TERMS & CONDITIONS

BIOENERGY (Willow) SCHEME 2015

Introduced by

the

Minister for Agriculture, Food and the Marine

Funded by the Irish Government
in accordance with the provisions of
Commission Regulation (EU) No 1407/2013
BIOENERGY (Willow) SCHEME 2015

1. General

(i.) The Scheme shall come into operation on 24th March 2015 for a period to be determined by the Minister.

(ii.) The objective of the Scheme is to provide establishment grants to farmers to grow willow to produce biomass suitable for use as a renewable source of energy.

(iii.) This document sets out the administrative provisions for implementing the Scheme in Ireland in 2015.

(iv.) The Scheme shall be administered by the Department of Agriculture, Food and the Marine, and shall operate throughout the State.

2. Definitions

For the purpose of the Scheme the following definitions apply:

“application” means an application under the BWS comprising a completed BWS Application Form for Pre-Planting Approval accompanied by appropriate supporting documentation in accordance with the terms and conditions set out herein.

“applicant” means a person who has applied for pre-planting approval under the Scheme.

“approval” means a pre-planting approval granted by the Minister in relation to an application made under this Scheme and includes any terms and conditions attaching to the approval at the time of issue.

“BWS” means the BioEnergy (Willow) Scheme.

“BWS Application for Pre-Planting Approval” means an application for the Minister’s approval to establish a willow plantation within the terms of the BWS and all current legislation and guidelines.

“BWS Application for 1st Instalment Grant” – means an application to receive a 1st Instalment Grant following planting within the terms of the pre-planting approval.

“BWS Application for 2nd Instalment Grant” means an application to receive the 2nd Instalment Grant in the year following payment of the 1st Instalment Grant, subject to certain conditions.
“Contract area” means lands planted by the applicant that meet the eligibility conditions and which the applicant has declared in their Basic Payment Scheme application.

“De Minimis Aid” De minimis aid is amounts of State aid paid to an individual or enterprise/company from any State body, agency or Department.

“Department” means the Department of Agriculture, Food and the Marine.

“Farmer” means an individual agricultural producer, whether a natural or legal person or a group of natural or legal persons, whatever legal status is granted the group and its members by national law, whose holding is within the State.

“Lease” means a term of years absolute in possession for a minimum of 2 years from the commencement date of the application under the Scheme.

“Minister” means the Minister for Agriculture, Food and the Marine.

“Scheme” means the BioEnergy (Willow) Scheme.
3. Eligible Persons

The Scheme is open to applicants who meet the following criteria:

Eligibility Criteria

i. Applicants who are landowners or have leasehold title to the land and have responsibility for farming the land on which it is proposed to carry out the plantation.

ii. Where an applicant has leasehold title to the land, aid will not be granted unless the leasehold title allows for planting or where the landowner has consented to planting in a supplementary lease.

iii. An applicant who is not the owner of land involved shall only be admitted to the Scheme if they are a family member and are managing the land. Such an application can only be made with the written permission of the landowner.

iv. Commonage shares, rented lands and grazing rights are not eligible for payment under the Scheme.

v. Applications will only be accepted in relation to the establishment of new sites, which were not previously planted with willow.

vi. As required by EU Regulation 1407/2013 a De Minimis Declaration must be completed by every claimant each year in order to apply for payment.

Selection Criteria

Applications will be prioritised having regard to:

- The existing system of farming and the level of expertise/knowledge with regard to growing biomass crops,
- Suitability of the site having regard to access, soil type/drainage, agronomy and environmental considerations,
- Evidence of linkages with end-users to use the biomass crop as a source of bioenergy,
- Applicants who planted previously under the Bioenergy Scheme,
- Applications that are capable of achieving economies of scale,
- Proximity of site in relation to major end users e.g. co-firing and/or CHP (Combined Heat & Power) plants.

4. Aid Payable under the Scheme

The aid consists of a once off capital grant based on a percentage of approved establishment costs. Approved costs will be grant aided up to 40% subject to a maximum grant of €1,040 per hectare. The maximum grant per hectare may be subject to review at any stage over the period of the Scheme.

(i.) Aid will be calculated on the basis of invoices, and corresponding receipts, only.

(ii.) Aid will be paid in two instalments. A maximum of 75% of the grant (€780) (1st Instalment Grant) becomes available following establishment of the crop. A maximum of 25% of the grant (€260) (2nd Instalment Grant) becomes available in the year after payment of the 1st instalment, provided the applicant has adequately maintained and managed the crop, including the first year cut back where applicable.
5. **Conditions in Regard to Investments**

(i.) Applicants must submit a separate Application for Pre-Planting Approval for each crop.

(ii.) The minimum allowable area per applicant eligible for the establishment grant is 3 hectares and the maximum allowable area is 50 hectares.

(iii.) Individual applicants are allowed to apply for a maximum of 50 hectares under the Scheme in 2015, subject to the preceding (i) and (ii).

(iv.) The approval or payment of grant aid under the Scheme does not represent a guarantee by the Department of Agriculture, Food and the Marine of the long-term sustainability of the crop, and the Department will not be responsible for any loss which a participant may incur as a result of a failed crop.

(v.) Applicants should obtain independent technical advice as to the suitability of their land for planting willow crops and as to the necessary husbandry, particularly weed control, and management requirements for optimum establishment.

(vi.) Grant-aid paid may be recouped where applicants fail to establish the crop to a satisfactory degree or fail to plant and manage the crop in accordance with the Scheme’s Terms and Conditions and the relevant Best Practice Manuals. To this end, the Minister reserves the right to carry out random inspections following the payment of grant-aid, including ex-post checks.

(vii.) Aid will only be granted to applicants who have an end use contract with a contractor in the bioenergy market. The contract must indicate the LPIS Numbers and the net areas being planted under the contract.

(viii.) Applicants must submit a Basic Payment Scheme (BPS) 2015 Application in respect of all parcels/plots being claimed under the Bioenergy (Willow) Scheme 2015. Failure to do so will automatically result in any claim for payment under the Bioenergy (Willow) Scheme 2015 being refused.

(ix.) Applicants must ensure that they have provided their bank details to the Departments Accounts Division as failure to do so will result in payments being held until such details are received.

(x.) -Participants in the scheme must be aware of their obligations in terms of declaring other de minimis aid and the possibility that they may not be eligible for payment of grant aid if the sum total of *de minimis* aid received exceeds €200,000 over a rolling three fiscal year period.

- Grant aid cannot be paid where an applicant exceeds the €200,000 threshold.

- Where *de minimis* aid is paid and it subsequently transpires that this aid exceeded the threshold the Department will deem this payment to be an overpayment and rules regarding penalties and debt recovery will apply.

- *De minimis* aid is calculated on the basis of aid given to a single undertaking. This means for example that subsidiaries of a parent company are considered a single undertaking and aid to each subsidiary is combined for the purposes of checking that the *de minimis* ceiling has been reached. Linked enterprises are defined in annex I of Commission Regulation (EC) No 800/2008.
6. Commencement of Work

(i.) All proposed planting must receive prior written pre-planting approval from the Department of Agriculture, Food and the Marine. Any planting which proceeds without such approval will not be eligible for grant assistance.

(ii.) Applicants are advised that it may not be possible to grant pre-planting approval to all eligible projects in 2015, due to the limited availability of funding. Pre-planting approvals will issue up to the available level of funding for the Scheme. Where an applicant opts not to proceed, having received pre-planting approval, they should notify the Department immediately.

(iii.) Incomplete applications will not be considered for pre-planting approval.

(iv.) Approvals issued under the Scheme may be subject to conditions laid down by the Minister.

(v.) If successful, applicants will be issued with a letter of approval authorising commencement of work on the site. This letter of approval may specify certain conditions that must be adhered to by the applicant.

(vi.) **Under no circumstances should an applicant commence work on the site until they have received Pre-Planting approval.**

7. BWS Application Form for Pre-planting approval.

(i.) Applications for pre-planting approval must be made using the **BWS Application Form** for Pre-Planting Approval.

(ii.) Applicants must submit a separate BWS Application Form and ‘End Use Contract’ to receive Pre-Planting Approval for each crop.

(iii.) On the BWS Application Form, applicants must declare the land parcels (Land Parcel Identification Number) and the eligible net area of each land parcel in respect of each plot where willow is being planted. Eligible/net area refers to the number of ‘eligible hectares’ as defined under the land definitions of the EU Basic Payment System (BPS) Helpsheet/Terms and Conditions.

(iv.) Where land parcels are being sub-divided for the purposes of the Scheme, the details of that parcel subdivision must be entered on the BWS Application Form using the original LPIS parcel number along with a specific identifier (“A”, “B”, “C” etc). Boundaries should be marked accurately on a map marking the specific division “A”, “B”, “C” and so on. Where applicants are splitting LPIS numbers then they must separately request, when submitting their BPS application, that the new plots are redigitised.

(v.) Where the LPIS No is not available, new plots must be identified by calling them Plot 1, Plot 2, etc. Similar to the situation outlined at (iv) above, applicants must separately request, when submitting their BPS application, that the new plots are redigitised.

(vi.) Where land parcels are being divided or where the LPIS No is not available, new plots or subdivisions must be clearly identified by outlining them carefully on an Ordnance Survey Map or a LPIS Map.

(vii.) All parcel/plot boundaries requiring mapping (as described above) should be marked with red ink.

(viii.) Applicants must ensure that land parcel areas planted to willow are declared on their 2015 Basic Payment Application Form. Applicants should note that both the LPIS No. and the number of hectares
on the BWS application must match what is claimed on the BPS application. Failure to do so may result in the application of penalties.

(ix.) Where the herd number and/or other Department identifier is registered in joint names, the application form should either (i) be signed by all parties, or (ii) signed by one party with the written consent of all other parties to do so.

(x.) Only fully completed Application Forms for Pre-Planting Approval plus end use documentation, and where relevant, supporting maps identifying new plots or sub-divisions, will be accepted by the Department of Agriculture, Food and the Marine. Incomplete applications will not be considered for pre-planting approval.

THE CLOSING DATE FOR RECEIPT OF APPLICATIONS FOR PRE-PLANTING APPROVAL IS THE 30th April 2015. All relevant application forms and Best Practice Manuals are available from Bioenergy (Willow) Scheme 2015, On-Farm Investments Division, Department of Agriculture, Food and the Marine, Johnstown Castle Estate, Co Wexford. Website www.agriculture.gov.ie;

8. Open Ground

(i.) It is accepted that some open ground is necessary for management of the crop and for environmental reasons.

(ii.) Where open ground is necessary for management/environmental purposes applicants must demonstrate how much open ground is required and give details of such on the pre-planting approval Application Form. Only open ground applied for at this stage can be considered under the Scheme.

(iii.) Applicants can receive grant aid on open ground for up to 10% of the ‘net eligible area’ claimed under the Scheme.

(iv.) Applicants should note that when completing details of the land parcels planted, the number of hectares planted plus the open ground hectares cannot exceed the number of hectares approved at pre planting stage.

9. Protection of the Environment

To ensure protection of the environment, applicants:

(i.) Must adhere to all provisions of S.I. No. 31 of 2014, European Communities, (Good Agricultural Practice for Protection of Waters) Regulations 2010.

(ii.) Must obtain approval from the Department in consultation with the National Parks and Wildlife Service to plant in the following protected areas:

- Natural Heritage Areas (NHAs) proposed or designated by the Minister for Environment, Heritage and Local Government,
• Farmland-based Special Areas of Conservation (SACs) designated under Council Directive 92/43/EEC on the Conservation of Natural Habitats,
• Special Protection Areas (SPAs) designated under Council Directive 2009/147/EC on the Protection of Wild Birds,

(iii.) Must adhere to additional environmental requirements detailed in the Best Practice Manual.

(iv.) Applicants may be refused grant aid where the Minister is of the opinion that the proposed planting would cause damage to the environment, in particular, to environmentally sensitive areas (including possible ex situ impacts on designated areas) or to a structure or area of historical or archaeological importance.

10. Bioenergy (Willow) Scheme and REPS

Applicants should note the following with regard to the management of Biomass Crops in REPS 4 as set out in Department of Agriculture, Food and the Marine Circular 13/2010 of 22 October 2010:

The area planted with biomass crops shall be eligible for REPS payment subject to the following conditions:
• The maximum area allowed is 10 hectares
• Must not be grown on habitats identified under Measure 4 or Natura 2000/NHA sites
• The uncultivated margin must extend to 4 meters.

Where an applicant exceeds 10 hectares they are ineligible to participate in REPS 4 and there will be recoupment of any monies already paid.

An applicant who planted biomass prior to the date of Circular 13/2010 was allowed to plant a maximum area of 10 hectares or 25% of the REPS contract area whichever was the greater. In these cases there will be no REPS payment on any area which was planted in excess of 10ha or 25% of the REPS contract.

11. Bioenergy (Willow) Scheme and AEOS

Biomass crops must not be grown on a LPIS parcel on which an action under the Agri-Environment Options Schemes (AEOS) is being delivered.

12. Particular Responsibilities of Applicant

(i.) It is a requirement of the Scheme that applicants establish their crops to a satisfactory degree and plant and manage the crops in accordance with the terms and conditions of the Scheme and the Best Practice Manual for Willow, compiled by Teagasc and issued by the Department of Agriculture, Food and the Marine:
(ii.) In relation to any proposed clearance work prior to planting, it is an offence under the Forestry Act 1946 to uproot a tree over ten years old or to cut down any tree unless the owner has obtained permission in the form of a felling license from the Department’s Forest Service. Application for a felling license is made on a felling notice form available from any Garda Station.

(iii.) The use of the crop for the treatment of biowaste material lies outside the scope of the Scheme and it is the responsibility of the applicant to comply fully with all relevant best practice, regulations and licensing requirements.

13. Procedure for Application for Aid

Payments shall be made in respect of applicants who have been granted Pre-Planting approval and who have established their crop to a satisfactory degree and in compliance with the terms and conditions herein and on the application forms, and with the standards detailed in the Best Practice Manual.

To avoid grant aid being delayed or revoked, it should be noted that crops must reach a satisfactory level of establishment. **The minimum standard for a satisfactorily established crop is 13,300 plants per hectare for willow. The planting density will be checked at all inspections.**

**BWS Application Form for 1st Instalment Grant**

(i.) Application for payment of the 1st instalment grant under the Scheme must be made using a BWS Application Form for 1st Instalment Grant following the same procedure as for the application for pre-planting approval with respect to site and area identification. The application form sets out the requirements to be met in order to make a valid application.

(ii.) Only expenses incurred between the date of approval and the date the 1st Instalment Application is received by the Department of Agriculture, Food and the Marine (or the closing date for receipt of 1st instalment applications – whichever is earlier) are eligible for inclusion in the grant calculation.

(iii.) Where not all of a parcel/plot approved for planting has been planted, a separate map is required to illustrate areas that have been planted.

(iv.) Proof of specific suppliers and varieties of willow used must be provided as part of the Application for 1st Instalment Grant.

(v.) **Applicants should note that when completing details of the land parcels planted, the number of hectares planted plus the open ground hectares cannot exceed the number of hectares approved at pre planting stage.**

(vi.) **Applicants should be aware that claiming in excess of the hectares approved at pre planting stage, or the area that the applicant intends claiming in the Basic Farm Payment (BPS) application, can result in penalties being applied.**
**BWS Application Form for 2nd Instalment Grant**

(i.) Application for payment of the 2nd instalment grant under the BWS must be made using a BWS Application Form for 2nd Instalment Grant and may be claimed in Year 2 provided the applicant has adequately maintained and managed the crop, including the first year cut back. The application form sets out the requirements to be met to make a valid application.

**14. Delayed Payments**

(i.) Where crops fail to reach a satisfactory level of establishment, payment may be refused or delayed at the discretion of the Department.

(ii.) Payments may be delayed until the third year after the planting of the crop only under exceptional circumstances. Payments will not be deferred beyond the end of the third year i.e. for crops planted in 2015; payment will not be deferred beyond 2017. If the crop had not been properly established at that stage, payment of the grant will be forfeited.

**15. Requirement for Supporting Documentation**

(i.) Any work carried out by applicants or any items invoiced or purchased and payments made prior to the issue of pre-planting approval, are not eligible for grant aid.

(ii.) Any work carried out by applicants or any items invoiced or purchased subsequent to the receipt of the 1st Instalment Application by the Department of Agriculture, Food and the Marine (or the closing date for receipt of 1st instalment applications – whichever is earlier) are not eligible for grant aid.

(iii.) Invoices, **and corresponding receipts**, for ground preparation operations, vegetation management, purchase and planting of stock, planting and fencing must be submitted when making an application for payment.

(iv.) The ‘Schedule of Invoices’ document that accompanies the 1st Instalment Application must be completed in full and returned with the application. Only details submitted on this form will be considered for inclusion in the grant calculation.

(v.) Invoices **must be accompanied by corresponding receipts** and must be original and on headed paper and must at least include the name, address and VAT number of the supplier/contractor (if registered. If supplier/contractor is not registered for VAT a letter is required from them stating this fact). In addition, the Invoice must indicate-

a. The name and address of the applicant,

b. The Invoice number and date, where applicable,

c. The details of purchase in an itemised form,

d. The total VAT paid,

e. The amount of discount if any,

f. The net area planted

(vi.) Receipts must include (1) the amount and date of payment, (2) name and address of both the applicant and the supplier, (3) make reference to the invoice (i.e. invoice number).
(vii.) If a discount had been received, this should be clearly identified on either the invoice or the receipt.

(viii.) If applicant uses his own labour/machinery under any of the eligible operations (ground preparation, vegetation management, fencing etc), these details must be submitted on the relevant form that accompanies the 1st Instalment Application. Only details submitted on this form will be considered for inclusion in the grant calculation.

(ix.) Applicants must provide documentary evidence of the willow breeding programme involved (European and/or Swedish), the specific varieties supplied, and the specific suppliers of same.

(x.) For audit purposes, recipients of grant aid under the BWS will be required to retain Invoices relating to work undertaken for a period of 7 years.

16. Tax Clearance

(i.) All applicants are required to furnish a valid Tax Clearance Certificate or C2 Certificate from the Revenue Commissioners in respect of the current or preceding tax year before payment of grant aid is made.

(ii.) Applicants shall comply with all requirements of Value Added Tax (VAT) law. Where an applicant is registered for VAT, the amount of VAT that may be recovered by the applicant will be excluded from the calculation of the payment of aid. Accordingly, the 40% grant aid will be paid net of VAT.

(iii.) Where an Applicant is not registered for VAT, the grant aid for ‘vouched expenses’ will be paid inclusive of VAT. Applicants should note that the maximum payment rate under the Bioenergy (Willow) Scheme in 2015 is €1,040 per hectare.

17. Penalties

The following provisions shall apply to the Scheme.

(i.) Where an applicant fails to abide by the terms and conditions of the Scheme or where there is any material change in the circumstances of the Applicant which would be in conflict with the Scheme, the participation of the applicant in the Scheme may be terminated and all or part of the aid paid shall be reimbursed.

(ii.) Where all or part of the aid is not reimbursed, amounts may be deducted from future payments due to the applicant under any Scheme financed by the Department.

(iii.) The obtaining of aid under the Scheme by fraudulent means by the applicant acting alone or together may render such persons liable to prosecution.
The following penalties will apply to certain specific breaches of the Scheme:

| False or misleading information in application form and/or supporting documentation | No aid payable |
| Failure to abide by the terms and conditions of Scheme | No aid payable |
| Cross Compliance | Penalty as set out in the protocol of Good Farming Practice |

(iv.) Where monetary penalties are not paid within the period specified, the Department will take whatever action is necessary for their recovery.

(v.) In cases where penalties are applied, applicants will have 21 working days from the date of formal notification of the penalty to request a review setting out in writing the grounds on which they are requesting a review. The applicant will be notified of the outcome of the review in writing.

18. Right of Entry

(i.) Application(s) may be subject to pre- and/or post-approval inspection by the Department. The Minister reserves the right to carry out on-the-spot inspections on any land receiving grant aid under the BWS.

(ii.) To facilitate inspections, applicants shall co-operate with Department staff, reply to all queries and provide any documentary evidence that may be requested in relation to their application.

(iii.) Individual sites approved under the BWS may be selected for some level of monitoring and research. Applicants shall co-operate and give all necessary assistance to Department staff.

19. Recovery of Interest in Respect of Undue Payments

(i.) Where the Minister is required to recover a payment under the Scheme which has been unduly made, interest shall be due on such recoveries in accordance with the provisions of the European Communities (Recovery of Undue Amounts) Regulations 2003 (S.I. No. 463 of 2003).

20. Force Majeure or Exceptional Circumstances

(i.) Where an applicant is unable to meet certain Scheme conditions for reasons beyond his/her control a case of force majeure may be made in writing to the Department whereupon, after due consideration, the relevant Scheme conditions may be waived or modified with the Department’s prior approval.

(ii.) The circumstances under which force majeure may be considered include (without prejudice to the generality of the foregoing):

- death of applicant,
- serious illness/incapacity of the applicant (supported by medical evidence),
- compulsory acquisition of all or part of the agricultural holding which was not anticipated on joining the scheme,
- a natural disaster,
- the accidental destruction of livestock and/or farm buildings on the farm,
- an outbreak of disease affecting birds or animals on the farm,
- an order of Court for separation or divorce resulting in the land subject to the Scheme having to be divided or sold where as a result the conditions of the Scheme cannot be met,
- other Court order,

(iii.) A case for force majeure may be made to Bioenergy (Willow) Scheme 2015, On-Farm Investments Division, Department of Agriculture, Food and the Marine, Johnstown Castle Estate, Co. Wexford.

21. Documents to be furnished with Application under the Scheme

The address for submission of documents is Bioenergy (Willow) Scheme 2015, On-Farm Investments Division, Department of Agriculture, Food and the Marine, Johnstown Castle Estate, Co. Wexford.

1. Application for Pre-planting approval
   - BWS Application Form for Pre-planting Approval
   - End use contract
   - Map(s) if applicable
   - Lease/Letter/written permission of land owner, if applicable

2. Application for 1st Instalment Grant
   - BWS Application Form for 1st Instalment Grant
   - Invoices, and corresponding receipts, for purchase of planting stock, planting and fencing and ground preparation operations and vegetation management.
   - Fully completed ‘Schedule of Invoices’
   - Fully completed ‘Own Labour/Machinery’ document, if applicable
   - Tax Clearance Certificate
   - De minimis declaration
   - Documentary evidence of willow varieties
   - Map(s) if applicable

3. Application for 2nd Instalment Grant
   - BWS Application Form for 2nd Instalment Grant
   - De minimis declaration

22. Review of Procedures

The decision of the Minister on any matter relating to this Scheme or to any works thereunder shall be final. In particular, the Minister reserves the right to alter the terms and conditions of the scheme and/or alter the grant aid.
23. Withdrawal of Approval

The approval of aid may be withdrawn if the applicant fails to abide by the terms of the Scheme or in the event of any material change in the circumstances of the applicant or of the farm business or in any other respect, which would be in conflict with the terms or the condition of the Scheme. In such event all or such portion of aid given or to be given, as the Minister may determine, shall be re-imbursed or withheld.

24. Where an applicant opts not to proceed having received approval

There is a limited allocation of funds available for the Bioenergy (Willow) Scheme in any given year and pre-planting approval is granted to applicants on the basis of scores awarded under the selection criteria set out at 3 above. Where an applicant opts not to proceed, having received pre-planting approval from the Department, the applicant in question should immediately notify the Department so as to ensure that the funding allocated to that individual can be made available to be awarded to another applicant.

25. Change of ownership

The Minister must be informed if there is a change of ownership of a contract area that has received grant assistance. Re-imbursement of aid will not be required where the contract area is subject to a compulsory purchase order.


(i.) It is the responsibility of the applicant to ensure that all works shall be carried out in accordance with the provisions of all relevant statutes, regulations, bye-laws and duty of care.

(ii.) Payment of grant aid by the Minister should not be taken as evidence of compliance with the above legal provisions, consents, etc.

27. Information and Data Protection

The Minister reserves the right to make public information regarding the areas covered by the Scheme, including the number of participants, farms, hectares covered, etc., while continuing to observe the terms of the Data Protection Act.

28. Insurance of Plantations

Applicants should ensure that their plantation has adequate insurance cover against damage from, inter alia, fire and wind. In the event of plant losses, it is a condition of grant aid that losses will be replaced within the following two growing seasons.
29. Appeals to the Agriculture Appeals Office

Where a decision rejecting or otherwise affecting an applicant’s entitlement under the Scheme is taken, the applicant has, by virtue of the Agriculture Appeals Act 2001, the right to appeal that decision to the Agriculture Appeals Office. The appeal must be made, in writing, within three months of the date of the decision. The appeal must include the facts and contentions upon which the applicant intends to rely together with such documentary evidence that the applicant wishes to submit in support of his/her appeal.