



Circular No: 12 - 2019
From: LEADER Policy and Operations Unit
To: All LAGs and Implementing Partners
Date Issued: 30 July 2019
Subject: LEADER Food Initiative: start-up enterprises

Under the LEADER Food Initiative, applicants must be registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004. In order to facilitate emerging food businesses under the initiative, it will only be necessary for start-up artisan, micro and small food producers to be registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004 prior to applying for their final LEADER Food Initiative grant payment.

The application of this change in respect of one-off and phased grant payments is as follows:

1. One off grant payment

Where the LEADER Food Initiative applicant does not opt for phased payments as set out in Section 13.6 of the LEADER 2014 – 2020 Operating Rules, the grant payment will not issue until the LEADER Food Initiative applicant is registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004 and documentary evidence to that effect is supplied.

2. Phased Payments

Where the LEADER Food Initiative applicant opts for phased payments as set out in Section 13.6 of the LEADER 2014 – 2020 Operating Rules, the final phase of the grant payment must not issue until the LEADER Food Initiative applicant is registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004 and documentary evidence to that



effect is supplied. In such instances, it is advised that a significant proportion of the grant is reserved for the final payment.

Condition of funding

As per Section 13.6 of the LEADER 2014 – 2020 Operating Rules:

“...The LAG must notify the promoter, and include as a condition of the funding offer, that the promoter must repay all phased payments received in the event the project is not completed...”

In the case of start-up businesses funded under the LEADER Food Initiative, a project will **not** be deemed to have been completed until all the work approved for LEADER grant aid is completed **and** the LEADER Food Initiative applicant is registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004.

Text of Operating Rules

Section 4a (Eligibility Conditions) of Appendix 24 of the LEADER 2014 – 2020 Operating Rules is amended as follows (amendments are in red text):

24.24.4a Eligibility Conditions

Projects must be:

- in the areas of (1) market development, (2) competitiveness or (3) innovation and must be in line with the objectives of the LDS framework for the sub-regional area;
- Project applicants must be Artisan, Micro or Small food producers and registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004;

(For Registration as a Food Producer, please contact FSAI:
https://www.fsai.ie/food_businesses/starting_business/register.html)

- Start-up food businesses must be registered as a food producer with the relevant Competent Authority as per Regulation (EC) No 852/2004 before receiving payment under the LEADER Food Initiative [or before receiving final payment where phased payments apply]. Such registration must be included as a condition of funding.



Any phased payments already provided must be recovered by the LAG in the event that the funded entity fails to register as a food producer. As such, it is advised that a significant proportion of the grant amount is reserved for the final payment.

OR

If the applicant is not a food business (e.g. an LDC) the project must deliver benefit to artisan, micro and small food producers.

Thank you for your continued co-operation.

LEADER Policy & Operations Unit.