



**Funded by the Irish Government under the  
National Development Plan 2007-2013**

**SCHEME OF INVESTMENT AID FOR THE  
DEVELOPMENT OF THE COMMERCIAL  
HORTICULTURE SECTOR**

**Terms and Conditions**

**3rd Round (2010)**



Department of  
**Agriculture,  
Fisheries and Food**

An Roinn  
**Talmhaíochta,  
Iascaigh agus Bia**

## General

**This scheme is intended to assist in the development of the horticulture sector, including beekeeping, by grant aiding capital investments in specialised plant and equipment in commercial horticulture. The scheme aims to promote the diversification of on-farm activities; improve the quality of products; facilitate environmentally friendly practices and improve working conditions.**

**Under this scheme and subject to conditions 1-31 beneath, aid at a rate of 40% (at a maximum rate of 50% in the case of young farmers) will be payable on the accepted cost (excl VAT, discounts and allowances) of capital investments approved and completed to the satisfaction of the Minister for Agriculture, Fisheries and Food.**

**The scheme is primarily aimed at those in rural areas engaging in horticultural production and/or beekeeping. Non-production investments, which are directly associated with primary production, may also be considered.**

**As the funds available under the Scheme of Investment Aid for the Development of the Commercial Horticulture Sector are limited, investments will be in competition for grant-aid. The funding is for investments completed not later than 15th October 2010, unless otherwise agreed. Payment claims will be accepted prior to this date.**

**Application forms may be obtained from Seamus O'Donnell/Bernadette Doran at-**

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## **Definitions**

**For the purpose of this scheme:-**

**“the Minister” shall mean the Minister for Agriculture, Fisheries and Food.**

**“the Department” shall mean the Department of Agriculture, Fisheries and Food.**

**“ horticulture”** means that branch of agriculture that relates to the cultivation of plants used for food or for the production of food or ornament, including the technical procedures necessary for the cultivation, production and preparation for market of -

- (a) fruit,
- (b) vegetables, (excluding potatoes and seed potatoes),
- (c) herbs,
- (d) edible fungi,
- (e) nuts,
- (f) cut flowers
- (g) decorative foliage
- (h) hops
- (i) sports turf,
- (k) honey,
- (l) pot plants, bedding plants and herbaceous plants
- (m) nursery stock and Christmas trees),
- (n) fruit trees, fruit bushes and fruit plants

**“investment” means an investment in a commercial horticultural enterprise.**

**CONDITIONS FOR GRANT AID UNDER THE SCHEME OF INVESTMENT  
AID FOR THE DEVELOPMENT OF THE COMMERCIAL HORTICULTURE  
SECTOR**

**SPECIFIC CONDITIONS**

**1. Applications**

- Applications should be made on an official application form. Sections 1–11 of the application form should be completed by the applicant who should then arrange to have Section 12 completed by Teagasc or an approved Adviser.
- The required supporting documentation e.g. business plan, latest set of accounts and up-to-date and fully descriptive quotations showing net cost should accompany the application which must be returned to the address as listed on page 2 not later than Friday 19<sup>th</sup> February 2010  
All quotations submitted must be **original** and fully descriptive. They should be in printed format and on company headed paper.
- **Only fully completed applications with all supporting documentation will be accepted by the Department of Agriculture, Fisheries and Food. Incomplete applications will not be considered for grant aid.**
- Applications may be submitted by individual applicants or on behalf of groups and other legal entities. In cases of joint or group enterprises, one person should be nominated to apply on behalf of the enterprise. In such cases at least one member of the enterprise must meet the eligibility requirements.
- Applicants must demonstrate that they have the necessary skill and competence for the running of the business. In the case of group or joint enterprises, at least one member of the enterprise will be required to demonstrate that they have the necessary skill and competence.

**2. Eligible investments**

The scheme will be confined to new investments only.

Applicants must declare where any relationship exists between the applicant and the quoting company / supplier. The nature of this relationship must be declared fully on both application and claim for payment forms.

3. **Commencement of Work**

**Work on a project must not commence until after the issue of letter of approval by the Department of Agriculture, Fisheries and Food** following the receipt of the fully completed application, otherwise the application will be rendered ineligible for consideration.

Items invoiced or delivered, purchased or payments made before issue of approval letter by the Department, are not eligible for grant aid. Where work commenced before the approval date, grant aid will not be paid.

The following preparatory measures will not be deemed to constitute commencement of work and may be undertaken whenever appropriate:

Administrative procedures aimed at obtaining planning permission, planning work specifically carried out by for instance, an architect, preparatory studies, site clearance and fencing.

4. **Viability**

The horticultural enterprise must be shown to be viable on a commercial scale. To enable viability to be assessed, investment proposals must be supported by a satisfactory business plan covering a minimum of two years and the most recent set of accounts. Applications must contain a comprehensive profile of the current and proposed enterprises, outlets, employment etc. Each project will be assessed on a case-by-case basis, taking into account the business plan, the latest set of accounts and the project profile submitted with the application.

5. **Resale of approved equipment**

Applicants will be required to keep in their ownership /possession, for a period of 5 years, such items in respect of which grant aid has been paid.

**These items must be used for horticultural purposes only.**

**All items grant aided must be held within the State.**

6. **Financing of approved items**

Leasing agreements will be limited to a period of 4 years and hire purchase agreements will not be allowed.

## **7. Proofs of Payment of relevant invoices**

It will be a requirement for all applicants to submit proofs of payment that are acceptable to the Minister. These proofs will consist of **original** bank statements and copies of encashed cheques. Alternatively, on line bank statements (only high quality colour printouts with bank logo) with copies of encashed cheques will be acceptable or if payment is made by direct credit transfer an original bank statement or on-line bank statement listing payments to the supplier must be submitted.

**Amounts listed on bank statements must be clearly linked to the relevant item on which grant aid is claimed.**

## **8. Scale of Investments**

The minimum investment which will be considered for grant aid is €10,000, except in the case of beekeeping for which a minimum investment of €2,000 will apply. The upper cumulative limit for investments per applicant over the period of the scheme 2007-2013 is €5m. Aid for each investment will be decided on the availability of funds and on the ongoing priorities for each sector within the industry as well as the quality and scale of the proposals. *In some cases only part of an investment may be approved for aid.*

## **9. Rate of Grant**

Aid will be payable at the maximum rate of 40% (at a maximum rate of 50% in the case of young farmers) on the accepted net cost of investments approved and completed to the satisfaction of the Minister. The amount on which the grant is calculated will, however, not exceed the actual net expenditure incurred, (excl. VAT, discounts and allowances), and paid for by the applicant.

To qualify for the higher rate of grant aid on the basis of being a young farmer, the applicant will have to be **under 35 years of age on the date of receipt of a valid application by the Department of Agriculture, Fisheries and Food. Such applicant's must submit an original birth certificate with their application.**

**To qualify for payment of grant aid at the 50% rate an applicant will have to be in a position to demonstrate, by the date of application for payment of aid, that they are in control of financial management of the grant aided enterprise.**

**In the case of applications made by people operating in partnership or where more than one person has joint interest in the business the higher rate of aid will only be payable where all parties are under 35 years on the date of receipt of valid application.**

**A company or corporate body will not qualify for the higher rate.**

**10. Limitations**

- Only new materials and/or new specialised horticultural plant/equipment will be grant aided. Aid will not be paid for secondhand equipment, materials or replacements, except in very exceptional circumstances to be determined by the Minister.
- Aid will not be paid for repair and maintenance.
- **No aid will be paid for projects which commence before issue of letter of approval by the Department.**
- In the case of investments for buildings, the applicant must show details of ownership of the site or it's long-term lease (5 years from 1st January 2010)
- Projects which aim to increase production for which no sales outlets can be found will not be grant aided.

**11. Aid from Other Sources**

If any contribution towards the cost of approved works has been or may be made from public funds, otherwise than under this scheme, the amount of aid under the scheme may, where the Minister so determines, be reduced accordingly.

**Investment in mushroom enterprises which are eligible for consideration for aid under the EU Producers Organisation Scheme will not be grant aided under this Scheme**

**An applicant must notify the Department if Business Expansion Scheme or Seed Capital Scheme investments have been raised and also declare the amount raised. Where funds have been raised grant aid will be reduced by 20% in the case of applicants in assisted areas and by 50% in non assisted regions.**

**12 Competitiveness of Applications**

Projects will be assessed for aid on a priority basis and the fact that a project is aided does not create entitlement for similar projects in this or any future round of the scheme. Priorities may change with time or circumstances.

**13. Completion of Investments/ Deadline for submission of claim for payment**

Approved investments must be completed and a claim for grant aid made within the period stipulated by the Minister.

*Fully completed claims for payment should be submitted as soon as possible but must be received in the Department not later than 15th October 2010 unless otherwise agreed. Claims for payment will be accepted prior to this date.*

**14. Legal Provisions, Consents, etc.**

All applicants must undertake to comply with all National and EU Community standards in respect of the investments approved under the scheme.

It is the applicant's responsibility to ensure that all works shall be carried out in accordance with the provisions of all relevant statutes, regulations, byelaws and duty of care.

The onus of obtaining all consents, permissions, etc. including planning permission, consent to entry on, or interference with, land, other property or right of any other persons, rests on the applicant.

It will be a requirement for an applicant, where as a producer in the food chain, to register with this Department under EU Regulations, ie Regulation (EC) No 852/2004 of the European Parliament and of the Council on the hygiene of foodstuffs.

Payment of grant aid is subject to compliance with statutory requirements in relation to the pay and working conditions of employees.

Payment of grant aid by the Minister should not be taken as evidence of compliance with the above legal provisions, consents, etc.

**15. Contractors Tax Clearance Requirements**

In conformity with general practice the payment of financial aid as provided for in this scheme is subject to the condition that, where a contractor is employed to carry out construction work, that contractor must have a current C2 certificate or tax clearance certificate from the Revenue Commissioners.

In the case of a non-resident contractor a general tax clearance certificate will be required. This provision applies whether or not the non-resident contractor has a registered office in this country.

**16. Payment of Tax by Applicant**

In the case of grant awards in excess of €10,000 the applicant must submit a current Tax Clearance Certificate. **This certificate should be submitted as soon as possible but not later than the date of application for payment of grant aid.**

**General Conditions**

**17. Unsuccessful Projects**

Where eligible projects have not been approved for grant aid and have not commenced, applicants may re-apply for consideration in the next round of applications under the scheme subject to terms and conditions of the scheme at that time.

**18. Information**

Applicants must provide any information required by the Minister for the administration, control, monitoring and evaluation of the scheme.

**19. Justification for Granting Aid**

Aid for investment will at all times be subject to the condition that, in the opinion of the Minister the investment is justified. However, the approval for, or payment of aid, does not imply any endorsement by the Minister of a project's safety, technical feasibility and/or economic viability.

**20. Right of Entry**

The Minister reserves the right to arrange for an inspection at all reasonable times of any land, premises, plant, equipment and records of participants or applicants for participation in this scheme.

The applicant or a person nominated by the applicant must make himself or herself available to the Department Inspector in order to carry out the necessary inspections.

**21. Responsibility of Applicant**

The approval or payment of aid under the scheme does not imply the acceptance by the Minister of any responsibility as regards the stability of any structure, or the soundness of any materials used or adequacy for its purposes of any investment, which is the subject of such approval or payment. This is the applicant's responsibility in the first instance and the onus is on him/her to comply with current requirements as regards Health and Safety.

The Minister may require certification of quality of work and design.

**22. Protection of the Environment**

To ensure protection of the environment, applicants:

- Must agree to farm in accordance with the criteria for Good Agricultural and Environmental Condition (GAEC). They must also participate in the appropriate Bord Bia Quality Programmes or recognised equivalent, including the environment and hygiene standards set out therein.
- May be required to make investments or to carry out additional requirements over and above that covered in their initial applications e.g. investment in hygiene or pollution control. Such additional works will not be grant aided.
- May, without prejudice to paras. 17 & 19 be refused grant aid where the Minister is of the opinion that the works proposed to be carried out would cause damage to the environment – in particular to environmentally sensitive areas or to a structure or area of historical or archaeological importance.

**23. False Statements**

Without prejudice to penalties applicable under national law, if, for the purposes of obtaining aid under this scheme, a person knowingly makes a false statement or withholds essential information, all or such portion of the aid given or to be given as the Minister may determine shall be reimbursed or withheld. The Minister reserves the right to exclude such a person from further participation in the scheme for such a period as she/he shall determine.

**24. Withdrawal of Aid**

The Minister may withdraw approval of aid if the applicant fails to abide by the conditions of the scheme. In such event all or such portion of aid given or to be given shall be reimbursed or withheld as the Minister may determine.

**25. Recovery of Aid**

The Minister reserves the right to recover any grant aid paid where the investment aided does not continue to be used for horticultural purposes for a period of at least 5 years,

**26. Review of Financial Aids**

The Minister reserves the right to vary, where occasion so demands, the amount of financial aid specified in the scheme subject at all times to the provision of any relevant European Union legislation.

**27. Procedures**

The Minister shall lay down the procedures to be followed in the operation of this scheme and reserves the right to alter these procedures from time to time.

**28. Conditions of Approval**

Every approval of development works and purchases under this scheme shall be subject to all conditions laid down by the Minister being complied with in full by the applicant.

**29. Charges for Visits and Services**

The Department of Agriculture, Fisheries and Food reserves the right to impose a charge for visits made, and services provided, by its officials in connection with the scheme.

**30. Decision of the Minister**

The decision of the Minister on any matter relating to this scheme or to any works there under shall be final.

**31. Additional Conditions**

The Minister may at any time lay down additional conditions for the implementation of this scheme.