SCOTTISH STATUTORY INSTRUMENTS

2002 No. 44

AGRICULTURE

The Pig Industry Restructuring (Non-Capital Grant) (Scotland) Scheme 2002

Made - - - -	*6th February 2002*
Laid before the Scottish Parliament - - - -	*7th February 2002*
Coming into force - -	*29th March 2002*

The Scottish Ministers, in exercise of the powers conferred by section 1 of the Farm Land and Rural Development Act 1988(**1**) and of all other powers enabling them in that behalf, hereby make the following Scheme:

Citation, commencement and extent

1.—(1) This Scheme may be cited as the Pig Industry Restructuring (Non-Capital Grant) (Scotland) Scheme 2002 and shall come into force on 29th March 2002.

(2) This Scheme shall extend to Scotland only.

Interpretation

2. In this Scheme–

"bank" means–

(a) any institution authorised under a provision of the Banking Act 1987(**2**);

(b) any person specified in any of paragraphs 2 to 10 of Schedule 2 to that Act (exempted persons); or

(c) any person entitled by virtue of the Banking Co ordination (Second Council Directive) Regulations 1992(**3**) to accept deposits (within the meaning of that Act) in the United Kingdom;

"business plan" means a detailed plan setting out the objectives of the business, the strategy and tactics to achieve those objectives, estimates as to the financial and other circumstances

(**1**) 1988 c. 16; section 1(5) as read with section 1(6) (added by S.I.1999/1820) defines "the appropriate authority". The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c. 46). The requirement for the approval of the Treasury was removed by section 55 of that Act.

(**2**) 1987 c. 22.

(**3**) S.I. 1992/3218.

of the business in the event that the objectives are achieved and the investment required to achieve those objectives;

"Capital Grant Scheme" means a scheme under section 29 of the Agriculture Act 1970(**4**) making provision in Scotland for the payment of grants towards the cost of loans ancillary to the restructuring of pig production business;

"pig production" means any form of pig production, including breeding, rearing and finishing.

Payment and amounts of grants

3.—(1) For the purposes of this Scheme–

(a) a qualifying loan is a loan which has been, or is to be, obtained from a bank for the purpose of implementing a business plan for the restructuring of a pig production business;

(b) the relevant part of a qualifying loan is that part of the loan which has been or is to be obtained for the purposes of, in connection with or in connection with any proposals for restructuring by–

(i) the establishment or expansion of a farm business ancillary to a pig production business and relating to the products of pig production;

(ii) the promotion of a farm business ancillary to a pig production business and relating to the products of pig production; or

(iii) the marketing of anything produced or supplied in the course of a farm business ancillary to a pig production business and relating to the products of pig production; and

(c) the loan or qualifying loan must appear to the Scottish Ministers to be neither expenditure of a capital nature nor expenditure which would fall to be treated for the purposes of section 29 of the Agriculture Act 1970 as incurred in connection with expenditure of a capital nature.

(2) Subject to the provisions of this Scheme, the Scottish Ministers may approve the payment to any eligible person of a grant towards expenditure incurred in servicing the relevant part of a qualifying loan, subject to such conditions as they may reasonably determine, and may make such payment.

(3) Where a loan has been obtained partly for the purposes of or in connection with the restructuring of a pig production business and partly for other purposes, the Scottish Ministers may for the purposes of a grant under this paragraph treat as a qualifying loan so much of that loan as appears to them to be referable to that restructuring.

(4) No grant under this Scheme when taken with any payment made under the Capital Grant Scheme shall exceed 5% of the qualifying loan (excluding any accrued interest thereon).

(5) The Scottish Ministers shall not approve any payment of grant after 29th March 2005.

(6) Where an eligible person is aggrieved by a decision of the Scottish Ministers as to–

(a) whether a loan is neither expenditure of a capital nature nor expenditure which would fall to be treated for the purposes of section 29 of the Agriculture Act 1970 as incurred in connection with expenditure of a capital nature, under sub-paragraph (1)(c) above; or

(b) the amount of a loan which is referable to restructuring under sub-paragraph (3) above,

that person may, within the period of 21 days of the date when that person is notified of the outcome of that decision, request that the decision be reviewed by the Scottish Ministers in accordance with sub-paragraph (7) below.

(**4**) 1970 c. 40.