

Rural Development

Programme for England

Forestry Workshop

Hawford

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RDPE Background

The Rural Development Regulation sets the legislative framework support across the EU.

It provides a 'menu' of schemes and types of aid that are acceptable.

Each Member State has produced its own Rural Development Programme.

From 2007 spending has been consolidated into a single simplified fund.

Within this fund there are four 'axes' for funding, with a portion of each Member States' budget going to each;

RDPE Background

Axis 1 – Improving the Competitiveness of the agricultural and forestry sector (minimum of 10% of funding).

Axis 2 – Improving the environment and the countryside axis supports agri-environment schemes, LFA support, forestry schemes, etc.

Axis 3 – Quality of life in rural areas and diversification of the rural economy (minimum of 10% of funding).

Axis 4 – Implementation of the LEADER Approach – (minimum of 5% of funding).

RDPE Background

Under each Axis there is a menu of different ‘measures’.

These measures are targeted at addressing a particular area of activity and particular beneficiaries.

Individual RDAs, following extensive consultation, have chosen to take up a selection of these measures to address the specific issues in their region.

Important to note that there are regional variations in approach

RDPE Measures

Axis 1 - Making agriculture more competitive and sustainable – measures relevant to Forestry

111 Vocational training and information

121 Modernisation of agricultural holdings

122 Improving the economic value of forests

123 Adding value to agricultural and forestry products

124 Cooperation for the development of new products, processes and technologies

125 Infrastructure related to the development and adaption of agriculture and forestry – not implemented

RDPE Measures

Axis 3 - Quality of life and enhancing opportunity in rural areas

311 Diversification into non-agricultural activities

312 Support for the creation and development of micro-enterprises

313 Encouragement of tourism activities

323 Conservation and upgrading of the rural heritage

331 Training and Information

RDPE in the West Midlands

Forestry Support Delivered Through

- Rural Enterprise Grants
 - LANTRA
 - Strategic Investment Grants (SIG)
-
- SIGs operate as ‘calls for bids’
 - Single call for forestry
 - Single ‘call’ covers pre and post harvest operations

Measure - 122 Improving the Economic Value of Forests

Type of Project May Qualify for Support?

Funds are available for improving the economic value and potential of woodland and forests in the West Midlands and bringing the production to market.

Who Can Apply for this Funding?

Owners of private forests and woods (including Local Authorities but not any other public bodies). Groups of owners can also apply.

Measure 122 - Improving the Economic Value of Forests

Grant available for:

Eligible costs will include:

- Preparation of forest management plans
- Capital costs of specialist equipment for the management of woodland
- Purchase of specialist harvesting equipment
- Capital costs of specialist equipment and machinery for the preliminary processing of forestry products, including storage facilities

Measure 122 - Improving the Economic Value of Forests

How Much Grant Can be Awarded?

Grants of ***up to*** 40% of eligible project

For these types of projects there is no maximum grant rate set.

The size of the budget available to the region and the project application will influence the amount of funding offered.

Measure 122 - Improving the Economic Value of Forests

A project must:

- Be supported by a forest management plan appropriate to the size and use of the forest area.
- Be in line with relevant regional strategies.
- Suit the needs and conditions of the locality.
- Deliver significant public benefits
- Comply with FC standards
- AWM will consult the FC and NE

Measure 123 - Adding Value to Agricultural and Forestry Products

What Type of Project May Qualify for Support?

Fund available for;

- Improved efficiency in the processing and marketing of products
- New technologies and innovation
- Exploiting new market opportunities (with an emphasis on quality)
- Introducing new products and processes
- Improving environmental protection
- Marketing of forestry products

Measure 123 - Adding Value to Agricultural and Forestry Products

Who Can Apply for Funding?

- Assistance is limited to forestry 'micro-enterprises'.

This is a business that employs less than 10 full time equivalent staff and has a turnover of less than €2m (around £1.5m at current exchange rates) per year

What Costs can Grant Support Cover?

Eligible costs will include:

- capital costs including new buildings, building conversions, equipment, machinery and infrastructure,
- architects, consultants fees and feasibility studies
- product development, branding and design costs

Measure 123 - Adding Value to Agricultural and Forestry Products

How Much Grant Can be Awarded?

Grants of ***up to*** 40% of eligible project costs are available.

The maximum grant *AWM* can pay is set by EU State Aid rules. For Adding Value to Forestry Products projects, the limit

is €500,000 (around £435,000 at current exchange rates) under the 'de minimis' rules.

Measure 311- Diversification into Non-Agricultural Activities

Diversification into Energy Production for Off-Farm Use

Renewable energy, including storage/supply of woodfuel

Who Can Apply for Funding?

Any member of a farm business that is generating an income from agricultural activity at the time the grant application is made.

Diversification into Energy Production for Off-Farm Use

Eligible costs include:

Capital costs of the new enterprise - new buildings, building conversions, equipment and machinery

Business operating start up costs – i.e. the day-to-day running costs of the business, but grant aid for such spending is likely to be only for a limited ‘start-up’ period – gradually reducing over time

Market research and feasibility studies

Technical support to establish the enterprise

Obtaining RDPE Funds

There are regional differences in approach but each region will:

- Have a formal application procedure
- Require a detailed application including a good business case
- Check claims for accuracy, all errors have to be reported
- Inspect projects
- Recover funding if terms and conditions of offer letter are not complied with
- Require a full audit trail

RDPE Appraisal Criteria

- Strategic fit with priorities
- Key Attributes displayed
- Market research & demand for product/service
- Financial viability & funding package
- Outputs & outcomes
- Management and delivery

What You Should Do

Speak to the RDAs

Be clear about your project idea

What you want to do

How you might do it

What the costs are

Where the funding is coming from (private)

Be realistic

Thank you