



**PROVISION OF CONSULTANCY SERVICES AND TECHNICAL
EXPERTISE TO THE IRISH SHEEP INDUSTRY
To be administered by the Irish Cattle Breeding Federation (ICBF)**

**TERMS AND CONDITIONS FOR 2011/13 SHEEP BREEDING
INFRASTRUCTURE PROGRAM (2011/13 SHEEP PROGRAM)**

1. The 2011/13 Sheep Program will be fully developed, managed and delivered by the Irish Cattle Breeding Federation (ICBF), on behalf of Sheep Database Ltd, trading as Sheep Ireland. The Department of Agriculture, Fisheries and Food (the Department) will provide advice and support in this regard.
2. This scheme provides for funding to a maximum of €500,000 to be made available to ICBF in 2011 under the National Development Plan (NDP) 2007-2013, for the 2011/13 Sheep Program, on the basis of the application submitted by ICBF to the Minister for Agriculture, Fisheries and Food (the Minister), on 6 August 2010 and any subsequent changes approved by the Department, provided the expenditure complies with these terms and conditions.
3. This commitment to provide funding to a maximum of €500,000 for this program during 2011 is also contingent on the availability of sufficient Exchequer funds.
4. No aid will be paid in respect of work undertaken or expenditure incurred on the 2011/13 Sheep Program before EU Commission approval has been granted.
5. The Department will only pay in respect of eligible costs (i.e. costs which can be shown to be directly related to the 2011/13 Sheep Program and eligible in accordance with Article 15 of Commission Regulation (EC) No 1857/06).
6. ICBF will not enter into any agreements to make payments for any costs associated with the 2011/13 Sheep Program, other than those agreed in advance with the Department and ratified by the Board of Sheep Ireland.
7. The maximum aid payable by the Department will be 100%.
8. Eligibility of expenditure will be determined by the Department and will be subject to EU and national rules, EU State Aid regulations and National and EU guidelines, including public financial procedures and guidelines. The Department reserves the right to disallow expenditure items where the invoices and/or other substantiating documentation do not clearly indicate that the expenditure is directly related to the 2011/13 Sheep Program.
9. ICBF must use the appropriate public tendering process and must comply with the best practice principles outlined in the Department of Finance Public Procurement

Guidelines, as detailed in the ICBF tendering policy document. ICBF must also comply with all relevant EU legislation in this area.

10. Any costs, notional or otherwise, associated with services provided or work undertaken by officers of the Department will not be regarded as eligible costs.
11. Any costs, other than notional costs, in relation to services provided or work undertaken by staff employed on a regular and on-going basis by ICBF/Sheep Ireland itself will be regarded as eligible costs, provided that the documentation submitted by ICBF is considered adequate by the Department to fully support the claim.

In addition, costs relating to the fixed term contractors approved by the Department for engagement on this project, will continue to be eligible. Any changes to the list of ICBF fixed term contractors working on this program must be notified to, and approved by, the Department, before claim(s) towards their costs are submitted to the Department.

12. Where an invoice includes costs, which are eligible for recoupment under this program and non-eligible expenditure, the non-eligible expenditure will be itemised separately and will not form part of the amount claimed from the Department.
13. VAT charges will not form part of the eligible costs unless they are non-recoupable. The Minister may request evidence from the Revenue Commissioners in this regard.
14. Evidence of up-to-date Tax Clearance Certificates must be provided in respect of Sheep Ireland, ICBF and all contractors and sub-contractors involved in the supply of equipment and or services for this program who receive more than €10,000 from ICBF/Sheep Ireland during the 2011 calendar year.
15. No other application for aid may be sought from the Department or from any other State Agency in respect of any of the costs submitted under this program
16. The funding will be provided on the basis of matured liabilities and must be drawn down in accordance with the agreed deadline(s) for the submission of claims to the Department. Please note that the Department will disallow any eligible costs under this program, which are not claimed in time for payment to issue by the end of each year.
17. The Department will not be responsible for any shortfalls in any of the other funding sources for this program.
18. All projects funded by the NDP 2007-2013 must comply with the provisions of all relevant statutes, regulations, byelaws, etc. The onus for obtaining all consents, permissions etc, rests with ICBF.
19. All Department and EU requirements in relation to semen movement, testing and genetic evaluation methods must be complied with.
20. ICBF will effect, on a continuous basis, public liability insurance and insurance against fire damage to structures, equipment and facilities funded under the NDP and will furnish evidence as required by the Department by way of production of policies and endorsements, together with evidence of premium paid.
21. ICBF agrees and covenants to fully indemnify the Minister and his officers in respect of any loss, damage or injury, howsoever arising, to any person, property or animal, as a result of participation in the program, or attendance at workshops, meetings,

seminars and/or any other events organised in connection with the 2011/13 Sheep Program.

22. The results of the program and any material published in relation to 2011/13 Sheep Program must be published, in a format approved by the Department, on the ICBF/Sheep Ireland website and in other appropriate media with at least national distribution and shall not be limited to members of individual organisations or of ICBF/Sheep Ireland.
23. All NDP-funded publications must be easily accessible by any interested party on an equal basis in terms of both cost and time, regardless of whether the party concerned is a member of ICBF and/or Sheep Ireland or not.
24. The results of any research undertaken by ICBF and/or Sheep Ireland in relation to this program must be made available, on request, to all those interested in the sector, on an equal basis, in terms of both cost and time.
25. Completed claims for draw down of funds in relation to the 2011/13 Sheep Program, together with supporting documentation, must be submitted to the Department in a prompt and timely manner, and the agreed checks must be undertaken by ICBF prior to submission of the claims to the Department and must be evidenced on each claim. The Department reserves the right to return any claims where these agreed checks have not been undertaken prior to submission of claims. In such cases, and in the context of determining the date the claim was submitted to DAFF for the purpose of paragraph 16, the date submitted will be recorded as the date on which ICBF posted the claim following completion of pre-submission checks.
26. Claims for draw down of NDP funds must be submitted in a manner acceptable to the Department and be accompanied by:
 - a) copies of detailed specifications and/or requirements set for the work and any contracts entered into for the supply of materials or services and any supporting documentation relevant to the program, including details of tendering arrangements, where applicable;
 - b) expenditure reports listing supplier names, date(s) of service or supply, invoice number, internal reference, the total amount paid and the budget heading (where applicable) under which repayment is sought;
 - c) a copy of each invoice certified for payment by the relevant ICBF manager, classified by budget heading if appropriate, and a copy of each receipt (or accounting document of equivalent probative value) confirming payments made in connection with the 2011/13 Sheep Program. All invoices must contain details of the sub-contractor or supplier, the service provided, date issued, invoice number, the amount paid by ICBF or Sheep Ireland and the amount exclusive of VAT. All receipts should state the amount paid in addition to the invoice reference number and be signed by the recipient of the funds or include the covering email, if sent electronically;
 - d) in relation to payments to breeders participating in the Central Progeny Test (CPT) or Maternal Lamb Producers (MALP) programs, all statements to breeders will include the name, address and flocknumber assigned to the breeder, the number of animals being paid for, the unit price and the service being paid for; all payments to breeders will be evidenced by electronic funds

transfer, cashed cheque drawn on ICBF bank account or accounting document of equivalent probative value;

- e) certification, signed and dated by the Chief Executive of ICBF, clearly identifying that the claim is being made under the 2011/13 Sheep Program and verifying that the account is in order, the work has been completed satisfactorily, the costs are fair and reasonable and that the application complies with these terms and conditions; and
 - f) any additional material requested by the Department in support of the claim.
27. ICBF will be required to acknowledge, in writing to the Department, each amount of funding paid by the Department in respect of the 2011/13 Sheep Program.
28. On request, ICBF must show to the satisfaction of the Department that during the course of this program it has complied with all legal, tax registration, employment regulations and/or law, including the Organisation of Working Time Act, 1997, and any other statutory requirements. The Department reserves the right to disallow expenditure items claimed by ICBF or Sheep Ireland, which were incurred as a result of contravening any of the foregoing legislation.
29. ICBF and Sheep Ireland will be required to demonstrate, to the satisfaction of the Department, its on-going progress on this project. ICBF and Sheep Ireland must, on request, furnish any information sought by the Department in this regard in a timely manner.
30. ICBF and Sheep Ireland will be required to formally acknowledge receipt of payments from the Department of NDP funds in its annual report and in all other publications.

The contribution of the NDP to the 2011/13 Sheep Program will be acknowledged in all advertisements, publicity, forms, etc and will include the use of the relevant logo. The positioning of the NDP logo must conform to the guidelines laid down by the Government. The latest edition of those guidelines is available on the NDP website at <http://www.ndp.ie/>.

31. Payment of NDP funds will be subject to inspection checks and/or audit, from time to time, by officials of the Department, the Office of the Comptroller and Auditor General, the EU Commission or the EU Court of Auditors and in this connection ICBF/Sheep Ireland will be required to:
- a) provide facilities to allow on-site access to, and examination of, all relevant installations and records;
 - b) provide copies of annual accounts and any necessary supplementary information;
 - c) maintain and make available to such officers on request, originals of records relating to expenditure incurred by ICBF or Sheep Ireland and any further supporting documentation/files required to verify validity and accuracy of those records, including where requested tenders, paid invoices, receipts, bank statements, returned paid cheques, certificates issued by auditors etc, any or all of which may be verified independently by the Department;
 - d) ensure that expenditure incurred which formed the basis of claims and the payment to ICBF of NDP funds are easily identifiable in their accounting

system. ICBF and Sheep Ireland must credit to their nominated bank account any revenue arising from 2011/13 Sheep Program and any rebates, reductions or commission received which are not already included on the relevant invoice(s). ICBF must notify the Department immediately of any such amounts, and in any event before submitting the next claim for NDP funds under this program; and

e) ensure that there is a clear audit trail from claims to source documents, to item supplied and that the purpose of all procurements can be clearly established.

32. If it is found that any portion of the NDP funding has not been used for the purpose(s) for which it was intended, or that an irregularity in relation to the funding has occurred, ICBF/Sheep Ireland must,

a) upon request, immediately reimburse the amount involved to the Minister, and

b) review its internal procedures, take appropriate remedial action, notify the Department of the action taken to avoid a recurrence and update their Financial Procedures Manual to include any revised procedures and/or controls implemented.

33. The Department may disallow any claim, or part thereof, on the basis of non-compliance with any of the governing terms and conditions.

The Minister reserves the right to alter, from time to time, the conditions attaching to, and the procedures to be followed, in relation to this program.