

 **The Scottish Government**

Opportunities for Biomass Related Businesses in Rural Priorities

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Business Types

- Two distinct types of Businesses, Land based businesses (e.g. those who own or Control Land) and non-land based rural businesses.
- Some Priorities and associated options are only available to one or other of these business types.

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Most Relevant Priorities

Regional Priorities

- It is very important to understand that the Regional Priorities in each area do differ, therefore examples are specific to individual regions, and may not be applicable in another region.
- You should seek advice from Case Officer about the best “fit” for any proposal that you may be considering in your region.

Land Based Businesses

- Main priorities for support are under “Axis 1”, in the system these are priorities **1-7** headed “**Business Viability and Competitiveness**”
- Of particular interest to “Biomass related businesses” are **Priorities 5 & 6**
- You can also potentially install capacity (predominately for your own business use) within this “Axis”

Priority 5 “Supply Chain and Marketing”

- Examples might be Woodfuel “cluster” approach to marketing and promotion from forest owners
- Package - 35 “Development of other Rural Businesses”
- Likely Option - “Support for Co-operation Across the Non Food and Forestry Supply Chain”
- Intervention - 50%

Priority 6 “ Added Value”

- Example might be some form of add value processing of primary forestry products. e.g. production of woodfuel
- Package - 1 “Value Added Processing”
- Likely Option - “Processing and Marketing of Primary Products”
- Intervention - 40%

Creating Biomass Crops

SRC – Willow or Poplar

- Minimum of 2ha
- Must be established and maintained for a minimum of 5 years
- Demonstrate end use
- Rate of support 40% (50% LFA) actual cost up to a maximum of £1000/ha (including fencing)

SRF

- Currently no specific model
- Supported at present through existing “Woodland Creation” models
- Most appropriate model for species is selected and agreed with FCS
- Planting and conditions must conform to the requirements of the selected model
- Rates range from @ £1200 - £2600 plus maintenance and fencing and possibly FP

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Non-Land Based Businesses

- Main priorities for support are under “Axis 3”, in the system these are priorities headed “**Diversification of Rural Enterprise**”
- Of particular interest to “Biomass related businesses” are **Priorities 26b, 27 & 28**

Priority 26b “Supply chain and co-operation”

- Examples might be some form of project relating to biomass supply, which includes different aspects of the supply chain, e.g. a producer and a processor
- Package - 35 “Development of other Rural Businesses”
- Likely Option - “Development/creation of micro-enterprises”
- Intervention - 50%

Priority 27 “ Adding Value”

- Examples might be some form of Higher value processing project, Fuelwood production
- Package - 1“Value Added Processing”
- Likely Option - “Processing and Marketing of Primary Products”
- Intervention - 40%

Priority 28 “Renewables capacity”

- Examples might be a project to install a woodchip boiler for timber drying kilns and associated processing equipment at a sawmill.
- Package - 33 “Development of renewable energy provision”
- Likely Option - “Support for renewable energy - non land-based”
- Intervention - 50%

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