B 2839

*Suppliment tal-Gazzetta tal-Gvern ta' Malta, Nru. 21,564, 26 ta' Diċembru, 2025*

*Taqsima B*

**L.N. 307 of 2025**

# COMPANIES ACT
# (CAP. 386)

## Companies Act (Agricultural Companies) Regulations, 2025

IN EXERCISE of the powers conferred by article 425(1)(s) of the Companies Act, the Minister responsible for the registration of commercial partnerships, has made the following regulations:-

## PART I – PRELIMINARY

Citation and applicability.

**1.** (1) The title of these regulations is the Companies Act (Agricultural Companies) Regulations, 2025.

(2) An agricultural company formed and registered under the Act prior to the coming into force of these regulations may elect to be governed by these regulations by filing a notice in the form set out in the Schedule, within three (3) months from the coming into force of these regulations.

(3) An agricultural company which elects to be governed by these regulations in terms of sub-regulation (2) shall be bound to comply with the provisions of these regulations within six (6) months from the coming into force of these regulations and upon such compliance the Registrar shall issue a certificate of registration.

Interpretation.

**2.** (1) In these regulations, unless the context otherwise requires:

"Act" means the Companies Act; Cap. 386.

"agricultural activity" shall have the same meaning assigned to it under the Agriculture Act; Cap. 639.

"agricultural company" means a private limited liability company as referred to in the Act and which carries out an agricultural activity;

"ancillary agricultural activities" means commercial activities that are related directly to the agricultural activity with the aim of adding value to the local agricultural produce derived from the agricultural activity;

"certificate of registration" when used in relation to a

company, means a certificate of registration issued under these regulations and the words "registration", "registered" and their derivatives shall be construed accordingly;

"company" means an agricultural company registered or to be registered under these regulations;

Cap. 639.

"Directorate" means the Agriculture Directorate established in accordance with the Agriculture Act and includes the Director or any authorised body or person acting on the Directorate's behalf in accordance with the powers delegated by the Directorate under the said Agriculture Act;

Cap. 639.

"local agricultural produce" means agricultural produce which is cultivated or grown in Malta, and shall include products derived directly from such local agricultural or animal husbandry produce;

"Registrar" means the Registrar of Companies in accordance with article 2(1) of the Act.

(2) Unless the context otherwise requires, words and phrases used in these regulations which are not herein defined, shall have the same meaning assigned to them in the Act.

## PART II – PREREQUISITES

Definition of agricultural company.

**3.** An organisation shall qualify as an agricultural company in accordance with these regulations if the company generates at least fifty-one percent (51%) of its revenue from agricultural activity and the remaining percentage from ancillary agricultural activity:

Provided that income generated from renewable energy initiatives and in hindrance of the output of the agricultural activity shall not be considered as income from agricultural activity or ancillary thereto:

Provided further that the Registrar shall consult with and receive clearance from the relevant authorities prior to registering an agricultural company.

Constitution.

**4.** A company shall not be validly constituted under these regulations unless the provisions of Parts II and III of these regulations are complied with.

Objects of agricultural company.

**5.** Without prejudice to article 77(3) of the Act, the objects of a company shall be limited to the carrying out of one (1) or more agricultural activities:

Provided that the objects of a company may also include activities which are ancillary to the carrying out of such agricultural activities.

Minimum share capital.

**6.** Article 72 of the Act shall apply to companies formed and registered in accordance with these regulations:

Provided that the minimum paid up share capital on the formation of the company shall be fifteen percent (15%).

Duty of the Registrar and effects of registration.

**7.** On the registration of the memorandum and articles, if any, and the fulfilment of the requirements set out in Part II and Part III of these regulations, the Registrar shall certify under his hand that the company is registered in accordance with these regulations, and the company shall come into existence and shall be authorised to commence business as from the date of registration, which date shall be indicated in the certificate of registration.

## PART III – FORMATION

Approval of Directorate.

**8.** (1) The registration of a company in accordance with regulation 7 may only be made following the approval or authorisation in writing by the Directorate upon request made by the proposed subscribers of the company.

(2) The request referred to in sub-regulation (1) shall be accompanied by a business plan of the company in respect of its first five (5) years of operation indicating at the least the following particulars:

(a) the agricultural activities that are proposed to be carried out by the company;

(b) the parcels of land and the list of the identification number of the livestock, as may be applicable, that the company shall be using for the agricultural activity.

(c) the premises from which such agricultural activities shall be carried out;

(d) financial forecasts for the first two (2) years of operation, ensuring that the turnover classifies the company in accordance with regulation 3(3)(b) of the Categorisation of Farmers Regulations; S.L. 639.10.

(e) the number of employees, if any, proposed to be employed by the company.

(3) The Directorate shall review any such request and issue its

approval or otherwise within two (2) months from the receipt thereof.

(4) The Registrar shall not register a company in accordance with these regulations unless an approval from the Directorate under this regulation is duly obtained.

Shareholder qualifications.

S.L. 549.66.

**9.** A minimum of fifty-one percent (51%) of the issued shares carrying voting rights shall be held by an individual or individuals who are registered as farmers with the Directorate in accordance with regulation 13 of the Nitrates Action Programme Regulations.

Director qualifications. S.L. 549.66.

**10.** A minimum of one (1) director shall be an individual registered as a farmer with the Directorate in accordance with regulation 13 of the Nitrates Action Programme Regulations.

Nullity of acts contrary to these regulations.

**11.** (1) Any resolution, decision or action of the company which is contrary to any requirement under this Part shall be null and void.

(2) The Registrar shall refuse to register any changes to the company's share capital or any changes to the company's board of directors, or any other document required to be delivered to the Registrar for registration in cases where an agricultural company no longer meets the requirements stipulated by this Part.

Additional documentation.

**12.** (1) Without prejudice to any provisions of the Act in relation to the formation of a new company, there shall be delivered to the Registrar of Companies at least the following documents:

(a) the approval of the Directorate in terms of regulation 8;

(b) evidence of the member's and director's registration in terms of regulations 9 and 10.

(2) The Registrar may request any other document or information which he may deem necessary in order to ensure that the provisions of these regulations are complied with.

Ulterior option of a company to be governed by these regulations.

**13.** Without prejudice to regulation 11, any company registered under the Act which could not have availed itself of the option under regulation 1(2), may be registered as a company in accordance with these regulations provided that it fulfils the following requirements:

(a) it complies with regulations 8, 9 and 10;

(b) an extraordinary resolution is passed, resolving to convert the company from being registered under the Act to an agricultural company registered under these regulations;

(c) within fourteen (14) days from the date of the passing of the extraordinary resolution referred to in paragraph (b) it delivers to the Registrar for registration:

(i) a certified copy of such extraordinary resolution as referred to in paragraph (b);

(ii) without prejudice to article 79 of the Act, a memorandum and articles of association which fulfils the requirement of regulation 4; and

(iii) a declaration signed by at least one (1) director of the company, confirming that the provisions of these regulations have been complied with.

## PART IV – OBLIGATIONS

Copies of documentation to be provided to the Registrar.

**14.** An agricultural company formed and registered in accordance with these regulations shall submit to the Registrar for registration its annual accounts and annual returns in accordance with articles 183 and 184 of the Act and the beneficial ownership information in accordance with the provisions of the Companies Act (Register of Beneficial Owners) Regulations: S.L. 386.19.

Provided that in the case of default in complying with the aforementioned provisions of the Act and the Companies Act (Register of Beneficial Owners) Regulations, the administrative penalties established under the Act and the Companies Act (Register of Beneficial Owners) Regulations, and the provisions under articles 401(3) to (17) and 427 of the Act, and regulation 15 of the Companies Act (Register of Beneficial Owners) Regulations, shall apply *mutatis mutandis*. S.L. 386.19. S.L. 386.19. S.L. 386.19.

Declaration on income. S.L. 386.19.

**15.** (1) In addition to the obligations emanating from the Act and the Companies Act (Register of Beneficial Owners) Regulations the company shall together with the annual accounts be obliged to deliver to the Registrar for registration a declaration, in the form set out in the Schedule, that the principal income of the company, to the amount of at least fifty-one percent (51%) of its revenue, is generated from agricultural activity and the remaining percentage from ancillary agricultural activity:

Provided that if the annual accounts are delivered without the aforementioned declaration, the Registrar shall refuse to register such annual accounts and for the purposes of regulation 14, the said annual accounts shall not be deemed to be submitted to the Registrar.

(2) Any director of a company making a declaration in

accordance with this regulation without having reasonable grounds for the opinion that the company has at least fifty-one percent (51%) of its revenue generated from agricultural activity and the remaining percentage from ancillary agricultural activity, shall be guilty of an offence and liable on conviction to a fine (*multa*) of not more than fifty thousand euro (€50,000), or to imprisonment for a term not exceeding three (3) years, or to both such fine and imprisonment.

Causes of dissolution and consequential winding up.

**16.** An agricultural company may, if it ceases to generate at least fifty-one percent (51%) of its revenue from agricultural activity and the remaining percentage from ancillary agricultural activity, be dissolved by extraordinary resolution and consequently wound up voluntarily or by an application to the Registrar for a simplified dissolution in terms of article 214A of the Act.

Directorate's order for striking-off.

**17.** (1) In the case that an agriculture company ceases to generate at least fifty-one percent (51%) of its revenue from agricultural activity or to generate the remaining percentage from ancillary agricultural activity, the Directorate shall order that such agricultural company be struck off from the register of commercial partnerships held by the Registrar.

(2) Prior to the issuance of any such order referred to in sub-regulation (1) the Directorate shall give a one (1) month notice in writing to the officers of the company and to its registered office specifying that unless the cause for striking off is remedied within the one (1) month period, the Directorate shall proceed to issue such order as mentioned in sub-regulation (1). The Directorate shall specify in the notice the reason for the striking off and the date on which the one (1) month notice period shall lapse.

(3) Upon the issuance of any notice in terms of sub-regulation (2), the Registrar shall publish a notice thereof on his online portal, which shall also contain the date on which the one (1) month notice period referred to in sub-regulation (2) shall lapse.

(4) Upon the lapse of the said one (1) month period, the Directorate shall issue the order indicated in sub-regulation (1). The Registrar shall proceed to publish such order on his online portal and shall issue a notice stipulating that the Registrar shall proceed with striking off the name of the company from the register in terms of sub-regulation (1).

(5) The notice of striking off published by the Registrar shall indicate the date on which the company's name is deemed to be struck off the register and the reason according to law for such striking off.

Directorate's power for inspection.

**18.** (1) The Directorate shall have the power to:

(a) verify that the registered office address of the agricultural company is truly existent and valid;

(b) carry out on-site inspections on agricultural companies to verify that the shareholders and, or beneficial owners are those disclosed to the Registrar;

(c) carry out on-site inspections on agricultural companies to verify that at least fifty-one percent (51%) of the agricultural company's revenue is generated from agricultural activity and the remaining percentage from ancillary agricultural activity.

(2) In order to carry out such on-site inspections, the Directorate, or any person so delegated by him shall, in accordance with data protection requirements, have the right to reasonable access and entry to the premises of any agricultural company registered in Malta, and access to any relevant documentation or any other information relating or pertaining to information on the activity of any such agricultural company. The officers of the company shall assist and shall collaborate with the Directorate in order to enable it to discharge its functions under these regulations, and shall collate and transmit without any undue delay such information and documentation as the Directorate may reasonably request from time to time. The Directorate may also keep copies of any documents furnished or provided to it under this regulation.

Directorate's subsequent order for striking-off.

**19.** If through on-site inspections, it results to the Directorate that at least fifty-one percent (51%) of the revenue of the agricultural company is not being generated from agricultural activity or the remaining percentage is not being generated from ancillary agricultural activity, then the Directorate shall initiate the procedure stipulated in regulation 17.

## PART V – MISCELLANEOUS

Applicability of the Act and subsidiary legislation made thereunder.

**20.** Without prejudice to the provisions as contained in these regulations, agricultural companies formed and registered under these regulations shall for all other purposes not provided for under these regulations, continue to be subject to the provisions of the Act and any regulations issued thereunder.

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**SCHEDULE**
(regulations 1(2) and 15(1))

**"Companies Act (Agricultural Companies) Regulations**

Notice that a company shall be governed by the Companies Act (Agricultural Companies) Regulations

*Form AC(1)*

**Pursuant to regulation 1(2)**

**Reg. No. of Company** <No of Company>

**Name of Company** <Name of Company>

**Delivered By**<Delivered By>

To the Registrar of Companies:

(a) <Name of Company> hereby gives notice in accordance with regulation 1(3) of the Companies Act (Agricultural Companies) Regulations, that with effect from <Day> of <Month> of the year <Year>, it shall be governed by the Companies Act (Agricultural Companies) Regulations.

Signature.....

<Name>

Director/Secretary/Manager *

Dated this <Day> of <Month> of the year <Year>.

**This form must be completed in typed form.**

**(a) State company name.**

*** Delete as necessary.**

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**Companies Act (Agricultural Companies) Regulations**

*Declaration on Source of Income in terms of regulation 15(1)*

*Form AC(2)*

**Pursuant to regulation 15(1)**

Name of Company.....

.....

Delivered by.....

***To the Registrar of Companies:***

I/We[a] .....being director/s of [b].....hereby confirm, in accordance with regulation 15(1) of the Companies Act (Agricultural Companies) Regulations that:

[c]..... of the income of the Company for the year [d].....was derived from revenue from agricultural activity and the remaining percentage of (e).....was generated from ancillary agricultural activity.

Signatures.....

*Director/s' names*

Dated this..... of..... of the year……

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*This form must be completed in typed form.*

(a) Indicate the names of the directors who are signing the form, who must be at least two (2) in number provided that the signature of one (1) director shall be sufficient in cases where the Board is composed of only one (1) director.

(b) State the company name.

(c) State the percentage of income derived from agricultural activity (Please note that at least fifty-one percent (51%) of the company's revenue must be generated from agricultural activity and the remaining percentage from ancillary agricultural activity.)

(d) Indicate the year (This declaration is to be delivered annually)

(e) Insert percentage

*The form must be signed by at least two (2) directors, provided that the signature of one (1) director shall be sufficient in cases where the Board is composed of only one (1) director.*".

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