

# Brexit Sustainable Aquaculture Growth Scheme

## 1. Legal Basis and State Aid

This Scheme has been submitted to the European Commission for State Aid approval and no application will be approved for aid pending State Aid approval.

Expenditure under this scheme will be proposed for funding under the Brexit Adjustment Reserve.

## 2. Definitions

For the purposes of this document:

**‘Managing Authority’** means the Department of Agriculture, Food and Marine (DAFM).

**‘Implementing Authority’** means Bord Iascaigh Mhara (BIM) and/or Údarás na Gaeltachta.

**‘Project Approvals Board’** means the committee established for the purposes of this scheme, chaired by DAFM and comprising of members from BIM, Údarás na Gaeltachta, Marine Institute, Bord Bia and such other parties as may be appointed by the Chair.

**‘IMTA’** means Integrated Multi-trophic Aquaculture, a planned, consolidated system farming species on different trophic levels on the same or connected aquaculture sites or facilities.

**‘RAS’** means a Recirculating Aquaculture System, an aquaculture farming system where water is recirculated and exchange is limited and waste products are required to be removed by filtration and /or biofilters.

**‘Climate change investment’** means, for the purposes of this scheme:

- Purchase and installation within an aquaculture site of equipment that generates energy from renewable sources.
- Equipment that enables producers to power operations within an aquaculture site directly from the electricity grid (thus reducing the use of generators)

## 3. Introduction

Output from Irish Aquaculture in 2020 was worth €180 million from a total production volume of 38,000 tonnes. Aquaculture directly employs some 1,800 people in peripheral coastal

communities, operating from over 300 sites along the Irish coastline. The sector is dominated by organic salmon producers (13,400 tonnes), oyster producers (9,000 tonnes) and mussel producers (14,700 tonnes). Products are overwhelmingly produced for export markets. While production volumes have remained relatively static, unit values have grown as quality, differentiation and niche markets have been developed.

Recognising the significant impact of Brexit and the TCA on the Irish Seafood Sector, the Minister for Agriculture, Food, and the Marine set up a Seafood Task force in March 2021. The Task Force was tasked with examining the implications arising from the EU/UK TCA for the Irish Seafood Sector. Based on their deliberations, the Task Force was asked to outline initiatives that could be taken to provide supports for development and restructuring to ensure a profitable and sustainable sector and to identify opportunities for jobs and economic activity in coastal communities dependent on fishing.

In relation to aquaculture, the *Report of the Seafood Task Force – Navigating Change* (October 2021) recommended in section 14.10 (page 125) as follows:

*“The Task Force recommends that both the BAR and EMFAF funding sources should be utilised, as appropriate, to develop Irish aquaculture to mitigate against the negative impacts of Brexit that have been most pronounced in other sectors of the Irish seafood industry. It is recommended that graduated grant aid rates should apply so that categories of activity that will be most impactful would be incentivised with total grant aid support of €60 million being made available for investment. This would stimulate the modernisation of production sites in line with international best practice, increase resource efficiency and reduce environmental impact, advance understanding of market opportunities and innovation capability and develop technical, marketing and management capability”.*

#### 4. Brexit Adjustment Reserve

Regulation 2021/1755 of 6 October 2021 established the EU Brexit Adjustment Reserve. The objective of the Reserve is to provide support to counter the adverse economic, social, territorial and environmental consequences of the withdrawal of the United Kingdom from the Union in Member States, including their regions and local communities, and sectors, in particular in those that are most adversely affected by the withdrawal, and to mitigate the related negative impact on the economic, social and territorial cohesion. The Reserve may support measures carried out by Member States to contribute to the aforementioned objectives.

In terms of measures most relevant to this scheme, quoting from article 5 of the BAR, such supports may include:

- measures to support private and public businesses, in particular SMEs, the self-employed, local communities and organisations adversely affected by the withdrawal of the UK from the Union.
- Measures to support the economic sectors most adversely affected by the withdrawal of the UK from the Union.
- Measures to support job-creation and protection.....in sectors most adversely affected by the withdrawal of the UK from the Union.

## 5. Rationale for this scheme

The departure of the United Kingdom from the European Union and the related Trade and Cooperation Agreement have had adverse consequences for Ireland's fisheries, seafood processing and aquaculture sectors, with consequent negative impacts for ancillary services and for coastal communities dependent on the seafood sector.

Arising from the TCA, Ireland is set to lose some 26,412 tonnes of quota per year on a phased basis up to 2026, valued at around €43 million per annum. These quota cuts affect many of the most valuable fish stocks exploited by Irish fishermen. Quota reductions at this scale threaten the financial viability of many fishing vessels. This gives rise to a fleet imbalance that the CFP requires to be addressed through fleet restructuring measures. In order to restore fleet balance and restore the fleet to pre-TCA levels of profitability, the Seafood Task Force has recommended a voluntary fleet decommissioning scheme for the polyvalent and beam trawl segments of the fleet, with an objective to permanently remove 8,000 gross tonnes and 21,000 kilowatts of capacity, equating to 60 fishing vessels of 25% of the whitefish fleet. A permanent reduction of the fleet at this level will have a significant economic and social impact on the coastal communities concerned. The decommissioning of these vessels will cause the loss of employment of approximately 300 crew members.

The seafood processing sector employs in excess of 4,000 people in some of Ireland's most peripheral coastal communities. As a direct result of TCA quota reductions, the supply of raw material to the processing sector has been reduced and become inconsistent. TCA quota reductions, as detailed above, mean significantly less raw material being available for processors. Additionally, quota reductions for fishers from other EU member states, who may land raw material for processing in Ireland, further reduces supply. Beyond this, some 148,600 tonnes of fish worth €355 million were imported into Ireland in 2019 and this was overwhelmingly destined for processing by our seafood processing enterprises. The UK accounted for 41% of this raw material by volume (65% by value). Brexit and the TCA has resulted in such imports becoming less available and more expensive, with smaller processors in particular not being able to access alternative international supply due to their small scale. All factors combined, there is significant pressure on the processing industry to source raw

materials and maintain profitability. This raw material supply / profitability issue in turn creates significant risk to direct employment in the processors concerned, and indirectly to those employed in the local supply chain and wider coastal community dependent on the economic activity generated by these processors.

The aquaculture sector has been directly impacted as a consequence of Brexit, primarily through the imposition of additional costs that will erode its long-term profitability and competitiveness. For example, many aquaculture exporters are now electing to use direct ferries rather than the UK landbridge to reduce the administration burden of dealing with customs controls and other administration requirements that are required to transit through the UK market. The shellfish aquaculture sector export of much of their product live. Such live shellfish are an even more time sensitive product than fresh chilled fish, requiring careful logistics to avoid mortalities and meet market quality requirements. The UK land bridge has traditionally been vital in facilitating these live shellfish exports to Europe. In order to avoid possible delays due to customs formalities and veterinary inspections due to Sanitary and Phytosanitary Controls, shellfish exporters have been forced to utilise more expensive and slower direct shipping routes to Europe. This increases costs, reduces product shelf life and thus the value of the product and results in decreased prices for the producers. Input costs have also increased. For example, engineering parts for vessel engines have seen significant increases as the distributors are still based in the UK. Aquaculture equipment, a high proportion of which is manufactured in the UK, have also seen price increases of 10-20%. Delays and uncertainty coupled with imposition and collection of customs charges are economic implications through increased cost and disruption of operations. In a sector with narrow margins, such combined losses are putting pressure on aquaculture businesses to remain profitable.

In 2020, some 8,590 people were directly employed in fisheries, aquaculture and seafood processing. However, an additional 7,840 were employed in ancillary services. These range from net makers, boat yards, engineering and other support services. In addition, the wider economies of coastal communities, particularly those centred around the main areas of fishing, aquaculture and processing activity, are highly dependent on the incomes of those employed directly and indirectly in the seafood sector.

The combined effects of the above Brexit impacts on fishing, seafood processing, aquaculture, ancillary services and local suppliers dependent on these industries, risks significant negative economic and social impacts on peripheral coastal communities. The likelihood of economic decline, increased unemployment and increased migration are significantly raised by these Brexit impacts.

The scenario outlined above requires a multi-faceted mitigation strategy to mitigate the impacts of Brexit on the seafood and wider blue economy enterprises concerned, to counter the loss of raw material supply to processors, and to mitigate the economic and social impacts

on coastal communities. This strategy needs to focus on securing alternative sources of fish raw material, on maintenance of vulnerable employment in the seafood sector and on creation of alternative employment opportunities suited to the skill sets of those losing employment in the seafood sector. In addition, it needs to focus on enhancing the viability of enterprises operating in the seafood sector and ancillary services and on adding value to both wild caught and farmed fish.

This scheme focuses on the potential within the aquaculture industry to offset and mitigate against much of the damage caused by Brexit to the wider Irish seafood industry and coastal communities, while simultaneously mitigating the direct impacts of Brexit on the aquaculture sector itself, as detailed earlier. There is scope for increasing the current production of aquaculture products to 78,000 tonnes, as identified in the *National Strategic Plan for Sustainable Aquaculture Development* (DAFM 2015). Stimulating the sustainable growth of the aquaculture sector will increase output, thus providing additional raw material for the processing sector, and will enhance the profitability and economic viability of the aquaculture enterprises concerned, enhancing employment in both aquaculture enterprises and in ancillary and supply services.

A programme of capital investment to accelerate the sustainable growth of the aquaculture sector can boost employment in this sector that is overwhelmingly located in the same coastal areas as fishing and seafood processing. The aquaculture sector can provide alternative job opportunities for crew of decommissioned fishing vessels, and these skilled marine workers have the necessary experience and capability in the areas of seamanship, fish handling and physical labour to take up roles in the aquaculture sector. Employment in the aquaculture sector will allow these former fishing crews to remain employed in their local communities rather than become long-term unemployed or may have to move away from their communities or emigrate to find employment. Similarly, growth in the aquaculture sector will provide alternative work for the range of ancillary services impacted by a reduced fishing fleet

As such, this scheme will directly mitigate the impacts of Brexit on the aquaculture sector, while the value of this investment will also contribute significantly to a broader Brexit mitigation strategy to redress the impacts of Brexit on fishing and processing and on ancillary and support services and the wider economies of coastal communities.

## 6. Scheme Objectives

This scheme aims to mitigate the adverse economic and social consequences of the withdrawal of the United Kingdom from the Union on:

- (1) Seafood processors adversely affected by loss of raw material supply arising from the TCA quota reductions,

- (2) Aquaculture enterprises directly impacted by the UK withdrawal, and
- (3) Coastal communities adversely affected by a broad range of impacts arising from the TCA quota reductions and wider Brexit impacts.

The scheme aims to achieve these objectives by developing alternative sources of suitable employment in the coastal communities affected, by developing an alternative source of native raw material supply for seafood processors and by enhancing the viability of aquaculture enterprises.

The three scheme objectives will be pursued by accelerating the sustainable growth of aquaculture enterprises, thus aiding enhanced local employment in coastal communities, producing more farmed fish to supply the processing sector and directly enhancing the viability of the aquaculture enterprises concerned.

## 7. Description of the Scheme

The scheme will operate until 31 December 2023 only. This scheme will support aquaculture enterprises to undertake the capital investment projects detailed in section 9. These investments will enable aquaculture enterprises to sustainably grow production, value, and employment, will encourage the entry into the sector of new aquaculture enterprises and will support the evolution of SME enterprises through scaling up. While investment will generally be supported at a maximum of 40% of eligible costs, a higher incentive rate of 50% will apply to certain climate change investments, to investment in seaweed aquaculture and to investment in RAS and IMTA aquaculture projects. Funding will be prioritised for projects that contribute most to the objectives of the scheme, to climate change objectives, and to prioritisation of SMEs generally.

## 8. Eligible Beneficiaries

This scheme is open to aquaculture producers who have a statutory consent to engage in aquaculture and any necessary consent under the Foreshore Acts, and who are in compliance with the terms and conditions of those consents.

However, applications in respect of sites located in marine Special Areas of Conservation, designated in accordance with the European Union Habitats Directive (92/43/EEC)(as amended), and/or Special Protection Areas, designated in accordance with EU Birds Directive (2009/147/EC), that are awaiting a determination of an aquaculture licence application/renewal made under Section 10 of Fisheries Amendment Act 1997, will not be eligible under this scheme.

## 9. Eligible Projects

For projects to be eligible for funding, they must not have commenced before submission of an application for support and its acknowledgment by the implementing authority. Projects must be fully completed and all documentation in support of payment submitted to the implementing authority by 31 October 2023.

Eligible projects must be focussed on the purchase and installation of new machinery and equipment and construction of new premises in relation to the following categories of investment:

- Investments increasing the production of an aquaculture enterprise
- Investments in enhancing the quality of, or in adding value to, aquaculture products
- Diversification of aquaculture production and species cultured
- Purchase and installation within an aquaculture site of equipment that generates energy from renewable energy sources.
- Equipment that enables producers to power operations within an aquaculture site directly from the electricity grid (thus reducing the use of generators)
- Investments substantially increasing energy efficiency of the aquaculture enterprise
- Promotion of closed aquaculture systems where aquaculture products are farmed in closed recirculation systems, thereby minimising water use
- Investments substantially reducing the negative impact or substantially enhancing the positive effects on the environment and substantially increasing resource efficiency
- Investments resulting in a substantial reduction in the impact of aquaculture enterprises on water usage and quality, in particular through reducing the amount of water or chemicals, antibiotics and other medicines used, or through improving the output water quality, including through the deployment of multi-trophic aquaculture systems
- Setting up of sustainable aquaculture enterprises by 'new aquaculture farmers'
- Modernisation of aquaculture units, including the improvement in working and safety conditions of aquaculture workers
- Improvements and modernisation related to animal health and welfare, including the purchase of equipment aiming at protecting the farms from wild predators
- Commissioning costs for the above equipment up to maximum of 15% of the equipment costs by the equipment supplier or their approved agents.

Operations contributing to compliance with union law must deliver demonstrably substantial additional benefits beyond legal requirements.

## 10. Ineligible Expenditure

The following expenditure is ineligible for support.

- VAT
- Investments that are the subject of any other public aid.
- Expenditure for the purchase of land and/or buildings and related expenditure.
- Intangible costs (such as cost of pre-financing and of arranging loans and interest, administrative costs, patents, invitations to tender and costs relating to the purchase of a concession to operate fish farming).
- Second-hand buildings, plant, machinery, equipment, boats, etc. and any associated installation costs.
- Cost of Housing.
- Repair and maintenance work
- The like for like replacement of existing equipment and machinery, except where the replacement involves a demonstrably substantial enhancement in terms of efficiency, productivity or environmental performance.
- Provisional work not directly linked to the implementation of a project except where it makes possible a reduction in overall project cost.
- Landscaping, other embellishment works, except those specifically required as a condition of planning and recreational equipment costs.
- Purchase of vehicles for passenger transport and vehicles required for market distribution.
- Office equipment and furniture, including but not limited to, desktop computers, laptops, tablets, and mobile phones.
- The purchase of material which is normally written off within a year.
- Goods purchased under Hire Purchase agreements.
- Goods purchased under leasing agreements.
- Consultancy costs not directly related to the planning, preparation, and execution of the project, including costs of management consultancy.
- Statutory fees and charges
- Electricity grid connection costs
- Operations identified as ineligible under article 13 of Regulation 2021/1139.
- Operations related to the farming of genetically modified organisms.
- Operations consisting of investments in equipment or infrastructure for the sole purpose of ensuring compliance with Union law imposing mandatory requirements relating to the environment, human or animal health, hygiene or animal welfare.

## 11. Support rates

Category of beneficiary	Support Rate	
	Climate Change* Seaweed IMTA* RAS*	Other eligible investments
SME	50%	40%
Non-SME	30%	30%

\*See definitions in section 2

## 12. Selection Process

Projects will be selected for funding as follows:

Step	Description	Carried out by
Call for applications	Applications invited	BIM and Údarás na Gaeltachta
Eligibility Check and evaluation	To ensure compliance and assess validity	BIM and Údarás na Gaeltachta
Assessment and Scoring	To assess and score projects	BIM and/or Údarás na Gaeltachta
Project Selection	To select projects for funding	Project Approvals Board
Grant offer	Issue of letters of offer awarding scheme funding	BIM and Údarás na Gaeltachta

## 13. Assessment

Applications will be assessed by BIM and Údarás na Gaeltachta in accordance with the following scoring system to inform the evaluation, assessment, project selection and prioritisation processes.

Applications must meet a total minimum score of 60/100

Evaluation Criteria	Marks Available
<p><b>1. Alignment with Scheme Objectives</b></p> <ul style="list-style-type: none"> <li>• Alignment of the proposal with the scheme objectives of accelerating the sustainable growth of aquaculture enterprises mitigating the effects of the TCA/Brexit through one or more of the following:               <ul style="list-style-type: none"> <li>○ developing alternative sources of suitable employment in the coastal communities affected,</li> <li>○ developing an alternative source of native raw material supply for seafood processors</li> <li>○ enhancing the viability of aquaculture enterprises</li> <li>○ Enhance energy efficiency and reduce carbon emissions of the aquaculture sector</li> </ul> </li> </ul> <p><i>[Tick the box/boxes and describe in detail]</i></p>	40
<p><b>2. Organisation Governance and Capacity</b></p> <ul style="list-style-type: none"> <li>• Evidence that the project is aligned with the applicant’s strategy or business plan</li> <li>• Evidence that the organisation has the human and technical capacity to deliver the project. This should include a project management plan and details of the specific resources that will be allocated to the project</li> <li>• Detailed project delivery timelines demonstrating that the project can be delivered within the required timescale</li> </ul>	20
<p><b>3. Environmental Impact</b></p> <ul style="list-style-type: none"> <li>• Expected environmental performance of the project that is the subject of this application, including any of the following: reliance on renewable energy sources/energy efficiency/reduced carbon footprint or efficiency/reduced resource usage on a pro-rated basis/capturing and re-use of heat/other environmental initiatives .</li> <li>• For projects with eligible costs in excess of €5 million, this must include an environmental strategy setting out the applicant’s commitment to reducing the organisation’s carbon footprint and the improvement of environmental performance.</li> </ul>	20

<ul style="list-style-type: none"> <li>In the case of infrastructure investments, submission of a <i>Climate Neutrality Proofing Statement</i>, in accordance with European Commission Technical Guidance on the Climate Proofing of Infrastructure</li> </ul>	
<p><b>4. Value for Money</b></p> <ul style="list-style-type: none"> <li>Well defined project costings with appropriate quotations</li> <li>Evidence that the proposed capital item provides value for money and cost effectiveness</li> </ul> <p>For projects with eligible costs in excess of €5 million, this must include:</p> <ul style="list-style-type: none"> <li>A cost benefit analysis of the proposal</li> <li>Evidence of the need for State investment</li> <li>The direct benefits to the Irish economy arising from the direct economic expenditure such as employment or impact on local suppliers</li> <li>The indirect benefits to the Irish economy arising from the direct economic expenditure such as the development of transferable skills and expertise or the enhancement of the reputation of Ireland on world markets</li> </ul>	20
<p><b>5. Financial Robustness</b></p> <ul style="list-style-type: none"> <li>Evidence that the applicant was not bankrupt in the previous three fiscal years (Yes/No*)</li> <li>Evidence that the applicant is trading as a going concern (Yes/No*)</li> <li>Evidence of required cashflow and match funding to deliver the project including the identification of co-financing and robust financial projections (Yes/No*)</li> <li>Record of the satisfactory execution of any grants awarded from a state or public body in the last 7 years including adherence with all terms and conditions. (Yes/No*)</li> </ul>	Pass/ Fail
<b>Total Project Marks Available</b>	<b>100</b>

## 14. Procurement

All items of expenditure must be documented by a written quotation for items of equipment at application stage. The number and method of obtaining those quotations are detailed in the table below.

Spend Type	Eligible Expenditure (Ex VAT)	Public Body / BIM	All other Beneficiary Types	
		Grant Aid Up to 100%	Grant Aid 0% to 50%	Grant Aid >50%
	<€5,000	1 Quote	1 Quote	2 Quotes

Supplies and Services (incl. Equipment and Machinery)	€5,000 to €24,999	3 Quotes	3 Quotes	3 Quotes
	€25,000 to €214,000	Government E-tender	3 Quotes	Government E-tender
	≥ €214,000	Government E-tender <b>AND</b> EU OJEU	3 Quotes	Government E-tender <b>AND</b> EU OJEU
Works – Buildings only	<€50,000	Government E-tender	3Quotes	5 Quotes or Government E- Tender
	€50,000 to €5,350,000	Government E-tender	3 Quotes	Government E-tender
	≥ €5,350,000	Government E-tender <b>AND</b> EU OJEU	3 Quotes	Government E-tender <b>AND</b> EU OJEU

**Points to note:**

- The eligible expenditure amounts given in the table above are exclusive of VAT.
- Quotes should be in writing or by email.
- Where the applicant is unable, despite his or her best endeavours, to obtain the required number of quotes for reasons outside of their control, this must be explained in writing by the applicant, with relevant supporting documentation. Such exceptional situations will be considered on a case-by-case basis by the BIM officer assessing the application and where accepted, will be recorded on the BIM project file. Where the explanation is unsatisfactory, the application will not be accepted until the correct number of quotes has been supplied.
- Generally, the grant aid shall be based on the lowest quote amount. The applicant is not limited to taking the lowest quote but in such cases as outlined above a written explanation must be submitted by the applicant and accepted by the BIM officer and recorded on the file.
- These levels shall in general apply to stand alone items on a per project application basis. It is not acceptable to purposefully break a project into smaller parcels of work or machinery in order to circumvent the procurement rules.

## 15. Publicity and Acknowledgement of Support Requirements

BIM may publicly acknowledge the aid provided via their website or other publications. This may include information such as the applicant/company name, the county, NUTS 2 Region,

enterprise size (SME etc), economic sector, grant aid paid, % grant rate and portion funded under the scheme, date of payment, form of aid.

In all cases where a project has received grant approval:

**Website Update:** During the implementation phase of the project, the grantee shall provide on their website, where such a website exists, a short description of the project, appropriate to the level of support, including its' aims and results, and highlighting the financial support from the Brexit Adjustment Reserve and the European Union. The technical specification for this will be provided to the grantee prior to the completion of the project.

**Poster:** The grantee shall place at least one poster with information about the project including the financial support from the Brexit Adjustment Reserve and the European Union, at a location that is readily visible to the public such as the entrance/reception area of the appropriate building. The technical specification of this will be supplied to the grantee by BIM prior to the completion of the project.

BIM and the Department of Agriculture Food and the Marine will within six months of payment publicly acknowledge the aid provided via their website or other publications. This may include information such as the applicant/company name, vessel name, the county, NUTS 2 Region, enterprise size (SME etc), economic sector, grant aid paid, % grant rate and portion funded under the scheme, date of payment, form of aid. This information will be made available to the general public without restriction and will be maintained for at least 10 years.

## 16. Appeals Procedure

BIM will provide on request a written explanation for award decisions. Following receipt of that explanation, appellants may request that an appeal be considered by an appeals officer appointed for that purpose.

An appeals mechanism shall be put in place to adjudicate on appeals from applicants dissatisfied with the determination of their application.

## 17. How BIM will use your information

Any personal data you provide to Bord Iascaigh Mhara ("BIM") will be retained and processed by us for solely the purpose described in this form and as described in further detail in the BIM Data Protection Policy. Our Policy describes in detail how BIM, as a State Agency, is required to collect, process and transfer personal data for the purposes set out in various Irish and EU fisheries and marine legislation. These purposes include the administration of grants, conducting surveys and performing services for those working in the marine sector, for example, training, education and ice services. Your personal data may be disclosed to third

parties where it is necessary and relevant to those purposes, for example, national or EU agencies with responsibility for the marine, grant administration or training awards or accreditation. While BIM does not engage in unsolicited direct marketing, BIM or its agents may contact you in relation to relevant events or initiatives and you can unsubscribe from such communications at any time. You have a right to access and rectify your personal data which can be exercised by writing to the Data Protection Officer, BIM, Crofton Road, Dún Laoghaire, Co. Dublin. The BIM Data Protection Policy is available on the BIM.ie website [www.bim.ie](http://www.bim.ie).

## 18. Terms and Conditions

- 1) To qualify for grant aid under this scheme the following terms and conditions must be met in all cases. Applicants should please note that these terms and conditions will apply to all applications. Applications that fail to comply with these terms and conditions will be deemed ineligible and will not be considered further.
- 2) The implementing authority, with the agreement of the Managing Authority, reserves the right to alter or amend the conditions of this scheme and/or to suspend the scheme or to substitute the scheme for a different scheme, subject to State Aid Notification requirements.
- 3) Funding for this scheme is subject to funding being available to the implementing authority. In every case payment of grant aid is contingent on the availability of finance to the implementing authority.
- 4) The implementing authority will supply identification details of applicants to the Managing Authority for the purposes of checking compliance with the terms and conditions of this scheme and compliance with information and publicity requirements.

### Applications

- 5) Only applications submitted on an official BIM electronic application form sent via the BIM grants portal will be considered for grant aid approval.
- 6) Work on the project must not have commenced before an application is received and acknowledged by the implementing authority.
- 7) Acknowledgement of an application does not constitute any form of entitlement to any form of grant aid whatsoever and neither should the applicant constitute any assistance given by officers of the implementing authority as a form of indication that grant aid will become available.
- 8) The implementing authority will determine the eligibility of applications and applications that do not meet all the mandatory criteria will be deemed ineligible and will be returned to the applicant with an explanatory memorandum.

- 9) Failure to accept the letter of offer in a timely manner may result in non-payment of grant aid.
- 10) Officers of BIM, Údarás na Gaeltachta, the Department of Agriculture, Marine and Food, Comptroller and Auditor General (C&AG), auditors appointed by BIM, Údarás na Gaeltachta, or the European Commission or their agents, must be allowed access to all reports, manuals and official documentation including financial and other records related to the project being grant aided for the audit and verification purposes. All requests for information must be responded to promptly.
- 11) For audit purposes applicants are required to retain all documentation including invoices and proof of payment for a period of 10 years following the grant award.
- 12) As the application will be made through the BIM on-line Grants Portal, the implementing authority does not require a hard copy of the application. However, any original supporting documentation for all on-line applications, must be made available should it be requested at any stage by Officers of the implementing authority and the Department of Agriculture, Food and the Marine or their agents.

#### Applicants

- 13) The applicant must complete a self-declaration confirming that none of the situations specified in article 11 of the EMFAF Regulation (Regulation 2021/1139) applies to them, and if they do, provide details. In that declaration, the applicant shall commit to continuing to comply with the rules of the Common Fisheries Policy and with the article 11 provisions throughout the project period and for a period of 5 years after payment. Applications may be deemed inadmissible for a specified period of time where the implementing authority determines that any of the situations described in article 11 apply to them. Beneficiaries of aid under this scheme who fail to comply with the CFP and with article 11 during the period of implementation of the aided project and for a 5-year period after payment shall be required to repay aid provided under this scheme.
- 14) An applicant who has benefited from earlier unlawful aid declared incompatible by a Commission Decision (either as an individual aid or an aid under an aid scheme being declared incompatible) shall not be eligible for aid under this scheme until that applicant has reimbursed or paid into a blocked account the total amount of unlawful and incompatible aid and the corresponding recovery interest.
- 15) The applicant must demonstrate to the satisfaction of the implementing authority its legal identity.
- 16) The applicant must demonstrate financial viability (at an organisation or individual level as appropriate) and that it is not an 'undertaking in difficulty' as defined in paragraph 20 of the European Commission's 'Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty' .
- 17) The applicant must provide evidence that they are able to manage and carry out the project in a satisfactory manner.

- 18) The applicant is encouraged to provide detailed information on the cost-effectiveness and value for money of the project proposed. Applicants should note that cost-effectiveness and value for money will be assessed in every case during the selection process.
- 19) The applicant must comply with the Department of Finance tax clearance procedures. The applicant must provide a Tax Reference Number and Tax Clearance Access Number.
- 20) Where appropriate the applicant must comply with the provisions of the Data Collection Regulation.
- 21) The applicant shall indemnify and keep indemnified the implementing authority against all costs, loss, damage and expenses sustained by them and against any claims that may be brought by any partner, employee, agent, sub-contractor or any kind or other party arising out of this project whether by reason of or on account of the breach, default, neglect, non-performance or non-observance by the Grantee or the partners of any of them of the terms and conditions of this Agreement or otherwise.
- 22) Grant aid may be revoked, or the amount of grant aid be reduced if any of the following should occur prior to grant payment:
  - Failure by the grant beneficiary(s) to provide required Tax Clearance information.
  - Should the Grantee commit any breach of the terms of the agreement.
  - Should there be a change in the basis of the undertaking which would obviate in whole or in part the purpose for which the grant was made.
  - An order is made, or an effective resolution is passed, for the winding up of the grantee's business.
- 23) Applicants must settle any outstanding debts owed to the Department of Agriculture Food and Marine before grant aid may be approved and/or paid.
- 24) Applicants must comply with the Department of Public Expenditure and Reform Circular 13/2014 – Management of and Accountability for Grants from Exchequer Funds. Where an applicant is required to file audited accounts with the Companies Registration Office (CRO), these accounts must detail the following information explicitly:
  - a) Name of Grantor ((Circular 13/2014 Section 5, subsection 21 (a))
  - b) Name of the Grant Scheme / Programme (Circular 13/2014 Section 5, subsection 21 (b))
  - c) Purpose of the Grant by appropriate heading (Circular 13/2014 Section 5, subsection 21 (c))
  - d) Accounting information for the Grant (Circular 13/2014 Section 5, subsection 21 (d))
  - e) Capital Grant information (if applicable) (Circular 13/2014 Section 5, subsection 21 (e))
  - f) Employee numbers and benefits categorised, and employer pension contributions (Circular 13/2014 Section 5, subsection 21 (f))

25) Applicants who are '*New Aquaculture Farmers*' must submit a business plan for the development of their aquaculture business and, where the amount of investment proposed in their application is more than €50,000, a feasibility study including an environmental assessment of the operations. Support shall only be granted where it has been clearly demonstrated in an independent marketing report that good and sustainable market prospects exist for the product. For the purposes of this paragraph, '*new aquaculture farmer*' means a new entrant to the sector who has never previously held an aquaculture licence, either in their own name or as the director or owner of another business.

#### Claims

26) Applicants must submit a separate claim form. Payments will be made once the pre-payment conditions have been met and a fully completed claim form has been received.

27) An implementing authority officer may conduct a site visit for verification purposes following submission of the claim form and prior to any payment being made.

28) Payment will be made into the nominated bank account given on the application form after the above conditions have been met. The implementing authority will endeavour to expedite payments in a timely manner.

29) Payment of grant aid will only be made when all scheme terms and conditions and any special conditions listed in the letter of offer have been fulfilled.

#### Declarations

30) The applicant must complete a self-declaration confirming that they meet all criteria of the scheme and are compliant with the terms and conditions of the scheme. Please note that for on-line applications and claims, by submitting the forms, you are electronically signing all declarations that you have agreed to via a checkbox in the form. This is the legal equivalent to a hand-written signature.