost.

## 3. Standard Eligibility Conditions

### 3.1 Eligibility

Beneficiaries will be supported to invest in materials and equipment, small-scale rural infrastructure and/or the amelioration of facilities, cultural assets including small-scale restoration, provision of audio-visual material, and dissemination activities, thereby undertaking initiatives that keep the Culture and Traditions of Gozo alive.

### 3.2 Eligible Localities

Projects must be physically undertaken in any of the rural localities that contribute to the Gozo Action Group Foundation territory as listed in the following table:

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[2] The beneficiary must distinguish between the grant value (80% of the total eligible project costs) and the total project cost, the latter including the remaining 20%, which is to be financed by the beneficiary.

| 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 | |

## 3.3 Eligible Applicants

The eligible beneficiaries are:

- Local and Regional Councils;
- Voluntary Organisations (VOs);
- Educational Institutes (including schools, colleges, campuses or similar);
- Micro and small enterprises (as defined in the EU Commission Recommendation 2003/361) [3];
- Private individuals (natural persons who do not represent a legal entity and do not carry an economic activity).

More information on eligible applicants may be found in Section 7.1 below.

## 3.4 Eligible Expenditure

Expenditure is considered to be eligible and therefore eligible for reimbursement only if it has been incurred after the submission of the application to GAGF, in line with the CAP SP 2023 – 2027 and the pertinent Eligibility Rules. Support under this measure shall focus on, but is not limited to, the following:

- acquisition of necessary materials and equipment (up to an indicative 10% of the total project Expenditure) required to retain and enhance culture and traditional activities insofar as the acquisition is primarily aimed towards ensuring that the skill/trade retains presence in the region as well as inclusion activities, with the overall aim of enhancing and maintaining traditions and cultures, without excluding improvement in economic productivity of traditional products.
- acquisition of necessary material and equipment (up to an indicative 10% of the total project Expenditure) to participate in the event in order to showcase cultural and traditional values insofar as the acquisition does not affect economic productivity but is aimed as Corporate Social Responsibility (CSR) and inclusion activities.
- expenditure for small scale infrastructure and/or amelioration of facilities to sustain culture and traditional activities, applicable only for Local Councils and VOs.
- expenditure for the conservation of cultural assets including small scale restoration.
- provision of audio-visual material for the showcasing of cultural and traditional activities.
- dissemination activities
- Overhead costs –7 % of the eligible direct costs of the project – in line with Article 54 (a) of Regulation (EU) 2021/1060.

Any and all eligible expenditure must comply with the 2021 – 2027 National Eligibility Rules [4].

## 3.5 Non-Eligible Expenditure

[3] Micro-enterprises: Enterprises that employ fewer than 10 persons and have an annual turnover or annual balance sheet total not exceeding €2 million. Small enterprises: Enterprises that employ fewer than 50 persons and have an annual turnover or annual balance sheet total not exceeding €10 million.

[4] https://fondi.eu/wp-content/uploads/2023/09/2021_2027_National-Eligibility-Rules.pdf

Applicants are informed that the list of expenditure below is considered ineligible and inadmissible. Applicants may seek guidance on non-eligible expenditure from the Gozo Action Group Foundation prior to submitting the application. Note that this is not a comprehensive list:

- The purchase of all types of vehicles for whatever purpose;
- Temporary works not directly related to the execution of the project;
- Maintenance expenditure for existing building, plant or equipment;
- Like for like replacement;
- Payments for gifts and donations;
- Criminal fines and damages;
- Legal expenses in respect of litigation; and
- Expenditure related to fireworks.

The Gozo Action Group Foundation maintains the right to refuse expenditure that is presented as eligible expenditure in the application.

### 3.6 Specific provisions and exclusions

- The applicant must ensure that any works and/or events are covered by all necessary permits from the relevant national authorities, as applicable, before any actions are undertaken.

- The scheme requires that all applicants declare that the action cannot be funded from other national or other European funds. This provision effectively prevents cumulation of aid from multiple funding sources for the same action, ensuring that the same expenditure is not double-funded by different EU or national programmes.

# 4. The Project Proposal

Interested applicants may download the application by accessing the website https://leadergozo.eu/index.php/measures/ and downloading the application. The applications are to be submitted as per the procedure for application submission listed in this document.

It is strongly advisable that prior to the preparation and submission of the application, prospective applicants carefully read these Guidance Notes.

### 4.1 Project Details

- *Project Title:* name your project in a way that it can be easily understood and captures the gist of your project (max 15 words).

- *Project Duration:* Insert the number of months required to complete the project. The project must be completed within twelve (12) months from the date the letter of award is issued by GAGF to the beneficiary.

- *Project Cost:* Insert the total cost (including VAT) involved in completing the project.

- *Nature of the applicant:* Tick the nature of the applicant/applicants.

- *Applicant's Information:* To include details of applicant – name/name of entity, address, VO/CO reg. no (if applicable)., VAT no. (if applicable), name and surname of legal representative (if applicable), and position within the entity (if applicable), mobile number, email address, and website (if available).

- *Project Leader*: To include details of project leader – Name and surname, position within the entity (if applicable), address, mobile number, email address.

- *Details of 2nd and 3rd partner* (if applicable): To include details of the partner – name of partner, address, VO/CO reg. no. (if applicable), VAT no. (if applicable), name and surname of legal representative (if applicable), and position within the entity (if applicable), mobile number, email address and website (if available).

## 4.2 Technical Description

All Sections must be completed by the Applicant for such applications to be eligible under this intervention. (Note: this section contributes directly to the ranking criteria as listed in the application).

- *Project Details*: Include a description of the project idea, giving reasoning behind the investments. Include information on how the proposed actions and investments are to be carried out, and the aims and objectives of the project (10 marks).

- *Needs and objectives to be addressed:* Describe and tick the specific needs and objectives that your project will be targeting. References to the LDS and needs of this measure is found in Section 2: Contribution to Gozo Needs, and Contribution towards the CAP-SP Objectives (20 marks).

- *Indicators and Targets:* Indicate the number of events, number of infrastructure/amelioration/restoration projects of important cultural value, number of projects promoting traditions in Gozo, and number of affected locations (5 marks).

- *Innovation / Originality:* Describe how the project is innovative or original within the locality where it will be undertaken (10 marks).

- *Preservation of Rural Distinctiveness*: Describe how the project seeks to safeguard, preserve or enhance the rural distinctiveness of the locality (5 marks).

- *Social Inclusion:* Describe how the project aims to bring the community together by promoting social inclusion and encouraging community involvement (5 marks).

- *Dissemination and Animation Activities:* Describe how the project will be disseminated and/or promoted within the community of the locality (5 marks).

- *Digitalisation:* Describe whether the project incorporates any form of digitalisation as part of its scope (5 marks).

- *Readiness:* Readiness refers to project proposals that are in an advanced state of preparedness, showing evidence that necessary consultations with relevant competent authorities/stakeholders have taken place. Kindly list the activities that require a planning or environmental permit, specify whether the permit application has already been obtained or submitted, and, if applicable, provide the Permit Number or Tracking Number (10 marks).

- *Risks and Conditionality*: Explain the risks and conditions associated with the project and briefly provide any mitigation and/or preventive measures as well as the actions to be taken in case an adverse event occurs. Given an explanation or risks associated with financial, implementation, capacity, legal, logistical and procurement. Conditionalities beyond the

applicant's control are still considered relevant to the project and should also be included (5 marks).

- *Collaboration/Partnership:* A partnership between entities towards an application is not a requirement but is encouraged through the award of additional marks in the selection criteria. The inclusion of a project partner must be justified by the applicant, with a clear rationale that makes sense in terms of sector, area of expertise, potential working relationship, and other relevant factors. Project partners are not required to meet the eligibility criteria of the call for project proposals; meeting the eligibility criteria remains the responsibility of the main project applicant (5 marks).

- *Project Sustainability:* Describe and demonstrate how the benefits of the project will continue to be delivered after the grant support ends and the project is completed [5] (5 marks).

- *VAT Status:* Describe if the activities within the project give rise to sales on which VAT is charged.

Ten (10) Marks are awarded for clarity and sequence – based on how clearly the central purpose of the proposal is conveyed, and how effectively the supporting ideas are presented in a focused and logical sequence. Consideration is given if relevant details enhance and enrich the overall proposal.

## 4.3 Project Costs

In the table provided (in a separate Excel sheet), an exhaustive list of the proposed items to be co-financed by the project must be included [6]. The applicant must specify the investment line item and the investment component itself as part of the project costs. The amount for each item should be listed under the year in which the investment is expected to be procured. All entries must include the amount excluding (exc.) VAT and the corresponding VAT amount. An indirect cost of 7% is to be applied on the total eligible costs that will cover any overheads incurred by the Beneficiary.

The expected Beneficiaries under this Call for Applications are subject to Public Procurement Regulations and are expected to practice the principles of good governance and sound financial management not only during implementation but also at application stage when drafting the proposed budget. The Gozo Action Group Foundation, through its Decision Committee, reserves the right to request clarification on the budget presented by each applicant, should it be deemed necessary to do so.

Awareness campaigns and dissemination activities should include activities that go beyond the regulatory obligations of the EAFRD Programme.

## 4.4 Supporting Documentation

A checklist of documents to be submitted with the Application is included with the Application Form. The applicants will be advised further, during the evaluation process, with regards to the submission of any necessary clarifications/documents required.

## 4.5 Declarations

[5] The durability period obligations will extend to three (3) years from the final payment to the beneficiary.

[6] Projects co-funded through this action will be assisted with 80% contribution from the European Agricultural Fund for Rural Development and Government of Malta funds.

The applicant is also requested to read through the statements in the declaration section (Annex 3) of the Application Form and confirm that the Applicant will abide with the stipulated declarations. If the information is found to be false or deliberately or otherwise misleading, any EU funds awarded may be withdrawn and any funds paid may be recovered by the PA from the Beneficiary. These obligations shall be considered binding upon signing of the Grant Agreement if the application is approved for co-financing. If the applicant does not accept all these declarations, the application would be considered null and void.

# 5. Assessment, Selection and Awarding procedures

## 5.1 Validation and Evaluation of applications

The Gozo Action Group Foundation (GAGF) will undertake a validity check and administrative checks on all applications that are received. It is important that the submitted Application Form is filled in correctly and completely.

Should any documentation or information required be missing from the Application Form, the GAGF shall notify the applicant through a notification letter sent via email. The applicant will be allowed a period of 5 working days from the date of the notification to submit the missing documentation and/or information. Once missing documents (if any) are submitted within the given period, GAGF will carry out verification of the eligibility of the supporting documentation submitted, as well as screening of the application in terms of the eligibility criteria. It is the sole responsibility of the applicant to ensure that the content of the application and supporting documents is complete and in line with what is being requested.

If the requested documentation is not submitted within this timeframe, the application will be automatically disqualified, and a rejection letter will eventually be sent by the GAGF administration to inform the applicant. Each application will nonetheless be forwarded to the Decision Committee (DC) for assessment. However, only complete applications will be considered by the DC. Applications that remain incomplete after the specified notice period has elapsed will be rejected.

No further additional information will be accepted after the closing date for applications unless it is specifically requested by GAGF. Evaluation of the application will be based solely on the information submitted at application stage or any additional information requested by GAGF. Any false or misleading information will lead to the immediate rejection of the application.

With reference to any information or quotations to be submitted, the GAGF reserves the right to ask for further clarifications or necessary adjustments, even after submission of the missing documentation. GAGF also reserves the right to contact suppliers or service providers to validate the quotations provided.

Should the applicant wish to re-submit an application, the process is considered a new one. In such cases, the effective application date will be that of the new submission. Applications previously rejected by the DC on grounds of eligibility and re-submitted in a following batch showing a change of status with the intention of making themselves eligible will still be considered eligible.

## 5.2 Assessment and Selection of Applications

Applications that pass the validity check by the Gozo Action Group Foundation (GAGF) office will proceed to the next step and are to be assessed by the GAGF's Decision Committee (DC). The DC members will be entirely responsible for ranking and selecting applications for support. The DC may also request the services of a technical expert to assist in the evaluation process.

Applications shall be assessed and ranked on the basis of the selection criteria relevant to the measure. The DC will award marks according to these criteria, based on the information submitted in the applications and any clarifications provided. To qualify for selection, a proposal needs to obtain at least 50% of the total marks.

The DC reserves the right to request additional information and further clarifications on the project as part of the selection process. The Committee may, at its discretion, request the applicant to deliver a presentation regarding the project. In such instances, the GAGF will notify the applicant of the presentation's date, time, and whether it will be conducted online or at a specific location.

The selection of projects may be limited by the available budget. In such cases, only the highest-ranking projects will be offered a grant. Projects may also be placed on a reserve list.

A preliminary list of the proposals—including selected, on reserve (if applicable), and failed applicants—together with their respective scores, shall be drawn up and consequently communicated to the applicants. Furthermore, the Decision Committee reserves the right to request project re-dimensioning in special circumstances.

## 5.3 Unsuccessful Applications

The Gozo Action Group Foundation (GAGF) will inform all applicants about the outcome of the selection process. Applicants who did not submit a complete application or did not obtain a passing mark will receive a rejection letter (via email). The notification letter will include the reasons for the application's disqualification and subsequent project rejection.

Applicants who feel aggrieved by the outcome of the procedure have the right to appeal through the Project Selection Appeals Board (PSAB). It is important to note that the same application (i.e. applications having the same scope) cannot be considered simultaneously by both the PSAB and the Decision Committee (DC). In such cases, only the application undergoing a PSAB procedure will be considered, and only by the PSAB.

## 5.4 Appeals Procedure

Applicants who feel aggrieved by the outcome of the procedure have the right of appeal in writing through a registered letter and an email within five (5) working days from the receipt of the notification letter (sent via email) by the Local Action Group (LAG). The appeal is to be addressed to the Chairperson of the Project Selection Appeals Board (PSAB)[7]. The appeal letter should include a detailed reason or reasons for the appeal, sustained with justified explanations backed by necessary supporting documentation or testimonials.

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. This must be received within five (5) working days from receipt of the letter of notification (sent via email) by the LAG. Late appeals will not be considered by the Appeals Board.

Upon receipt of the appeal, the Chairperson of the PSAB shall review and assess the validity of all appeals submitted within the stipulated timeframe. Valid appeals will then be presented to the full PSAB for assessment. No additional information other than that presented at the application stage

[7] The PSAB is an independent committee set up to autonomously review any appeals lodged. It will be composed of a minimum of three (3) individuals, with a Chairperson chairing the appeals process.

will be considered during the review. The relevant documentation provided must serve solely to support the basis of the information detailed in the appeal letter. An appeal that does not include sufficient detailed justification may be refused at the preliminary stage as unjustified.

Upon submission of the appeal, the Appeals Board shall be convened within no later than five (5) working days to review the appeals presented. All necessary and relevant documents will be made available to the Appeals Board by the LAG Manager. The Appeals Board must conclude the appeal process no later than fifteen (15) working days from the appeals closure date. Upon finalisation, a detailed report articulating all decisions taken must be presented to the Decision Committee (DC).

The decision of the Appeals Board is final and cannot be contested. The DC must notify each appellant in writing of the decision.

## 5.5 Publication of Result

Upon completion of the appeals process, the Gozo Action Group Foundation shall officially publish the list of results of the projects eligible for financial support on its official website[8] and notice board, and any other portals used by the Foundation.

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 the 'Letter of Acceptance', a Bank Payment Form (BPF), and a VAT Declaration Form within 10 working days from the receipt of the 'Letter of Offer'.

If, after 10 working days, the LAG does not receive the letter of acceptance, it will be considered that the applicant is no longer interested in undertaking the project and funds will be relocated according to the discretion of the LAG.

## 5.6 Letter of Offer and Acceptance Letter

The Gozo Action Group Foundation will proceed to write a Letter of Offer (via email) to the successful applicants informing them of the decision of funding their project. This letter of offer may include conditions which have been raised by the DC. A letter of acceptance, or otherwise, is to be sent by the beneficiary to the GAGF confirming their intention to proceed with the project implementation.

## 5.7 Grant Agreement

Applicants whose proposals for investments have 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 requested budget for funding, shall be invited to enter into an agreement with the GAGF by signing the Grant Agreement. More details on the generic provisions' application in the Grant Agreement and the contractual obligations of the Beneficiary are provided in the subsequent sections. Selected applicants who fail to present themselves to sign the grant agreement within ten (10) working days – unless a valid justification is provided – shall have the award withdrawn.

## 5.8 Changes

The beneficiary organisation shall undertake every effort to ensure that the project is implemented within the stipulated timelines as defined in the broad project actions, and in line with the relevant EU and National Regulations and administrative procedures.

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8 http://www.leadergozo.eu

The Beneficiary shall not strategically change or alter the overall and broad project scope and actions. Significant and strategic changes that alter the scope of the project must be agreed to by the Gozo Action Group Foundation in the Change Request procedure published by the GAGF. Strategic changes applied to the project that do not bear the GAGF approval would be made at the applicant's own risk and will be assessed at the payment stage of the payment.

In case the beneficiary fails to follow the timelines defined in the Grant Agreement may lead to recoveries of funds by the PA or termination by the GAGF.

Awarded projects shall be limited to three (3) change requests submission, including extension requests. The limit of change request submissions applies for the entire duration of the project. For the avoidance of doubt, the limitation is subject to the number of submissions and not the amount of change requested per submission. Furthermore, the limitation still applies in case the GAGF rejects the request in part or in its entirety.

In the case where an investment included in the project requires a planning permit and the necessary permit approval are not obtained in due time as deemed necessary by the GAGF, the project proposal will be subject to a withdrawal assessment by the GAGF. This is without prejudice to any other withdrawals the GAGF, MA or the PA may seek in view of the project progress impacting timeframes and scope.

The Change Request Form can be downloaded from the GAGF website from the following link: https://leadergozo.eu/index.php/important-documents/.

# 6. The Application Process – General Provision

- Interested applicants need to submit the fully completed application form.

- No parts of the application form are to be left blank – in cases where specific requested information in the application is not applicable to the applicant, the applicant must fill in the field with the note 'Not applicable' or 'N.A.'.

- 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 they meet the eligibility criteria, that the proposed project and any related investments are eligible for funding, and that the application form along with all required supporting documentation is submitted accordingly.

- 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.

- All applications are to be sent by email to info@leadergozo.eu. The submission must be in one compressed folder (ZIP 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.

- A checklist of attachments is attached to the Application Form. The applicants must ensure that ALL the supporting documentation of the application form are submitted.

- Any financial declarations/statements 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 via email) by the Gozo Action Group Foundation. Only complete applications will be considered for selection by the Decision Committee.

- The Call for proposals will open on Monday, 1st of September 2025 as an Open Rolling 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, until funds are exhausted. The Gozo Action Group Foundation will issue a notification on the LAG's website[9] should there be any changes, should the call be withdrawn, or the funds are exhausted. The deadline for Block 1 is 31st October 2025. Subsequent batches will be closed every two (2) months, with deadlines falling at the end of each second month.

| Call Opening Date | Deadline for Block 1 |
|---|---|
| Monday 1st September 2025 | Friday 31st October, 2025 |
| | Subsequent batches will be closed every 2 months – at the end of each second month. |

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.*

# 7. Applicants and prospective beneficiaries

All applicants must have a physical centre of activity/address located in the Gozo Region and/or have a direct interest in activities in the region, proven through a track record which contributed to Gozo's socio-economic, cultural, or environmental development.

## 7.1 Eligible beneficiaries

It is important to note that the eligible beneficiaries are:

- Local and Regional Councils – only the Local Councils that have fully paid the LAG membership fees are eligible for funding;
- VOs that are enrolled and fully compliant with the Voluntary Organisations Act and the Voluntary Organisations (Annual Returns and Annual Accounts) Regulations (Subsidiary Legislation 492.02). The Gozo Action Group Foundation maintains the rights to confirm with the Commissioner whether VOs are complaint during the evaluation of the application;
- Educational Institutes (including schools, colleges, campuses or similar);

[9] www.leadergozo.eu

- Micro and small enterprises (as defined in the EU Commission Recommendation 2003/361). Large enterprises (as per Eurostat definition) are excluded.
- Private individuals (natural persons who do not represent a legal entity and do not carry an economic activity).

Any one entity (whether main applicant or partner) can apply under one or more of the measures, but cannot participate under different/competing applications within the same measure. Additionally, entities (whether main applicants or partners) cannot participate in different projects within the same measure and can only do so once their first project has been successfully concluded.

It is important that the applicant is a member of the decision board/unit/committee/workers (or is the legal representative) of the beneficiary/applicant organisation. In the case of a private individual, the applicant must be the person directly submitting the application.

Prospective applicants with an outstanding recovery order with the Paying Agency cannot be considered for support under this intervention. An outstanding recovery order refers to debt held with ARPA that is either outstanding or where a settlement agreement is not in place.

Additionally, any conflict of interest in the selection process is eliminated by excluding members with a working or personal relationship with the applicants from serving on the Decision Committee – also since all foreseen local councils in Gozo are members of the LAG.

## 7.2 Collaboration/Partnership

A partnership between entities towards an application is not a requirement but is encouraged through the award of higher points in the selection criteria. A partnership signifies the establishment of a collaborative arrangement among all participating entities.

It is important to note that:

- The inclusion of a project partner has to be justified by the applicant at application stage. Please note that the justification must be clear and makes sense in terms of sector, area of expertise, potential working relationship, etc.
- The Decision Committee may accept or propose any changes deemed necessary to the justification provided by the applicant.
- Project partners need not satisfy the eligibility criteria of the call for project proposals. Satisfying the eligibility criteria remains an onus on the main project applicant.
- The type of costs that can be claimed by project partners are to be limited to staff costs and travel, while avoiding investments.
- If a project partner envisages investment type of costs (e.g. equipment), they may submit an application as the main Beneficiary.
- With respect to documentation to be requested from project partners at application stage, a Letter of Intent should be enough.
- Kindly maintain the possibility of applying Simple Cost Options (SCOs) to costs claimed by project partners in line with the New Eligibility Rules.[10]

The application shall also clearly specify the role to be played by the applicant and the project partners.

[10] https://fondi.eu/wp-content/uploads/2023/09/2021_2027_National-Eligibility-Rules.pdf

# 8. State Aid Rules and Obligations

## 8.1 State Aid rules applicable to undertakings that carry out an economic activity within the meaning of Article 107 TFEU and to proposals involving an economic activity

State aid implications will arise 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.

In such instances, aid shall be awarded in line with the provisions of Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid [OJ L 352, 15.12.2023, p.1] (the *de minimis* Regulation).

In line with Article 1 of the *de minimis* Regulation, assistance may not be awarded to:

a) Undertakings active in the primary production of fishery and aquaculture products;

b) Undertakings active in the processing and marketing of fishery and aquaculture products, where the amount of the aid is fixed on the basis of price or quantity of products purchased or put on the market;

c) Undertakings active in the primary production of agricultural products;

d) Undertakings active in the processing and marketing of agricultural products, in one of the following cases:

   i. Where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;

   ii. Where the aid is conditional on being partly or entirely passed on to primary producers;

e) Export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, the establishment and operation of a distribution network or other current expenditure linked to the export activity;

f) Aid contingent upon the use of domestic over imported goods and services.

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

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

This maximum threshold would include all State aid granted under this aid scheme and any other State aid measure implemented in line with the *de minimis* Regulation, including that received and/or applied for 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' means all enterprises having at least one (1) of the following relationships with each other:

a) one (1) enterprise has a majority of the shareholders' or members' voting rights in another enterprise;

b) one (1) enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;

c) one (1) enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that undertaking or pursuant to a provision in its memorandum or articles of association;

d) one (1) enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.

Enterprises having any of the relationships referred to in points (a) to (d) above through one or more other enterprise 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. However, enterprises that have no relationship with each other, except for the fact that each of them has a direct link to the same public body or bodies, should not be treated as being linked to each other. The specific situation of enterprises controlled by the same public body or bodies, in which enterprises may have independent power of decision, should therefore be 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) 2023/2832. It may be cumulated with de minimis aid granted in accordance with Commission Regulations (EU) No 1408/2013 and (EU) No 717/2014 up to the relevant ceiling laid down in Article 3(2) of the *de minimis* Regulation.

*De minimis* aid awarded under this measure shall not be cumulated with State aid in relation to the same eligible costs, if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the European Commission.

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 by the GAGF for 10 years from the date on which the aid is granted under the Scheme.

In line with Article 6(1) of the de minimis Regulation, as of 1 January 2026, information on de minimis aid granted under this scheme shall be made publicly available in the central register at national or Union Level. The following information shall be made public:

- the identification of the beneficiary,
- the aid amount,
- the granting date,
- the aid instrument, and
- the sector involved on the basis of the statistical classification of economic activities in the Union ('NACE classification').

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

State aid rules would not apply 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. Hence, the rules outlined in section 8.1 do not apply in such cases.

## 9. Financial Assistance

### 9.1 Aid Intensities

A beneficiary will be granted the following financial assistance should the proposed project be selected:

- 80% of the total eligible expenditure.

The other 20% of the total eligible expenditure must be borne by the applicant.

### 9.2 VAT

The VAT element must be borne by the applicant (except where it is non-recoverable under National VAT legislation and where the Beneficiary is an SME. Grant assistance may be provided in respect of non-recoverable VAT. An applicant is advised to confirm whether they can recover VAT or not from the VAT Department. A VAT declaration is requested upon issuance of the letter of award

If the activities within the project give rise to sales on which VAT is charged, the organisation can recover the VAT on expenditure incurred. If the project does not give rise to sales, the organisation cannot recover the VAT on expenditure incurred.

## 10. 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). Beneficiaries are advised to retain all supporting documentation for a five (5) year period from 31 December following the submission of the accounts in which the final expenditure of the completed operation is included.

# 11. Contractual Obligations

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

The Paying Agency (ARPA) may, from time to time, issue further information and guidance.

## 11.1 Durability of Investment

The durability period obligations for awarded projects will extend to three (3) years from the final payment to the beneficiary.

## 11.2 Documentation

Beneficiaries are advised to retain all supporting documentation for a five (5) year period from 31 December following the submission of the accounts in which the final expenditure of the completed operation is included. Investments will be subject to ex-post on-the-spot checks. A signed inventory, listing any items bought in connection with the project, should be compiled and held on site (where feasible) and this should be made available to the Paying Agency whenever requested. A copy of the inventory can be found on the www.fondi.eu website.

## 11.3 Procurement

Beneficiaries should note that grants awarded for actions under this measure are public funds. In this regard, all beneficiaries should ensure that any procurement undertaken for cost items to be financed through this measure is carried out in line with the principles of sound financial management, good governance, transparency, and equality together with the provisions of the Manual of Procedures issued by the relevant authorities.

In cases of non-compliance with the rules of public procurement, the financial corrections towards the service provider beneficiary will be determined by the Paying Agency on the basis of the Commission Decision of 14th May 2019 laying down the guidelines for determining financial corrections (2019)3452 final.

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

NGOs and Private undertakings are to follow the procurement procedures as outlined in MA Circular 001/2023 entitled 'Guidance Document on procurement procedures to be applied by VOs and NGOs', available at https://fondi.eu/wp-content/uploads/2023/05/Circular-001-2023.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://arpa.gov.mt/en/guidance-documents/

## 11.4 Control and Penalties

Beneficiaries must note that by signing the Grant Agreement they are agreeing to undertake an obligation for the relevant checks and controls by the Gozo Action Group Foundation and the respective Authorities including the following:

a. The Paying Agency (PA) – Agricultural and Rural Payments Agency (ARPA), Ministry for Agriculture, Fisheries, and Animal Rights (MAFA);
b. The Certifying Body (CB) – Internal Audit and Investigations Department (IAID), Office of the Prine Minister (OPM);
c. The National Audit Office (NAO) in view of the fact that public funds are being utilized for the implementation of the investment;
d. The Audit Services of the European Commission (EC) and the European Court of Auditors (ECA) in view of the fact that investment is benefitting from European Union (EU) funds; and
e. The VAT Department to ensure that VAT Regulations are respected.

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

### 11.5 Administrative checks on supporting applications

Once a Beneficiary's project proposal is selected and awarded a grant, the beneficiary will be invited to enter into a Grant Agreement with the Gozo Action Group Foundation (GAGF). Following the signature of the Grant Agreement and subject to the eligibility rules of the specific interventions, a Beneficiary may start to submit payment claims to the Paying Agency for processing, verification and ultimately payment authorization.

Kindly note that the ARPA Payment Guidelines can be accessed through: https://arpa.gov.mt/en/guidance-documents/

## 12. 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 committee, the final decision letter will be sent to the beneficiary via email. The period of extension shall be discussed with the GAGF Administration, 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 website[11].

If a request for changes to the contract is submitted after these changes have actually taken place (ex-post), the changes will not be eligible for funding and, depending on the extent of the changes, this may lead to the whole project being considered ineligible.

The written request for changes must indicate the changes required, the necessary justification and relevant supporting documentation.

[11] www.leadergozo.eu

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 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.

# 13. Project Sustainability

It is to be noted that in line with the provisions outlined in the CAP SP, in the case of an operation in infrastructure or productive investment, the applicant shall repay the contribution from the EAFRD Funds if within (3) years of the final payment to the beneficiary, 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).

# 14. Compliance with Community Policy

## 14.1 General Principles

It is the responsibility of the Beneficiary to ensure compliance with Community Policy, namely:

a. Public Procurement
b. Equal Opportunities
c. Sustainable development

## 14.2 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 action/s consideration is given to Equal Opportunities. Equal opportunities and non-discrimination are not meant to just address gender discrimination but have a wider scope and include race, ethnicity, religion or belief, disability, age and sexual orientation.

## 14.3 Sustainable Development

Beneficiaries should include Sustainable Development, wherever possible, in their action/s and must ensure that the operation is structured in such a manner that concrete positive towards better sustainability and mainstreaming feature throughout. It is important that environmental matters should be taken into consideration at all stages of the design, development and implementation of the action and the action should be structured to avoid any unnecessary related environmental damage.

# 15. Data Policy

By submitting the application, the applicant is giving his/her consent to have personal and project details published in line with the obligations in the relevant EU Regulations and other requests by relevant bodies.

## 15.1 Data Protection

Whilst abiding to the provisions set in the General Data Protection Regulation (EU) 2016/679 regarding the handling of personal data, the Gozo Action Group Foundation and/or the Managing Authority and/or the Agricultural and Rural Payments Agency will retain the right to disclose, exchange or request information about any applicant, application, and agreement to or with other organizations or consultants which the Gozo Action Group Foundation and/or the Managing Authority and/or the Agricultural and Rural Payments Agency consider appropriate for administration, statistical, monitoring, evaluation and dissemination purposes.

Gozo Action Group Foundation will retain records for ten (10) years from the date on which the aid was granted under the scheme.

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

## 15.2 Transparency

Because projects implemented under this measure involve expenditure of public money, there is public interest in how the money is spent. In this respect the Gozo Action Group Foundation will ensure that the principle of transparency is fully respected in the Implementation of operations under Common Agricultural Policy – Strategic Plan 2023 – 2027.

The LAG shall maintain an updated list of beneficiaries on its website in line with Article 98 of Regulation (EU) 2021/2116 and Article 49 of Regulation (EU) 2021/1060. Furthermore, the list of beneficiaries is passed to the Managing Authority every six months so that the same list is also published on the fondi.eu website of the Managing Authority.

## 15.3 Monitory, Evaluation and Dissemination

From time to time, the Gozo Action Group Foundation and/or the Managing Authority and/or the Paying Agency, as well as other National and/or EU entities as may be identified by the Gozo Action Group Foundation, may conduct economic, environmental, or other evaluation of the intervention which may involve the beneficiary in surveys/interviews of various types. Gozo Action Group Foundation officials or consultants/evaluators engaged by GAGF may contact beneficiaries as necessary. In applying for support under this measure the beneficiary is deemed automatically as agreeing to cooperate with or take part in such studies, which are important for reviewing the effectiveness of the intervention as well as evidencing implementation of projects. The Gozo Action Group Foundation may also request cooperation from beneficiaries vis-à-vis promotion of the LEADER programme and the CAP-SP, including use of pictures/videos taken from projects supported through this intervention.

# 16. Payment

- The Gozo Action Group Foundation, upon discussion with the Paying Agency, 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 may be provided by the Paying Agency.

- In case of irregularities, penalties and sanctions may be applied.

- The project is to be completed within twelve (12) months from the date of the letter of award sent by the LAG to the beneficiary, unless an earlier date is indicated in the Grant Agreement.

- Beneficiaries are advised to consult the payment guidelines issued by the Paying Agency (PA).

# 17. Publicity

The beneficiaries must abide by the publicity obligations as outlined in Annex II of Commission Implementing Regulation (EU) 2022/129, as well as any Publicity/Visibility Guidelines that may be provided by the Ministry responsible for EU Funds, and which may be contacted on the email: fondi.eu@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 tenders and 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[12];

f. Applicants are to be cautious when determining publicity actions for the project;

g. 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;

[12] Beneficiary is obliged to display at a location clearly visible to the public at least one poster of a minimum size A3 or equivalent electronic display with information about the operation highlighting the support from the Union.

h. 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;

i. 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

j. Marketing efforts may be included as a separate activity in the project and as a separate budgetary allocation and justified accordingly.

k. The Beneficiary should always refer to the 'Visual Identity Guidelines' that may be downloaded from the below link: https://fondi.eu/visual-identity-guidelines-2021-2027/

# 18. 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 obligations related to the durability period, which extends for a duration of three (3) years from the date of the final payment to the beneficiary. During this period, the operation shall retain the contribution from the EAFRD only if it does not 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 CAP Strategic Plan for Malta (2023-2027). 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.

- In cases where a PA permit is required, the valid PA permit number must be presented to GAGF before the proposed actions and investments are carried out. GAGF reserves the right to reject any project if the PA permit is not presented in time to allow the project to be completed within 12 months from the date of the letter of award. Similarly, the requirements surrounding the devolution of land by the Lands Department—particularly in the context of environmental and restoration projects led by Local Councils—are to be cleared and approved.

  Grant agreements for projects in need of such permits/approvals will only be signed once the valid PA permit or approval from the Lands Department is granted.

# 19. Selection Criteria

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

| | Selection Criteria Grid | Marks | Maximum Marks |
|---|---|---|---|
| 1 | **Project Description**<br><br>Marks are awarded based on how well the project description aligns with the scope, | | **10 marks** |

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|---|---|---|---|
| | aims, and objectives of the call, and how well-detailed it is. | | |
| 2 | **Contribution to Gozo Needs**<br><br>(2 marks for every yes ticked, 0 marks for no ticked)<br>Contribution Description to Gozo Needs (max. 4 marks) | | **10 marks** |
| 3 | **Contribution to CAP SP**<br><br>(2 marks for every yes ticked, 0 marks for no ticked)<br>Contribution Description to CAP SP (max. 4 marks) | | **10 marks** |
| 4 | **Targets and Indicators**<br><br>(1 mark for every indicator ticked, up to a max. of 5 marks) | | **5 marks** |
| 5 | **Innovation/Originality**<br><br>Marks are awarded based on the level of innovation and originality demonstrated in the project idea, the approach taken, and the context of the locality where it will be implemented. | | **10 marks** |
| 6 | **Preserving the Uniqueness of Individual Locality** | | **5 marks** |
| 7 | **Social inclusion**<br><br>Marks are awarded based on how effectively the project encourages social inclusion by bringing the community together to improve and enhance their locality. | | **5 marks** |
| 8 | **Dissemination and Animation of Activities**<br>Channels can be Event/Conferences/Workshop, TV/radio interventions, printed material, social media, paid adverts, etc.)<br><br>(1 mark for one channel, 3 marks for 2 channels, 5 marks for 3 or more channels) | | **5 marks** |
| 9 | **Digitalisation**<br><br>Marks are awarded if the project integrates digital technologies to improve processes, enhance efficiency, and increase access to information. | | **5 marks** |
| 10 | **Readiness** | | **10 marks** |

| | | | |
|---|---|---|---|
| | Marks are awarded marks according to the level of preparedness with regards to the necessary permits (from PA and Lands Dep).<br><br>(10 marks for No permit/approval required, 10 marks for permit/approval acquired, and 5 marks for permit/approval in process, and 0 marks if any required permits/approvals have not yet been requested) | | |
| 11 | **Risks and Conditionality** | | **5 marks** |
| 12 | **Collaboration/Partnership**<br><br>(0 marks for no partnership, 5 marks for the formation of a partnership) | | **5 marks** |
| 13 | **Project Sustainability**<br>Benefits of the project after its completion | | **5 marks** |
| 14 | **Proposal Clarity & Sequence**<br><br>Marks are awarded based on how clearly the central purpose of the proposal is conveyed, and how effectively the supporting ideas are presented in a focused and logical sequence. Consideration is given if relevant details enhance and enrich the overall proposal. | | **10 marks** |
| | Total | | **100 marks** |

To be considered for funding, a project must obtain a minimum of 50 marks out of the total marks allocated to the selection criteria. Please note that the Decision Committee will be using this eligible criterion to mark the projects.

## Contact Details

For more information regarding the CAP Strategic Plan 2023 – 2027 (LEADER) – Local Development Strategy for Gozo 2023 – 2027, kindly contact the Gozo Action Group Foundation.

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