



An Roinn Talmhaíochta,
Bia agus Mara
Department of Agriculture,
Food and the Marine

Innovative Forest Technology Scheme 2023-2027 Module 2 Investment Aid for the Development of the Forest Tree Nursery Sector

Amendments

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1. Introduction to the Innovative Forest Technology Scheme

The objective of the Infrastructure and Technology investments measure of the Forestry Programme 2023-2027 is to encourage the introduction and adoption of new technologies in Ireland's forestry sector.

The measure, which consists of 5 modules, will support private forest holders, producer groups and forestry contractors, seed collectors and forest nurseries (or those wishing to enter the forestry nursery sector) to procure and develop innovative technologies for use in the private forest sector in Ireland.

Periodically, over the duration of the Forestry Programme 2023-2027, and subject to the availability of funds, the Department proposes to introduce a number of targeted modules under the Innovative Forest Technology Scheme. These modules may be targeted at specific types of technologies in order to address specific deficits identified in the sector.

This document sets out the terms and conditions of the Innovative Forest Technology Scheme Module 2, a measure described in the Forestry Programme 2023-2027.

This document has been prepared to ensure that applicants are aware of the requirements and conditions under the Scheme and to assist potential applicants in completing applications for the Scheme.

Applicants will be required to sign a declaration that they understand the Terms and Conditions outlined in this document and will fully comply with them.

This document should be read in conjunction with:

- National Forest Standard;
- Code of Best Forest Practice – Ireland;
- Forestry Environmental Guidelines;
- Forest Road Manual (COFORD 2004);
- Managing Timber Transport, A Good Practice Guide (Forest Industry Transport Group, 2014).

and any relevant Circulars issued by the Department.

1.1 Legal Basis

The Legal basis for the Scheme is established under Section 6 of the Forestry Act, 2014.

The Innovative Forest Technology Scheme is operated pursuant to the European Commission's State Aid Approval. The Scheme is wholly funded by the Exchequer under State Aid rules as outlined in Commission Regulation (EU) 2022/2472 of 14 December 2022 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles

107 and 108 of the Treaty on the Functioning of the European Union.

The scheme is subject to Council Regulation (EC) No 2015/1589 of 13 July 2015 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union (codification) – the Procedural Regulation - (Codification of Council Regulation (EC) 659/1999 as amended), which governs the procedure on recovery of aid

The Scheme shall be administered and operated by the Department of Agriculture, Food and the Marine.

1.2 Commencement of the Scheme

The Scheme shall come into operation on 24th April 2023 for Module 2 and shall remain open until end 2027 subject to available budgets and at the discretion of the Minister.

The Minister reserves the right to alter or amend the operation dates for the Scheme. The Scheme shall operate throughout the State.

2. Module 2 - Investment Aid for the Development of the Forest Tree Nursery Sector

This module will focus on seed supply and nursery infrastructure with the aim of improving the resilience and environmental value of forest ecosystems. It is intended to assist in the development of the native forest tree nursery sector in Ireland, including seed collection, by grant aiding capital investments in specialised equipment, as well as technology adoption specific to native forest tree production. In addition, this module will support the production of native tree reproductive material in order to address the anticipated increased demand for the native and broadleaf trees in the Forestry programme 2023 – 2027.

For afforestation and reforestation targets to be realised, an indigenous supply of reproductive material and plants is required. The availability of more trees sourced from Ireland will give landowners and foresters greater certainty over supply and can also boost the green economy, while also reducing phytosanitary risk.

This module will help seed and tree suppliers of all sizes, from established nurseries to smaller nurseries and new entrants looking to diversify into the sector. Any private, or third sector organisation that will use the funding to support the production of tree seed or planting stock for forestry purposes may apply. This will help to improve not only the quantity but also the quality, diversity, and biosecurity of supply.

2.1 Objectives

The objective of this module is to enhance the quantity, quality and diversity of domestic production of native tree species for the forestry sector.

2.2 Descriptions

Forest reproductive material means any of the following:

- i. Seed unit: cones, infructescences, fruits and seeds intended for the production of planting stock;
- ii. parts of plants: stem cuttings, leaf cuttings and root cuttings, explants or embryos for micropropagation, buds, layers, roots, scions, sets and any parts of a plant intended for the production of planting stock;
- iii. planting stock: plants raised from seed units, from parts.

Production: includes all stages in the generation of the seed unit, the conversion from seed unit to seed and the raising of planting stock from seed and parts of plants.

Marketing: Display with a view to sale, offering for sale, sale or delivery to another person including delivery under a service contract.

Supplier: Any natural or legal person engaged professionally in marketing or importing of forest reproductive material.

Native Tree Species:

Tree species native to the island of Ireland eligible under this module include: common alder (*Alnus glutinosa*), downy birch (*Betula pubescens*), silver birch (*Betula pendula*), wild cherry (*Prunus avium*), pedunculate oak (*Quercus robur*), sessile oak (*Quercus petraea*), rowan (*Sorbus aucuparia*), hazel (*Corylus avellana*), hawthorn (*Crataegus monogyna*), grey willow (*Salix cinerea*), Scots pine (*Pinus sylvestris*), holly (*Ilex aquifolium*), spindle (*Euonymus europaeus*), Guelder rose (*Viburnum opulus*), blackthorn (*Prunus spinosa*), crab apple (*Malus sylvestris*), Elm (*Ulmus glabra*), strawberry tree (*Arbutus unedo*), Yew (*Taxus baccata*). Accepted seed unit origins / provenances for eligible native species are listed in Appendix A.

2.3 Eligibility

This module is aimed at suppliers of forest reproductive material of native tree species for forestry purposes. Private, or third sector organisations are eligible to apply.

2.4 Funding and Financing

The minimum investment which will be considered for grant aid is €10,000 excluding VAT, except in the case of tree seed collection where a minimum investment of €2,000 excluding VAT applies.

Aid will be payable at the maximum rate of 100% on the accepted net cost (excluding VAT, discounts and allowances) of up to a maximum of €250,000 approved and completed to the satisfaction of the Department. The amount on which the grant is calculated will not, however, exceed the actual net expenditure incurred (excl. VAT, discounts and allowances), and paid for by the applicant.

DAFM propose to fund 4 projects per year and aid for each investment will be decided based on the availability of funds and the ongoing priorities within the industry as well as the quality and scale of the proposals. More than 4 projects may be considered for

grant aid in a given year where the total available annual budget for the scheme is not exceeded. In some cases, only part of an investment may be approved for aid.

Account will also be taken of whether grants awarded to the applicant under previous rounds of this scheme were drawn down in full.

2.5 Allowable Costs and Grants

Applicants will be able to apply for up to 100% of the costs.

2.6 Specifications

The types of projects and items eligible for funding under the Grant may include:

- a) Seed collection equipment.
- b) Seed storage infrastructure.
- c) Polytunnel infrastructure / equipment.
- d) Irrigation systems and infrastructure.
- e) Transplanting systems.
- f) Grading machines.
- g) Biosecurity investments such as water treatment and refrigeration equipment.
- h) General costs linked to expenditure referred to in points a – g such as architect, engineer and consultation fees, fees relating to advice on environmental and economic sustainability, including feasibility studies.
- i) Cost of native tree species seed.

Commercial viability of proposed investment

The enterprise must be shown to be viable on a commercial scale. To enable viability to be assessed, investment proposals must be supported by a satisfactory business plan covering a minimum of two years. Each project will be assessed on a case-by-case basis, taking into account the business plan, and the project profile submitted with the application. Successful applicants may also be required to produce additional documentation on request (e.g. bank statements, audited accounts, proof of professional indemnity, etc.) to demonstrate the viability of the proposed investment.

Aid from Other Sources

Each applicant must give an undertaking that he/she has not sought/received, directly or indirectly, other National or EU funding for expenditure items submitted for aid under this scheme submitted for aid under this scheme. State Aid rules apply. If any contribution towards the cost of approved works has been or may be made from public funds, other than under this scheme, the amount of aid under the scheme may, where the Department so determines, be reduced accordingly.

Planning Permission

Where an applicant proposes investment in a fixed structure(s) (i.e., polytunnels) that requires planning permission the applicant must be in receipt of a grant of planning permission at the time of closing date for receipt of applications for the Scheme. The applicant must provide details of measures in place to protect the environment from any possible increased pressure resulting from the proposed investments.

Protection of the Environment

An environmental impact statement (EIA) may be requested where the Department of Agriculture, Food and the Marine is of the opinion that the works proposed to be carried out would increase pressure on the environment, in particular to environmentally sensitive areas or to a structure or area of historical or archaeological importance.

Limitations

- a. Applicants will only be supported under this measure if registered as a supplier of Forest Reproductive Material under Council Directive 1999/105/EC on the marketing of forest reproductive material - transposed into Irish law by SI No. 618/2002 - European Communities (Marketing of Forest Reproductive Material) Regulations 2002).
- b. Investments will only be supported where they support the domestic production of native tree species, as listed in Appendix A, for forestry purposes.
- c. This module is aimed at suppliers of forest reproductive material of native tree species for the forestry sector. Production of ornamental, horticultural or other intended non-forest end use native tree plants is not included in the scheme, and cannot be considered under the scheme.
- d. Only new materials and/or new specialised nursery/ seed collection equipment will be grant aided. Aid will not be paid for second-hand equipment, materials or replacements.
- e. Aid will not be paid for repair and maintenance.
- f. In the case of investments relating to equipment, buildings, fixed structures, the applicant must be in a position to show details of their ownership of the site where the investment is to be located.
- g. Own labour costs will only be eligible under the scheme if the applicant has accurately documented the costs and the Department is satisfied that the costs are appropriate.
- h. For investment type i) nursery capacity relevant to the scale of the investment must be demonstrated.
- i. Applicants who have received funding from previous tranches of the scheme will only be eligible if they can demonstrate the additionality from previous funding in terms of the objectives of the scheme.

Application form

An application form will be made available for this Scheme module and applications for approval will only be accepted on the official Form and completed in accordance with guidelines outlined therein.

2.7 Procedures

The Minister shall lay down the procedures to be followed in the operation of the Scheme and reserves the right to alter these procedures (including the marking criteria used for the purposes of assessment of applications) from time to time. The Minister may at any time lay down further conditions under the scheme.

2.8 Review of Terms and Conditions

The Minister reserves the right to restrict the availability of the scheme and to vary, where occasion so demands, the amount of financial aid wherever specified in the scheme subject at all times to the provisions of any relevant European Union legislation.

The Minister reserves the right to alter the Terms and Conditions of the Scheme. Revisions to the Scheme cannot be applied to previous versions of the Scheme particularly any additional investment(s).

3. Application process

3.1 Application for Approval

Applications for approval will only be accepted on the official Innovative Forest Technology Module 2 Application Form completed in accordance with guidelines outlined therein.

Applications can be submitted by post to the Preapproval Section, Forestry Division, Department of Agriculture, Food and the Marine, Johnstown Castle Estate, Co. Wexford and marked Innovative Forest Technology Scheme on the envelope. Applications can be submitted by email to Approvals.ForestService@agriculture.gov.ie and marked Innovative Forest Technology Scheme on the subject line.

Incomplete applications, including applications which are not accompanied by the required documentation, and applications received after the applicable closing date if specified, will be rejected and returned to the applicant.

All fully completed applications will be acknowledged by the Department. If an applicant does not receive an acknowledgment within 2 weeks, the applicant should contact the Forestry Division.

3.2 Project Evaluation and Selection

Project Evaluation and Selection

Applications will be evaluated according to a three-step process as set out below. Applicants must be fully aware of the requirements of the Scheme to avoid the submission of unsuitable or ineligible applications. All applications will be reviewed for potential likely significant effects on European sites and whether they may fall under the definition of a project or plan which might require an AA Screening.

Step 1: Document check. The first step will involve a document check to ensure that the application is valid and complete and provides all the information requested in the Application Form. At Step 1, applications will be assessed on a PASS/FAIL basis. Applications which pass Step 1 will be put forward for consideration under Step 2.

Step 2: Project assessment. Applications which pass Step 1 will undergo a detailed assessment to determine if the proposed project complies with the objectives of the Scheme, as outlined herein, and that the project complies with specifications as outlined in the scheme document is technically feasible and deliverable and that the cost and funding structure is realistic. At Step 2, applications will be assessed based on the criteria below. Only applications that received a score of 500 or more out of 1000 will be considered as having passed Step 2. Applications which pass Step 2 will be put forward for consideration under Step 3. Applications which fail Step 2 will not be eligible for consideration under Step 3.

	Criteria	
1	Does the proposed activity clearly address the core objective of the scheme (250 marks)	
2	Is the description of the works and tasks to carry out the objectives clearly described, risks adequately identified, and additionality demonstrated (250 marks)	
3	Does the grant aid application provide a detailed breakdown of proposed costs (250 marks)	
4	Do the outputs and long-term outcomes proposed support the development of the forest sector in Ireland (250 marks)	
	Total Marks available	1,000

Step 3: Applications which successfully pass Steps 1 and 2 will be eligible for the scheme. However, in the event that the scheme is over subscribed and budgetary considerations limit the number of fundable projects, applications will be selected based on the highest total scores received against the available budget. The score will be based on the combined score for each application as per criteria (1) to (4) inclusive as outlined above.

3.3 Grant Offer

Eligibility under the Scheme does not guarantee that a Grant Offer will be made. The number of projects that receive a Grant Offer will be determined by the available budget at the time. Where the value of eligible projects exceeds the budget available, the highest scoring applications will receive the first grant offers as outlined in the scoring criteria in Step 3.

Applicants who receive a Grant Offer will be required to enter a Grant Offer Agreement (Appendix B) with the Minister.

Applicants who wish to accept the Grant Offer must sign and return the Grant Offer Agreement to the Department within 21 days.

A Grant Offer may be withdrawn:

- (a) if the offer is not accepted, in writing, by the applicant within 21 days from the date of the offer, or
- (b) at the discretion of the Minister.

Upon receipt of the signed Grant Offer Agreement, the Department will write to the applicant to confirm the Grant Offer and advise the applicant of the date by which the investment must be completed and the date by which the Grant Application must be received by the Department.

3.4 Application for Grant Payment

Applications for grant payment shall be made using the Innovation Technology Scheme Form 2 and shall be accompanied by the following documentation:

Innovative Forest Technology Scheme Module 2 - Investment Aid for the Development of the Forest Tree:

- Proof of expenditure (original invoices/receipts etc and proof of payment).
- Location map of where the investment is located/stored.
- Proof of species, origin and provenance e.g. Provenance Certificates (Project Type i).

Grant-aid will not be paid unless the equipment or investment is fully fitted and operational to the specifications detailed in the application and full ownership thereof has been transferred to the applicant prior to submission of the application for grant payment. Full ownership means when the applicant has fully paid for the equipment or investment. The Minister may request proof of ownership.

Unless otherwise agreed with the Department, approved projects must be completed and the claim for payment, including all the required documentation submitted to the Department no later than the 02nd of November 2026.

Failure to complete the investment or failure to submit a valid Application Form (including required documents) within the applicable timeframes may result in the Grant Offer being withdrawn.

Any grant payments not applied for by the applicant in accordance with the Scheme and/or not approved for payment by the expiry of the contract may be forfeited at the discretion of the Minister. The Minister reserves the right to forfeit any payments on the basis of non-compliance with the Contract or the terms and conditions of the Scheme.

All payments will be made directly to the grant beneficiary by Electric Fund Transfer (EFT) directly to the beneficiary's bank account. Grant beneficiaries must be registered on the Department's Corporate Customer System (CCS) before grant payment can be made. The requirements for registration on CSS are further outlined in Section 3.6.

All grants paid under this Scheme will be exclusive of VAT.

3.5 Requirement for receipts

All applications for grant payment must be accompanied by receipts/invoices.

All receipts/invoices submitted must only include items relevant to the investment that received approval. Cash payments are ineligible unless the proof of payment can be supported by alternative documentary evidence (see below for more details).

All receipts/invoices should be original, should be on headed paper and should include the name, address and VAT number of the supplier/contractor (if registered). In addition, the receipt must include:

- a) Name and address of the applicant (purchaser);

- b) Date and number of the receipt/invoice;
- c) Details of purchase in an itemised form including the make, model, serial number of the item(s), where applicable;
- d) Cost of each item, excluding VAT;
- e) Total VAT amount paid on the receipt/invoice;
- f) Amount of discount, if any;
- g) In the case of receipts/invoices comprising of both goods and service (supply and fit), there must be a breakdown between the categories.

Alternatively, an original receipt/invoice which is (i) marked paid and signed and dated by an employee/agent of the supplier, and (ii) contains the details set out at (a) - (g) above, is also acceptable.

Where the receipt/invoice is not denominated in Euro, evidence of the exchange rate used for the purposes of payment must also be provided.

Receipts/invoices submitted must be in the name of the applicant, or in the case of partnerships a) the partnership name or b) at least one individual in the partnership.

Where the applicant is a company, receipts/invoices submitted must be in the name of that company or company director.

Original documents will be returned as soon as possible by the Department after payment has been approved in respect of the investment(s) concerned or until all queries relating thereto have been resolved to the satisfaction of the Department.

Receipts must show the serial number(s) of the equipment concerned.

The Department reserves the right to request alternative evidence with regard to any invoice/receipt submitted with a payment claim directly from the applicant or from a third party. If required, an applicant must submit proofs of payment that are acceptable to the Department. These proofs will consist of copies of bank statements showing relevant entries and /or copies of the two sides of the cashed cheques. Alternatively, online bank statements (only high quality colour printouts with bank logo) with copies of the cashed cheques will be acceptable, or if payment is made by direct credit transfer and copies of original bank statement or online bank statement listing payments to the supplier must be submitted. Amounts listed on bank statements must be clearly linked to the relevant item on which grant aid is claimed.

3.6 Grant payment

All payments will be made directly to the grant beneficiary by Electric Fund Transfer (EFT) directly to the beneficiaries' bank account.

Grant beneficiaries must be registered on the Department's Corporate Customer System before grant payment can be approved.

Beneficiaries who are not already registered on the Department's Corporate Customer System (CCS) will be required to complete a CCS Customer Registration

Form and the Bank Authorisation Form. These forms will be provided to beneficiaries by the Department before any payments are made.

To enable registration on the Department's Corporate Customer System:

- (a) individual applicants must hold a PPS number and/or VAT number.
- (b) corporate applicants (including charities, trusts, partnerships etc.) must hold a VAT number and/or CRO number.

Any grant payments not applied for by the applicant in accordance with the Scheme and/or not approved for payment by the expiry of the contract may be forfeited at the discretion of the Minister. The Minister reserves the right to forfeit any payments on the basis of non-compliance with the Contract or the terms and conditions of the Scheme.

Interest is payable on all debts raised at the appropriate rate.

All grants paid under this scheme will be exclusive of VAT.

4. Grant Offer Agreement

4.1 Duration of Contract

The contract period under the Innovative Technology Scheme, as specified in the Grant Offer Agreement, shall be five (5) years commencing on the date the grant is paid.

Where circumstances exist that may require an extension of the contract term, the expiry date of a contract may be extended at the discretion of the Minister.

4.2 Restrictions on use and disposal of equipment

The equipment shall be used only by the Grantee for the purposes outlined in the grant application and shall be used only within the State and Northern Ireland and shall not, without the written consent of the Minister, be exported, sold or otherwise disposed of by the Grantee within five (5) years from the date of payment of the grant.

4.3 Termination of Contract

The contract may be terminated in the following circumstances:

1. Where the investment is not completed to the satisfaction of the Minister within the agreed timeframe, or
2. Where the conditions attached to the grant offer are not complied with, or
3. Following an inspection, the Department decides to terminate the contract for reasons to be specified in the contract termination letter, or
4. If there is a material change in the Grantee's proposal which forms the basis of the application made for the grant, or
5. Where an Order is made, or an effective resolution is passed, for the winding up of the operation of the Grantee or if the Grantee should pass a resolution for voluntary winding up (other than by way of amalgamation or reconstruction), or
6. If the Grantee commits an act of bankruptcy or is adjudicated bankrupt or makes an arrangement with his or her creditors or if a Receiver is appointed or distress or execution is levied or threatened upon the said equipment or any part thereof or if any judgement against the Grantee remains unsatisfied for more than fourteen days.

If the grant is revoked by the Minister, the Grantee shall repay to the Minister all sums received in respect of the grant, or so much thereof as the Minister may determine, in accordance with the provisions set out in Second Schedule of the Grant Offer Agreement.

The Minister will give twenty-one (21) days notice of his intention to act on the grounds referred to at (1), (2), (3) and (4) above. The revocation shall be effective at the end of the period of notice unless the situation which has given rise to the Minister's intention to revoke the grant has been resolved to the Minister's satisfaction.

5. Taxation Requirements

It is a condition of grant aid that all projects and activities shall be conducted in compliance with the laws of the State relating to, inter alia, tax and employment.

a) Tax Clearance:

Payment of grant aid may be subject to the condition that a Tax Clearance Certificate from the Revenue Commissioners be furnished by the beneficiary before a payment is issued.

b) Value Added Tax:

Applicants and their Agents shall comply with all requirements of VAT law. All payments under the Scheme will be made net of VAT, regardless of the applicants VAT status.

6. Inspection by the Department

6.1 Compliance inspection

The Minister, or her/his representatives, shall be entitled to carry out inspections on approved works and equipment and all records relating to investments funded under the Scheme including invoices, receipts and bank records, at any reasonable time.

Applicants found not to be in compliance with the terms and conditions of the Scheme may be liable to penalties or sanctions.

6.2 Right of entry

The Department reserves the right to carry out inspections at all reasonable times of any land, premises, plant, equipment and records of applicants or beneficiaries of the Scheme. The Minister reserves the right to reject an application for approval or for grant payment if the applicant or beneficiary interferes with or prevents an inspection being carried out.

7. State Aid requirements

7.1 The Incentive Effect

Small to medium sized enterprises (SMEs) are defined in Annex I of [Commission Regulation \(EU\) 2022/2472](#) :

The category of micro, small and medium-sized enterprises ('SMEs') is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.

'large enterprises' means undertakings not fulfilling this criteria laid down in Annex I;

SMEs must confirm and declare on the Innovative Forest Technology Scheme Application Form that:

"The work described herein, would not have been undertaken if it was not for the financial support provided under State Aid rules. Without this aid, there would be no change to current activities."

For large companies, documentary evidence must be submitted in relation to the counterfactual (what would happen without the aid) for each of the measures proposed. This involves a credibility check of the counterfactual to establish that the company would not carry out the proposed work in the absence of aid. A counterfactual is credible if it is genuine and relates to the decision-making factors prevalent at the time of the decision by the beneficiary regarding the activity.

Large companies must submit an internal company document (separate to the application form) showing that the company has analysed the viability of the project – with and without aid – and showing the incentive effect. The document must clearly state what would have happened without the support available under the Innovative Forest Technology Scheme.

That means that the documentation (internal report) produced by the company must establish that the aid will cause at least one of the following:

- a material increase in the size of the project /activity, or
- a material increase in the scope of the project / activity, or
- material increase in the total amount spent by the beneficiary on the project/activity or
- a material increase in the speed of completion of the project/activity concerned

DAFM will require that the company document shows a credible analysis and demonstration of the incentive effect. The document should contain an analysis which answers the following questions:

- Would the project proceed without State Aid assistance?
- Would the level of project expenditure be less without State Aid support? If so, indicate by how much?

This information should indicate changes in the project size, scope and total spend. Where required, this incentive effect document should be submitted with the relevant Innovative Forest Technology Scheme Form 1. As part of its evaluation of the application, the Forest Service will assess whether or not the incentive document meets the requirements set out above and is fully compliant with the State Aid rules as outlined in Commission Regulation (EU) 2022/2472 of 14 December 2022 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union.

7.2 Proportionality of the aid

Aid granted under this scheme must be proportionate. Support is considered proportional only if the same result could not be achieved with less aid, in other words if the amount of aid is limited to the minimum necessary. The aid amount should not exceed the minimum necessary to render the project sufficiently profitable, for example should not lead to increase its IRR beyond the normal rates of return applied by the undertaking concerned in other investment projects of a similar kind or, when available, to increase its IRR beyond the cost of capital of the undertaking as a whole or beyond the rates of return commonly observed in the sector concerned. For example the IRR should be comparable with returns experienced by entities which are not large companies. Where the IRR exceeds this reference figure then the application may be refused.

Large Companies must provide documentary evidence that the aid is proportionate. This can be achieved by submitting an IRR and NPV analysis of the investment with aid and without aid with the Form 1. Only applications which are deemed proportionate will be grant aided by the Forest Service.

7.3 Transparency

Ireland shall publish the following information on the State aid schemes: the full text of the notified aid scheme and its implementing provisions, the granting authority, the names of the individual beneficiaries, the form (in particular the aid instrument) and amount of aid granted to each beneficiary, the date of granting, the type of undertaking (SME/ large enterprise), the region (at Nomenclature of Units for Territorial Statistics or NUTS level II) in which the beneficiary is located and the principal economic sector in which the beneficiary has its activities, at NACE group level. This requirement only applies to individual aid awards greater than:

- (i) EUR 10,000 for beneficiaries active in the primary agricultural production;
- (ii) EUR 100,000 for beneficiaries in the sectors of the processing of agricultural products, the marketing of agricultural products, the forestry sector or activities falling outside the scope of Article 42 of the Treaty.

8. General conditions

8.1 General rules

All projects approved under the Forest Innovative Technology Scheme shall be carried out in compliance with:

- the specific scheme requirements set out in this document;
- Grant Offer Agreement;
- any relevant Circulars issued by the Department, and
- any additional conditions attached to the Letter of Approval, as laid down by the Minister.

8.2 Adequacy of the investment

The approval of an application or the payment of a grant under the Scheme does not imply acceptance by the Minister of any responsibility regarding the adequacy of the investment for its purpose or the quality or suitability of the investment.

Responsibility for the success of the investment rests solely with the applicant and any third party supplier involved, and the Department will not accept any liability whatsoever, in whole or in part, if the investment is not successful.

The Minister will not intervene in disputes between the applicants and third party suppliers.

8.3 Penalties

Penalties may apply at the discretion of the Minister and may include withholding payment (whole or part) of the grant.

8.4 Review of decisions

Applicant's may request a review of a decision of the Minister regarding an application under this Scheme, within the timeframe outlined in the decision letter. Requests for a review should be made in writing, giving detailed grounds for the review, to the Forestry Division, Department of Agriculture, Food & the Marine, Johnstown Castle Estate, Co. Wexford.

8.5 Publicity

Support under the Innovative Forest Technology Scheme must be acknowledged on all information boards, leaflets, booklets, posters, websites, press releases, press articles, etc. relating to the project, using the following wording:

“This project is supported by the Innovative Forest Technology Scheme, funded by the Forestry Division, Department of Agriculture, Food & the Marine, under the Forestry Programme 2023-2027.”

This wording must also be accompanied by the Department of Agriculture, Food & the Marine logo (electronic version available from the Forestry Division).

The above wording and Department logo must be prominent and legible, and of the same scale as that used for other listed funding sources and project partners.

Support under the Forest Innovative Technology Scheme must also be acknowledged during all related interviews for print and electronic media, radio and TV.

8.6 Insurance

The Minister may require the Grantee to keep the equipment insured with an Insurance Company regulated by the Central Bank of Ireland against theft, loss or damage for an amount approved by the Minister and if there should be any such damage or loss, the entire compensation received by the Grantee shall be used to restore or replace the equipment and any deficiency will be made good by the Grantee. Evidence of such insurance shall be furnished to the Minister upon request.

The grant beneficiary is responsible for all issues surrounding safety and public liability in relation to projects receiving funding under the Innovative Forest Technology Scheme. The Grantee shall indemnify and hold harmless the Minister against all and any action, expenses, costs, claims, demands and any other liabilities whatsoever in respect of the death of or injury to any person or damage to any property whatsoever arising out of the use of the equipment.

8.7 Health & Safety

The Grantee shall satisfy the Minister that all operatives engaged in the operation of the equipment are adequately trained with regard to operation of the equipment in question and health and safety and that the equipment is kept in good and substantial repair and condition (reasonable wear and tear only excepted).

8.8 Information and data protection

The Department reserves the right to make information regarding the Innovative Forest Technology Scheme available to the public, subject to the provisions of the Data Protection Acts 1988 to 2018 and the General Data Protection Regulation (GDPR) Information supplied to the Department may be disclosed under the Freedom of Information Acts.

If an applicant considers that any information supplied to the Department is either confidential or commercially sensitive, the Applicant should identify such information when submitting an application and specify the reasons for its sensitivity.

The Department will consult with the applicant about this information before making any decision in relation to requests received by the Department under the Freedom of Information Acts.

8.9 Failure to abide by the terms and conditions of the scheme

Where, for the purposes of obtaining a grant payment under this Scheme, the applicant or a person acting on his or her behalf, knowingly makes a false or misleading statement or declaration or withholds essential information, the applicant's participation in the scheme may be terminated and any grant(s) paid shall be reimbursed to the Minister.

Where an Applicant or a person acting on his or her behalf, 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 spirit of the scheme, the applicant's participation in the scheme may be terminated and any grant(s) paid shall be reimbursed to the Minister.

The obtaining of grant aid under the Scheme by fraudulent means by the applicant or a person acting on his or her behalf, or others acting alone or together, may render such persons liable to prosecution.

8.10 Review of procedures and grant aid

The Minister reserves the right to alter the procedures and conditions to be followed in the operation of this Scheme. Notice of such alterations shall be posted on the Department's website. The Minister also reserves the right to review and vary, where the occasion so demands, the amount of financial aid specified in the scheme.

9. Definitions

"Minister" means the Minister for Agriculture, Food and the Marine;

"Department" means the Department of Agriculture, Food and the Marine;

'Forestry Division' means the Forestry Division and Forestry Inspectorate of the Department of Agriculture, Food and the Marine;

'Registered Forester' means a qualified person named on the Register of Foresters and Forestry Companies; list available from the Department;

'Completion Date' means the date all relevant works are completed. It is the date as specified on the Form 2;

'Forest' is defined in Ireland as land with a minimum area of 0.1 ha under stands of trees 5 m or higher, having a minimum width of 20 m and a canopy cover of 20% or more within the forest boundary; or trees able to reach these thresholds *in situ*. The forest definition relates to land use rather than land cover, with the result that open space within a forest boundary either permanently or temporarily unstocked with trees, along with felled areas that are awaiting regeneration, are included as forest;

'Forestry Environmental Guidelines' means the following publications as amended from time to time: 'Forestry and Water Quality Guidelines'; 'Forestry and Landscape Guidelines'; 'Forestry and Archaeology Guidelines', 'Forest Biodiversity Guidelines'; 'Forest Harvesting and the Environment Guidelines'; 'Forestry and Aerial Fertilisation Guidelines'; 'Forestry Protection Guidelines'; 'Forestry and Otter Guidelines', 'Forestry and Kerry Slug Guidelines and 'Forestry and Freshwater Pearl Mussel Requirements'. The Minister may, from time to time, amend the guidelines or add further guidelines to this definition.

Appendix A

Accepted provenance/origin for eligible native tree species

Pedunculate oak (<i>Quercus robur</i>)	First Choice: <u>Registered</u> Irish material. Otherwise, <u>registered</u> British (English and Welsh), French (north of Paris), Belgian, Dutch, Danish, German (north of Frankfurt) seed stands.
Sessile oak (<i>Quercus petraea</i>)	First Choice: <u>Registered</u> Irish material. Otherwise, <u>registered</u> British (English and Welsh), French (north of Paris), Belgian, Dutch, Danish, German (north of Frankfurt) seed stands.
Common alder (<i>Alnus glutinosa</i>)	First Choice: Irish native material. Otherwise, British, French (north of Paris), Belgian, Dutch, Danish, German (north of Frankfurt) stands.
Cherry (<i>Prunus avium</i>)	First Choice: Irish native material. Otherwise, British, French (north of Paris), Belgian, Dutch, Danish, German (north of Frankfurt) stands. <u>Not</u> seeds resulting from fruit processing.
Birch (<i>Betula pubescens</i> / <i>B. pendula</i>)	First choice: Irish native material 'Qualified'. Otherwise, <u>registered</u> Irish, British material.
Rowan (<i>Sorbus aucuparia</i>)	First choice: Irish native material. Otherwise, British material.
Hazel (<i>Corylus avellana</i>)	First choice: Irish native material. Otherwise, British material.
Hawthorn (<i>Crataegus monogyna</i>)	First choice: Irish native material. Otherwise, British material.
Blackthorn (<i>Prunus spinosa</i>)	First choice: Irish native material. Otherwise, British material.
Holly (<i>Ilex aquifolium</i>)	First choice: Irish native material. Otherwise, British material.
Spindle (<i>Euonymus europaeus</i>)	First choice: Irish native material. Otherwise, British material.
Crab apple (<i>Malus sylvestris</i>)	First choice: Irish native material. Otherwise, British material.
Guelder rose (<i>Viburnum opulus</i>)	First choice: Irish native material. Otherwise, British material.
Elm (<i>Ulmus glabra</i>)	Irish native material.

Strawberry tree (<i>Arbutus unedo</i>).	Irish native material.
Scots pine (<i>Pinus sylvestris</i>)	Irish and Scottish seed orchards and registered Irish seed stands.
Yew (<i>Taxus baccata</i>).	First choice: Irish native material. Otherwise, British material.

Appendix B

Innovative Forest Technology Scheme

GRANT OFFER AGREEMENT

The Minister for Agriculture, Food and the Marine of Agriculture House, Kildare Street, Dublin 2 (herein called the Minister) hereby offers

[Name]_____ of

[Address]_____

(herein called the Grantee) a maximum grant of €_____ euro or an amount equivalent to _____% of the actual cost of the completed investment (whichever is the lesser) to be made by the Grantee in the purchase of _____ (the Investment) subject to the conditions set out below.

1. Qualifying Expenditure

The Grantee will expend €_____ euro (excluding V.A.T) on the acquisition of the investment, particulars of which are set out in the First Schedule hereto (herein called the Investment).

2. Balance of Capital/Financing Arrangements

The Grantee will make satisfactory arrangements for provision of the balance of capital required to meet such expenditure. The investment will not be used as security against any loan raised for its purchase. Nor may purchase of the investment be arranged by means of a hire purchase agreement. No other application for financial assistance towards the purchase of the investment shall be made by the Grantee to any other State Agency.

3. Equipment etc.

Expenditure on equipment which has been purchased new will be regarded as qualifying for grant purposes. Expenditure on second-hand goods will not qualify.

4. Time Limits

The offer of a grant will lapse if not formally accepted by the Grantee within twenty-one (21) days of the date on which the offer is made. The investment will not have been purchased or leased prior to the date of acceptance of the offer.

Unless otherwise agreed with the Department, approved projects must be completed and the claim for payment, including all the required documentation submitted to the Department no later than the 02nd of November 2026.

5. Restrictions

The investment shall not, without the consent in writing of the Minister, be sold or otherwise disposed of by the Grantee within five (5) years from the date of payment of the grant. The investment will be used by the Grantee only for the purposes outlined in the grant application.

6. Insurance

The investment will be kept insured against theft, loss or damage with a reputable Insurance Company and for an amount approved by the Minister and, if there should be any such damage or loss, the entire compensation received by the Grantee shall be used to restore the investment and any deficiency will be made good by the Grantee. The Grantee will furnish the Minister before payment of the grant with documentary evidence of the machine having been insured against theft, loss or damage and will produce to the Minister on demand the receipt or receipts for the payment of the last premium therefor.

7. Indemnity

The Grantee shall indemnify and hold harmless the Minister against all and any action, expenses, costs, claims, demands and any other liabilities whatsoever in respect of the death of or injury to any person or damage to any property whatsoever arising out of the use of the investment.

8. Development/Administration

The Grantee shall satisfy the Minister that the operatives engaged in the operation of the investment are adequately trained with regard to production and

safety and that the investment is kept in good and substantial repair and condition (reasonable wear and tear only excepted).

9 Tax Affairs

This offer is conditional on the Grantee producing a Tax Clearance Certificate from the Revenue Commissioners which is current when payment of the grant is sought.

10. Inspection

The Minister shall be entitled to inspect the investment at any time and at any location, if he or she so desires.

11. Payment of Grant

The Grant will not be paid until these Conditions of Offer have been complied with and all expenditure claimed to have been made has been vouched to the satisfaction of the Minister.

12. Revocation

The Minister, at any time within five years from the date of payment of the grant, may revoke the grant on the happening of any of the following:-

- (i) If any of the conditions herein contained are not complied with.
- (ii) If there should be a material change in the Grantee's proposal which forms the basis of the application made for the grant.
- (iii) If an Order is made or an effective resolution is passed for the winding up of the operation of the Grantee.
- (iv) If a winding-up Order shall be made against the Grantee or if the Grantee should pass a resolution for voluntary winding up (other than by way of amalgamation or reconstruction) or if being a person shall commit an act of bankruptcy or be adjudicated bankrupt or shall make an arrangement with his or her creditors or if a Receiver shall be appointed or distress or execution shall be levied or threatened upon the said investment or any

part thereof or if any judgement against the Grantee shall remain unsatisfied for more than fourteen days.

The Minister shall give twenty-one (21) days notice of his intention to act on the grounds referred to at (i) and (ii) above. The revocation shall be effective at the end of the period of notice unless the situation which has given rise to the Minister's intention to revoke the grant has been resolved to the Minister's satisfaction.

13. Repayment

If the grant should be revoked by the Minister under the provisions hereof, the Grantee will repay to the Minister, within such period as the Minister may specify, all sums received in respect of the grant, or so much thereof as the Minister may determine, in accordance with the provisions set out in Second Schedule hereto, and that in default of such repayment, such sums shall be recoverable by the Minister as a simple contract debt in a Court of competent jurisdiction.

14. General Conditions

- (i) These conditions of offer shall remain in force for a period of five (5) years from the date of payment of a grant.
- (ii) Payment of the grant is subject to availability of funds.
- (iii) The Grantee shall ensure that all operations involving the investment are undertaken in compliance with the manufacturer's instructions.
- (iv) In any dispute which may arise on the interpretation of these conditions, the decision of the Minister shall be final and binding.
- (v) These Conditions shall be governed by Irish Law and shall be subject to the exclusive jurisdiction of the Irish Courts.

FIRST SCHEDULE

Description of Investment	Maximum Estimated Cost (excluding VAT)	Percentage Grant

ACCEPTANCE

I/We hereby accept the offer of the Minister for Agriculture, Food and the Marine and agree to be bound by the conditions set out herein.

Dated this _____ day of _____, 20

Signed by the said _____

Of _____

in the presence of:

Witness



An Roinn Talmhaíochta,
Bia agus Mara
Department of Agriculture,
Food and the Marine