1995 No. 27

AGRICULTURE

Marketing Development Scheme (Northern Ireland) 1995

Made . . . . . 6th February 1995
Coming into operation . . 8th March 1995

The Department of Agriculture in exercise of the powers conferred on it by Article 26(1), (2) and (3) of the Agriculture (Northern Ireland) Order 1993(a) and of every other power enabling it in that behalf, and with the approval of the Department of Finance and Personnel, hereby makes the following Scheme:—

Citation and commencement

1. This Scheme may be cited as the Marketing Development Scheme (Northern Ireland) 1995 and shall come into operation on 8th March 1995.

Eligibility for grants

2. In accordance with the following provisions of this Scheme the Department may pay to any person satisfying the conditions set out in Article 3 a grant representing 50% of the approved expenditure (other than value added tax) which has been incurred by that person in carrying out a proposal for the organisation, promotion, encouragement, development, co-ordination or facilitation of the marketing in Northern Ireland or elsewhere of—

(*a*) the produce of agriculture (including horticulture);

(*b*) the produce of an activity specified for the purposes of Article 26(2) of the Agriculture (Northern Ireland) Order 1993 by order made by the Department; or

(*c*) anything derived from produce falling within paragraph (*a*) or (*b*),

insofar as the expenditure relates to any of the items specified in Schedule 1.

3.—(1) A person shall not be eligible for the payment of a grant under this Scheme unless he can demonstrate to the satisfaction of the Department that the purpose of the proposal in respect of which the grant is claimed is to achieve or assist in the achievement of a significant marketing or commercial development.

(a) S.I. 1993/2665 (N.I. 10)

(2) A person (other than a trade association or industry body) shall not be eligible for the payment of a grant under this Scheme unless he can demonstrate to the satisfaction of the Department that the business to which the proposal relates is likely to command a significant share of the market at which that proposal is targeted.

(3) For the purposes of paragraph (2) a proposal shall be treated as likely to command a significant share of the market if the business can demonstrate a capability for substantial growth or the proposal is innovative.

(4) A person shall not be eligible for the payment of a grant under this Scheme unless he declares—

(*a*) that the proposal for which the grant is to be paid would not be carried out but for the grant;

(*b*) that no assistance in respect of expenditure for which the grant is to be made is to be given under any statutory provision other than Article 26 of the Agriculture (Northern Ireland) Order 1993;

(*c*) that his overall commercial viability is not dependent upon receipt of the grant; and

(*d*) that the turnover of his business in the year in which the application for the grant is made is not likely to exceed £75 million.

Applications for grants

4.—(1) Any person wishing to be considered for the payment of a grant under this Scheme shall apply to the Department in such form as it may from time to time determine.

(2) Each application, other than an application for payment of a grant towards expenditure incurred only in relation to a feasibility study or market research, to training for directors and key staff or to the appointment of outside directors or to any combination thereof, shall be supported by a comprehensive feasibility study setting out the objective of the proposal for which the grant is sought and the means by which that objective is to be achieved.

(3) The study required by paragraph (2) shall include at least the information specified in Schedule 2.

(4) In the case of an application for a payment of grant towards expenditure relating exclusively to training for directors and key staff or to the appointment of outside directors that application shall contain a reasoned case whereby the need for that expenditure is objectively justified.

(5) In considering whether or not to accept an application for a grant under this Scheme the Department—

(*a*) shall have regard to—

(i) the need for the proposal to which the application relates;

(ii) the importance of that proposal in relation to the market at which it is targeted; and

(iii) the likely benefit of that proposal to the agricultural or food industry; and

(*b*) may seek the advice of any specialist in order to assess the merits of the proposal to which the application relates.

(6) A person may apply for more than one grant under this Scheme.

(7) In accepting an application for a grant under this Scheme, the Department shall indicate to the applicant how long the proposal to which the grant relates will be funded under it, which period of time shall not exceed four years; and any subsequent reference in this Scheme to a proposal being funded is a reference to the proposal concerned being funded under it.

Limit on amount of grant

5. A person shall not receive grants totalling more than £150,000 in relation to a proposal under this Scheme.

Payment of grants

6.—(1) Any payment of a grant under this Scheme in respect of any item such as is specified in paragraph (*a*) or (*d*) of Schedule 1 shall be made only after the feasibility study, market research or training concerned has been completed to the satisfaction of the applicant and the Department and on production to the Department of a receipted invoice for the expenditure incurred on the item concerned.

(2) Any payment of a grant under this Scheme in respect of any item such as is specified in paragraph (*b*), (*c*), (*e*) or (*f*) of Schedule 1 shall be made quarterly in arrears from the date on which the application for the grant concerned was accepted by the Department, on production to the Department for the relevant quarter and by such deadline as it shall from time to time indicate—

(*a*) of receipted invoices for the expenditure incurred on the item concerned during that quarter; or

(*b*) of such certificates for the expenditure incurred on that item during that quarter as have been signed by a chartered accountant or other person holding such qualifications as the Department thinks suitable.

(3) A person shall not be paid a grant under this Scheme unless he has given to the Department his written consent to the use by the Department of information about the proposal for which the grant is sought, provided that no disclosure under this paragraph shall give rise to a significant risk of detriment to his commercial interests.

Annual statements

7. Each person to whom a grant is paid under this Scheme in respect of a proposal being funded for more than one year shall (except where the grant is in respect of training for directors and key staff or the appointment of outside directors only) as soon as reasonably practicable after each anniversary of the Department's acceptance of his application for that grant which occurs before the date on which the funding of that proposal ceases submit to the Department an up-to-date statement of—

(*a*) the progress of the proposal towards achieving its objectives; and

(*b*) his cash flow, accounts and business plan.

Cessation of funding

8. Each person to whom a grant is paid under this Scheme shall as soon as reasonably practicable after the cessation of the funding of the proposal to which the grant relates submit to the Department—

(*a*) a declaration that the requirements of this Scheme were satisfied in respect of the proposal during the time it was funded;

(*b*) an assessment of how far the proposal achieved its objectives during that time; and

(*c*) (except where the funding lasted for less than one year) up-to-date details of his cash flow, accounts and business plan.

Keeping and disclosure of records

9. Each person to whom a grant is paid under this Scheme shall—

(*a*) keep records of all financial transactions connected with the proposal to which the grant relates for a period of at least 2 years after the cessation of the funding of that proposal; and

(*b*) comply with any reasonable request made by any person authorised by the Department in that behalf to disclose to that person any of the records referred to in paragraph (*a*).

Requirement for prior written consent

10. A proposal funded under this Scheme shall not be commenced without the prior written consent of the Department.

Variation and withdrawal of proposals

11.—(1) The Department may permit a person whose application for the payment of a grant has been accepted under this Scheme—

(*a*) to vary the proposal to which the grant relates; or

(*b*) to withdraw that proposal,

on written notice of such variation or withdrawal being given to it by that person.

(2) Where a proposal is withdrawn in accordance with sub-paragraph (1)(*b*) the Department may on demand recover any part of a grant already paid with reference to the proposal.

Financial limits

12.—(1) Where by reason of the number of grants already made by it under this Scheme the Department is at any time of the opinion that the financial resources which it would otherwise make available under this Scheme should for a period be restricted it may decide that further applications for grants under this Scheme shall not be accepted until a time subsequently specified by the Department.

(2) A decision or specification made under paragraph (1) shall be published by notice in the Belfast Gazette.