



Cronfa Amaethyddol Ewrop ar  
gyfer Datblygu Gwledig  
Ewrop yn Buddsoddi mewn Ardaloedd Gwledig  
European Agricultural Fund for  
Rural Development  
Europe Investing in Rural Areas



Llywodraeth Cymru  
Welsh Government



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# Welsh Government Rural Communities – Rural Development Programme 2014-2020

## Co-operation and Supply Chain Development Scheme

### Measure 16.1 European Innovation Partnership (EIP) Guidance Notes

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**INTRODUCTION**

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1. These Guidance Notes explain the **European Innovation Partnership (EIP)** and the kind of projects that may qualify for grant aid. Please read them carefully. If you then consider your project plans may qualify and you want to apply for support under this scheme, please see 'How to Apply' section below.
2. **EIP** is part of the **Co-operation and Supply Chain Development Scheme (CSCDS)** delivering under Measure 16 (Article 35 of Regulation (EU) 1305/2013). The CSCDS is an important element of the Welsh Government Rural Communities - Rural Development Programme 2014-2020. The EIP delivers under sub Measure 16.1 of the Welsh Government Rural Communities - Rural Development Programme 2014-2020. Support available under the other CSCDS sub-measures is set out in the separate CSCDS Guidance Notes.
3. The European Innovation Partnership on Agricultural Sustainability and Productivity (EIP-AGRI) was launched by the European Union in 2012 to contribute to the Union's 'Europe 2020' strategy for smart, sustainable and inclusive growth. This strategy sets the strengthening of research and innovation as one of its five main objectives and supports a new interactive approach to innovation: EIP.
4. EIP aims to contribute to the steady supply of food, feed, biomaterials and to the sustainable management of the essential natural resources; on which farming and forestry depend, working in harmony with the environment. To achieve this aim, EIP brings together innovation actors (farmers, advisors, researchers, businesses, non-governmental organisation (NGOs), etc.) and helps to build bridges between research and practice through Operational Groups (OG's).
5. Group activities projects will be considered and appraised in line with the aims of the EIP listed in Article 55 of Regulation (EU) No 1305/2013, fostering a competitive and sustainable agriculture and forestry sector.
6. Innovation is often described as a new idea that proves successful in practice. Innovation may be technological, but also non-technological, organisational or social. Innovation may be based on new but also on traditional practices in a new geographical or environmental context. The new idea can be a new product, practice, service, production process or a new way of organising things, etc. A new idea turns into an innovation only if it is widely adopted and proves its usefulness in practice.
7. The main focus of approved projects will be in areas including:
  - technical solutions to increasing productivity or resource efficiency
  - ecosystem services
  - soil functionality
  - water management
  - integrated supply chain solutions
  - benchmarking and managerial innovation for producers
  - development of new food quality and livestock health care schemes.

Other innovative proposals which clearly support EU priorities will also be considered.

8. The projects must be innovative to the group of farmers / foresters who are keen to investigate it. It may not be an idea new to science, but it will not be widely used by the industry or by that sector in that region. The project will seek to investigate how it can benefit the industry and priorities for EIP, and how its uptake can become more mainstream.
9. In Wales, EIP is embedded within the overarching Farming Connect Framework. Support is available to develop project proposals through the Knowledge Exchange Hub, and the use of Innovation Brokers. Projects supported through EIP will be communicated to the industry through various Farming Connect initiatives. More information about Farming Connect can be found at [www.gov.wales/farmingconnect](http://www.gov.wales/farmingconnect).
10. Both the Industry developed and EIP established groups will be required to integrate effectively with the strategic knowledge transfer element to ensure the delivery of a single comprehensive Farming Connect programme under the RDP 2014-2020.
11. Proposals are encouraged to highlight links to other EIP or related projects undertaken within the EU, evaluation reports from recent similar activities, comparison appraisals and/or other reports such as academic studies which would present a fuller picture of why the project was needed, what it was intended to achieve and how it was going to be delivered.

## **STRATEGIC AND THEMATIC OBJECTIVES**

12. Projects funded through EIP must address at least one of the following Welsh Government Rural Communities – Rural Development Programme 2014-2020 Focus areas
  - Priority 1.** Fostering knowledge transfer and innovation in agriculture, forestry and rural areas
    - 1(a) Fostering innovation, cooperation and the development of the knowledge base in rural areas
    - 1(b) Strengthening the links between agriculture, food production and forestry and research and innovation, including for the purpose of improved environmental management and performance
  - A proportion of that allocated against focus areas 4a, 4b & 4c over the programme period will be specifically allocated forestry projects.
  - Priority 2.** Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests
    - 2(a) Improving the economic performance of all farms and facilitating farm restructuring and modernisation, notably with a view to increasing market participation and orientation, as well as agricultural diversification

**Priority 3.** Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

3(a) Improving competitiveness of primary producers by better integrating them into the agri-food chain through quality schemes, adding value to agricultural products, promotion in local markets and short supply circuits, producer groups and organisations and inter-branch organisations

**Priority 4.** Restoring, preserving and enhancing ecosystems related to agriculture and forestry

4(a) Restoring and preserving and enhancing biodiversity, including in Natura 2000 areas, and in areas facing natural or other specific constraints, and high nature value farming, as well as the state of European landscapes

4(b) Improving water management, including fertiliser and pesticide management

4(c) preventing soil erosion and improving soil management

**Priority 5.** Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

5(c) Facilitating the supply and use of renewable sources of energy, of by-products, wastes, residues and other non-food raw material for purposes of the bio-economy

5(d) Reducing green house gas and ammonia emissions from agriculture

5(e) Fostering carbon conservation and sequestration in agriculture and forestry

## **CONTACT DETAILS**

13. For all enquiries please contact the Farming Connect Knowledge Exchange Hub using the dedicated Enquiry Form:

<https://businesswales.gov.wales/farmingconnect/european-innovation-partnership-wales-enquiry-form>

## **WHO CAN APPLY**

14. This scheme is open to applications from a wide range of businesses and individuals involved in agriculture and / or forestry, such as:
- farmers
  - foresters
  - researchers involved in agriculture or food
  - agriculture / forestry advisers
  - agricultural, agri-food and forestry businesses involved in the supply chain
  - non-governmental organisations.
15. All OG's must consist of two actors, with one actor consisting of a minimum of two active farmers / foresters, who are based in Wales, and who are registered for the new Farming Connect programme. Each farmer / forester must come from a separate business.

16. Any other farmer / forester member must also be based in Wales, and registered for the new Farming Connect programme.
17. A lead individual (or recognised legal entity) will need to be identified for the group, and they will be responsible for submitting the application, and all communication and payments thereafter.
18. Claims must reflect expenditure defrayed ('paid') for the relevant claim period. 'Paid' means when a cashed cheque or a payment transaction has been cleared from the approved applicants' bank account.
19. Applicants cannot be undertakings in difficulty as defined in the guidelines on State Aid for rescuing and restructuring (2014/C 249/01)

### **ELIGIBLE ACTIVITIES**

20. Specialist's time (e.g. consultants or scientists) for setting up projects, taking measurements, collating data and writing reports.
21. Hire of essential specialist equipment to assist with running the project.
22. **Co-ordination of projects** - only eligible if OG's **do not** wish to commission an Innovation Broker to facilitate the running and coordination of the project.
23. **Communication and dissemination** of project approaches, lessons and outcomes; dissemination of information amongst communities and other interested parties; ongoing communication within and between collaborative partners and the final dissemination of the project outcomes of the collaboration.
24. **Technical advice** - a good idea for co-ordinated action can need technical assessments of the area involved, or understanding of the new market being targeted. It is important to ensure that the right activity is located in the right place to have the best results.
25. **Reporting on Project milestones** – activities to demonstrate the outcomes of the collaborative actions, by monitoring the impacts, ensuring a baseline assessment is in place before action is taken and measuring the subsequent changes. Activities related to the development of key lessons and recorded experiences of the participants that have been engaged in the collaboration to help to shape future programmes and projects.

### **INELIGIBLE ACTIVITIES**

26. There are a number of activities and investments that are not eligible for aid under this measure:
  - payments to landowners, farmers or foresters for capital works carried out on their own land
  - payments to landowners, farmers or foresters for ongoing land management activities

- investment in the primary production of agricultural or timber products. Such as actions that would be eligible for funding under the Sustainable Production Grant Scheme (SPG) or the Timber Business Investment Scheme (TBIS)
- primary research, where applicable, OGs should be looking to further apply the outcomes of primary research
- projects which breach National or EU legislative requirements (e.g. EIA Agriculture Regulations Wales)
- funding existing innovation projects
- standard industry obligation such as cross compliance and statutory management requirements
- any projects or items which any member of group already has or intends to receive EU or national funding
- projects which are required by law or to meet a legal requirement.

### **ELIGIBLE COSTS**

27. Contractor costs for labour and use of equipment.
28. Operating and running costs. Hire of meeting rooms for regular project meetings. Stationary costs and telephone or internet costs.
29. Direct costs to carry out any specific physical trials necessary as part of the project. This can include hire of specialist equipment / facilities and funding for non-standard operations.
30. Consumables for undertaking trial or project activity (e.g. specialist seed, semen, embryos, sampling pots, stationery where justified and reasonable).
31. Reasonable analysis and sampling costs (e.g. forage, soil, blood and tissues)
32. Reasonable travel and subsistence to enable specialists to visit project sites. This can include overnight stays where needed and justified. Expenses will be paid at current Welsh Government rates. These items need to be clearly costed and justified within the project plan supporting the application form.
33. Some limited promotional costs where justified. These are costs incurred in publicising the outputs of the project and can include hire of venues, design of promotional materials and setting up websites. It is however expected that the majority or all of promotional activities will be supported through Farming Connect and more broadly through the EIP AGRI Network.

### **INELIGIBLE COSTS**

34. The following items are examples of expenditure which are not eligible for grant aid. This is not a definitive list and all items of expenditure will be considered on a case by case basis:
  - the purchase of land
  - the purchase of buildings

- the purchase of cars, vans, motorcycles, bicycles and any other form of personal transport (for whatever purpose)
- the purchase of vehicles for external transportation (such as lorries, buses, vans, minibuses or any other kind of vehicle used to transport goods or people)
- payments to land managers for undertaking activities on their land
- recurring management payments to land managers for ongoing land management
- any physical site work or other expenditure incurred before the project start date without prior written approval from the grantor
- temporary works not **directly** related to the execution of the project
- maintenance costs for existing buildings, plant or equipment
- like for like replacement
- costs connected with a leasing contract such as the lessor's margin, interest financing costs, overheads and insurance charges
- costs of arranging loans, VAT and other taxes recoverable by the beneficiary, administrative and staff costs or compensation paid to third parties for expropriation, etc
- overheads allocated or apportioned at rates materially in excess of rates for similar costs incurred by other comparable delivery mechanisms
- notional expenditure
- payments for activity of a political nature
- depreciation, amortisation and impairment of assets purchased with the help of a European grant
- provisions
- contingent liabilities
- contingencies
- dividends to shareholders
- interest charges (unless under an approved State Aid scheme)
- service charges arising on finance leases, hire purchase and credit arrangements
- costs resulting from the deferral of payments to creditors
- costs involved in winding up a commercial company
- payments for unfunded pensions
- compensation for loss of office
- bad debts arising from loans to employees, proprietors, partners, directors, guarantors, shareholders or a person connected with any of these
- payments for gifts and donations
- personal entertainments (including alcohol)
- statutory fines and penalties
- statutory taxes (excluding irrecoverable VAT)
- criminal fines and damages
- legal expenses in respect of litigation
- reclaimable VAT
- capital items (e.g. weighing scales, measuring equipment, analytical equipment). Where possible items needed for the project will need to be hired



- travel costs for members to attend project meetings
- standard agricultural equipment and inputs such as animals and crops
- standard agricultural operation costs
- agricultural production rights and payment entitlements
- the cost of securing compulsory consents such as planning
- costs relating to standard industry obligation such as cross compliance and statutory management requirements
- projects which are required by law or to meet a legal requirement
- the own labour of Operational Group actors. The costs of Innovation Brokerage accessed through Farming Connect will be funded at 100% intervention rate
- costs of relocating an existing business.

### **MAXIMUM GRANT RATE AND MAXIMUM GRANT THRESHOLD**

35. The grant amount is made up from the total public sector contribution to the funding of the project which includes; monies from the EU; co-finance to the EU funds from Welsh Government; monies from other government departments and agencies, non-departmental public bodies and local authorities; monies from governmental controlled bodies such as the Small Business Service and the National Lottery; and monies from parafiscal taxes (levies).

If other EU or UK public funds are obtained to support the costs of a project they will be discounted against the grant awarded.

36. The maximum grant threshold per enterprise for any individual project is £40,000.
37. The maximum grant rate is 100%.

### **STATE AID**

38. Grants provided under this scheme shall be compatible with the fully notified State Aid scheme SA[xxxxxx] – number to be updated following confirmation from the Commission.

### **SELECTING SUCCESSFUL PROJECTS**

39. Selection of projects will be done following one stage. Groups will be able to submit a full application, and to be selected, the application will be required to demonstrate the following:

#### Need for activity

- the outputs are required and will deliver against the EC strategic priorities and the Welsh Government priorities
- it adds to and does not displace / unnecessarily duplicate existing activity
- is not already funded by another source. (Dual funding).

#### Need for funding

- it cannot proceed now without support
- the costs are not excessive for the nature of the activity involved

- there is a market failure or funding gap, where applicable.

#### Ability to deliver

- viability of the business
- legal compliance
- financial viability of project and sustainability, including exit strategy
- support and commitment of all collaborators
- project management, monitoring and evaluation arrangements.

40. The greater the importance and contribution that the project can make to the appropriate policy priorities and strategic focus areas the more likely it is to be recommended for support.
41. Projects are more likely to be recommended for support where projects are able to show match funding or 'in kind' support or commitment from participants.
42. Projects which demonstrate that their potential innovation solution can be applied across more than one agricultural sector / enterprise, have a higher probability of being referred for full application than an application which is applicable to one sector.
43. Groups with members from more than one agricultural sector / enterprise will also have a higher probability of being referred for full application.

#### **KEY REQUIREMENTS**

44. The maximum period for support for a project is up to three years.
45. That the project would not proceed without grant assistance.
46. That the amount of grant being asked for is the minimum gap funding necessary for the project to go ahead.
47. Depending on the length of the project provision will need to be made for regular reporting of progress. For example, a project with a duration of one year would be expected to provide quarterly updates and a full report against a set template on completion.
  - outline planning permission has been obtained, where required
  - all consents, licences and permissions have been granted, where required
  - for existing organisations or associations the economic viability of the project and the organisation, through the provision of accounts for three consecutive years immediately preceding the date of the second stage full application and financial forecasts for the period of the project.  
New organisations or associations will be required to supply full details about the background and experiences of the directors along with other evidence necessary to validate the project proposals
  - compliance with UK and EU Law on equal opportunities and projects should promote and encourage equal opportunities and combat social exclusion
  - key staff must be recruited through fair and open competition

- compliance with minimum standards and legislative requirements regarding the environment, hygiene, animal welfare and health and safety standards; where appropriate and / or necessary
- availability of the necessary technical skills and competences within the business or organisation
- the capability to capture activity data in the required format, particularly land management activity on a GIS system and be able to protect and share this data with Welsh Government and other bodies with compliance to data protection legislation.
- Any EIP projects which will be carried out on uncultivated or semi-natural land are required to receive an Environmental Impact Assessment (EIA) screening decision from the Welsh Government, prior to submitting the EIP application. For more information or to discuss if the works proposed requires screening or not, please contact the EIA team through the RPW Customer Contact Centre (0300 062 5004) or via e-mail (EIA.Unit@wales.gsi.gov.uk). More information can also be found on the [Welsh Government](#) website. If applicable, the screening decision letter will need to be provided to support your EIP application.

## **CROSS CUTTING THEMES**

48. The Regulations governing the European Programmes stipulate that all projects funded through the Common Strategic Framework must integrate the Cross Cutting Themes (CCT's) of Equal Opportunities and Gender Mainstreaming and Sustainable Development. These mandatory CCT's need to be integrated into the design and development of the European Structural and Investment Funds (ESIF) and the activity supported through the funds. This includes the Welsh Government Rural Communities – Rural Development Programme 2014-2020.
49. In addition to the two CCT's mandated by the European Commission, Tackling Poverty and Social Exclusion will also be a mandatory CCT for the Welsh Government Programmes.
50. The Cross Cutting Themes are intended to add value, raise awareness and understanding while ensuring maximum participation and mitigating adverse impacts. This should help operations move beyond compliance and develop systems which support best practice.
51. Further guidance is available at:  
<http://wefo.gov.wales/publications/guidanceandpublications14-20/crosscutting1/?lang=en>

## **HOW TO APPLY**

52. It is a European Commission requirement that projects in the Welsh Government Rural Communities – Rural Development Programme 2014-2020 are not selected on a first past the post system. To meet this requirement it is intended that the Welsh Government Rural Communities – Rural Development Programme 2014-2020

schemes will open and close for applications periodically through the life of the new programme, dependent upon available programme financial allocations.

53. The Application process for Welsh Government Rural Communities – Rural Development Programme 2014-2020 socio-economic schemes will be in two stages. The first stage will be a project outline form submitted to the Knowledge Exchange Hub. Applicants that are successful will be invited to the second stage which is to submit a full application.
54. It is expected that there will be significant demand for the grant available. Proposals will be assessed against criteria set out in the selection criteria and guidance documentation.
55. Details of the consecutive application windows will be published on the Welsh Government website. This will give the opening and closing dates and the indicative budget available for each window.
56. Applications will be assessed according to the published selection criteria. There is no guarantee that all of the funds will be allocated or that the maximum number of projects will be invited.
57. Full details of how to apply are available from the Knowledge Exchange Hub:  
<https://businesswales.gov.wales/farmingconnect/knowledge-exchange-hub>
58. Once a project proposal has been selected, the applicant will be invited to prepare and submit a full scheme application for their proposed project, along with supporting documentation such as project plan, previous accounts (where appropriate); financial projections and cash flows and other information as may be necessary.
59. Full applications must be submitted through the WEFO Online portal. Guidance will be provided to all applicants.
60. The full application will be appraised in accordance with the Scheme Guidance and eligibility rules. They will be subject to full due diligence appraisal and eligibility checks and only at that point will a final decision be taken to offer a grant. Referral from the KE Hub does not guarantee that a project proposal will be approved for a grant. We aim to complete the appraisal of full applications within 90 working days of receipt of the full application. Appraisal of complex projects, or applications with eligibility issues may take longer. If you delay in replying to requests for further information this will extend the time.
61. **You must not start any work until you have received written confirmation from the Welsh Government. Any projects which breach this rule will not be considered for a grant.**
62. 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: **all information given to the Welsh Government will be treated in strict confidence. You should be aware that if successful, the Welsh Government and the EC reserve the right to publish the name of your**

**company, the amount of grant you were awarded and a summary of your project.**

63. You may use a consultant / innovation broker to prepare your application if you wish **but the application form must be signed by you and not by the consultant. It is your responsibility to ensure that the application is correctly completed and that the information provided in support of your project is accurate.**
64. When you submit the application form, the Welsh Government will acknowledge its receipt. If a project is ineligible, you will be told this as soon as possible. If an application is eligible, it will be subject to a detailed technical and financial appraisal. When the appraisal is complete, support for the application will then be evaluated against the extent to which it meets EC and Welsh Government priorities, as described above.

There are three possible outcomes:

- (a) Your project is not eligible for the grant. Applicants will be told as soon as possible.
- (b) Your project is eligible for consideration but is not approved for an award. Applicants will be informed of the reasons why the application was not successful. Applicants may apply again with the same project (amending the application if required) **but only if they have not started work.**
- (c) Your project is eligible and is approved for an award. An approval letter will be issued to the applicant setting out the terms and conditions of the award which will require signing as an agreement and acceptance of the terms and conditions therein. The letter will also provide the authority to start work.

## **CONDITIONS OF GRANT**

65. The EIP is subject to a range of relevant legislation (see separate guidance on legislation). Both the Welsh Government and the applicant / recipient must act in accordance with that legislation.
66. The offer of an EIP grant is made subject to terms and conditions, including those set out below. **Failure to meet the terms and conditions of the award could result in the cancellation of an award and / or the recovery of sums already paid, or a reduction of the amount of grant payable.**

### **Conditions:**

1. Acceptance of the grant awarded must be made within fourteen (14) working days of the date on the approval letter.
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.**

3. You must not begin any work on the project without first obtaining written authority to do so from Welsh Government.
4. You must meet any legal obligations imposed under EU and UK law, including hygiene legislation.
5. No alterations may be made to the project, including the location of the activity, without the written approval of Welsh Government.
6. No equipment and / or buildings purchased with grant aid must be disposed of, transferred or sold without the prior written consent of Welsh Government during the project delivery and for five years from the project end date.
7. The applicant is required to comply with the rules on eligible expenditure as detailed in the relevant Scheme Guidance Notes.
8. Claims must be submitted in the correct format and accompanied by all necessary documentation. If not, they will not be accepted and will be returned to the claimant.
9. Claims must be submitted in accordance with the agreed timetable. You cannot change the agreed timing and value of your claims without written agreement from Welsh Government.
10. The first claim must be submitted within six months of the project start date. If the first claim is not made within this period the grant offer will be automatically terminated.
11. Projects should be completed within the timetable agreed with Welsh Government. You cannot change this without written agreement from Welsh Government.
12. You must confirm that none of the items covered by the application are replacements under an insurance claim.
13. You must provide confirmation that no other public funding (whether from EU or UK sources) has been sought.
14. Any publicity given to the project must make reference to the part played by both the European Union and Welsh Government in funding it.
15. Records concerning the activity of the business and the delivery of the project, including all original invoices and other related documents such as competitive tenders or quotes, must be retained for at least seven years after the project end date as stated in the grant approval letter.
16. 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 project.

17. 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.
18. The information provided in the expression of interest application and full applications is subject to the [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).

## **PAYMENT OF GRANT**

### **Claims**

67. You may make interim claims during the period of the project. Guidance notes on how to claim will be issued when the award is confirmed and subsequently the claim is invited. Claims will only be paid when the Welsh Government is satisfied the relevant expenditure has taken place and that the work has been completed according to plan. Payment will be made by electronic transfer to your bank account.
68. Final claims for payment of grant should be submitted as soon as possible after the physical work on the project has been completed. All final claims must be received no later than 30 June 2023 in order for Welsh Government to be able to meet the payment. Failure to submit claims may result in the grant paid to date being recovered.
69. During the lifetime of the grant, when claims are submitted, they may be scrutinised to ensure expenditure is eligible and in line with that approved in the original application. On completion of the physical works, the project site will be visited and a detailed assessment of the project undertaken. The information that will be required at the visit includes; original invoices, serial / plant numbers, Building Regulations completion certificate (where appropriate), Health & Safety system including risk analysis, Fire Risk Assessment documents in accordance with the Regulatory Reform (Fire Safety) Order 2005, Pest control records and any other statutory control records that are required to be maintained by the enterprise. The release of grant will be conditional upon adequate progress having been made.

### **Incorrect claims and penalties**

70. You have a responsibility to make sure that each claim submitted is arithmetically correct; that all actual costs are evidenced as defrayed expenditure (the payment has gone from the bank account); that all the items and costs are eligible and that the claim is on time.
71. If the claim is incorrect then the claim will be reduced to the amount that is eligible and the grant to be paid will be calculated accordingly. However, if the error is more than 10% of the total amount claimed then a financial penalty will be applied as described below.

72. The amount of eligible expenditure will be reduced by the amount of the error and so the final amount of grant to be paid will be lower than expected. You will have to make up the difference because the lost grant cannot be included in later claims.
73. The penalty may, in certain circumstances, be increased and all of the grant paid to date might be recovered. If that happens you will not be able to submit an application under EIP in the remainder of the current European Agricultural Fund for Rural Development (EAFRD) year or for the following EAFRD year.
74. If you have any doubts about the eligibility of any expenditure you must check **before you incur the costs**.

## **Offences**

75. Regulation 13 of the Rural Development Programmes (Wales) Regulations 2014 (No. 3222 (W.327)) establishes criminal offences and penalties in relation to certain aspects of rural development funding. That Regulation and those offences are applicable to the EIP. Examples of offences include knowingly or recklessly providing false or misleading information in relation to rural development funding; obstructing an inspector or official; and refusing to provide information when requested to do so.

## **MONITORING OF PROJECTS**

76. It is a European Commission requirement that the progress of your project is monitored and its success evaluated following completion. You will be asked to provide regular updates on its progress and three months following completion, a final report on its performance, when the project will be evaluated against the objectives and targets set out in the approved application. If the project should fail to meet these targets and, on the basis of progress actually made, would not have qualified for grant aid under the scheme, action may be taken to recover the grant paid.
77. It will be a requirement of the grant award that equipment purchased with the aid of a grant and any buildings on which grant is paid, must be kept in situ, operational and in good repair, and used for the same purpose as set out in the original application, for five years from the project end date. This is to ensure the longevity of the project and to guarantee primary producers a lasting share of the project's benefits.
78. A further monitoring form will be required to be completed two years and again five years following completion of the project. Site visits will be made on a percentage of the projects approved within five years from the project end date to ensure the applicant still has and is using the buildings and / or equipment purchased with the grant and that the business is performing as expected.
79. You must allow officials from the Welsh Government and the European Commission, or their representatives to inspect the project at any reasonable time within this five year period.

## **END OF EUROPEAN INNOVATION PARTNERSHIP**



80. All claims must be submitted to the Welsh Government by no later than 30 June 2023. All project activity must be completed in time for accounts and records to be audited and claims to be prepared and submitted by this date.

### **APPEALS PROCEDURE**

81. If an application is rejected, the reasons for rejection will be explained. We will be prepared to discuss any modifications which might be needed to make the project acceptable.
82. If an application is still rejected an appeals procedure will be established which will take the form of an oral or written submission to persons appointed by and independent of the Welsh Ministers.

### **COMPLAINTS PROCEDURE**

83. If you consider that we have failed to follow the correct procedure in the handling of your request you may wish to make a complaint in accordance with Welsh Government's Complaints procedure which is available by post or via the website at:

[http://gov.wales/contact\\_us/makeacomplaint/complaintspolicy/?lang=en](http://gov.wales/contact_us/makeacomplaint/complaintspolicy/?lang=en)