



GCAF

BUDGET 2027: SECURING GOZO'S FOOD-PRODUCING FUTURE

Pre-Budget Proposals for Agriculture, Livestock and Fisheries

From recognition of island constraints to practical implementation

CORE PROPOSITION

Gozo's primary sector is strategic island infrastructure. It produces food, sustains rural and fishing communities, protects productive land and skills, and provides a domestic buffer when imported supply chains are disrupted. Budget 2027 should therefore treat climate adaptation, food security and the economic viability of local production as linked national resilience priorities.

GOZO CONFEDERATION FOR AGRICULTURE AND FISHERIES

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Executive Summary

Budget 2027 comes at a consequential point for Gozo's agriculture and fisheries. Malta is preparing a National Agricultural Policy for 2027-2037, while the National Fisheries Strategy 2026-2036 has set a ten-year direction around sustainable fishing, generational renewal, infrastructure, education and training. The budget should now begin converting these strategic directions into visible delivery in Gozo.

GCAF's position is that national measures should remain the foundation of support, but they must be tested against Gozo's realities: small and fragmented holdings, limited water resources, import dependence, additional island logistics, exposure to extreme heat and drought, and the difficulty of achieving scale. The objective is not to insulate producers from competition, but to remove avoidable structural disadvantages and preserve economically viable domestic food-producing capacity.

The evidence also demonstrates that the sector remains material to Gozo. In 2024, Gozo and Comino accounted for 26.7% of livestock licences in Malta, while cattle were the largest livestock category reared in the region. Gozitan farmers generated approximately EUR 1.9 million of vegetables and EUR 0.2 million of fruit sold through organised markets. Gozitan fishers accounted for 7.6% of the total value of fish landings recorded in Malta.

The events of summer 2026 make this resilience argument immediate rather than theoretical. Malta Dairy Products reported limited availability of some Benna products after exceptional heat stress reduced fresh-milk production, while farmers reported sun-damaged crops, higher irrigation and livestock-cooling costs, reduced tomato quality and output, and some operators slowing activity during the hottest months. These are early examples of climate pressure translating into lower domestic supply, higher production costs and potential food-security exposure.

For an import-dependent island state, food security does not mean self-sufficiency in every product. It means retaining a viable minimum domestic production base, diversified import channels, resilient water and energy systems, functioning cold chains, and the capacity to respond rapidly when climate or geopolitical shocks affect supply. GCAF proposes that Budget 2027 begin measuring and managing these risks explicitly.

A constructive and independent submission. GCAF recognises the public support it has received and values Government's investment in organised sector representation. That support strengthens the Confederation's responsibility to provide evidence-based, practical feedback from the sectors it represents. The proposals in this document are therefore framed as workable improvements to policy and delivery: supporting measures that are effective, identifying gaps where they remain, and proposing solutions that can be implemented and measured.

Source: National Statistics Office, Regional Statistics - Agriculture and Fisheries, reference year 2024.

BUDGET PRINCIPLE

Move from commitment to implementation. Where Government has already announced measures - including land-transfer support for young and professional farmers, agricultural land tax incentives and the reopening of the Gozo Pitkalija - Budget 2027 should focus on delivery dates, access conditions, funding and measurable outcomes.

GCAF Five Headline Priorities

01

Keep a new generation in production

YOUNG FARMERS, YOUNG FISHERS AND SUCCESSION

Budget 2027 action: Put the announced land-transfer measures into operation; create practical entry pathways in Gozo; support succession, training and access to productive assets.

Result sought: More viable entrants and less loss of productive land, skills and fishing activity.

02

Protect production from heat and water stress

CLIMATE, WATER AND FOOD SECURITY

Budget 2027 action: Invest in water storage and efficiency, heat protection, protected production, energy resilience and a rapid response mechanism for verified climate losses.

Result sought: Lower production losses and a more dependable domestic food-producing base.

03

Keep livestock and dairy viable

LIVESTOCK, DAIRY AND FARM WASTE

Budget 2027 action: Modernise holdings; improve cooling, welfare and feed efficiency; deliver a workable manure/slurry system with fair costs and clear arrangements for Gozo.

Result sought: A resilient livestock sector that can meet higher standards without becoming economically unviable.

04

Strengthen Gozo's fishing economy

FISHERIES INFRASTRUCTURE AND RENEWAL

Budget 2027 action: Prioritise landing facilities, ice and cold chain, storage, safety, training, digitalisation and a credible route for younger fishers.

Result sought: Safer operations, less product loss and a stronger future for small-scale fishing.

05

Make local production worth doing

MARKETS, VALUE ADDITION AND ISLAND COST EQUITY

Budget 2027 action: Reopen the Gozo Pitkalija with a useful operating model; improve local routes to market, processing and traceability; address evidenced island logistics costs.

Result sought: A larger share of food value retained by Gozitan producers and stronger local supply chains.

1. Gozo's Primary-Sector Context

1.1 A place-based case for action

Gozo should not be treated simply as a smaller version of the national economy. Insularity, small scale, labour mobility and dependence on maritime connectivity create structural conditions that justify a place-based policy approach. For agriculture, livestock and fisheries, these constraints are particularly significant because productive activity depends on reliable access to inputs, land, water, transport, storage, processing and markets.

For primary producers, the island effect can be amplified. Feed, fertiliser, packaging, machinery, spare parts and other inputs may carry additional transport and handling costs. Produce and livestock products may then need to cross the channel again to reach processors, markets or consumers. Small volumes reduce bargaining power and make it harder to spread fixed costs.

GCAF POSITION ON TRANSPORT-COST EQUITY

GCAF supports a transparent, evidence-based mechanism to address demonstrable additional island transport and logistics costs affecting agriculture, livestock and fisheries, where compatible with applicable State-aid rules. Any mechanism should be simple enough for micro and small operators to access and should focus on productive inputs and the movement of locally produced food.

1.2 What the latest regional data tells us

- Gozo and Comino yielded approximately EUR 1.9 million worth of vegetables and EUR 0.2 million worth of fruit sold through organised markets in 2024.
- 26.7% of Malta's livestock licences were registered in Gozo and Comino in 2024.
- Cattle were the largest livestock category reared in Gozo and Comino in 2024.
- Gozitan fishers accounted for 7.6% of the total value of fish landings recorded in Malta in 2024.
- Regional data is necessarily constrained in some areas by small sample sizes and confidentiality, reinforcing the need for better policy-relevant Gozo data where publication is feasible.

Source: National Statistics Office, Regional Statistics portal, Agriculture and Fisheries, updated 2025-2026.

1.3 Policy window: 2027 is not an ordinary year

The White Paper for the National Agricultural Policy 2027-2037 explicitly identifies scarce and fragmented land, limited water resources, growing climate, market and regulatory pressures, farm viability, food security and generational renewal as structural issues. The National Fisheries Strategy 2026-2036 similarly centres resilience, viability, infrastructure and generational renewal. At EU level, the Commission reports that crop losses caused by droughts and heatwaves have tripled over the past 50 years, underlining the need to shift from reactive relief towards planned resilience investment.

Budget 2027 should therefore be used as the first implementation budget of this new policy cycle, with Gozo serving as a priority territory for measures where island constraints are most visible.

Source: Government of Malta, National Agricultural Policy 2027-2037 consultation; National Fisheries Strategy for Malta 2026-2036.

2. From Existing Commitments to Budget 2027 Delivery

Budget 2026 already established several commitments relevant to GCAF's priorities. The 2026 Budget Speech stated that Government intended to introduce voluntary schemes compensating retiring farmers who transfer land to young and professional farmers; provide tax incentives for agricultural land transactions; progress the animal manure processing project; construct a new Pitkalija in Malta; and reopen the Pitkalija in Gozo.

GCAF does not propose that Budget 2027 merely repeat these announcements. It should identify what has been implemented, what remains outstanding, and what resources and delivery dates are required to turn them into functioning measures.

Existing direction	Budget 2027 requirement	Gozo relevance	Suggested evidence of delivery
Land transfer to young/professional farmers	Publish scheme design, eligibility, funding and launch timetable.	Directly supports succession and access to productive land.	Applications opened; transfers supported; area kept in active production.
Agricultural land tax incentives	Confirm implementation and assess whether barriers remain for genuine productive transfers.	High land values and fragmented ownership can obstruct renewal.	Eligible transactions; beneficiaries; productive use maintained.
Animal manure processing	Publish procurement/concession milestones, environmental and traffic safeguards, the Gozo collection/temporary-storage operating model, farmer tariffs and interim arrangements.	Gozo livestock operators will depend on a 7,800 m ² Ghajnsielem collection/temporary-storage site linked to the national treatment chain; cost, service frequency and local impacts are therefore material.	Treatment capacity commissioned; Gozo service standard; farmer charges; volumes collected/treated; environmental incidents; recovered nutrient use.
Gozo Pitkalija reopening	Define operating model, services, access and integration with wider market support.	Can become an anchor for aggregation, local sales and value addition.	Opening date; producer users; throughput; services offered.

Source: Ministry for Finance, Budget Speech 2026, Agriculture and Fisheries section.

3. Budget 2027 Strategic Priorities

The proposals below are deliberately selective. They focus on the points where a Budget decision, a funded programme or a clear implementation commitment can materially improve the viability and resilience of agriculture and fisheries in Gozo.

1. Young Farmers, Young Fishers & Generational Renewal

Case for action. Generational renewal is now a formal national policy priority in both agriculture and fisheries. Financial support alone will not be sufficient if entrants cannot access land, productive assets, knowledge, markets and a credible income pathway.

Budget 2027 should:

- Implement the announced voluntary land-transfer scheme and tax measures, with safeguards that keep supported land in genuine productive use.
- Create a Gozo Young Farmer Starter Pathway combining investment support, business planning, mentoring and priority access to relevant advisory services.
- Develop an equivalent young-fisher entry route linked to training, vessel/equipment access and safety requirements under the Fisheries Strategy.
- Support succession planning for viable family farms and fishing businesses before productive activity is lost.
- Ensure post-2027 CAP generational-renewal instruments are designed so very small and island farms can realistically qualify.

Intended outcome: More viable new entrants, smoother succession and less loss of productive land, skills and fishing activity.

Suggested indicators: new entrants supported; succession cases completed; productive hectares retained; young fishers trained/entering activity.

2. Climate, Water & Food-Security Resilience

Case for action. Climate change is already affecting output, quality, animal welfare and cost. Summer 2026 brought unusually severe heat stress: dairy supply fell, crop quality deteriorated and farmers faced higher irrigation and livestock-cooling costs. Malta's small domestic production base means that repeated climate shocks can erode local capacity at the same time as climate extremes affect suppliers abroad. Food security therefore requires adaptation at farm level and contingency planning at national level.

Budget 2027 should:

- Launch a multiannual Gozo Climate & Water Resilience Window for reservoirs, restoration of storage, rainwater harvesting, efficient irrigation, metering, soil-moisture technology and water-reuse investments that meet applicable standards.
- Support high-efficiency ventilation, insulation, shade, cooling, reliable water systems and emergency back-up power for livestock holdings exposed to heat stress.
- Support renewable energy, storage and energy-efficiency investments directly tied to irrigation, cooling, refrigeration and other productive agricultural operations.
- Support protected cropping, shade systems, climate-resilient varieties, soil protection and other technically justified measures that reduce heat, drought and extreme-weather losses.
- Establish a rapid Climate Impact Response mechanism with objective triggers, fast loss assessment and pre-agreed routes to temporary assistance under applicable CAP and State-aid rules, alongside practical climate-risk advice and insurance/risk-management tools.
- Create an annual Agricultural Food-Security Risk Assessment covering domestic production capacity, dependence on critical imported inputs such as livestock feed, water and energy exposure, cold-chain resilience, and priority commodities where loss of local capacity would create strategic vulnerability.

Intended outcome: Lower climate-related production losses, more resilient water and energy systems, healthier livestock, protected domestic productive capacity and faster recovery after extreme events.

Suggested indicators: storage capacity added; farms adopting efficient irrigation/heat protection; climate-related output losses; emergency-response time; energy resilience; domestic production trends in strategic product categories.

3. Livestock & Dairy Resilience

Case for action. Gozo carries a significant share of Malta's livestock activity: 26.7% of livestock licences were registered in Gozo and Comino in 2024. The summer 2026 reduction in fresh-milk production demonstrates that heat stress is now a supply-chain risk as well as an animal-welfare issue. Dairy viability depends on cooling, water, reliable energy, feed security, manure management, veterinary support and a commercial framework that allows efficient farms to recover rising resilience costs.

Budget 2027 should:

- Create a targeted livestock modernisation window for housing, cooling, ventilation, feeding, water, biosecurity and animal-welfare improvements.
- Publish a clear national farm-waste implementation pathway covering manure and slurry collection, temporary storage, transport, treatment, gate/handling charges and the return or availability of recovered nutrients to agriculture. The pathway must explicitly address Gozo rather than treating the island as a secondary logistics issue.
- Support investments that improve feed efficiency and reduce avoidable input costs without compromising animal welfare.
- Assess the cumulative financial impact of new regulatory requirements on small livestock holdings before implementation, and provide transition support where justified.
- Strengthen technical advisory support in Gozo for animal health, welfare, environmental compliance and investment planning.
- Assess options for contingency planning around imported feed and other critical inputs, including supply diversification, efficient storage and locally feasible forage/feed alternatives, without creating wasteful strategic stocks.
- Commission a dairy and livestock climate-resilience assessment covering heat thresholds, cooling capacity, water demand, energy back-up, feed dependence and projected investment needs through 2035.

Intended outcome: A smaller but stronger and more investable livestock base capable of meeting environmental and welfare standards while remaining economically viable.

Suggested indicators: holdings modernised; manure/slurry volumes managed through compliant routes; heat/welfare investments; advisory uptake.

National Farm Waste Treatment Facility: GCAF Position

The national farm-waste project has now moved into a more concrete procurement phase. The proposed concession envisages a principal treatment facility on a site of about 19,000 m² in Mellieħa, alongside the Water Services Corporation wastewater treatment plant, designed to process approximately 300,000-350,000 tonnes of manure, slurry and certain other agricultural wastes annually. The project also envisages a collection and temporary-storage site of about 7,800 m² in Ghajnsielem, Gozo. Intended outputs include renewable fuels, food-grade carbon dioxide and organic soil enhancers/biofertilisers.

GCAF supports the objective of establishing a permanent, technically robust solution to Malta's long-standing farm-waste problem. A functioning system is essential for livestock viability, water protection, regulatory compliance and the circular use of agricultural nutrients. However, support for the principle should not amount to an unconditional endorsement of any particular siting, transport or charging model.

- Require full environmental, odour, traffic, public-health and operational assessment of the treatment and transfer sites, with transparent publication of the mitigation measures and monitoring regime.

- Consult livestock farmers and representative organisations before the Gozo collection/transfer model and operating rules are finalised, including vehicle movements, opening hours, storage duration, emergency arrangements and biosecurity.
- Guarantee that Gozitan farmers are not placed at a cost disadvantage because treatment occurs in Malta. Government should quantify the full Gozo collection, storage and transport chain and prevent disproportionate gate, haulage or handling charges from undermining farm viability.
- Set service standards for collection frequency and maximum temporary-storage periods so that the Ġhajnsielem site does not become a long-term accumulation point or create avoidable odour, pest, leakage or neighbourhood impacts.
- Design the system around nutrient recovery as well as waste disposal. Where technically and legally suitable, recovered biofertilisers or soil enhancers should be made available to Maltese and Gozitan agriculture under transparent quality standards and commercially sensible conditions.
- Publish the transition plan from current temporary/interim manure arrangements to the new national system, including contingency capacity if the concession or construction timetable slips.
- Create a farmer-facing tariff and service framework before operations begin, with transparent charges, predictable collection arrangements and safeguards for micro and small livestock holdings.
- Establish an independent performance-monitoring framework covering volumes collected and treated, odour/incident complaints, environmental compliance, farmer costs, service interruptions, renewable-energy/resource recovery and use of recovered nutrients.

For GCAF, the key test is therefore not simply whether a plant is built. Budget 2027 should ensure that the national farm-waste system is environmentally credible, socially acceptable and economically workable for the farms expected to use it - including those in Gozo.

4. Gozo Fisheries Viability & Infrastructure

Case for action. The National Fisheries Strategy makes infrastructure and generational renewal two of its four pillars. Budget 2027 should identify the first Gozo-specific delivery package under that strategy.

Budget 2027 should:

- Audit and prioritise landing, ice, cold-chain, storage, safety and service infrastructure used by Gozitan fishers.
- Fund priority upgrades with a published implementation timetable.
- Improve access to support for vessel safety, energy efficiency, selective gear, traceability and digital equipment.
- Ensure small-scale fishers can access permitted operating-cost support without disproportionate administrative burden.
- Integrate fishing needs into Mġarr Harbour planning so expansion and commercial development do not marginalise essential fishing functions.

Intended outcome: More efficient landings, reduced product loss, safer operations and a viable route for the next generation of Gozitan fishers.

Suggested indicators: infrastructure projects delivered; cold-chain capacity; fishers supported; young-fisher participation; safety upgrades.

5. Gozo Pitkalija, Local Food & Value Addition

Case for action. Climate pressure will make local production harder and, in some years, more expensive. If policy focuses only on consumer price while ignoring whether efficient local producers can cover sustainable production costs, domestic capacity will continue to shrink. The Gozo Pitkalija should therefore form part of a wider local-food competitiveness strategy: aggregation, cold chain, processing, quality differentiation, shorter routes to market and stronger demand for genuinely local produce.

Budget 2027 should:

- Publish the operating model and opening timetable for the Gozo Pitkalija.
- Design the facility to support aggregation, grading, basic cold storage, digital sales information and efficient producer access where feasible.
- Create a micro-investment scheme for compliant processing, packaging, storage, branding and direct-to-consumer sales.
- Develop stronger links between Gozitan food production and the hospitality/tourism sector, including seasonal promotion and business-to-business matching.
- Use freshness, seasonality, quality, environmental performance and supply-chain criteria in public food procurement where legally permissible, proportionate and non-discriminatory.
- Develop voluntary local-origin visibility and traceability tools so consumers, hospitality operators and public purchasers can identify genuinely Maltese/Gozitan products and producers can compete on provenance, freshness and quality rather than price alone.
- Create a transparent Local Production Viability Observatory tracking farm-gate prices, key input costs, climate-related losses, market margins and import competition in strategic sectors, so support and policy responses are evidence-based.

Intended outcome: A larger share of final food value retained by Gozitan producers and stronger local routes to market.

Suggested indicators: Pitkalija users/throughput; producers entering value-added channels; local-food contracts/market links; reduction in avoidable waste.

6. Island Logistics & Transport-Cost Equity

Case for action. For many Gozitan producers, transport is embedded in both input and output costs. Feed, fertiliser, machinery, packaging and other inputs must reach the island, while agricultural, livestock and fisheries products may then need to cross the channel to reach processors and larger markets. GCAF therefore supports a carefully designed primary-sector approach to transport-cost equity.

Budget 2027 should:

- Commission or publish a transparent assessment of additional transport/logistics costs borne by Gozitan primary producers.
- Where evidence supports intervention and rules permit, create a simple mechanism addressing demonstrable additional island costs for essential productive inputs and movement of produce.
- Ensure the planned Gozo Logistics Hub includes access to cold-chain, consolidation and distribution services suitable for micro and small food businesses.
- Coordinate cargo, ferry and harbour planning with agricultural and fisheries supply-chain needs.

Intended outcome: Lower structural logistics disadvantage and more reliable movement of food, inputs and essential supplies.

Suggested indicators: verified cost differential; eligible operators supported; logistics-hub services used by primary sector; service reliability.

7. Small Producer Digitalisation, Advice & Simplification

Case for action. A support scheme has little value if working farmers and fishers cannot navigate it. The Finance Ministry's Budget Affairs Division places emphasis on value for money, outcomes, KPIs and simplification; primary-sector delivery should follow the same logic.

Budget 2027 should:

- Provide a Gozo-based strengthened Front Office Rural Gozo / one-stop advisory pathway for funding, compliance, business planning and digital records.

- Offer proportionate micro-grants for farm/fisheries management, traceability, sensors, monitoring and e-commerce tools.
- Apply a once-only data principle wherever public bodies already hold information requested from applicants.
- Review scheme documentation specifically from the perspective of micro-producers and older operators.
- Publish Gozo take-up rates for major national agricultural and fisheries schemes where data protection permits.
- Undertake a Regulatory Proportionality Review for micro and small producers, identifying national requirements that can be simplified without weakening food safety, environmental protection, animal welfare or worker protection.

Intended outcome: Higher take-up, lower administrative cost and better evidence on whether national schemes actually reach Gozo.

Suggested indicators: processing times; repeat-data requests; scheme take-up; advisory cases; digitalisation projects.

8. Gozo Agriculture & Fisheries Impact Test

Case for action. National policies can have materially different effects in an island region. A simple impact test would make those differences visible before decisions are finalised.

Budget 2027 should:

- Require major new agriculture/fisheries measures to assess effects on Gozo, micro-producers, transport, access to services and scale.
- Consult representative Gozitan sector bodies early where a material territorial impact is identified.
- Use objective criteria and publish a short assessment alongside major measures.
- Review the test after one year and refine it based on evidence.

Intended outcome: More proportionate policy design and fewer unintended island-specific burdens.

Suggested indicators: number of assessments; changes made following assessment; stakeholder consultations; implementation review.

9. EU Flexibility, Derogations & Crisis Tools

Case for action. Malta and Gozo face genuine structural constraints, but 'derogation' should not be used as a generic request to avoid standards. GCAF proposes a disciplined review of available EU flexibility and, where existing rules are inadequate, evidence-based advocacy for tailored treatment that preserves the policy objective while making compliance proportionate for micro and island producers.

Budget 2027 should:

- Establish a joint MAFA/MFIN legal-policy review of CAP, State-aid, environmental and fisheries rules to identify flexibilities, simplifications, crisis provisions and lawful national support that Malta is not fully using.
- Use the agricultural de minimis framework strategically where appropriate: current EU rules allow up to EUR 50,000 per undertaking over any rolling three-year period, subject to Malta's national ceiling and cumulation rules.
- Maximise small-farm simplification options under the CAP, including simplified payments/controls where these fit Malta's Strategic Plan, and ensure post-2027 arrangements recognise Malta's exceptionally small farm structure.
- Create a standing protocol for invoking force-majeure/exceptional-circumstance and crisis-support provisions following officially verified extreme weather, rather than requiring ad hoc policy design after each event.

- In post-2027 CAP negotiations, seek territorial and sectoral flexibility for Malta's small-scale, fragmented and climate-exposed agriculture, including scope for targeted top-ups, lump-sum approaches and higher support intensity where legally available.
- Do not seek exemptions that would undermine food safety, animal welfare, environmental objectives or fair competition; where derogations are proposed, publish the evidence, legal basis, time limit and intended outcome.

Intended outcome: Malta uses the flexibility already available, pursues additional proportionality where justified, and protects farmers from unnecessary administrative or compliance burdens without lowering essential standards.

Suggested indicators: flexibilities identified/used; CAP amendments or simplifications secured; crisis-response time; administrative savings; EU/national policy changes supported by evidence.

4. Cross-Cutting Gozo Infrastructure & Governance Issues

Agriculture and fisheries do not operate separately from Gozo's wider resilience infrastructure. Harbour capacity, freight systems, logistics facilities, water, electricity, cold storage and the way Gozo is represented in national decision-making can determine whether food reaches the island and whether local production reaches the market. These should therefore be assessed partly through a food-security lens, not solely as general economic infrastructure.

Cross-cutting issue	Primary-sector relevance	GCAF Budget 2027 position
Mġarr Harbour capacity and expansion	Freight, essential supplies, fishery functions, animal/feed movements and cold-chain reliability depend on adequate harbour capacity and resilient operations.	Ensure any expansion or reconfiguration explicitly protects and improves fishing functions, freight handling and food-logistics requirements, subject to proper planning and environmental assessment.
Gozo Logistics Hub	Consolidation, warehousing, refrigerated storage and distribution can reduce diseconomies of small scale and improve reliability for perishable products.	Design the hub with suitable cold-chain and food-handling capacity and guarantee transparent, affordable and non-discriminatory access for micro and small producers.
Transport-cost equity	Additional channel and logistics costs can weaken the competitiveness of Gozitan agricultural, livestock and fisheries production.	Assess the additional costs transparently and introduce a proportionate primary-sector mechanism where evidence and applicable rules justify intervention.
Gozitan representation in national policy	National measures can overlook island-specific implementation costs, seasonality, scale and infrastructure constraints.	Provide structured, transparent participation for genuinely representative Gozitan agriculture and fisheries bodies in relevant national consultations and implementation reviews.
Skills, technical services and innovation	Modern farming and fishing increasingly require technical, digital, environmental and business skills that may be harder to access locally.	Expand Gozo-based training, advisory and technical support and ensure innovation/digitalisation schemes are accessible to small primary-sector operators.
Food-security contingency planning	Gozo depends on imported food, livestock feed, fuel, fertiliser and other essential inputs while also retaining strategically valuable local production. Climate or geopolitical shocks can affect both sides simultaneously.	Prepare a Gozo-inclusive food-security contingency plan identifying critical supply chains, minimum resilience capabilities, alternative routes, emergency cold-chain/storage needs and measures to preserve viable domestic production.

4A. A Clear Gozo Delivery Structure

Several of the proposals in this paper cut across national ministries, funding authorities and regional services. For Gozo, this makes institutional coordination part of the policy solution. GCAF proposes a simple division of roles that uses structures which already exist rather than creating another layer of administration.

- **Ministry for Gozo — delivery and regional coordination.** The Ministry already describes itself as a major enabler for Gozo, with a role in influencing national policy and directing national funding towards Gozo's needs. Its Rural Gozo Directorate specifically promotes, supports and manages agriculture and fisheries in Gozo and provides logistical, technical and financial support. Budget 2027 should therefore give the Ministry a defined co-delivery role in Gozo-specific agricultural and fisheries infrastructure, climate adaptation, market access, the Gozo farm-waste collection arrangements, fisheries facilities and local food initiatives.
- **Rural Gozo Directorate — farmer and fisher-facing implementation.** The Directorate should be the practical Gozo interface for measures that require local delivery. Its existing Front Office already assists farmers with aid schemes, land registration, water applications and liaison with ARPA; its wider structure also includes fisheries services, cold stores, the experimental farm, the Gozo Civil Abattoir, laboratories and veterinary services. GCAF therefore favours strengthening these existing services before creating parallel advisory structures.
- **GRDA — evidence, regional policy and impact assessment.** The Gozo Regional Development Authority has a consultative and regional-policy role under Chapter 600 and is tasked with ensuring Gozo's economic, social and environmental characteristics are reflected in national policy. It also oversees regional impact assessment of national proposals with a material effect on Gozo. GCAF proposes that GRDA be used as the evidence and assessment partner for the Gozo impact test, production-viability monitoring, island-cost analysis and evaluation of major policy measures.
- **GRDA agriculture priorities — align rather than duplicate.** GRDA's published agriculture position already calls for greater competitiveness and viability, young-farmer entry, stronger value for Gozitan food, digitalisation and innovation, protection of agricultural land, water/resource sustainability and climate resilience. These areas closely match GCAF's Budget 2027 priorities. The practical next step is a joint implementation focus, with GCAF contributing direct sector evidence and GRDA providing regional analysis and policy assessment.
- **EU and climate coordination.** The Ministry for Gozo's EU, International Affairs and Policy Coordination Directorate is specifically tasked with coordinating Gozo's interests in EU matters, while GRDA is developing the Gozo Climate Neutral Plan. These structures should be used when Malta assesses CAP flexibility, derogations, climate financing and EU programmes relevant to Gozo's primary sector.

GCAF proposal: establish a standing Gozo Primary Sector Coordination mechanism between MAFA and the Ministry for Gozo, with GRDA participating on regional evidence and impact assessment and GCAF/other representative bodies consulted on sector delivery. The purpose should be to resolve cross-cutting issues, assign ownership, track deadlines and publish progress — not to create another committee without delivery responsibility.

5. What Budget 2027 Should Deliver

Announcements matter, but delivery is what changes conditions on the ground. The matrix below sets out the actions GCAF believes can realistically be advanced through Budget 2027, together with the bodies involved and the results that should be visible.

Challenge	GCAF proposal	Budget 2027 action	Lead/partners	Outcome / KPI
Ageing producer base / access to land	Young Farmer & Fisher Starter Pathways	Launch schemes and publish eligibility/timetable	MAFA; Ministry for Gozo (Rural Gozo Directorate); ARPA; Lands Authority; GRDA	Entrants, succession cases, productive land retained
Heat, drought & food-security risk	Climate & Water Resilience + Climate Impact Response	Fund adaptation; establish risk assessment and rapid-response protocol	MAFA; Ministry for Gozo; GRDA; ARPA; MFIN; EU funds bodies	Water/heat investments; climate losses; response time; strategic production trends
Livestock viability	Livestock modernisation + dairy climate resilience + workable national farm-waste chain	Open investment support; publish Mellieħa/Ghajnsielem farm-waste milestones, safeguards, service standards and farmer tariff model	MAFA; Rizorsi Agrikoli Malta; Ministry for Gozo (Rural Gozo Directorate); ERA; Planning Authority	Holdings upgraded; milk/livestock resilience; compliant manure/slurry volumes; predictable farmer cost; resource recovery; environmental performance
Fishing infrastructure	Gozo fisheries delivery package	Prioritise and fund landing/cold-chain/safety works	DFA; Ministry for Gozo (Rural Gozo Directorate); Transport Malta; relevant harbour entities	Projects delivered; capacity; safety uptake
Weak routes to market	Gozo Pitkalija + value-add support	Reopen with service model; launch micro-processing support	MAFA; Ministry for Gozo (Rural Gozo Directorate); Pitkalija operator; Malta Enterprise where relevant	Users, throughput, value-added projects
Island logistics costs	Transport-cost equity / logistics access	Quantify differential; design lawful targeted response	MFIN; Ministry for Gozo; MAFA; GRDA; Transport Malta	Cost evidence; operators supported; logistics use
Administrative burden	Gozo one-stop advice + once-only data	Create service and simplify high-use schemes	MAFA; Ministry for Gozo (Front Office Rural Gozo); ARPA; DFA	Processing time; take-up; fewer repeat requests
Territorial blind spots	Regional impact assessment / Gozo impact test	Use GRDA's statutory regional-impact role systematically for major agriculture, fisheries and food-security measures	GRDA; Ministry for Gozo; MAFA; MFIN	Material Gozo impacts assessed early; recommendations tracked; policy adjusted where justified

Challenge	GCAF proposal	Budget 2027 action	Lead/partners	Outcome / KPI
Declining local production viability	Local Production Viability Observatory	Track costs, prices, climate losses and strategic domestic output	MAFA; GRDA; Ministry for Gozo; NSO; market bodies; sector representatives	Annual viability indicators; targeted policy adjustments
Unused/insufficient regulatory flexibility	EU Flexibility & Derogation Review	Audit available tools; prepare evidence-based requests and crisis protocol	MAFA; Ministry for Gozo (EU & Policy Coordination); GRDA; MFIN; ARPA; DFA	Flexibilities used; simplifications secured; response time; admin savings
Supply-chain shock exposure	Gozo-inclusive Food-Security Contingency Plan	Map critical food/input dependencies and resilience actions	MAFA; Ministry for Gozo; GRDA; MFIN; Civil Protection; Transport Malta; supply-chain stakeholders	Critical chains mapped; contingency actions tested; minimum capacities defined

6. How Support Should Be Designed

GCAF recognises that Budget 2027 must operate within national and EU fiscal constraints. The objective is therefore not to create a new subsidy for every challenge, but to target public resources where they correct structural disadvantages, unlock productive investment or deliver a clear public good.

- Use EU and CAP/fisheries funds first where suitable, while using national funds for co-financing, enabling infrastructure and gaps not adequately covered by EU instruments. Where urgent climate or market shocks justify temporary aid, use available State-aid/de minimis frameworks lawfully and transparently rather than delaying support unnecessarily.
- Prioritise capital and productivity-enhancing investment over open-ended recurrent support, except where a demonstrable structural disadvantage or public-interest objective justifies recurrent intervention.
- Attach measurable outcomes and KPIs to significant programmes, consistent with the Ministry for Finance's value-for-money and performance-evaluation approach.
- Design support proportionately for micro and small operators: administrative cost should not consume a material share of the benefit.
- Publish Gozo-specific implementation data where statistically and legally feasible so policy can be adjusted on evidence rather than assumption.

VALUE-FOR-MONEY TEST

For each major measure ask: What structural problem is being corrected? Who is the intended beneficiary? What changes after public money is spent? How will Government know whether the measure worked?

Source: Ministry for Finance, Budget Affairs Division - Performance and Evaluation Directorate; Ministry mission and budget responsibilities.

7. Conclusion - Keep Gozo Producing

Gozo cannot preserve an active agricultural landscape and fishing tradition through heritage value alone. These activities require people who can earn a viable return, invest, comply with modern standards and see a future for their children or successors.

The strategic direction is increasingly clear. Malta's agricultural and fisheries policies recognise resilience, food security, generational renewal, infrastructure and professionalisation. The remaining task is implementation. Budget 2027 should make Gozo a visible test of whether national policy can be translated into practical outcomes for small producers operating under island constraints.

GCAF therefore calls for a focused programme built around young entrants, climate and water resilience, food security, livestock and dairy viability, fisheries infrastructure, stronger local markets, proportionate regulation, lawful use of EU flexibility, island-logistics equity and measurable implementation. The objective is not to preserve every existing business model unchanged, but to ensure efficient local producers have a realistic chance to adapt, invest and continue producing under harsher climatic and market conditions.

The Confederation is ready to work constructively with Government, the Ministry for Finance, the Ministry responsible for agriculture and fisheries, Gozo institutions, local councils, producer organisations and other relevant stakeholders to refine and implement these proposals.

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