



Llywodraeth Cymru
Welsh Government

PUBLICATION

Support for added value, product quality and use of unwanted catches: contract terms and conditions

Full terms and conditions applicable to this scheme.

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The EMFF Standard Costs Scheme – Added Value Terms and Conditions

Introduction

The Terms and Conditions of Grant for The EMFF Standard Costs Scheme – Added Value are detailed below. Please read the Terms and Conditions before you accept the Contract.

The Welsh Ministers shall make a EMFF Standard Costs Scheme Added Value contract offer subject at all times to the following conditions:

1. The acceptance of the grant contract awarded must be made via the RPW Online blue button within 30 days of the date of the Contract offer letter.
2. The Contract offer is made on the basis of statements made by you or your representatives in the application form and subsequent correspondence.

The EMFF Fund is subject to a range of relevant legislation. Both the Welsh Government and the applicant and the end recipient of support must act in accordance with that legislation.

1. General terms and conditions of grant

1. The maximum period for this project will not usually exceed 120 days from the offer of contract.
2. The award is made on the basis of statements made by you or your representatives in the application form and subsequent correspondence.

The making of false or misleading statements is an offence.

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3. You must not purchase any items applied for before your contract has been issued.
4. You cannot amend the items that you have selected after your contract has been issued.
5. You must purchase all the items included in your contract.
6. You must make one claim for all the items at the same time.
7. Claims must be submitted via the RPW online claim form and supported by all documentary evidence as required by the scheme.
8. You must meet any legal obligations imposed under EU and UK law, including hygiene legislation.
9. No alterations may be made to the project, without the written approval of Welsh Government
10. No equipment purchased with grant aid must be disposed of, transferred or sold without the prior written consent of Welsh Government during for five years from when the investment is made. This includes indirect changes e.g. where a premises or vessel changes ownership or where the location of any funded items changes.
11. It is your responsibility as the original applicant to inform the new owners of the funding obligations attached to the item. The new owners will be required to take on the terms and conditions of the funding for the time remaining up to 5 years from the date the original offer of funding was accepted.
12. If the new owner of the item or items does not accept the terms and conditions of the funding then it is deemed that the item has not fulfilled its obligations to the scheme and therefore recovery proceedings may be started and funding recovered from you as the original applicant.

You must adhere to the requirements set out in the scheme Contract.

13. Supporting invoices and evidence of defrayment must be submitted in support of your claim and via your RPW Online account.
14. The claim must be submitted no later than the date provided in the Contract. If the claim is not made within this period the grant offer may be automatically terminated.

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15. You must comply with the rules on eligible activity as detailed in the Scheme Guidance Note.
16. By accepting the contract, you are confirming that no other public funding (whether from EU or UK sources) has been sought for the same costs.
17. Projects should be completed within the timetable agreed with Welsh Government. You cannot change this without written agreement from Welsh Government.
18. You must confirm that none of the items covered by the application are replacements under an insurance claim.
19. Any publicity given to the project must make reference to the part played by both the European Union and Welsh Government in funding it.
20. Records concerning the activity of the business and the investment, including all original invoices and other related documents must be retained until the end of six years after the last payment of financial assistance made to you in relation to the investment.
21. You must allow representatives of Welsh Government, the Auditor General for Wales, Audit Commission and the European Court of Auditors to inspect the project. On request, you must provide them with information and/or access to original documentation in relation to the investment.
22. The information provided in the application and any supporting documentation is subject to the requirements of the Welsh Government's Code of Practice on Public Access to Information, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.
23. You should be aware that if successful, Welsh Government and the EC reserve the right to publish the name of your business or company, the amount of grant you were awarded and a summary of your project.
24. The information provided in the application and any supporting documentation is subject to the Privacy Notice available at [European Maritime and Fisheries Fund \(EMFF\): privacy notice](#). The Privacy Notice explains the Welsh Government's processing and use of your personal data and your rights under the General Data Protection Regulation (GDPR).

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2. Amendments to this contract

1. No amendment or variation to the terms and conditions of the offer of grant as set out in the contract will be effective unless confirmed in writing by the grantor.
2. The grantor reserves the right to amend the terms and conditions of the offer of grant as set out in the contract by giving written notice to you.

3. Changes to the project

1. Any change to the project must be agreed by the grantor in writing. If you notify us that your Project has changed in any way, we will write to you to tell you how we will treat the changes.
2. Failure to notify the grantor may result in the termination of grant and you may be required to repay part or the whole of any grant paid. No grant will be paid in respect of any changes to the project until those changes have been approved by the grantor.
3. The applicant is required to notify the grantor at the earliest opportunity if the project undergoes a substantial modification within 5 years of the Contract End Date that:
 - affects its nature or implementation conditions or gives undue advantage to a firm or public body
 - results either from a change in the nature of ownership of an item of infrastructure or the cessation or relocation of a productive activity

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4. Payment of grant

1. The grant will be paid in accordance with the terms and conditions
2. You must purchase and claim for **all** the items on your contract via your RPW online account **120 calendar** days of the date of the contract offer.
3. Claims will only be paid when the Welsh Government is satisfied the relevant expenditure has taken place. Payment will be made by electronic transfer to your bank account
4. Without prejudice to any other provision in these Terms and Conditions or Contract, the grantor may withhold any or all of the grant payments and/or require all or part of the grant to be repaid if it considers that you have not complied with:
 - any of the terms and conditions
 - any European Community obligation which applies to you or the Project
 - you have failed to take sufficient measures to investigate and resolve any reported irregularity.
5. Any over-payment of the grant must be repaid to the grantor on demand by us, or if you become aware that the grant has been over-paid, whichever first occurs.
6. The grantor will make every effort to pay claims promptly but accepts no liability in respect of loss attributable to delay in the payment of claims or to any suspension, reduction or cancellation of the grant.

5. Accounting and retention of records

1. The applicant is required to comply with Article 125 (4) (b) of EC Regulation 1303/2013 which requires the applicant to maintain either a separate accounting system or an adequate accounting code for all transactions relating to the operation.
2. The application must ensure that all supporting documentation relating to

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activities and expenditure supported by the grant, is available to us, the European Commission and the European Court of Auditors. The applicant must ensure that all supporting documentation is maintained in an acceptable format, including with regard to electronic documents within the meaning of EU rules. Documents include records of outputs and results

3. The applicant must also comply with regulation 10 of the 2016 Regulations which set out domestic requirements on retention of documents. Original documents relating to the implementation of the Project and its financing should be retained for audit purposes until the end of six years after the last payment of financial assistance made to the beneficiary pursuant to the 2016 Regulations relating to an approved project.

6. Audit

1. If so requested by the grantor, applicants must submit copies of annual audited accounts within 6 months of the end of their financial year. The notes to the accounts shall specifically itemise grant receipts.
2. Failure to submit a claim form, on time will result in non-payment of grant.

7. Project monitoring

1. Progress of the project will be monitored against the targets in the Contract. You will be required to report progress against these targets. However you must comply with the deadlines that we set for any requests for information in whatever form concerning the progress of the Project.

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8. Inspection rights and documentation

1. In the continuous assessment of a project, it may be deemed necessary to make an inspection visit to the project site to verify the status of the project against information provided, or examine records in relation to the same, or to ascertain whether and what sum of financial assistance is payable or recoverable.
2. Without prejudice in this contract, the grantor, Welsh Government, the Auditor General for Wales, Audit Commission, National Audit Office, the European Commission and the European Court of Auditors or their representatives have the following rights:
 - to inspect the project and to require such further information in relation to the project as they think fit
 - to be provided with original documentation relating to the project to include if requested, original accounts
3. You must keep full records in a form agreed with the grantor so as to provide an adequate audit trail. Original documents relating to the implementation of this project and its financing must be retained for at least six years after the final payment date to you in relation to this project.
4. You must allow officials from Welsh Government and the European Commission, or their representatives, to inspect the purchased items at any reasonable time within this five year period

9. Withholding and/or repayment of grant

1. Grant shall be withheld by the grantor and/or, insofar as payment has been made, the applicant shall repay grant on demand either in whole or in part, where:
 - a domestic check by the grantor, Welsh Government, the Auditor General for Wales, the National Audit Office, Audit Commission

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appointed auditors, the European Commission or the Court of Auditors, identifies circumstances whereby a full or partial de-commitment of grant is due or, if the Commission otherwise requires the grant to be withheld, reduced, cancelled or recovered

- the grantor and/or Welsh Government considers that the assistance is in breach of European Community State Aid rules or if the European Community Authorities consider that any grant paid should not have been paid; or if a decision of the European Court of Justice requires payment to be withheld, reduced, cancelled or recovered
- there has been an overpayment of grant
- grant is not used for the purposes of the Project
- a factor on which the original grant was calculated has changed
- the grantor has reasonable grounds to believe that the future of the Project is in jeopardy
- information provided in the application for grant or in subsequent or supporting correspondence is found to be incorrect, misleading or incomplete
- there is unsatisfactory progress towards completing the Project

10. Incorrect claims and penalties

The applicant is responsible for submitting correct claims; that it is only for defrayed expenditure (the money has gone from your bank account); that all the items and costs are eligible and that the claim is on time.

11. Termination

1. the Grantor reserves the right to terminate this agreement at any time upon giving fourteen (14) working days written notice to the applicant. Where

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- notice is given, termination shall take effect at the end of the period of notice.
2. Where any payment of financial assistance has been made, an amount equal to the whole or any part of such payment may be recovered on demand, where:
 - access to the project site or any records has been denied to personnel authorised by the grantor or persons referred to at 8.2
 - any information provided by the applicant and/or his representative is found to be false or misleading in a material respect
 - the applicant and/or his representative has intentionally or by negligence committed a substantial irregularity in performing the agreement and by fraud, corruption or any other illegal activity or omission on the part of the applicant, has resulted in the Welsh Government and/or European Union suffering a financial loss
 - the applicant and/or his representative has failed, within the period specified by the grantor to supply any information requested by the grantor
 - there has been a substantial change in the nature, scale, costs or timing of the project
 - the grantor has reasonable grounds to believe that project has not been or is not being properly carried out with a view to fulfilling the aims of the project as stated in the application form
 - the project has been or is being unreasonably delayed or is unlikely to be completed by the date of completion specified in the Contract
 3. a domestic check by the grantor, the Auditor General for Wales, the National Audit Office, Audit Commission appointed auditors, the European Commission or the Court of Auditors, identifies circumstances whereby a full or partial de-commitment of grant is due or, if the Commission otherwise requires the EMFF assistance to be withheld, reduced, cancelled or recovered.
 4. the grantor considers that the assistance is in breach of European Community State Aid rules or if the European Community Authorities consider that any grant paid should not have been paid; or if a decision of

the European Court of Justice requires payment to be withheld, reduced, cancelled or recovered.

5. during its economic life, the Project undergoes substantial change defined as being used for purposes other than those specified in the application or having a change of owner. The economic life is the period up to the last payment of grant or achievement of the last of the targets or 5 years from the end date of the project whichever is the later
6. within the period beginning on the date of this contract and during the economic lifetime of the Project any of the following events occur, of which the grantor must be informed as soon as possible
7. the applicant ceases to be a subsidiary of any company of which it is a subsidiary at the date of this contract or the applicant becomes a subsidiary of any company of which it is not a subsidiary at the date of this contract. The word "subsidiary" shall be interpreted in accordance with the definition in Section 736 of the Companies Act 1985 as substituted by Section 1159 of the Companies Act 2006
8. the applicant is the subject of a proposal for voluntary arrangement or has a petition for an Administration Order or a petition for a Winding-up Order brought against it or passes a resolution to wind-up or makes any composition, arrangement, conveyance or assignment for the benefit of its creditors or purports to do so, or if a receiver or any other person is appointed in respect of its undertaking or any of its property
9. On termination of the agreement, the applicant shall:
 - repay within 28 working days the whole or part of any grant paid which has not, at the date of termination been spent for approved purposes and
 - comply with the provisions of any demand for repayment served by the grantor

12. Interest

Where it is decided that a recovery is to be made, interest will apply.

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13. Research and evaluation

1. In order to gauge its effectiveness all European funds assistance must be the subject of research and evaluation. Welsh Government, or independent contractors acting on behalf of Welsh Government, may ask you to co-operate with them in carrying out such research. You are expected to comply with all such reasonable requests. In particular, you must, upon request, supply the grantor, Welsh Government, (or the contractor conducting the study), with basic details about the project.
2. All information provided will be treated in the strictest confidence; the findings of research and evaluation studies will not identify individual projects or beneficiaries and individual projects will not be compared.

14. Inventory of assets

The applicant must establish and maintain an inventory of all fixed assets acquired, built, or improved wholly or partly using the grant. An asset is defined as an item that will not be used up within 12 months and which is not intended to be sold before the end of its useful life. Assets below £10,000 can be excluded.

The inventory should show the:

- date of purchase
- description of asset
- price paid net recoverable VAT
- amount of grant paid
- location of the title deeds
- serial or identification numbers
- location of the asset
- date of disposal

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- sale of proceeds net of VAT

No equipment and/or asset acquired with grant aid must be disposed of, transferred or dissipated within 5 years of the Contract End Date without the prior written consent of the grantor.

Special Conditions

The applicant is required to comply with any special conditions listed in the contract otherwise no special conditions apply.

15. EU requirements

The following is a summary of the EU regulations, rules and directives that apply to this grant. They may be amended from time to time. The applicant should take his/her own legal advice in connection with them.

European Maritime and Fisheries Fund Regulations

Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund

Regulation (EU) No 1379/2013 of the European Parliament and of the Council on the common organisation of the markets in fishery and aquaculture products

Regulation (EU) No 1380/2013 of the European Parliament and of the Council on the Common Fisheries Policy

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Regulation (EU) No 508/2014 of the European Parliament and of the Council on the European Maritime and Fisheries Fund

Commission Implementing Regulation (EU) No 772/2014 laying down the rules on intensity of public aid to be applied to the total eligible expenditure of certain operations financed under the European Maritime and Fisheries Fund

Commission Delegated Regulation (EU) 2015/288 of the European Parliament and of the Council on the European Maritime and Fisheries Fund with regard to the period of time and the dates for the inadmissibility of applications (Amended by Commission Delegated Regulation (EU) 2015/2252)

Commission Delegated Regulation (EU) 2015/531 of the European Parliament and of the Council identifying the costs eligible for support from the **European Maritime and Fisheries Fund** in order to improve hygiene, health, safety and working conditions of fishermen, protect and restore marine biodiversity and ecosystems, mitigate climate change and increase the energy efficiency of fishing vessels

Commission Delegated Regulation (EU) No 2015/852 of the European Parliament and of the Council as regards the cases of non-compliance and the cases of serious non-compliance with the rules of the Common Fisheries Policy that may lead to an interruption of a payment deadline or suspension of payments under the European Maritime and Fisheries Fund

Commission Delegated Regulation (EU) No 2015/1930 of the European Parliament and of the Council on the European Maritime and Fisheries Fund as regards the criteria for establishing the level of financial corrections and for applying flat rate financial corrections, and amending Commission Regulation (EC) No 665/2008

Commission Implementing Regulation (EU) No 1243/2014 of the European Parliament and of the Council on the European Maritime and Fisheries Fund

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with regard to the information to be sent by Member States, as well as on data needs and synergies between potential data sources

2014/464/EU: Commission Implementing Decision of 15 July 2014 identifying the priorities of the Union for enforcement and control policy in the framework of the European Maritime and Fisheries Fund

Commission Regulation (EU) No 717/2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the fishery and aquaculture sector

Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises

16. European Community State Aid Rules

Principles

- The European Commission has considerable powers to monitor, control and restrict the forms and levels of aid given by all Member States to their industries. The principles underlying State Aid are set out in Articles 107, 108 and 109 of the Treaty of the Functioning of the European Union (TFEU). Detailed guidance on State Aid rules can be found in “European Community State Aids: Guidance for all Departments and Agencies” published by DTI in March 2001 and the various frameworks and guidelines issued by the Commission on the application of the rules. All State Aid (other than those covered by de minimis provisions or a block exemption – see below) must be notified to and approved by the Commission in advance of implementation, otherwise it is illegal.
- Applicants are required to abide by any State Aid limits which are

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applicable. No grant will be paid in respect of the project until the grantor has been informed of the Commission's approval of the project under the notification of the state aids procedure pursuant to Article 108(3) of the TFEU, or the grantor has formed the view that such notification is not required. Recipients of illegal aid will risk being required to repay aid together with interest in the event the project is found to have infringed the State Aid rules, and also risk actions for damages from third parties. If you are in any doubt contact the Welsh Government.

Notification

- Where a Project will use public expenditure (including EMFF funds) either directly or indirectly to provide subsidised benefits to the private sector, e.g. grants to firms for investment, training and a reduced cost business consultancy, the assistance provided to the project will normally need to conform to the State Aid rules
- This grant is awarded in accordance with the State Aid cover as set out in the relevant Scheme Guidance note.

17. Publicity requirements

Press Releases and publicity about project activity

1. In accordance with Article 115 and Annex XII of Council Regulation 1303/2013 the applicant must when entering into publicity in relation to this project, acknowledge the support being made by the European Union through Welsh Ministers. Such publicity should refer to the Welsh Government.
2. Publicity, for these purposes, shall include; formal and informal

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announcements; brochures, pamphlets, leaflets and all other printed material; job recruitment advertisements; press and journal articles and press releases, media interviews (television and radio) and official launches and openings.

3. If you decide to accept this offer, as contained in this contract, you may be contacted by the Welsh Government Communications Team to discuss this publicity requirement. If you decide to enter into publicity before a member of the communication team has a chance to contact you, please contact Ruralnetwork@gov.wales in the first instance, to discuss your proposals.
4. Additionally, you must publicise the fact that the European Union, through Welsh Ministers, is part-funding your project. This publicity should ensure that beneficiaries are fully aware that the project in which they are participating has been partly financed by the European Union and that you raise awareness of the European Union funding amongst potential beneficiaries and the general public.
5. As a minimum this must include the Welsh Government logo; the European Union logo and the following wording:
 - Cronfeydd Strwythurol a Buddsoddi Ewropeaidd
 - European Structural and Investment Funds

18. Publication of information about grant awards

In accordance with Council Regulation (EC) No 1303/2013 and Council Regulation (EC) No 508/2014, the Welsh Government is obliged to publish, at least every six months, details about the beneficiaries receiving EMFF payments. The details published will be:

- the first name and surname of the beneficiary or the name of the company, partnership or organisation which is the beneficiary
- the Community fleet register (CFR) identification number (where the project is linked to a fishing vessel)

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- the project name and a summary of the project
- the project start date and end date
- the total eligible expenditure and the contribution from the EMFF
- the Post Code for the project and the country where the project is located
- the name of the Union Priority
- the date of the last update of the list of projects

This information will be published on [European Maritime and Fisheries Fund: transparency report](#).

All requests to the Welsh Government for the disclosure of information (including that related to this grant application or award) will be considered in accordance with the Welsh Government's Code of Practice on Access to Information ('the Code') and the Welsh Government's statutory obligations under the Freedom of Information Act 2000 (FOIA), Environmental Information Regulations 2004 (EIR) and General Data Protection Regulation 2018 (GDPR). The Code reflects the Welsh Government's approach to open government and provides guidance on how the Welsh Government will respond to requests for information from members of the public whether they fall under the FOIA, EIR or GDPR.

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For more information refer to our [accessibility statement](#).

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