

LEADER Food Initiative (For Artisan, Micro and Small Food Producers)

Funded under the 2014 – 2020 Rural Development Programme

Competitive Open call for Proposals – May 2018

GUIDELINES FOR LEADER Local Action Groups (LAGs)

1. Introduction/Background to the measure:

The Department of Agriculture, Food and the Marine (DAFM) and the Department of Rural and Community Development (DRCD) are jointly issuing a 'Call' for applications from project applicants wishing to receive grant aid under the LEADER Food Initiative (for Artisan¹, Micro² and Small³ food producers). These project applications must be submitted through the Local Action Groups (LAGs) whose Local Development Strategies have been approved for LEADER funding under the Rural Development Programme (RDP) 2014-2020 and Regulation (EU) No. 1305/2013.

Terms and Conditions for grant aid are as per the LEADER 2014 – 2020 Operating Rules except where explicitly stated in these Guidelines. Each stage of the process will be subject to the same control regime in place for the LEADER 2014 – 2020 programme. This Scheme is separate and distinct from the inter-territorial co-operation and transnational co-operation Measures under LEADER.

2. Details of the Call:

€15 million has been allocated specifically to the LEADER Food Initiative. This funding will be delivered using the LEADER methodology.

The indicative budget for this call in 2018 is €5 million. This budget is subject to review based on the level of demand. Expressions of Interest and applications for this call are now being accepted.

LAGs should decide on the funding applications for LEADER Food Initiative projects in the same way as for all other LEADER project applications. Where a project is selected by the LAG, it should be submitted to food1420@drcd.gov.ie for approval by DRCD and DAFM using **Appendix 1** and **Appendix 2**.

These project applications selected by the LAG will be considered for approval on a **first come/first served basis** by DRCD and DAFM under three tranches as follows:

- 1st Call from 01st May to 29th June 2018
- 2nd Call from 30th June 2018 to 28th September 2018
- 3rd Call from 29th September to 30th November 2018.

The schedule for future calls will be announced at a later stage.

All applications submitted to food1420@drcd.gov.ie will be reviewed collectively shortly after the end date of each tranche of the call.

3. Areas of Funding – LEADER Food Initiative Criteria:

This initiative aims to support new and existing food and beverage producers to address emerging challenges through investment in areas such as (1) market development, (2) competitiveness, and (3) innovation.

Support for food producers, may include, but is not limited to, the following:

- Artisan¹, Micro² and Small³ food producers, including those with a focus on collaborative proposals, aimed at production quality and market issues;
- Regional product development, including a focus on marketing distinctive local foodstuffs;
- Marketing and processing for strategically identified sectors, including honey and apple processors;
- Improved marketing, product quality and business skills through support for innovative collaborative processes and so address challenges to co-operation identified in studies on facilitating short supply chains e.g. entry barriers, the need for shared understanding, skills/training, and marketing and business skills deficits.

1. 'Artisan' businesses are micro-enterprises with turnover up to €2m, employing fewer than 10 people and producing food in limited quantities using skilled craftspeople. (FSAI Guidance Note The Use of Food Marketing Terms (Guideline No. 29))

2. 'Micro' businesses are enterprises which employ fewer than ten persons (or whole time equivalents) and whose annual turnover and/or annual balance sheet total does not exceed €2 million. (Commission Recommendation 2003/361/EC).

3. 'Small' businesses are enterprises with turnover up to €10m, employing fewer than 50. (as per Commission Recommendation 2003/361/EC).

4a. Eligibility Conditions:

Projects must be:

- in the areas of (1) market development, (2) competitiveness or (3) innovation and must be in line with the objectives of the LDS framework for the sub-regional area;
- Project applicants must be an Artisan¹, Micro² or Small³ food producers and registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004;
(For Registration as a Food Producer, please contact FSAI:
https://www.fsai.ie/food_businesses/starting_business/register.html)

OR

If the applicant is not a food business (e.g. an LDC) the project must deliver benefit to artisan¹, micro² and small³ food producers.

4b. Eligible Costs:

The costs that are eligible for funding are the same as for all other projects in accordance with the LEADER Operating Rules. For example, this would include support for:

- the construction, acquisition or improvement of immovable property;
- the purchase of new machinery and equipment;
- intangible investments such as the development of computer software and the acquisition of patents, licences, copyrights or trademarks; and,
- second-hand equipment as per section 14.4 of the LEADER Operating Rules

See Section 6.4 of the Operating Rules, in particular, for further details as regards eligible and ineligible costs.

5. Funding Limits

LAGs may not approve funding of less than €5,000 for a project (this replaces the amounts in Section 9.1 of the LEADER 2014 – 2020 Operating Rules Consolidated updated Version 2). The maximum amount of funding permitted is €200,000 per project and the funding rates are as set out in Section 9.2 of the LEADER 2014 – 2020 Operating Rules Consolidated updated Version 2.

The administration and animation budget of the LAG may be increased by 25% of the grant amount paid for these LEADER Food Initiative projects

6. How to apply

Applications are managed through the LEADER LAGs. Each LAG can decide whether or not to accept project applications under this initiative, and should animate this funding opportunity in the same manner as for other LEADER projects. The Expression of Interest and project application process within each LAG must be the same as for all LEADER projects.

As for all LEADER 2014 – 2020 funding applications, interested applicants should contact the LAG in the relevant LEADER sub-regional area in the first instance. Link to LAG contact details: <http://drcd.gov.ie/wp-content/uploads/list-of-LAGs.pdf>

7. Selection Process

The project selection process within the LAG for the LEADER Food Initiative is the same as that for mainstream LEADER projects. However, **Appendix 11** of the LEADER 2014 – 2020 Operating Rules is replaced with the **LEADER Food Initiative Evaluation Committee Scoresheet - Appendix 1** (see below). This document must be completed by the Evaluation Committee and signed off by its Chairperson.

Following project selection by the LAG, **Appendix 1**, and **Appendix 2** must also be completed by the LAG outlining details of the project and both must be forwarded to food1420@drcd.gov.ie for consideration by DRCD and DAFM for approval.

Projects that receive a score of 65% or greater from the LAG Evaluation Committee may be eligible for funding.

In addition, the DRCD and DAFM will verify that the project:

- Fits with the LEADER Food Initiative criteria referred to in Section 3;
- Fits the objectives of the LAG Local Development Strategy;

Where project applications exceed the available budget for the LEADER Food Initiative, the Departments may also rank projects based on an assessment of the added value as outlined by the LAG in Section 4 of Appendix 2 of this document, and award funding based on this ranking.

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3. 'Small' businesses are enterprises with turnover up to €10m, employing fewer than 50. (as per Commission Recommendation 2003/361/EC).

Appendix 1

LEADER Food Initiative Evaluation Committee Scoresheet

Projects will be evaluated based on the following score criteria and assessment will be based on a maximum score of 100 and will be divided as outlined below (this replaces Appendix 11 of the LEADER 2014 – 2020 Operating Rules Consolidated updated Version 2):

Score Criteria	Weighting	Min Score
Does the project fit with the Local Development Strategy?	Pass/Fail	Pass
Does the project comply with eligibility criteria as set out in the LEADER Operating Rules?	Pass/Fail	Pass
Deadweight: Does the project actually require LEADER funding to proceed?	Pass/Fail	Pass
Displacement/Competition: Will the project be in direct competition with an existing local business and could it result in displacement of jobs or activities elsewhere?	Pass/Fail	Pass
Registered Food Producer: If the project applicant is a food producer, are they a registered food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004	Pass/Fail	Pass
Innovation and Alignment with the LEADER Food Initiative Areas of funding outlined in Section 3: Has the project applicant demonstrated how the project plans to address emerging challenges through investment in market development/competitiveness and /or innovation?	20	13
Project Impacts: Has the project applicant demonstrated how the project will deliver social, economic and/or environmental added value?	20	13
Sustainability of the project: Does the business/project plan demonstrate that the project is viable and sustainable in to the future?	20	13
Applicant Background, Skills and Experience: Has the project applicant demonstrated that it has the skills and experience necessary to ensure the project is a success?	15	10
Financial Viability: Has the project applicant demonstrated the projects value for money and the projects financial viability from development through to operation?	15	10
Market: What evidence has been provided that the project is filling an identified need, market or demand?	10	6
TOTAL	100	65

Recommendations of the Evaluation Committee:

Signature of Committee Chairperson

Name of Chairperson in Block Capitals

Date:_____

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Appendix 2: LEADER Food Initiative – Request for Departmental Approval

LEADER Project Number

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Working Title of proposed project

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Contact Details for Local Action Group submitting this template

Name of Local Action Group (LAG):	
Name of Chairperson:	
Name of main contact for this form:	
E-mail address:	
Telephone number:	
Postal address:	

Description of the LEADER Food Initiative project

1. Brief description of the project for which funding under the LEADER Food Initiative is being sought. (approx. 500 words).

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Description of the LEADER Food Initiative project	
2. Explain how this project application fits with the LEADER Food Initiative areas of funding outlined in Section 3 of this document.	
3. Explain how the project fits the objectives of the LAGs Local Development Strategy.	
4. Explain how the project delivers social and/or economic and/or environmental added value for the LAG area	

Local Action Group Decision		
Recommended to Proceed (please circle)	YES	NO
Total Project Costs	€	
Rate of Grant Aid	%	
Value of Grant Aid	€	
Comments:		

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Name: (Chair of LAG)
Signature:
Date:

Noted / Ratified by LEADER Unit of the Department of Rural and Community Development
Comments:
Name:
Signature:
Date: