

# Rural Development Programme 2014 – 2020



## Farm Business Improvement Scheme - Capital Tier 2 (Tranche 2) - Expression of Interest

### Explanatory Booklet



Department of  
**Agriculture, Environment  
and Rural Affairs**  
[www.daera-ni.gov.uk](http://www.daera-ni.gov.uk)



'The European Agricultural Fund  
for Rural Development: Europe  
investing in rural areas'.

# Farm Business Improvement Scheme - Capital (FBIS-C) Tier 2 (Tranche 2)

## Explanatory Booklet

**Please read this booklet carefully before completing the application form.**

Copies of this document can be made available, on request, in alternative formats e.g.

- Paper Copy
- Large Print
- Braille
- Other languages

Tier 2 of the FBIS-C is administered by the Department of Agriculture, Environment and Rural Affairs (DAERA). If you require assistance please contact DAERA at:

Farm Business Improvement Scheme Capital (Tier 2)  
Room 145  
Dundonald House  
Upper Newtownards Road  
Belfast  
BT4 3SB

Telephone Number: 02890 524882

E-mail Address: [tier2@daera-ni.gov.uk](mailto:tier2@daera-ni.gov.uk)

Website: [www.daera-ni.gov.uk](http://www.daera-ni.gov.uk)



<b>Contents</b>	<b>Page</b>
1. Introduction	1
2. Application Process – Expression of Interest	2
3. Eligibility and Scheme Rules	3
4. Potential Areas of investment	3
5. Ineligible Items / Projects	5
6. How much grant is available?	5
7. Application process	6
8. How to apply	8
9. What happens next	9
10. Frequently Asked Questions	9
Annex A – Eligibility and Scheme Rules	10
Annex B – Examples of potential combination items	15
Annex C – Extended grazing	19
Annex D – Dirty water management	20
Annex E – Overview of key environmental considerations	21

## 1. Introduction

The Farm Business Improvement Scheme (FBIS), funded through the European Agricultural Fund for Rural Development, is an important part of the Northern Ireland Rural Development Programme (RDP) 2014-2020, which aims to improve the competitiveness of the agri-food industry.

The Farm Business Improvement Scheme – Capital (FBIS - C) is part of the overarching FBIS. It is funded under Measure 4 of the RDP 2014-20. The FBIS-C scheme seeks to support farm businesses within the agriculture and horticulture sectors. It includes tiered capital investment support (Tier 1 and Tier 2) linked to the needs in the farmer's business plan at 40 percent of eligible costs.

This booklet is an overview of the Expression of Interest (Stage 1 of the application process) for Tier 2 Tranche 2 of the Farm Business Improvement Scheme – Capital (FBIS-C) and provides information on:

- Eligibility and Scheme Rules;
- Potential Areas of Investment;
- Ineligible Items/Projects;
- How much grant is available;
- Application Process;
- How to apply; and
- What happens next

**Please note the opening date for Expressions of Interest to Tier 2 (Tranche 2) of FBIS-C is 19 July 2021. The closing date for receipt of completed Expressions of Interest is 4pm on 13 August 2021.**

The Expression of Information (Eoi) form is designed to capture overview information on proposed projects and **only those businesses that have completed an Eoi will be permitted to make a Full Application (Stage 2)**

**The Eoi stage does not constitute a commitment by the Department to proceed to the Full Application stage of the scheme.** A final decision on the opening of the application stage will be made following completion of the Expression of Interest stage.

Before making an application, applicants should consider if Tier 2 is the most appropriate scheme to meet their farm business requirements in respect of capital investment. **Please note that should further tranches of Tier 1 open, you cannot accept Letters of Offer to both Tier 1 and Tier 2 at the same time.** This means that Tier 2 tranche 2 applicants will not be permitted to accept a Letter of Offer under any further tranche of Tier 1 without first withdrawing their application from Tier 2.

**The total maximum grant available to a successful applicant availing of both Tier 1 and Tier 2 is £250,000 over the lifetime of the RDP 2014-20.**

Tier 2 provides for on-farm investment projects in future proofed, fit for purpose, modern infrastructure and equipment, in excess of £30,000 eligible project costs (to a maximum available grant of £250,000) based on a robust farm business plan. It aims to improve the performance and sustainability of Northern Ireland's farm businesses by providing grants for capital investment across five key themes:

- (1) Contribution to sustainable growth;
- (2) Environment, Weather Resistance and Climate Change;
- (3) Animal and Plant Health;
- (4) Occupational Health and Safety; and
- (5) Production and Resource Efficiency.

DAERA reserves the right to make changes to the FBIS-C requirements during the lifetime of the scheme.

## **2. Application Process – Expression of Interest**

The application process for Tier 2 Tranche 2 has changed from the first tranche of the scheme into a 2 stage process:

**A/ Completion of an online Expression of Interest (Eol) (Stage 1 of the application process)** – *this must be completed by anyone who wishes to make a Full Application at Stage 2 and is available online [here](#).*

**B/ Completion of a Full Application (Stage 2 of the application process)** – *for those who have completed an Eol, and to be confirmed later as part of a separate process.*

The purpose of the Expression of Interest is to assess the appetite and readiness of farm businesses to invest in transformational projects costing more than £30,000 (eligible expenditure) and their ability to complete the project within 12 months, so that payments can be administered and made by the end of the current Rural Development Programme (December 2023).

The Eol should capture estimated capital requirements and costs, and it is important that it is completed fully, outlining all equipment and construction proposed (even if grant is not being sought on specific elements). Quotations for costs are not required at the Eol stage.

Stage 2 will be a competitive process and applicants will be required to submit a full and detailed proposal that aligns closely to the project outlined in the Eol.

It is recommended that applicants read all guidance information prior to considering completion of the EoI for tranche 2 of Tier 2. The guidance can be viewed, downloaded and/or printed from the DAERA website [here](#).

***Please note that those applicants previously in receipt of an award under Tier 1 or Tier 2, or under the European Innovation Partnership scheme, may seek further grant support but that must not exceed the £250,000 grant maximum across the Rural Development Programme 2014-20.***

### **3. Eligibility and Scheme Rules**

Before completing an Expression of Interest under Stage 1, applicants should be aware of the following, and also consider the overall eligibility criteria and scheme rules for Tier 2 Tranche 2 which are set out in **Annex A**:

- All Tier 2 Tranche 2 applicants **must** complete an online EoI form in order to proceed to Full Application at a later date under Stage 2;
- Applicants need to ensure that total maximum grant limit of £250,000 has not been exceeded;
- Eligible project costs must exceed £30,000; and
- Planning permission or a Certificate of Lawful Use/Development will be required before a Full Application is submitted under Stage 2, for all projects which involve construction or renovation of buildings, or which include equipment which could increase livestock capacity.
- In addition, projects that would lead to a decrease in the average number of days for cattle grazing outside will not be supported under Tier 2 Tranche 2.

### **4. Potential Areas of Investment**

The focus of Tier 2 is on larger scale, whole farm investments to encourage a step change in the agriculture and horticulture sectors, and drive sustainable growth through transformational investment in future proofed, fit for purpose, modern infrastructure and equipment.

Tier 2 is not just focused on projects involving construction. Applications will also be welcomed from farmers and growers who are seeking equipment only. In addition, this tranche will permit a number of individual items which may be less than £30,000 but which, when combined with other items, form a system to provide an overall combined improvement to the farm. A list of examples are provided in Annex B – please note this is not an “eligible list” and is simply to show some potential combinations of items.

**In particular, proposals which seek to improve environmental outcomes will be welcomed**, for example:

- ✓ Low Emissions Slurry Spreading Equipment, such as tanker or tractor mounted trailing shoe or shallow injector systems;
- ✓ Tensioned covers with strengthening ring for above ground slurry stores;
- ✓ Precision technology such as GPS/self-steer to allow efficient use of fertiliser/chemicals, and reduce overlapping and over-spraying;
- ✓ Proposals for grazing platform improvements (which do not require planning approval), designed to extend the amount of grazing time. Considerations are provided in Annex C for laneways for cattle, water troughs (but not water supply), fencing etc. Each applicant will have to submit detailed proposals for their specific farm set-up at Full Application stage;
- ✓ Proposals to improve farmyard water management (which do not require planning approval), designed to harvest rainwater, improve separation of clean and dirty water, and to reduce the amount of water entering slurry storage. Considerations are provided in Annex D. Each applicant will have to submit detailed proposals for their specific farm set-up at Full Application stage.

Grant support is intended primarily for purpose built, futureproofed, **new buildings** and **new items of equipment** that are integral to the Tier 2 project as described in the applicant's business plan (to be submitted as part of Full Application at Stage 2). The grant payable is 40% of eligible project costs over £30,000 (net of VAT).

Grant is also available for new equipment that is retrofitted into existing buildings, for example, a new milking parlour could go into an existing shed, provided an engineer's certificate is submitted to confirm the building is fit for purpose to support the new equipment.

**All applications which involve construction or renovation of buildings, or which include equipment which could increase livestock capacity, must have planning approval or a certificate of lawful use/development (CLUD) in place before an application is submitted for the Full Application stage (Stage 2).**

If any applicants who are considering a project which involves construction or renovation of buildings, or which includes equipment that could increase livestock capacity, have not yet made an application for planning approval or CLUD, they should carefully consider the realistic potential to receive such approval before the scheme deadline for submission of applications. This should include engaging with local planning authorities at an early stage to discuss.

**Regardless of planning approval or CLUD, all applications will be assessed for potential environmental impacts and in particular those for construction or equipment which could increase livestock capacity, in line with the requirements of the NIRDP.** An overview of some key environmental considerations is provided in **Annex E**.

## 5. Ineligible items/projects

Certain types of investment are not eligible under FBIS-C, such as renewable energy projects including anaerobic digesters, and basic replacement or maintenance projects.

More details can be found by clicking on the link below:

[FBIS Capital Scheme - Ineligible items/projects | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](https://daera-ni.gov.uk/FBIS-Capital-Scheme-Ineligible-items/projects)

**In addition, support will not be provided for proposals (for either construction or equipment) which increase confinement of cattle (dairy or beef) i.e. which would lead to an increase in time housed and a decrease in the average number of days (including partial days) for cattle grazing outside.**

Systems where cattle are always indoors produce 57% more ammonia emissions than grazing/housing systems. In order to reduce cattle ammonia emissions, the Department is seeking to encourage increased outdoor grazing and information is given in Annex B on laneways for cattle, water troughs (but not water supply), and fencing.

## 6. How much grant is available

**The maximum amount of grant available per farm business over the lifetime of the RDP 2014 -20 is £250,000.**

The grant rate is 40% of eligible project costs for projects costing over £30,000 (net of VAT).

If successful, the maximum grant for the project will be specified in a Letter of Offer. **All Letters of Offer will be valid for a maximum of 12 months with claims for expenditure to be submitted by August 2023 at the latest.**

**Applicants should consider carefully whether their project can be completed within this timeframe, bearing in mind that a project cannot be started until after a Letter of Offer has been received.**

VAT - If the applicant farm business is not VAT registered, applicants may seek grant on the VAT element of eligible items. However, the total amount of grant applied for must be based on eligible project costs of at least £30,000 (net of VAT) but not more than £250,000 (grant). Successful applicants will be expected to provide a signed declaration confirming that the business is not registered with HM Revenue and Customs for reimbursement of VAT.



## 7. Application Process

**The Eol stage does not constitute a commitment by the Department to proceed to the Full Application stage of the scheme.** A final decision on the opening of the application stage will be made following completion of the Expression of Interest stage.

The Tier 2, Tranche 2 application process includes two key stages:

- **Completion of Expression of Interest (Eol) (Stage 1):** completion of online Eol available [here](#). The closing date for the receipt of completed Eol is 4pm on 13 August 2021
- **Completion of Full Application (Stage 2):** completion of the full application at a later stage, which will be notified to applicants if the scheme opens for application.

### **Expression of Interest (Stage 1)**

**Expression of Interest (Stage 1) is mandatory for anyone wanting to make an application to Tier 2 Tranche 2.** It is designed to capture specific information about your proposed project and must be completed before moving forward to Stage 2 of the application process.

**Only those who have completed this Expression of Interest form will be permitted to submit a Full Application at Stage 2.**

The eligibility criteria and scheme rules for Stage 1 and Stage 2 are set out in section 3 and Annex A of this document and you should refer to that section to ensure they are addressed. There will be further eligibility checks completed at Stage 2 of the application process.

At this Eol stage, we will ask you to provide details about:

- **Your Farm Business**

Including:

- ✓ Your current farm activity.
- ✓ Which activity you are planning to invest in.
- **Your project**
  - ✓ Type of investment (construction, equipment, construction and equipment).
  - ✓ How your project will improve your farm business.
  - ✓ Main purpose of your project in relation to your business (upgrade of an existing enterprise, creation of a new additional enterprise, creation of a new replacement enterprise).

- ✓ Whether your project will impact on livestock numbers.
- ✓ Estimated project start date.
- ✓ Estimated length of time for completion.
- ✓ Location of investment - main farm location/off farm.

- **Planning permission**

For construction projects / equipment projects, planning permission or a Certificate of Lawfulness (for permitted development where this applies) **MUST be in place before you submit the Full Application (Stage 2).**

If you are fitting FBIS-funded equipment in a new or existing building it is your responsibility to ensure your structure has appropriate and valid planning permission and is fit for purpose.

- ✓ Does your project involve any construction work and if so, what type
- ✓ Estimation of the area if the project includes a new building or extension of an existing building
- ✓ Has Planning Permission been granted?
- ✓ Has a Certificate of Lawfulness been granted?
- ✓ If not have you applied for either?
- ✓ Planning reference number

- **Project requirements**

- ✓ List of all equipment and/or construction items required and approximate total cost.

**The items listed will need to align closely to those applied for at Full Application stage.** Some information provided at this stage may change somewhat by Full Application stage. However, it will not be possible to make any fundamental change i.e. if an EoI is submitted for purchase of equipment to a dairy enterprise, a Full Application could not then be submitted for a proposed poultry unit.

- ✓ Approximate amount of grant requested to assist with your project.
- ✓ Approximate amount self-funded
- ✓ Whether you have engaged with your bank if additional finance needs to be put in place

**Please be aware that completion of the Expression of Interest form does not make your project eligible for grant and a Full Application will be required under Stage 2.**

Following the Expression of Interest stage, DAERA will determine whether there is call for opening a Tier 2 Tranche 2. If this is the case, the next stage (Stage 2) in the process is required to ensure that **only** viable projects that meet the eligibility criteria for the Scheme will be considered by DAERA.

**If you are invited to complete Stage 2, the following will be required:**

### **Full Application (Stage 2)**

Stage 2 will capture **in depth** detail about your proposed project and this will include:

- Confirmation of the investment needs in terms of construction and equipment items.
- The provision of estimated costs for the project supported with detailed quotations.
- Completion of a business plan to justify investment to include a 5 year baseline and projected cash flow.
- Confirmation of project funding availability
- Confirmation of all approvals including Planning, Environmental and Engineering.

Please be aware that a tight assessment process will be followed. It will be essential for applicants to provide detailed information about their farm business and proposed project in the Full Application stage. DAERA will use this to assess the project viability and potential benefits.

Training will be provided ahead of the Full Application stage via webinars and online resources to help with the completion of the application form.

Where incorrect, inconsistent or inadequate information has been provided on the application, the applicant will have **one opportunity** to provide clarification within a short set period of time. If the required information is not provided in that time, the application will be deemed withdrawn / ineligible.

## **8. How to apply**

If you decide Tier 2 is the most appropriate capital investment grant scheme for your farm business project requirements, and you are able to comply with the eligibility criteria and scheme rules, you should complete the Expression of Interest form in the first instance by clicking on the link below:

[Expression of Interest form](#)

**Only one Expression of Interest per farm business can be submitted.**

## 9. What happens next

On completing the EoI, you will receive an acknowledgement email from the online platform CitizenSpace. This will include your unique reference number (“Response ID”).

**Please keep this reference number safe as you will need it, should you progress to Full Application (Stage 2).**

Following the Expression of Interest stage, DAERA will determine whether there is call for opening a Tier 2 Tranche 2. The Department will contact you to inform you of the outcome of the Expression of Interest. If you have met the requirements listed for the EoI stage, you will be provided with details of available training and when the scheme will open for full applications.

Information on submitting an application, how applications will be assessed etc. will be made available at Full Application stage (Stage 2).

The Full Application stage is required to ensure that **only** viable projects that meet the eligibility criteria for the Scheme will be considered by DAERA.

## 10. Frequently Asked Questions - FAQs

Further information can be found on the DAERA website [here](#).

## ANNEX A – ELIGIBILITY AND SCHEME RULES

### STAGE 1 – EXPRESSION OF INTEREST (EoI)

To be eligible, applicants to Tier 2 Tranche 2 must, in the first instance, meet the following eligibility criteria and scheme rules at time of application to Stage 1:

	<b>ELIGIBILITY CRITERIA AND SCHEME RULES</b>	<b>WHAT DOES THIS MEAN?</b>	<b>HOW CAN I MEET THE REQUIREMENTS?</b>
<b>1</b>	<b>Completion of a Stage 1 EoI form</b>	All applicants will need to complete an online EoI form	An applicant must complete the online EoI form <a href="#">here</a> before the closing date of 4pm on 13 August 2021-
<b>2</b>	<b>Not have exceeded the £250,000 grant maximum across the Rural Development Programme 2014-20</b>	The total <b>maximum</b> grant available to a successful applicant availing of both Tier 1 and Tier 2 is £250,000 over the lifetime the RDP 2014-2020	Applicants will need to ensure they have not already reached £250,000 capital grant limit, in terms of capital grant drawn down or commitments in Letters of Offer under the 2014-2020 Rural Development Programme which includes all Farm Business Improvement Capital Schemes (FBIS Tier 1, Tier 2) or European Innovation Projects. There will be further eligibility checks completed at the next stage of the application process.  <b>Please note that if you have less than £12,000 remaining of the £250,000 grant limit, you are not eligible to apply.</b>
<b>3</b>	<b>Eligible project costs must be greater than £30,000</b>	Tier 2 is for projects with eligible costs greater than £30,000 – unlimited (Net of VAT) and is primarily for construction projects and/or the purchase of higher value equipment linked to the needs in the farmer’s business plan.	Submit an application for proposed eligible project costs greater than £30,000 (Net of VAT) that meet the business needs identified in a robust business plan. Stage 1 does not require formal quotes just proposed total costs. However at Stage 2 – Full Application stage, the applicant will be required to provide two quotes for each of the estimated project costs specified in the business plan.  The Department is required to make a comparison of different quotes to determine reasonableness of the estimated project costs.

## ANNEX A – ELIGIBILITY AND SCHEME RULES

### STAGE 2 – FULL APPLICATION

If you are invited to proceed to Stage 2, please be aware that you will need to meet the following additional eligibility criteria and scheme rules for your Full Application to be considered:

	ELIGIBILITY CRITERIA AND SCHEME RULES	WHAT DOES THIS MEAN?	HOW CAN I MEET THE REQUIREMENTS?
1	<p><b>Registered Farm Business as defined in this booklet:</b></p> <p><b>Possession of a valid DAERA Category 1 Farm Business ID Number</b></p>	<p>All applicants must have a DAERA Category 1 Farm Business ID Number</p>	<p>A registered farm business is one that is engaged in agriculture or horticulture and which has satisfied the criteria for the award of a DAERA Category 1 Farm Business Identification (FBID) Number. If the applicant does not have a FBID Number, information on how to apply for one can be found on the DAERA website using the following link:</p> <p><a href="https://www.daera-ni.gov.uk/business-customer-herds-and-flocks-2021">DAERA Identification numbers for business customers herds and flocks 2021   Department of Agriculture, Environment and Rural Affairs (daera-ni.gov.uk)</a></p> <p>It is the applicant's responsibility to apply in sufficient time to obtain a DAERA Category 1 FBID. DAERA will not be responsible if a DAERA Category 1 FBID is not issued before the closing date of Full Applications (stage 2) to the FBIS-C Tier 2 (Tranche 2).</p> <p>For Tier 2, selection criteria marks are available for applicants aged 40 years or less on the closing date of Stage 2. The <b>applicant must be a person</b> who is named under the DAERA Category 1 FBID.</p>

**ANNEX A – ELIGIBILITY AND SCHEME RULES**

2	<p><b>Completion of an online up to date <i>Making it Safer</i> Self Assessment</b></p>	<p>All applicants <b>must complete</b> the ‘Making it Safer’ Self-Assessment and provide a Certificate / Action Plan as confirmation of completion.</p> <p>Applicants will be required to answer questions relating to their own farm on Slurry, Animals, Falls and Equipment (SAFE).</p> <p>A certificate / action plan will be issued online once the applicant has completed the self-assessment.</p> <p>Applicants will need to save this digital certificate / action plan (to a computer rather than a mobile device) as it is required as part of the overall application.</p>	<p>Applicants will need access to a computer with internet access.</p> <p>The applicant can meet this eligibility criterion by completing the <u>online</u> self-assessment at the following link:</p> <p><a href="http://www.farmsafenet.org/Safer">http://www.farmsafenet.org/Safer</a></p> <p>The completed certificate / action plan must be submitted as part of the overall FBIS-C Tier 2 application.</p> <p><b>It is essential that the name of the applicant on the DAERA Category 1 Farm Business ID Number is entered onto the ‘Making it Safer’ Certificate / Action Plan or it will not be accepted and the application will be deemed ineligible.</b></p>
3	<p><b>Completion of a robust, viable and sustainable business plan</b></p>	<p>All applicants must complete a robust, viable and sustainable business plan, which includes:</p> <ol style="list-style-type: none"> <li>1. details of the proposed project including estimated project costs;</li> <li>2. how the applicant plans to implement it;</li> <li>3. objectives and outcomes they intend to achieve;</li> <li>4. how Health and Safety issues have been addressed;</li> <li>5. what environmental mitigations have been considered;</li> </ol>	<p>The applicant can meet this eligibility criterion by completing the FBIS-C Tier 2 Business Plan template.</p> <p>The business plan is an important source of information about the project and the FBIS-C template is designed to cover specific information required to assess and score applications. Plans should be clear, concise and complete.</p> <p>The business plan template comprises two sections – a narrative section and a Cash flow Calculator. Both will be available on the DAERA website at Full Application stage. Guidance notes will be available to assist with completion of the narrative part of the plan</p>

## ANNEX A – ELIGIBILITY AND SCHEME RULES

		<p>6. the financial objectives set over the period of the plan; and</p> <p>7. detailed financial projections to support the business plan.</p>	<p>In addition, training will be provided ahead of the Full Application stage via webinars and online resources to help with the completion of the application form.</p>
4	<p><b>Planning Permission or Certificate of Lawfulness (CLUD) if applicable</b></p>	<p>All applications which involve construction or renovation of buildings, or which include equipment which could increase livestock capacity, must have planning approval or a certificate of lawful use/development in place before submitting the Full Application under Stage 2.</p> <p>If you are fitting FBIS funded equipment in a new or existing building, it is your responsibility to ensure your structure has appropriate and valid planning permission and is fit for purpose.</p>	<p>Applicants who are considering a project which involves construction or renovation of buildings, or which includes equipment which could increase livestock capacity, and who have not yet made an application for planning approval or CLUD, should carefully consider the realistic potential to receive such approval before the scheme deadline, and should engage with local planning authorities at an early stage to discuss.</p>
5	<p><b>Indication of Support Letter from bank or lender</b></p>	<p>All applicants <b>must submit</b> a completed Indication of Support Letter from a bank or other lending institution.</p> <p>Applicants do not have to borrow the funds from a bank or lending institution. However, should you decide to proceed with an application, the letter provides some reassurance to the applicant, the financial institution and DAERA that the applicant will be able to access the funds necessary to complete the proposed project including VAT and until the applicant receives payment of the grant.</p>	<p>The applicant can meet this rule by downloading the template Indication of Support Letter, which will be made available online for the Full Application stage.</p> <p>Some banks and lenders may wish to use an alternative letter format, which is acceptable, provided the following information is provided:</p> <ul style="list-style-type: none"> <li>• Name, address of client and 6 digit DAERA Category 1 Farm Business ID number (to be used by DAERA to cross reference the application);</li> <li>• Confirmation that the client has managed their account effectively and or complied</li> </ul>



## ANNEX A – ELIGIBILITY AND SCHEME RULES

		<p>Banks or other lending institutions will first want to consider your business plan. You should bring your completed business plan to your bank or lending institution when you request the letter. It should be noted that banks have indicated that the process of producing this letter could take several weeks.</p> <p>The completed Indication of Support Letter must be submitted as part of the FBIS-C Tier 2 application</p>	<p>with the terms and conditions of the account;</p> <ul style="list-style-type: none"> <li>• Future funding requirements have been discussed in relation to purchase of items under the Farm Business Improvement Scheme – C;</li> <li>• Confirmation that, at present, the client has access to sufficient funds, or could have access to sufficient funds, to purchase equipment (including VAT) under the scheme – prior to a grant being paid by DAERA (should the client be successful in obtaining an offer of grant).</li> </ul> <p>The letter does not have to be in the name of the applicant but it should be in the name of a person specified on the Business ID.</p>
--	--	---	--

## ANNEX B - EXAMPLES OF POTENTIAL COMBINATION ITEMS

There is opportunity to seek funding for a range of items which individually may cost under £30k but the combination of the items requested all contribute to an improvement in the overall operation of the farm business. These items would be considered essential or at least beneficial to achieve an improvement within a specific enterprise on the farm.

However it is important that the individual item or combination of two or more items can fit into one or more of the five key FBIS – Capital themes as listed below.

Theme 1 (T1) – Contribution to sustainable growth

Theme 2 (T2) – Environment, Weather Resistance and Climate Change;

Theme 3 (T3) – Animal and Plant Health;

Theme 4 (T4) – Occupational Health and Safety; and

Theme 5 (T5) - Production and Resource Efficiency.

The following is a range of potential equipment against example projects. All applications will be assessed for potential environmental impacts, and in particular those which could increase livestock capacity, in line with the requirements of the NIRDP.

### Examples

Potential Project	Potential Combination of Items	Contribution to Theme
Redesign and fit out of a dairy cow cubicle shed	New cubicle beds and divisions	(T3)
	New head locking yokes at feed barriers	(T3, T4)
	Fitting of heat detection system	(T5)
	New water troughs	(T3, T5)
	Robotic scrappers	(T2)
Additional cow tracks to allow extended grazing and improvements in dirty water collection in the farm yard	Improvement to the existing cow tracks and change slope to reduce potential pollution	(T2, T3, T5)
	Additional 1.8km of new cow tracks	(T2, T3, T5)
	New fencing along new cattle tracks and individual paddocks	(T5)
	Improvement in farmyard drainage to ensure separation of clean and dirty water	(T2, T5)
New GPS system to include self-steer to tractors and	Fit GPS receivers and self- steer devices to tractors	(T2, T4)

## ANNEX B - EXAMPLES OF POTENTIAL COMBINATION ITEMS

changes to a number of implements to make use of GPS devices on tractor	Adapt/purchase new equipment to allow efficient use of fertiliser/chemicals and reduce overlapping, over spraying, slurry spreading	(T2, T3, T5)
Upgrade of ventilation, insulation, lighting and feeding systems in existing pig buildings	Replacing natural ventilation with automatically controlled fan ventilation systems	(T2,T3,T4,T5)
	LED energy efficient lighting	(T2, T2, T4, T5)
	Automatic milk delivery systems for piglets	(T3,T4,T5)
	Computer controlled systems for individually feeding lactating sows	(T2,T3,T4,T5)
	Dual feed delivery systems for growing and finishing pigs	(T2,T3,T5)
	Robotic power washers	(T3, T4,T5)
Fitting of rubber slats covers, new handling facilities to include a weigh bridge with auto ID and recording system for suckler cows.	Fixed handling facilities to include railing, gates, walling and surfacing with associated waste collection tank where necessary	(T3, T4)
	Cow cubicles with associated fixtures and fittings	(T3)
	Rubber slat mat for livestock housing	(T3)
	Electronic cow heat detection system	(T2)
	Mobile cattle weighing squeeze crush	(T5)
Dairy calf to beef equipment to fit into existing shed	Individual galvanised calf rearing pens	(T3, T4, T5)
	Automated calf rearing system that identifies and feeds calves	(T2)
	Gates and feed rails	(T3, T4)
	Fixed handling facilities to include railing, gates, walling and surfacing with associated waste collection tank where necessary	(T3, T4)
	Cattle weighing squeeze crush	(T4)
	Meal bin and associated auger	(T3)

## ANNEX B - EXAMPLES OF POTENTIAL COMBINATION ITEMS

	Vehicle mounted straw chopper	(T3)
Sheep handling system and sheep accommodation upgrade to include automatic weighing, 3 way auto shedding, mobile dipping and cameras in lambing shed	Fixed handling facilities to include railing, gates, walling and surfacing with associated waste collection tank where necessary	(T3, T4)
	Converting sheep house to plastic slats	(T3, T4,T5)
	Rain water harvesting system	(T2, T3, T4, T5)
	EID sheep race reader and software	(T3, T4, T5)
	WiFi enabled cameras	(T3, T5)
	Mobile dipping unit	(T2, T3, T4, T5)
Upgrading a naturally ventilated potato store to forced ventilated store and separation of grading area	Upgrading the insulation of existing shed	(T2,T3)
	Fitting a "letterbox" drying system	(T3,T5)
	Fitting new refrigerating equipment	(T3, T5)
	Separation of store area from grading area	(T3,T4,T5)
Automation of egg packing and upgrade of lighting in existing poultry buildings	New (6 row) egg New egg stacker and packer	(T4, T5)
	LED energy efficient lighting	(T2, T3, T5)
Upgrading substrate filling machine for mushroom production to give uniform fill rate of both compost and casing/m <sup>2</sup> .	Filling machine	(T3, T4, T5)
Upgrading of growing and environmental systems for mushroom growers	LED energy efficient lighting	(T1,T2, T3, T4)
	Increase cooling capacity of ventilation systems for summer growing	(T1, T2, T4)
	Installation of dutch shelving	(T2, T4)
	Provision of picking trollies	(T2, T3, T4)
	New nets to facilitate substrate movement	(T3, T4)
	Mushroom harvesting technology	(T1, T2, T4)

## ANNEX B - EXAMPLES OF POTENTIAL COMBINATION ITEMS

Vertical farm units for the adoption of a technological advanced plant production system, to produce food that has the potential to be more sustainable when compared to conventional food production	Equipment which utilises hydroponic technology	(T1, T4)
---	--	----------

## ANNEX C - EXTENDED GRAZING

One of the areas identified to help reduce ammonia emissions on farms is to reduce the time animals are housed and encourage extended grazing, where possible. It is recognised that good lane access to additional land as well as the availability of drinking water are some of the restrictions hindering their use for grazing. Funding may be available to assist farmers to manage their grazed lands to enable additional grazing at either end of the grazing season.

**Please note the following is an example of some of the considerations in putting together a proposal to improve grazing infrastructure – each farm layout is different and at Full Application stage (Stage 2), applicants will need to submit detailed proposals for their specific farm set-up.**

### **Cow track design**

Cow track design will depend on the existing ground conditions, size of herd and frequency of use. It is important to ensure that any surface runoff from tracks does not contaminate a nearby watercourse and care should be taken to ensure this is considered in the design. There may be a requirement to obtain planning approval in certain circumstances e.g. where the track opens onto a public road to obtain access to lands across the road.

There may be limitations in terms of size, construction type, suitability for cattle, dual use, proximity to watercourses, land ownership etc. and further guidance will be available ahead of the Full Application stage.

### **Fences**

The fencing along the new track may be eligible and also the sub divisions within a grazing area, subject to meeting a minimum standard.

### **Water Drinkers**

The size and position of the water troughs should take into account use and where possible positioned to accommodate a number of grazing areas. There would be a need to consider the siting of drinking troughs near any watercourse and the design of hard standing areas.

## ANNEX D - DIRTY WATER MANAGEMENT

### **Dirty water collection and transfer systems**

Funding may be available for the provision of new or upgraded dirty water drainage and storage systems, **provided these items reduce the amount of water affecting slurry storage capacity.**

If the proposed work involves the installation of a proprietary / prefabricated tank to collect dirty water, seepage or effluent, a tank designed and constructed to meet the relevant British Standard and to last for at least 20 years with maintenance must be used. Gullies linking the seepage to the tank may also be eligible. A safety grid, with opening not exceeding 250 mm, must be fitted under the manhole lid. If the effluent tank is going to be sited in an area where there is heavy vehicular traffic or in close proximity to a building, a chartered civil or structural engineer's certificate stating the load bearing capacity of the concrete cover slab, including the lid must be submitted at claim stage.

Manholes in dirty water or effluent transfer systems, the piping used and the method of jointing and laying must be in full compliance with the requirements of the Nitrates Action Programme Regulations (Northern Ireland) 2014 (NAP Regulations)

Re-instatement of concrete will be restricted to the trench width required for installation of pipework and fittings. No additional allowance can be made for extra widths of concrete.

**In respect of structures to which NAP Regulations apply, Northern Ireland Environment Agency (NIEA) must be notified before claim stage.**

## ANNEX E – OVERVIEW OF KEY ENVIRONMENTAL CONSIDERATIONS

The key environmental impacts from agricultural developments which include livestock activities or livestock waste processing are:

- the effects of ammonia and nitrogen, which can lead to damage to habitats, soil acidification and direct toxic effects on vegetation;
- contaminated run-off from litter / manure or slurry storage and utilisation, which can lead to nutrient enrichment in watercourses and groundwater, and excess levels of nitrogen and phosphorus in soil; and
- for intensive pig and poultry housing, odours, dust and noise, which can impact on air quality or cause a nuisance to local residents.

**All applications which involve construction or renovation of buildings, or which include equipment which could increase livestock capacity, must have planning approval or a certificate of lawful use/development (CLUD) in place before an application is submitted for the Full Application stage (Stage 2).**

If any applicants, who are considering a project which involve construction or renovation of buildings, or which includes equipment which could increase livestock capacity, have not yet made an application for planning approval or CLUD, they should carefully consider the realistic potential to receive such approval before the scheme deadline for submission of applications, and should engage with local planning authorities at an early stage to discuss.

**Regardless of planning approval or CLUD, all applications will be assessed for potential environmental impacts and in particular those for construction or equipment which could increase livestock capacity, in line with the requirements of the NI RDP 2014-2020.**

Anyone considering a Tier 2 project which would involve construction should think about the types of information needed by planning authorities and DAERA, and ways in which impacts can be reduced or avoided, to provide a fully evidenced application.

The following guidance gives an overview of the three main areas (Air, Water and Biodiversity) an applicant should consider, and provides links to further detailed guidance. Additional links are provided for Intensive Livestock projects (pig and poultry), and for Pesticides. Expert advice should be sought, for example from a chartered engineer, planning agent or the local planning authority, in relation to each individual project.

### **Air Emissions**

Ammonia is a form of nitrogen which normally exists as a gas but it can also combine with airborne particles or rain. Ammonia is emitted into the air as a result of many agricultural activities such as the housing of livestock, the storage and spreading of animal manures and slurries, and the use of chemical fertiliser. The amount of ammonia emitted from a livestock unit depends mainly on the number of animals, but also on how manure is managed, the ventilation system used and the deployment of Ammonia reduction measures.



## ANNEX E – OVERVIEW OF KEY ENVIRONMENTAL CONSIDERATIONS

Ninety-six percent of ammonia emissions come from agriculture and these emissions are damaging many of our most valuable natural habitats. Ammonia impacts the environment in two ways; through direct ammonia concentrations in the air, and by reacting in the air to cause deposition of nitrogen on land.

The CAFRE Code of Good Agriculture Practice for the Reduction of Ammonia Emissions outlines how farmers, growers, land managers, advisers and contractors in Northern Ireland can minimise ammonia emissions from agriculture. It seeks to identify potential appropriate measures for a range of individual farm situations. Ammonia reduction measures highlighted in this Code include covering slurry stores, capturing ammonia emissions through tree planting, use of low emission slurry spreading equipment (LESSE), effective use of chemical nitrogen fertilisers and ensuring best practice in livestock diets and housing. The Code can be viewed at:

[Code of Good Agricultural Practice for the Reduction of Ammonia Emissions \(daera-ni.gov.uk\)](http://daera-ni.gov.uk)

Further information is available at:

Standing Advice – Livestock Installations and Ammonia  
[standing\\_advice\\_19 - livestock installations and ammonia - final - june 2017.pdf \(daera-ni.gov.uk\)](http://daera-ni.gov.uk)

A supplementary note on this Standing Advice is available at:  
[Standing advice for development of land that may affect Natural Heritage Interests | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](http://daera-ni.gov.uk)

### Water

Consideration should be given to the potential risks to surface and groundwater quality, quantity and flow, and fisheries interests. Polluting discharges and / or contaminated runoff entering the surface water or groundwater environment as a result of construction and/or the operation of the proposed activity can impact on water quality.

There are several specific consents / authorisations relating to the water environment, which may be required depending on the proposed activity:

- Discharge consent, issued under the Water (Northern Ireland) Order 1999, is required for any potentially polluting discharges to the aquatic environment.
- An abstraction / impoundment licence is required under the Water Abstraction & Impoundment (Licensing) Regulations 2006 for abstraction, diversion or impoundment of water.
- Discharging hazardous substances and non-hazardous pollutants onto land requires an authorisation under the Groundwater Regulations (Northern Ireland) 2009.

## ANNEX E – OVERVIEW OF KEY ENVIRONMENTAL CONSIDERATIONS

Additional advice can be found at:

Standing Advice Note – Discharges to the Water Environment [DAERA Standing Advice - WTR - Discharge to the water environment - November 2017.pdf \(daera-ni.gov.uk\)](#)

Standing Advice Note – Abstractions and Impoundments [DAERA Standing Advice - WTR - Abstractions and Impoundments - November 2017.pdf \(daera-ni.gov.uk\)](#)

Standing Advice Note – Agricultural Developments  
[DAERA Standing Advice - WTR - Agricultural developments - Update Final.pdf \(daera-ni.gov.uk\)](#)

Groundwater authorisations  
<https://www.daera-ni.gov.uk/articles/groundwater-authorisations>

### **Biodiversity**

Biodiversity includes all species of plants and animals, and the habitats in which they live.

A number of species and habitats in Northern Ireland have been identified as Designated Sites (such as a Special Area of Conservation), Priority Habitats, Protected Species and Priority Species, and are protected under both European and Northern Ireland legislation.

Changes in land-use, changes in hydrology, or water and air pollution can affect both habitats and species. The NI Biodiversity Checklist can be used to help identify if a development proposal is likely to adversely affect protected habitats or species, and further information is available on certain species, such as bats and barn owls, which may be relevant to agricultural developments.

The NI Biodiversity Checklist is available at: [Biodiversity Checklist | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](#)

A range of standing advice on biodiversity interests is available at: [Standing advice for development of land that may affect Natural Heritage Interests | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](#) including the following:

Standing Advice Note – Priority Habitats  
[DAERA Priority Habitats Template - Final February 2020.pdf \(daera-ni.gov.uk\)](#)

Standing Advice Note – Priority Species  
[DAERA Priority Species Template - Final February 2020.pdf \(daera-ni.gov.uk\)](#)

Standing Advice Note – Bats

## ANNEX E – OVERVIEW OF KEY ENVIRONMENTAL CONSIDERATIONS

[DAERA Standing Advice - NED - Bats - November 2017.pdf \(daera-ni.gov.uk\)](#)

Standing Advice Note – Wild Birds

[DAERA Wild Birds Template - Final February 2020.pdf \(daera-ni.gov.uk\)](#)

### **Intensive Livestock (Pollution Prevention and Control - IPPC)**

Under the IPPC Directive, intensive pig and poultry units over specified thresholds must obtain a permit to operate. The thresholds are as follows:

- poultry: 40,000 bird places
- pigs: 750 sows or 2000 production pigs over 30 kg

Guidance on PPC legislation (pig and poultry): <https://www.daera-ni.gov.uk/articles/intensive-livestock-installations-0>

### **Pesticides**

EU Directive 2009/128/EC on the sustainable use of pesticides, provides a framework to achieve a sustainable use of Plant Protection Products, specifically by “reducing the risks and impacts of pesticide use on human health and the environment and promoting the use of integrated pest management and of alternative approaches or techniques such as non-chemical alternatives to pesticides.”

The UK National Action Plan seeks to achieve these aims, through actions such as training and certification for use of pesticides, regulation on the sale, use and storage of pesticides, and inspection of application equipment.

Further information is available at:

<https://www.daera-ni.gov.uk/articles/departmental-responsibilities-regarding-pesticides>

# Rural Development Programme 2014 – 2020

## Complaints Procedure

DAERA is committed to providing the highest possible standards of service to all its customers. If you are unhappy with the quality of service you have received you can make a complaint. DAERA's complaints procedure is easy to use and is available on the DAERA website: <https://www.daera-ni.gov.uk/publications/how-do-i-make-complaint-if-i-am-unhappy-quality-service-i-received>. Alternatively, upon written request, DAERA can email or post the procedure.

## Fraud Statement

Any person who knowingly or recklessly makes a false statement for the purposes of obtaining grant under this scheme or assisting another to obtain grant may be prosecuted.

**DAERA Fraud Hotline: Freephone 0808 1002716**

## Farm Business Improvement Scheme - Capital Tier 2 (Tranche 2) - Expression of Interest

### Explanatory Booklet

