No. 716

MINISTRY FOR AGRICULTURE, FISHERIES AND ANIMAL RIGHTS

Explanatory Notes on the Marketing of Maltese Agricultural Produce and Maltese Agricultural Marketing Centres Regulations, 2025

Annex 1

Introduction

The Marketing of Maltese Agricultural Produce and Maltese Agricultural Marketing Centres Regulations, 2025 (hereinafter referred to as the "new regulations"), aim to replace the previous Marketing of Agricultural Produce and Agricultural Marketing Centres Regulations (S.L. 117.43) published under the Supplies and Services Act (Cap. 117). This legislative update is being carried out following recent operational insights gained by the Malta Food Agency (hereinafter referred to as the "MFA") and addresses concerns in relation to transparency, product traceability, and fair competition. The new regulations aim to enhance clarity and enforceability of guidelines governing the marketing of locally produced agricultural products and the operation of agricultural marketing centre in Malta.

Summary and Background

The introduction of these new regulations and replacement of the previous Marketing of Agricultural Produce and Agricultural Marketing Centres Regulations (S.L. 117.43) stems from the experience MFA has gained since the Surveillance Unit's establishment in May 2022, within the Market Regulation Unit. In its oversight of agricultural produce at the Agricultural Marketing Centre, Pitkalija, Ta' Qali limits of Attard and pressure from sectorial stakeholders, MFA identified market challenges, amongst which the misuse of Pitkalija crates and misleading marketing practices. The new regulations seek to mitigate these issues by strengthening regulatory provisions on traceability, accountability, and operational compliance. The new regulations further align definitions of key terms and procedures with the recently published Agriculture Act (Cap. 639) whilst ensuring consistency across agricultural legislation.

Overview of the Structure of the Instrument

The new regulations are made up of four (4) parts as follows:

Part I: Preliminary – Provides definitions and sets the foundational terms aligned with the Agriculture Act (Cap. 639) and other legislation.

Part II: Administration, Commercial Activity, and Restrictions of the Agricultural Marketing Centres – Covers the management and permissible activities within agricultural marketing centres, including crate usage and identification requirements, strengthens record-keeping requirements, prohibits transactions conducted by means of prestanome mandate to enhance transparency. In addition, regulation on the waste of unsold products is included to increase transparency and accountability through the whole chain.

Part III: Enforcement – this part establishes who can conduct enforcement of the regulations, provides for the officers or persons authorised from the Agency and how should the enforcement be held.

Part IV: Offences, Administrative Penalties and Procedures - Provides penalties for non-compliance, with strengthened provisions for MFA oversight. The Part introduces administrative penalties, and in connection with regulation 18 a Schedule of administrative penalties is included.

Commentary

Part I – Preliminary:

This part includes definitions of terms such as "farmer", "agricultural activity", "agricultural produce" in accordance with the Agriculture Act (Cap. 639) amongst others providing clearer legislative interpretation and consistent terminology.

Part II – Administration, Commercial Activity, and Restrictions of the Agricultural Marketing Centres:

These new regulations specify the use of official crates solely for locally produced agricultural produce of mainly plant origin within the market and in direct sales at retail level. This provision serves as a tool for consumer identification of local produce and reducing the risk of food fraud.

The MFA is granted authority to establish marketing centres and regulate which agricultural produce may be placed for sale within such centres. Approved products to be sold within the agriculture marketing centre/s may be specified by means of a notice.

Entry restrictions have been clarified, continuing to require a valid permits or tickets for access within the agricultural marketing centres.

Prohibition of sales outside the agricultural marketing centres, was aligned with the Trading Licences Regulations (S.L. 441.07) with respect to the 500m limit and further clarified the absolute prohibition.

The sale of agricultural produce without proper traceability labels is strictly prohibited, ensuring transparency for consumers. Further explanation was included with regards to the procedure to be followed during sales including the requirements to maintain register sales records and the prohibitions of transactions held by means of prestanome mandate.

The new regulations require the MFA to issue notices, guidelines, and communications regarding implementation clearly and transparently on the official website of the Agency and, when necessary, in the Government Gazette.

The introduction of regulations on disposal of non-sold agricultural produce or of not in suitable condition for sale must follow MFA's process, with sales agents reporting each disposal and notifying the relevant stakeholders. The Agency shall authorise disposal if the produce is unsuitable for sale.

Part III – Enforcement:

Part III provides powers to MFA to appoint officers and persons authorised to implement and enforce regulations, ensuring surveillance. MFA officials may enter premises related to the agricultural activity and as indicated by the legislation, seize

goods, investigate violations, and take temporary measures such as suspending sales amongst all or sealing equipment to ensure compliance.

The procedure to follow in case of the need to seize goods is provided, it must be documented, and owners must be notified. Perishable goods may be sold or donated, with proceeds held under court authority if legal proceedings are initiated.

In this Part there is provided that MFA officers may assist the Executive Police or Attorney General in prosecuting violations, strengthening enforcement and officials acting in good faith are not liable for damages, and no legal proceedings can be initiated against the government for detained goods.

Part IV – Offences, Administrative Penalties and Procedures:

Part IV emphasizes accountability, specifying penalties for crate misuse and other violations. It includes stronger mandates for record-keeping by sales agents regarding non-sold and disposed products, and deterring waste and promoting transparency. For the first time in this area, align with other already implemented legislation in agriculture, the possibility to implement administrative penalties is being introduced.

MFA can impose new administrative penalties and temporary suspensions without immediate court involvement in case of need, depending on the nature of the case.

Concluding Sections

The new regulations mark a significant advancement in ensuring fair practices, transparency, and accountability within agricultural marketing centres and the agricultural sector. By granting MFA enhanced oversight capabilities, strengthening penalties for non-compliance, and mandating clearer operational standards, these regulations aim to continue fostering trust among consumers and all stakeholders involved in the chain. An accompanying marketing and information campaign will support these regulatory changes, promoting consumer awareness and further embedding traceability within the agricultural supply chain.

In case of further clarifications and information contact is to be made with Malta Food Agency:

Malta Food Agency
Triq il-Pitkali
Attard ATD 4000
Email: info.maltafoodagency@gov.mt
Tel: 22926110/2

These new regulations shall enter into force within two (2) months from their date of publication in the Government Gazette, and this in accordance with article 3(2)(b) of the Small Business Act (Cap. 512 of the Laws of Malta).

N.B. These Explanatory Notes are not intended to be an exhaustive description of the instrument nor a substitute thereof or a legislative supplement to it. These Explanatory Notes do not purport to be an authoritative ruling on the interpretation of the legislation.

9th May, 2025

User Guidelines

User Guidelines on the Marketing of Maltese Agricultural Produce and Maltese Agricultural Marketing Centres Regulations

Annex 2

Introduction to the Regulation

The Marketing of Maltese Agricultural Produce and Maltese Agricultural Marketing Centres Regulations, 2025 ("the Regulations") establish a structured and regulated framework for the collection, sale, and marketing of agricultural products in Malta. The new legislation replaces Subsidiary Legislation 117.43, updating provisions to ensure fair trade practices, improve product quality, and enhance the efficiency of agricultural marketing centres, such as the Agricultural Marketing Centre at Ta' Qali, known as Pitkalija. The Regulations are designed to protect all stakeholders in the food supply chain, including farmers, sales agents, and consumers, by fostering transparent market practices and supporting local farmers and producers in their business endeavours.

Target Audience

This guidance note is directed towards **agricultural producers mainly farmers, hawkers**, and sales agents engaged in the sale of local agricultural produce, mainly fresh fruits and vegetables, in Malta. It aims to provide clear and accessible information on the main amendments held to ensure compliance with the new Regulations and to clarify their roles and responsibilities within the agricultural marketing framework.

Applicability of the Rules

The Regulations apply to the following:

Agricultural Producers/Farmers: Individuals or entities that produce agricultural products derived from their own agricultural activities.

Hawkers: Individuals who sell agricultural produce outside the central market and/or those authorized by the Malta Food Agency (the Agency).

Sales Agents: Individuals or entities acting on behalf of farmers or producers to sell agricultural products within the Maltese agricultural centres.

Conditions Under Which the Rules Apply

Farmers and producers must ensure that all agricultural products put for sale at the at central market sell are locally produced and are authorised by MFA as per the publicly issued communication to be sold within the Maltese Agricultural Centres.

Hawkers must obtain a valid permit from the Agency to have access and to purchase agricultural produce from the central market. Only locally produced mainly fresh fruits and vegetables and those authorised products are to be sold within the Maltese Agricultural Centres.

Sales agents must have the appropriate agreements and permits to act on behalf of farmers or producers.

Participation in sales at the marketing centres requires a valid ticket or permit issued by the Agency.

Compliance Requirements

To comply with the new Regulations, farmers, hawkers, and sales agents must:

1. Obtain Necessary Permits:

Ensure you have a valid ticket or permit issued from the Agency to participate in the sale of agricultural produce.

2. Product Origin:

Ensure that all agricultural products delivered and sold are locally cultivated and produced by the farmer or producer. The sale of products that have not been personally grown or produced is prohibited.

3. Accurate Representation:

Provide fair and accurate samples of agricultural products for sale, ensuring that what is exhibited represents the entirety of the lot delivered.

4. Sales Records:

Maintain detailed records of all sales transactions, including the names of sellers and buyers, in the format approved by the Agency. Transactions held through prestanome mandate are prohibited and considered void.

5. Traceability Labels:

Ensure that all agricultural produce sold carries the official traceability labels issued by the Agency. These labels must not be removed or altered until the products are sold to the end consumer.

6. Official Crates/Containers:

Use only official crates/containers provided by the Agency for transporting agricultural products to the marketing centres. Official crates are to be used for only for locally produced agricultural products when put for sale or for transportation. Guidelines, procedures and communication of the type of crates recognised as official crates is to be publicly communicated on the MFA's official website.

7. Delivery Compliance:

Delivery of agricultural produce to the marketing centres is to be held only during the designated hours.

8. Conflict of Interest:

Avoid any situations that could be construed as a conflict of interest when participating in sales activities.

9. Sales in the vicinity of marketing centres:

Adhering to the 500-meter selling restriction is essential for maintaining a fair and competitive marketplace for all stakeholders involved in the agricultural sector.

10. Disposal of Produce:

Disposal of not sold or not suitable for consumption or sale agricultural produce must be documented, and sales agent is to notify relevant parties before disposal. The Agency issued guidelines are to be followed.

The Malta Food Agency is responsible for:

Providing clear guidelines and support to farmers, hawkers, and sales agents regarding compliance with the Regulations.

Issuing public notices regarding permissible agricultural products, operational hours and all other operational aspects of the marketing centres.

Communicating any changes to the Regulations or procedures promptly to all stakeholders.

Enforcing compliance with the Regulations through regular inspections and audits at agricultural marketing centres. The new legislation brings along a different approach from the previous S.L. 117.43 with respect to penalties.

The legislation is divided in different four parts, aiming to strengthen the role of the Agency and to improve the traceability and accountability of the processed involved.

Enforcement & Penalties

The Malta Food Agency is responsible for enforcing compliance through inspections and audits. The new Regulations include specific penalties under Regulations 18, 19, and 20:

Administrative Penalties (Regulation 18): The Agency may issue written notices imposing administrative penalties for regulatory breaches, with fines determined based on the severity of the offense and prior violations. The notice will specify the offense, relevant facts, potential suspension of licenses, and the penalty amount. The recipient has **30 days** to either accept and pay the penalty or contest it in court. If uncontested, the penalty is enforceable as a civil debt. The Agency may also impose precautionary suspensions of permits or licenses during investigations. If contested, the case proceeds to court,

where higher fines or additional penalties may be imposed. The penalties are outlined in the Schedule issued within the legislation, with minimum and maximum limits for different types of violations.

Offenses & Fines (Regulation 19): Individuals obstructing Agency officials or other authorized officers, refusing to provide required information, or interfering with regulatory enforcement may face fines ranging from €100 to €6,000. Such violations may also result in the suspension or revocation of licenses and permits at the Agency's discretion. In severe cases, the Agency may refer the matter to the courts for further action.

General Offenses (Regulation 20): Other violations, including unauthorized sales, failure to keep required records, or unauthorized disposal of agricultural products, may result in fines ranging from €1,000 to €11,646.87. The courts have the authority to impose additional penalties, including the suspension or revocation of licenses and permits, confiscation of products, and imprisonment for up to two years. The severity of the penalty will depend on factors such as the nature and recurrence of the offense.

Individuals who disagree with a penalty or enforcement decision may choose to contest the case in court. If a case proceeds to court, the penalties imposed may be higher than those outlined in administrative penalties. The courts also have discretion to issue alternative penalties, including probationary measures or community service orders, where appropriate.

Channels of Communication with the Regulator

Farmers, producers, hawkers, and sales agents can engage with the Malta Food Agency through the following channels:

Official Website: Access up-to-date information and resources.

Email Communication: Direct inquiries can be sent to the designated contact email provided on the Agency's website and on info.maltafoodagency@gov.mt

Phone Support: Call the Agency's customer service for immediate assistance on 22926110/2

In-Person Visits: Visit the Agency's offices for face-to-face consultations regarding permits, compliance, and regulations.

Conclusion

The Marketing of Agricultural Produce and Maltese Agricultural Marketing Centres Regulations establish a framework to enhance the marketing of local agricultural products, ensuring fairness, quality, and transparency. Farmers, agricultural producers, hawkers, and sales agents must familiarize themselves with these regulations to ensure compliance and contribute positively to Malta's agricultural market. By understanding the requirements and engaging with the Malta Food Agency, stakeholders can navigate this new regulatory environment effectively.

N.B. The User Guidelines contained within this document is solely intended to serve as guidelines and should not be construed as legislation. This document should not be considered as an exhaustive description of the instrument nor a substitute thereof or a legislative supplement to it. The Guidelines do not purport to be an authoritative ruling on the interpretation of the legislation. Please refer to the related legislation for a more comprehensive understanding.