

MALTA

Rural Development Programme for Malta 2007 – 2013 (Nov 2009)

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<http://agric.gov.mt/rural-development?l=1>

Other useful links:

Rural Development Programme (RDP):

http://www.agric.gov.mt/rdpmal_20072013?l=1

National Strategy Plan (NSP):

<http://www.agric.gov.mt/national-rural-dev-strat-feb07?l=1>

National Rural Network (NRN): N/A

Climate Change and Renewable Energy issues in 2007-2013 RDP

Climate change (CC) is fundamental to the context of agriculture and policy making. EU agriculture must play an important role in mitigating this phenomenon by curbing greenhouse gas (GHG) emissions; at the same time it needs to adapt to the expected climatic adversities which will have serious consequences on production processes. Rural development offers a range of possibilities to support farming practices and investments that can contribute to climate change *mitigation* efforts (including the increase of the use of *Renewable Energy* (RE) resources) and additionally effect *adaptation* benefits. CC challenges have been well recognized in the baseline analysis of the 2007-2013 EU Rural Development Programmes (RDP) and addressed in their strategies. Following the Health Check (HC) of the Common Agricultural Policy (CAP), the 'new challenges' of the RD policy include 'climate change' and 'renewable energy' for which an additional budget of approximately €1 billion⁽¹⁾ have been made available for Member States (MS) to spend on these issues⁽²⁾. As a consequence, the operations related to these newly introduced EU priorities have been further strengthened in the RDPs.

⁽¹⁾ 19.8% of the total additional funds released.

⁽²⁾ The budget allocated to the 'new challenges' includes the funds released by the HC of the CAP (including voluntary modulation and transfers according to Art. 136 of Regulation (EC) No. 73/2009) and the European Economic Recovery Package (EERP).

Introduction - overview of the Maltese RDP

The Maltese RDP delivers a strong response to supporting mitigation and adaptation actions to respond to climate change, which is reflected in the baseline analysis and subsequent RDP strategy and measures. The response includes funding for a range of activities which aim to maintain and foster sustainable agricultural practices and limit negative environmental impacts. In addition, the RDP measures provide support for infrastructure for renewable energies, but it is expected that the RDP will not have a major impact on developments in this area.

Maltese agriculture faces challenging economic conditions and natural handicaps as a result of the effects of unpredictable rainfall and poor soils as well as the impact of climate change. As such, agricultural land has been abandoned which impacts negatively on natural habitats and biodiversity that have been supported by sustainable farming practices. The RDP strategy and Axis 2 measures therefore highlight this issue as an area to be addressed and offer support to ensure the longevity of farming across Malta.

Malta is seeking to mitigate climate change through the National Energy Plan which focuses on energy efficiency and renewable energy. Axis 1 measures provide considerable funding for assisting farmers to become more energy efficient through innovative and infrastructure investments. In terms of renewable energy, the RDP regards biomass, wind and solar as feasible areas for investment – whereas energy crops, wave, tidal and geothermal are not potential options as a result of resource and technology limitations. Whilst the RDP does provide funds for accessing renewable energy infrastructure, other programmes offer more detailed support in particular for solar power (Operational Programme 1 Investing in Competitiveness for a Better Quality of Life).

Agricultural activities contribute towards greenhouse gas emissions through current practices such as manure management, soil management, burning of crop residues and livestock housing (ammonia). Axis 1 and Axis 2 measures therefore support a range of activities to limit the environmental impact of farming such as manure storage facilities, improved animal housing, organic production, low input farming and the establishment and maintenance of buffer zones. In addition, the RDP strategy emphasises the need to develop mitigation and adaptation strategies and educational programmes for the mitigation of climate change.

Water quantity and quality are critical issues facing Malta. The semi-arid climate, as well as climate change, present obstacles to providing farmers with a consistent and sustainable water supply. In addition, nitrate leaching and high chloride concentrations have led to the contamination of ground water. An effective response to this is currently lacking as the prevailing water infrastructure is insufficient and farmers have exploited private water boreholes which has led to degradation of aquifer systems. RDP activity to support the Nitrate Directive (to reduce nitrate pollution from agricultural sources) and the Water Framework Directive (to ensure sustainable water management) is intended to help address these areas. Related initiatives under Axis 1 include development of infrastructure to harvest rainwater and utilisation of treated sewage effluent for irrigation.

Until a few years ago, organic agriculture was non-existent in Malta, but a new sector is beginning to take shape (there are currently 8 producers). The RDP therefore continues to target support in this area given the reduced environmental impact and positive biodiversity and animal welfare effects linked to organic agriculture.

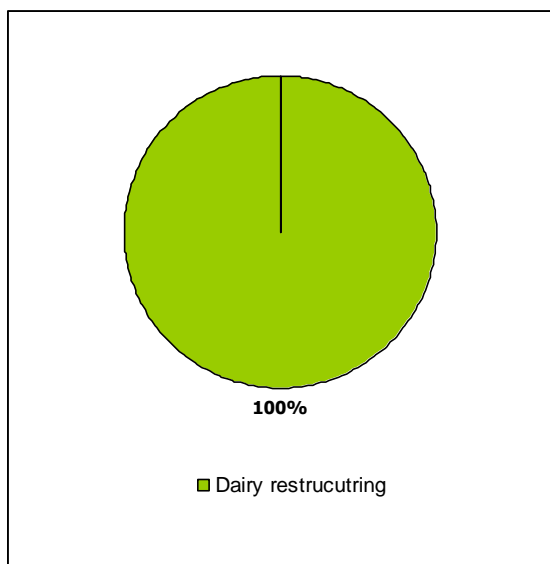
Use of pesticides has been widespread in Malta. Issues have therefore arisen with regard to water, soil and food quality. The RDP provides a range of support to limit this activity including reducing the use of herbicides in vineyards and fruit orchards.

Malta offers a rich and varied plant, animal, freshwater and marine biodiversity. Yet while some species are thriving others are in decline and compared to other Mediterranean islands Malta has the highest number of extinct species (44% of the native fauna is rare, threatened or already extinct). In addition, native agricultural animal and crop species have become increasingly rare or extinct despite the fact that they are often well suited for extensive, organic and free-range production. Moreover, certain agricultural practices are at odds with maintaining the landscape and biodiversity. This includes the introduction of biological pest control agents, exploitation of watercourses and slurry discharges. Alternative practices which aim to introduce solutions to minimise agriculture's impact on biodiversity are therefore supported by the RDP under Axes 1 and 2. This includes development of management plans for Natura 2000 sites which covers 12.5% of Malta's land area and includes a significant proportion of agricultural land.

Soil quality is under threat from a wide range of human activities, which have resulted in soil erosion, contamination, salinisation and a decline in organic matter. The agri-environment payments to encourage less intensive agricultural activities (such as planting sulla crops) and the support for areas with natural handicaps (which will enable the maintenance of dry stone walls) seek to address this issue.

Furthermore, the additional funds provided by the CAP Health Check have been entirely targeted for investments to enhance the competitiveness of the dairy sector. This includes funding for modernisation investments, environmental investments and investments to comply with newly introduced EU standards.

Allocation of the additional resources



The overall budget of the Maltese RDP in terms of total public expenditure amounts to €101,611,140 of which €77,653,355 comprises the EAFRD contribution. This includes an additional allocation of €1,020,000 (EAFRD contribution) as a result of the new challenges raised by the HC and the adoption of the European Economic Recovery Plan (EERP). These funds will enhance the competitiveness of the dairy sector for initiatives such as those mentioned above. These new financial supports should be considered in addition to the initial RDP which was already addressing issues linked with the mitigation and adaptation to climate change.

A breakdown of the total RDP budget per type of 'new challenge' is not available. Full details of the overall RDP budget allocation can be found in the RDP fiche for Malta that is available at:

http://enrd.ec.europa.eu/rural-development-policy/country-information/rural-development-policy-fiches/en/rural-development-policy-fiches_home_en.cfm

Mitigation

Activities aimed at reducing agricultural greenhouse gas emissions

The Maltese RDP provides comprehensive support for a range of mitigation activities which contribute towards improving the environmental performance of agricultural holdings through the introduction of new energy-saving technologies; infrastructure to reduce pollution emissions; investments to reduce the dependency on natural resources; low input farming and establishment of buffer strips; strengthened organic farming activities; and the provision of advisory services and professional training to farmers in order to support the implementation of environmental standards.

Support provided by **measure 121 - modernisation of agricultural holdings** provides significant financial aid to modernise holdings in order to improve their environmental performance and mitigate climate change. Assistance will lead to investments in new technologies and innovations as well as to the upgrading of the environmental and animal welfare status of holdings and to compliance with EU standards. This will enable farms to reduce their consumption of (energy) resources; reduce their greenhouse gas emissions; reduce their emissions to air, water and soil; achieve better management of wastes; and improve the storage, management and treatment of manure and slurry. In addition, the additional funds provided by the Health Check have been entirely targeted through measure 121. This specific operation aims to provide investment support to enhance the competitiveness of the dairy sector and includes funding for modernisation investments, environmental investments and investments to comply with newly introduced EU standards.

Another key measure which seeks to substantially support mitigation activities is **measure 123 - adding value to agricultural products** which offers support to increase competitiveness through investments (equipment, buildings, installations) that lead to the reduction of dependency on natural resources (by improving conservation, rationalising use, re-use, recycling renewable (water) resources) and adopting environmental actions such as waste management strategies.

One of the critical measures to respond to developing mitigation activities is **measure 214 – agri-environment payments**. This measure aims to reinforce the role of farmers as stewards of the rural landscape through participation in the Rural Areas Conservation Scheme. The scheme contains several sub-measures relating to environmentally-friendly plant protection products in vineyards; traditional cultivation of sulla through crop rotation; support for low input farming; support to suppress the use of herbicides in vineyards and fruit orchards; and support for the establishment and maintenance of buffer strips. A key impact of this measure will be to combat climate change through increasing soil organic matter and carbon sink capacity.

The funds under **measure 124 – co-operation for the development of new products, processes and technologies in the agriculture and food sectors** support the development of relationships between producers and processors to raise the level of innovation with regard to new production processes (especially at farm level) that have clear environmental benefits. This includes the costs of purchasing new machinery and equipment.

Support for organic farming will be delivered as a 'stand-alone measure' under **measure 214 – agri-environment payments**. This measure aims to increase the total area of land under organic production and to increase farmers' awareness of environmentally-friendly farming. The measure will be open to support all types of crops and farmers will be obliged to commit to their activities for a duration of 5 years.

Other measures which do not directly mention climate change, but which are linked to mitigation activities are:

- The objective of measure 114 – *use of advisory services for farmers* is to offer contributions to partly fund the accessing of expertise to improve the environmental management of farms. This encompasses advice for the adoption of agricultural activities that lessen the environmental impact of farming; and for facilitating access to rural development measures which will lead to environmental benefits. In addition, the advisory services may be also used for preparing support documentation pertaining to certain measures in areas such as waste, conservation, nutrient, plant protection, energy/environmental management plans and audits;
- Assistance offered by measure 111 – *training information and diffusion of knowledge* will provide professional training to farmers (as well as media and demonstration activities) in relation to sustainable management of natural resources; meeting cross-compliance requirements; maintenance and enhancement of the landscape; animal welfare and protection of the environment. Beneficiaries of measure 121 and 214 will also be obliged to undergo training in these areas;
- Assistance provided under measure 115 – *setting up of farm advisory services* will provide incentives to encourage the establishment of well-regulated advisory services which will provide support structures to farmers to meet environmental and animal welfare standards as well as advice on preparing environmental documentation pertaining to certain measures.

Adaptation

Prevention of, and coping with, potential impacts of climate change on agriculture

In terms of adapting to cope with the potential impacts of climate change, a number of measures have received considerable funding in order to facilitate extensive reforms. This includes support for farmers in handicap areas to prevent land abandonment; infrastructure to address the pressing issue of water scarcity; activities to enhance biodiversity; and advisory services and professional training on issues such as animal welfare and meeting cross-compliance standards.

Support provided by **measure 121** - *modernisation of agricultural holdings* provides significant financial aid to modernise holdings in order to improve their environmental performance. This includes support for investments that lead to better adaptation to climate change; limiting the impact of farming on biodiversity; and encouraging environmental certification.

Measure 212 - *support for areas with handicaps other than mountain areas* delivers significant support to Maltese farmers (all agricultural land in Malta is subject to handicaps such as poor soils) in order to prevent land abandonment and indirectly, encourage the uptake of agri-environmental commitments, protect natural habitats and to meet cross compliance standards.

Substantial assistance provided under **measure 125** – *infrastructure related to the development and adaptation of agriculture* will grant access to infrastructure which seeks to address the issue of water scarcity and thereby respond to the increased resource pressures posed by climate change. The limited supply of freshwater is a major constraint for agricultural production and farmers have relied too heavily on groundwater which (without careful and controlled management) is an unsustainable source. Supported actions will therefore increase the harvesting of rainwater for irrigation from collected systems such as river valley dams, public cisterns and reservoirs, as well as increase the utilisation of treated sewerage effluent for irrigation purposes (including investments for storage and treatment infrastructure).

One of the key measures to respond to developing adaptation activities is **measure 214** – *agri-environment payments*. This measure aims to reinforce the role of farmers as stewards of the rural landscape through participation in the Rural Areas Conservation Scheme. The scheme contains mandatory and optional sub-measures relating to the support for rural structures

providing a natural habitat for flora and fauna, including support for providing a healthy forage area for bees.

Another important measure to facilitate adaptation activities is **measure 323 – conservation and upgrading of the rural heritage**. A key aspect of this measure is to reverse ecological decline. Actions to be funded include the development of management plans for Natura 2000 sites and other places of a high nature value, environmental awareness actions, and restoring and upgrading cultural heritage.

Other measures which do not directly mention climate change, but which are linked to adaptation activities (for the same reasons as mentioned under Mitigation above) are **measure 114 – use of advisory services for farmers**; **measure 111 – training information and diffusion of knowledge**, and; **measure 115 – Setting up of farm advisory services**.

Main RDP measures which contribute to address CC mitigation/adaptation issues

Axis/Measure	Description	Type of operation	Potential effects
Axis 1			
Measure 121	Modernisation of agricultural holdings	Assistance will lead to investments in the introduction of new technologies and innovations, organic production, energy crops, upgrade the environmental and animal welfare status of holdings, comply with EU standards, adapt to climate change and gain environmental certification.	Increased number of farms which will be able to reduce their consumption of (energy) resources; mitigate climate change; reduce their greenhouse gas emissions; reduce their emissions to air, water, soil; limit their impact on biodiversity; achieve better management of wastes; improve the storage, management and treatment of manure and slurry; adopt equipment that makes use of alternative energies; adapt to climate change; and gain environmental certification.
Measure 123	Adding value to agricultural products	Offers support to increase competitiveness through investments (equipment, buildings and installations) that lead to the reduction of dependency on natural resources (by improving conservation, rationalising use, re-use, recycling renewable	Large number of firms receiving support which will lead to the reduction in the use of natural resources and adopting environmental actions.

Axis/Measure	Description	Type of operation	Potential effects
		water resources) and adopting environmental actions such as waste management strategies.	
Measure 125	Infrastructure related to the development and adaptation of agriculture.	<p>Access will be provided to infrastructure which seeks to address the issue of water scarcity.</p> <p>Supported actions will therefore increase the harvesting of rainwater for irrigation from collected systems such as river valley dams, public cisterns and reservoirs; and increase the utilisation of treated sewerage effluent for irrigation purposes (including storage and treatment infrastructure).</p>	Large number of operations introduced that lead to enhanced agricultural water management.
Measure 124	Co-operation for the development of new products, processes and technologies in the agriculture and food sectors	<p>This measure supports the development of relationships between producers and processors to raise the level of innovation with regard to new production processes (especially at farm level) that have clear environmental benefits.</p> <p>This includes the costs of purchasing new machinery and equipment.</p>	Multiple implemented co-operation projects that lead to the development of production processes that have clear environmental benefits.
Axis 2			
Measure 212	Support for areas with handicaps other than mountain areas	The significant support offered by this measure aims to support Maltese farmers in order to prevent land abandonment and indirectly encourage the uptake of agri-environmental	The impact of this measure will be to ensure that a greater area of land does not face abandonment and that biodiversity is enhanced.

Axis/Measure	Description	Type of operation	Potential effects
		commitments, protect natural habitats and to meet cross compliance standards.	
Measure 214	Agri-environment payments	The measure supports environmentally-friendly plant protection products in vineyards; traditional cultivation of sulla through crop rotation; support for low input farming; support to reduce the use of herbicides in vineyards and fruit orchards; support for the establishment and maintenance of buffer strips; support for rural structures providing a natural habitat for flora and fauna; and support for providing a healthy forage area for bees.	The impact of this measure will be a reverse of biodiversity decline, improved water quality, increase in organic matter and increased area of land under successful environmental management.
Measure 214	Agri-environment payments (Organic farming)	This measure aims to increase the total area of land under organic production and increase farmers' awareness of environmentally friendly farming.	Increased area of agricultural land that is cultivated by organic farming methods.
Measure 214	Agri-environment payments (Support for the conservation of genetic resources in agriculture)	This measure aims to conserve and reverse the trend of erosion of genetic resources in agriculture including Maltese plant species and livestock breeds. This will be delivered through activities including data collection of genetic resources; exchange of information between competent organisations in Member States; and information and training actions.	Improved response to tackle the erosion of genetic resources which will lead to the enhancement of biodiversity.

Axis/Measure	Description	Type of operation	Potential effects
Axis 3			
Measure 323	Conservation and upgrading of the rural heritage	A key aspect of this measure is to reverse ecological decline, support biodiversity and reduce soil erosion. Actions to be funded include development of management plans for Natura 2000 sites and other places of a high nature value, environmental awareness actions, and actions for restoring and upgrading cultural heritage such as habitat engineering.	Increase in the number of actions which preserve cultural heritage as well as the number of Natura 2000 management plans.

Renewable energies

Electricity, heating and transport fuels produced from biomass (such as biofuels, biogas) and other renewable sources (solar, wind, geothermal).

The Maltese RDP encourages the development of the renewable energy sector. In particular, Axis 1 funds for infrastructure that make use of renewable energies, but the RDP notes that the overall impact it will have on developing this area will be limited. However, other programmes in Malta provide more detailed support in particular for solar energy (Operational Programme 1 'Investing in Competitiveness for a better quality of life).

A key measure which seeks to support encourage the use of renewable energies is **measure 121 – modernisation of agricultural holdings** which provides financial aid to improve the environmental performance of holdings. This includes the procurement and installation of infrastructure that make use of alternative sources of energy.

Main implemented RDP measures related to the development of RE sources

Axis/Measure	Description	Type of operation	Potential effects
Axis 1			
Measure 121	Modernisation of agricultural holdings	Investments in infrastructure that make use of alternative sources of energy.	Increase in the number of farms utilising infrastructure that make use of alternative sources of energy.