

European Maritime and Fisheries Fund (EMFF) COMMUNITY-LED LOCAL DEVELOPMENT (CLLD)

South East Area Fisheries Local Action Group (SEAFLAG)

Guidance for Applicants

This guidance is for applicants applying to the EMFF through the Community-led Local Development Measure. Further details can be obtained from SEAFLAG if required.

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This guidance explains how to apply to SEAFLAG for a community-led local development grant from the European Maritime and Fisheries Fund (EMFF) and what you need to know before you apply.

DEFINITIONS;

In these notes: -

- **You** means the applicant. You will be responsible for ensuring all of the terms and conditions of grant are fulfilled. Responsibility for the content of the application form, and any supporting information and documentation, rests with you.
- **We**, or **FLAG**, means South East Area Fisheries Local Action Group (**SEAFLAG**)
- **Member State** means the United Kingdom.
- **DAERA** means the Department of Agriculture, Environment and Rural Affairs
- **Fisherman** means any person licenced for and engaging in commercial fishing activities, as recognised by the Member State.

PART 1- Applying to the FLAG

1. What is a FLAG?

Fisheries Local Action Groups, known as FLAGs, are groups of fisheries and other marine and local sector representatives formed to deliver a Local Development Strategy (LDS) in a specific region. Funding is provided to those groups from the European Maritime and Fisheries Fund (EMFF). FLAGs are responsible for administering the EMFF Community-led Local Development (CLLD) Measure in their particular region. This includes identifying needs, setting fund priorities, formulating an LDS, managing the application process and making recommendations to DAERA on whether to support applications.

The principle priorities of the EMFF Community-led Local Development measure in Northern Ireland are two-fold:

- supporting fishing communities to adapt to the reformed Common Fisheries Policy (CFP) and
- supporting sustainable economic growth

SEAFLAG's remit covers the area of seven miles from the centre of each of the 3 main fishing ports of Northern Ireland, namely Kilkeel, Ardglass and Portavogie.

The priorities of all Member States' FLAGs are:-

- (a) To add value, create jobs, attract young people and promote innovation at all stages of the supply chain of fishery and aquaculture products;
- (b) To support diversification inside or outside commercial fisheries, lifelong learning and job creation in fisheries and aquaculture areas;
- (c) To enhance and capitalise on the environmental assets of the fisheries and aquaculture areas, including operations to mitigate climate change;
- (d) To promote social well-being and cultural heritage in fisheries and aquaculture areas, including fisheries, aquaculture and maritime cultural heritage;
- (e) To strengthen the role of fisheries communities in local development and the governance of local fisheries resources and maritime activities.

These priorities are addressed in the SEAFLAG's approved LDS, a copy of which can be found at www.seaflag.co.uk.

2. Who can apply for funding?

The scheme is open to many applicants within the fisheries, aquaculture and related sectors and their wider communities and include, but are not limited to: -

- The owner of an Northern Ireland registered fishing vessel and you commercially fish from a port based in Northern Ireland
- A fisherwoman, spouse or legal partner of a fisherman
- A producer organisation, Inter-branch organisation or a public or semi-public organisation
- An aquaculture business or association
- An organisation of fishermen or fisherwomen
- Those involved in production, processing, marketing, distribution or commercial retail of fisheries and aquaculture products such as restaurants, fishmongers, suppliers etc.
- Non-governmental organisations
- Universities, training, education, scientific and research institutes involved with the maritime sectors
- Public-private partnerships
- Micro, small and medium-sized businesses
- Voluntary Groups
- Individuals that reside within areas with a high dependency on sea fishing for its employment opportunities and/or wealth creation.

You should contact SEAFLAG if you are unsure which category your company falls under and whether you are eligible to apply for funding.

3. Who cannot apply for funding?

In some circumstances you may not be eligible to apply for funding. You can't apply for and receive EMFF funding if you've been convicted of fraud under either the previous European Fisheries Fund or the EMFF Programmes.

You can't apply for and receive EMFF funding if you've been convicted of an offence that DAERA or European Union considers to be a 'serious infringement' or fraud, in the 12 months before applying.

You usually cannot apply to the scheme if:

- You are a large company. This means you employ more than 250 employees and have an annual turnover or balance of more than €50million
- You are a partner of, or linked to, a large company (see above)
- You are applying for fishing equipment but you are not a licenced commercial fisherman
- Your project is eligible for support to any other European Structural and Investment Fund or indeed, any other Measure within the NI EMFF Programme.

4. What can you get funding from the FLAG for?

Broadly projects should support fishing communities to adapt to the reformed Common Fisheries Policy (CFP) and/or support sustainable economic growth to meet with the EMFF funding requirements but projects should also meet the FLAG priorities which are listed in Section 1.

Below are some examples of what you might be able to get funding for:

- Ensuring key skills and critical infrastructure are preserved
- Encourage diversification into other activities in the marine environment
- Support for adaptation to climate and other environmental change
- Improve supply chain mechanisms and market access with a view to value adding and delivering higher value prices to fishermen
- Maintaining a critical mass to ensure viable infrastructure

5. What can you not get funding for?

Before you apply there are some things you cannot get funding for as they do not meet the rules of the scheme:

- Increases to the fishing effort, capacity of fishing vessels or their ability to find or catch fish
- Exploratory fishing
- The transfer ownership of a business
- Direct restocking unless explicitly provided for as a conservation measure by a European Union legal act or in the case of experimental restocking
- Statutory or mandatory undertakings - Items and services that are statutory or mandatory requirements of law and bylaws cannot be funded
- The maintenance of any vehicles
- On-going business operating costs
- Interest on debts
- The purchase of land or housing that's worth more than 10% of your project's total expenditure
- Re-payments of loans on any item(s) you have purchased
- Costs that you could recover in part or in total by making a claim on an insurance policy or by seeking compensation or damages.
- Mandatory costs such as licences fees and planning permission

This list is not exhaustive. If you're unsure whether your project is eligible or ineligible, you should complete an Expression of Interest form and send it to SEAFLAG for further advice.

6. How much funding can I apply for?

Funding rates vary depending on:

- what you are applying for
- the type of applicant you are, for example, if you are a private business or a public organisation
- how much match funding you are able to obtain or what you can afford

The standard funding rate maximum is 50% but there are exceptions where you can receive up to 80%. You should contact SEAFLAG for advice on your particular project.

While the CLLD scheme is designed to assist those who cannot afford to deliver projects without grant support, if your application is successful, you will need to be able to pay for your project costs up front and then claim back the approved amount of money from the SEAFLAG.

7. How to apply to the FLAG

While the FLAG application process can sometimes appear daunting, SEAFLAG staff are there to help with applications and the process. Please do get in touch with us.

Initial Expression of Interest (EOI)

- Submit an EOI to SEAFLAG to check if your project idea has the potential to be eligible for funding. We ask for this so it can save both your and our time before making a full application. It also gives SEAFLAG an opportunity to give initial feedback on projects before full application. The EOI is available on-line at www.seaflag.co.uk. You are welcome to call the SEAFLAG Programme Development Manager to talk a project through before submitting an EOI.
- Following the submission of an EOI, SEAFLAG we will then assess your project and tell you if you can apply and how you should do so. A full response and comments back can take up to 10 working days.
- Make sure you include as much information as possible in your EOI. If you have not supplied enough information you may be asked for more and this may delay receipt of a response from us.
- If your project is eligible, the FLAG will invite you to complete a full application. However, this does not guarantee that you'll receive EMFF funding support. Please note, you must submit the documentation noted under point 8.2.

8. Submitting a full application

Once you decide to submit a full application, you can use the instructions below to apply. If you require help, SEAFLAG can also help you in submitting an application.

You must apply on the EMFF E- system. The link to the system is:
<https://eurofish.marinemanagement.org.uk/Eurofish/public/home.aspx>

You need to register and receive a password for your account before you can complete and submit an application. You should have all your supporting documents with you when you start your application. If you start your application but do not finish it, you must use the "Save" button to ensure your work is not lost. You can then return to your application later by logging back into the system.

After submission, the next steps will be:

- Following submitting your application on-line, you must send a signed hard copy to the SEAFLAG office.
- SEAFLAG will contact you within 5 working days of submission of your signed full application to confirm that they have received it.

- Your application will be considered by the SEAFLAG board at the next suitable board meeting and a decision will be made to reject the application or recommend the application for funding to DAERA.
- The FLAG will write to you to tell you if your application has been successful or not, provided we don't need any further information. If more information is needed SEAFLAG will contact you to explain what is required and how long you have to provide it. If further information is needed, then it may take longer until you receive a funding decision.

Please note:

- If your application is not approved, whether or not you have started work, you will not be able to reclaim any costs from SEAFLAG or the EMFF Programme.
- Please see Section 8.1 on Proceed at Risk on starting your project after acknowledgment but before receiving a decision.

8.1 Proceed at Risk

- You must not start work on your project before you've made a full application for funding and have received an email acknowledgement that confirms your application has been received and is complete.
- If you start work before receiving your acknowledgement email, your project will be automatically ineligible and you will not be able to claim any of the costs incurred on the project.
- SEAFLAG does not recommend this approach unless essential to successful project delivery. Although not recommended, you can start work on your project including the purchasing of items once you have submitted your application and received an acknowledgement email.
- Any work undertaken after you have received your acknowledgement but before you have received a decision letter is done so at your own risk as funding is not guaranteed until a decision has been made on your application and an Offer of Funding has been made to, and accepted by, you.
- If your application is not approved, you will not be able to claim any funding from the SEAFLAG or DAERA.

8.2 Documents you need to send with your full application

You may need to send additional, supporting documents with your application. This section sets out which documents you might need, such as:

- A) **A (commensurate level) business case**
- B) **Tenders/quotations received from potential suppliers of products and services** - the number of quotes depend on the cost of the items to be bought
- C) **Financial Accounts** - 2 to 3 years of accounts and 5 years cash-flow for existing organisations, and 5 year cash-flow for new organisations
- D) **Sole Trader** - proof of identification
- E) **Partnerships** - consent from partners if you are applying their behalf
- F) **Leases on lands and buildings**- you must have a remaining lease period of at least 10 years
- G) **Targets and Benefits**- evidence to support the targets and benefits associated with your project
- H) **Permissions, Planning Consents and licences**- you will need evidence of these if your project requires them
- I) **Evidence of Match Funding**- proof the necessary match funding is available.

Further detail on documents is given below:

Business Cases

If your project has a total cost under £25,000, a business case is not required. **If your project has a total value of £25,000 or more** a Business Case must be submitted. A Business Case Template is available from www.seaflag.co.uk.

Accounts

You should provide copies of your business/organisation's accounts for the last three financial years to demonstrate that your business/organisation is financially sound. These can be audited or non-audited. If your business/organisation is currently loss making, this does not necessarily mean that you cannot be considered for funding. However, you will need to explain carefully in your business case or application the steps you are taking to make the business/organisation financially viable, including the contribution the proposed project is expected to make to this. SEAFLAG will consider this evidence during its assessment of your project.

If your business/organisation is one or two years old, you only need to provide the business/organisation's accounts for the financial years that it has been in operation.

If the business/organisation is new, you should provide a cash flow forecast for a minimum of 5 years (Request Business Plan and Financial Template).

Sole Traders identification

If you are a sole trader (even if you have employees) you must supply a certified copy of photographic Identification. Documents include Passport, Driving Licence and Fire arms licences. Certification can be made by appropriately qualified individuals such as Doctors, Solicitors, the Post Office and DAERA officials. Where photographic ID cannot be supplied 2 copies of recent utility bills can be accepted providing they show your name and address details. Bills in your partner's names cannot be accepted.

Partnerships

If your business is a partnership authorisation for the funding application must be obtained in writing from all partners to ensure they are aware of any obligations on them or the business by applying for European funding.

Leases on land or buildings.

If you have leased land or buildings within your project for example; if your project is the fitting out of any leased building, the land or building must have a lease remaining of at least 10 years from the time you apply for funding. If your land or building does not have at least 10 years lease remaining at the time of applying the project will not be eligible for funding.

Targets and Benefits

Your project must have Targets and Benefits that can be achieved directly by the project.

Targets and Benefits help you and SEAFLAG measure the success of your project so they should be specific to your project, measurable, achievable and realistic and have timescales or deadlines.

If you do not meet the Targets and Benefits originally agreed and set out in the Offer Letter issued to you then the level of achievement of the Targets and Benefits will be considered. A proportionate approach to this will be taken and where possible we work with you to address the issues identified. SEAFLAG must protect the public funding elements of the EMFF scheme and any match funding wherever possible. Because of this, recovery of funding paid to you, or the withholding of any funding outstanding may occur if it is considered appropriate.

Permissions, Planning consents and licences

If your project needs specific permissions, consents and licences to go ahead, you must send proof that you have them to SEAFLAG when you apply. You should talk to the relevant authority to find out if you need any consents including Marine Licences.

An offer of funding cannot be issued without the required planning consents and/or licences being in place.

If you need proof that your project is likely to be funded for example to obtain other match funding or for securing staff it is possible you can receive an offer in principle if the project is eligible and meets the requirements of the scheme while the planning consents and/or licences are being obtained. An offer in principle is not an offer of funding and you cannot claim funds until you receive a full offer of funding.

Match Funding

It is your responsibility to source and provide private match funding if this is required as part of the project's funding. Typical sources of private match funding can include business loans or cash resources. The source of private match funding should be clearly stated when applying for funding. Before committing any private resources to the project we recommend you consider seeking independent financial advice.

Cash, loans or grants from other sources being used for match funding must be in place before applying to SEA FLAG. You will be asked for proof this is in place before a decision is made.

Durability of Operations

Items purchased using EMFF funding must be owned and used for their original purpose for a minimum of five years from the date of the last payment made to you. Some or all of the funding for projects that do not meet the Durability of Operations above will be recovered.

All projects, where there is a workforce of one or more persons

All projects, where there is a workforce of one or more persons, whether permanent or temporary, must comply with any sanitary rules appropriate to the UK. You must confirm in the relevant place on your application if asked to indicate that you have considered the above.

PART 2: Your contract with DAERA

While your main relationship and point of contact will be with SEAFLAG, the funding contract will be between yourself and DAERA. These next sections are detailing important information about that contract.

9. Project Decisions

If your application is approved

If your project is approved, you will be sent an Offer Letter which states the:

- amount of money you've been awarded - in some cases you won't be awarded the total amount you applied for so you should check this carefully, and
- the conditions you must follow when completing your project - if you don't meet these DAERA can withdraw or change the offer made to you

How to respond to your Offer Letter

If you decide to accept the Offer Letter and its conditions, you must sign the Acceptance of EMFF Offer and return it to SEAFLAG office

You must also retain a copy of the signed Offer Letter and acceptance and keep it for your records.

Publicity

The European Commission, SEAFLAG and DAERA will publish brief details of all successful projects, including your name or your organisation's name as applicable, a description of the project and broad details of any funding awarded; this is called the Transparency Initiative (TI).

If your application is declined

If your application is declined, you will be sent a letter that explains why. You can appeal this decision through SEAFLAG if you think that:

- it was based on a factual error
- it was legally wrong
- SEAFLAG made an error in processing your application

You have 28 days after the date of the letter to ask SEAFLAG to review its decision.

An Independent Appeal Officer will consider your application in full against the selection criteria. The appeal will either pass which means the original decision is overturned or fail and the original decision is upheld.

You will be notified of the outcome of your appeal within 6 weeks of the FLAG receiving it. If your appeal is successful and the original decision is overturned, you will be issued with an Offer Letter as appropriate.

If your appeal is unsuccessful the appeal decision is final and no further correspondence will be entered into. However, you can reapply and your new application will be considered without prejudice unless fraud has been committed in which case your application will be ineligible.

Records you must keep

If your application is successful, you must keep all documents related to your project for 5 years from the date of the last payment to you, including:

- Licences
- Consents
- Quotes
- Invoices
- Receipts or other documents which record your spending
- All accounting documents related to your application
- Claim forms

You must give SEAFLAG or any appropriate agent any information or documents that they ask for at any stage. The FLAG may give your name and address to an independent person they've hired to evaluate your project.

You should, where practical, keep your project documentation under a separate accounting system or accounting code to ensure it is easily differentiated from your businesses other accounts and transactions.

10. How to claim your funding

As part of the application process, you will need to inform SEAFLAG as to when you will be submitting claims for EMFF grant support

If your application is successful, you will be able to claim the EMFF funds due to you via the E-system. Your funding will be paid to you in arrears meaning you will need to pay for your items before claiming your funding - you need to prove you've spent your money on the item or service by completing and submitting the claim pages online along with:

- Original dated invoices which show the amount of money you paid for each product or service you're claiming for
- Email invoices can be accepted but they must show the email trail from the supplier to the applicant
- Proof of payment
- A progress update on your project

The FLAG can recommend to DAERA to decline to pay you part of the funding, or DAERA can take action directly, or the whole funding if there are issues with your claim. This includes, but is not limited to, if the information on your invoices is not accurate, there is no appropriate proof of payment or the products or services you bought aren't what were approved on your Offer letter.

The conditions in your Offer letter will explain what you must do and the information you must send to the South East Area FLAG to get your funding paid.

Your final claim date will be detailed in your Offer Letter and is based on the claim dates you put in your application. You must claim by these dates. If you are unable to claim by the date detailed, you must contact South East Area FLAG as soon as possible to discuss options.

Reporting your progress

You must update the South East Area FLAG on the progress of your project when you make a claim for payment or every 6 months, whichever is sooner, plus one performance report each year for the first 3 years if your project is long-term.

You should tell us the following information:

- How is the delivery of your project going, what are the key milestones achieved to date?
- Is the project delivering on time?
- Have there been any problems or issues encountered?
- Do you foresee anything changing on the project including delivery timescales, items, suppliers or costs? If you do, then you must inform the South East Area FLAG as soon as possible by making an amendment to your project in the E-system. If you don't carry out your project in accordance with the timetable in your Offer Letter, South East Area FLAG will ask you to explain the delay and any impact on your targets and benefits. South East Area FLAG could then cancel your funding offer, or change it, depending on the reasons you give. Should this be the case a full explanation will be provided. South

East Area FLAG may also decide to reclaim any funds you have already been paid.

DAERA can take criminal or civil action to reclaim any money already paid you if we find you gave false information in your application, or if you do any of the following:

- Break the conditions in the Offer Letter
- Use the money for a different purpose to what you said you'd use it for when you applied
- Commit fraud

Inspections

You must let the South East Area FLAG or appropriate officials visit your vessel or sites related to your project to check your progress and report it to the European Commission.

The following bodies can also inspect your project after you've been sent an Offer letter:

- National Audit Office
- Department of Agriculture, Environment and Rural Affairs
- European Commission
- European Court of Auditors
- Any other agents deemed appropriate by the European Commission
- Another Intermediate Body

You will usually be given at least 48 hours' notice, but this is not a requirement.

11. Terms and conditions

There will be terms and conditions associated with the legal contract (Award Letter) between you and DAERA which you will be required to strictly adhere to. These terms and conditions will be either project specific or general conditions, which apply to all EMFF awards. These terms and conditions will be explained in detail to you at an Awards Letter presentation meeting in advance of you accepting an offer of grant support to ensure you are fully aware of the obligations associated with the funding offer.

12. Contact Details

South East Area FLAG

Address: Newry, Mourne and Down District
Council
Downshire Civic Centre
Downshire Estate
Ardglass Road
Downpatrick
BT30 6GQ

Telephone: 0300 013 2233 Ext 2511

Email: sea@nmandd.org

Appendix

1. Small, Micro and Medium sized business definitions:

Funding is usually only available to Micro, Small and Medium Enterprises check below to confirm which one you are:

- **Micro-enterprises** are defined as enterprises that employ fewer than 10 persons and whose annual turnover or annual balance sheet total does not exceed €2 million;
- **Small enterprises** are defined as enterprises that employ fewer than 50 persons and whose annual turnover or annual balance sheet total does not exceed €10 million;
- **Medium-sized enterprises** are defined as enterprises that employ fewer than 250 persons and whose annual turnover or annual balance sheet total does not exceed €50 million.
- Large companies exceed the rules outlined for medium-sized enterprises. In addition, your company's relationship with other businesses is also important. For example, if you have a large parent company and you are linked then you may not be eligible to apply for funding. It is up to you to determine and declare your business type from the three categories below:
- **Autonomous** – if the enterprise is either completely independent or has one or more minority partnerships (each less than 25%) with other enterprises
- **Partner** – if holdings with other enterprises rise to at least 25% but no more than 50%, the relationships is deemed to be between partner enterprises
- **Linked enterprise** – if holdings with other enterprises exceed the 50% threshold, these are considered linked enterprises.