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STATUTORY RULES OF NORTHERN IRELAND

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**2010 No. 217**

**AGRICULTURE**

**Biomass Processing Challenge Fund  
Regulations (Northern Ireland) 2010**

*Made* - - - - *16th June 2010*  
*Coming into operation* *31st July 2010*

The Department of Agriculture and Rural Development is designated<sup>(1)</sup> for the purpose of section 2(2) of the European Communities Act 1972<sup>(2)</sup> as regards measures relating to the operation of Structural Funds.

The Department of Agriculture and Rural Development, in exercise of the powers conferred by Section 2(2) of the European Communities Act 1972, makes the following Regulations.

PROSPECTIVE

**Citation and commencement**

1. These Regulations may be cited as the Biomass Processing Challenge Fund Regulations (Northern Ireland) 2010 and shall come into operation on 31st July 2010.

**Commencement Information**

**II** Reg. 1 in operation at 31.7.2010, see [reg. 1](#)

**Interpretation**

2.—(1) In these Regulations—

“application” in relation to any expenditure means an application in relation to any expenditure under regulation 4;

“approved” means approved by the Department in accordance with regulation 5;

“authorised person” means any person authorised by the Department, either generally or specifically, for the purposes of these Regulations and includes any official of the Commission who accompanies such an authorised person;

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(1) S.I.1999/2788  
(2) 1972 c68

*Status: This version of this Rule contains provisions that are prospective.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Biomass Processing Challenge Fund Regulations (Northern Ireland) 2010. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

“beneficiary” means—

- (a) a person who has applied for or been granted an approval;
- (b) in relation to any time after financial support has been paid in connection with the approval, the person for whom the assistance has been paid; and
- (c) any person who has undertaken to assume the conditions of an approval in place of a previous beneficiary;

“Community assistance” means the assistance from the European Regional Development Fund for projects under Priority 3;

“Community legislation” means the ERDF Regulation, the Council Regulation and the Commission Regulation;

“Department” means the Department of Agriculture and Rural Development;

“operation” means a project or a group of projects intended to be implemented by one or more beneficiary to achieve or assist in the achievement of the goals of Priority 3;

“Operational Programme” means the operational programme approved by Commission Decision of 30<sup>th</sup> October 2007 adopting the operational programme for Community assistance from the European Regional Development Fund under the Regional Competitiveness and Employment objective in the region of Northern Ireland in the United Kingdom;

“Priority 3” means Priority 3 under the Operational Programme;

“the Commission Regulation” means Commission Regulation 1828/2006(3) setting out rules for the implementation of Council Regulation 1083/2006(4) laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation 1080/2006(5) of the European Parliament and the Council on the European Regional Development Fund;

“the Council Regulation” means Council Regulation 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund;

“the ERDF Regulation” means Regulation 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund;

(2) The Interpretation Act (Northern Ireland) 1954(6) shall apply to these Regulations as it applies to an Act of the Northern Ireland Assembly.

#### Commencement Information

**I2** Reg. 2 in operation at 31.7.2010, see [reg. 1](#)

#### Grants payable

**3.—**(1) The Department may pay financial support to a beneficiary towards expenditure approved by it and incurred by the beneficiary in connection with any operation.

(2) Payments in accordance with paragraph (1) shall be:-

- (a) of such amounts;

(3) O.J. No. L371, 27.12.2006

(4) O.J. No. L210, 31.7.2006

(5) O.J. No. L210, 31.7.2006

(6) 1954 c.33 (N.I.)

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- (b) made at such time or by such instalments at such intervals; and
- (c) may be made subject to such conditions,

as the Department may determine in accordance with the Community legislation, the Operational Programme and the Framework document.

**Commencement Information**

**I3** Reg. 3 in operation at 31.7.2010, see [reg. 1](#)

**Approval of expenditure**

4. An application for the approval of expenditure in connection with an operation shall be made in such a form and at such time and contain such information as the Department may reasonably require.

5.—(1) Subject to paragraph (2) the Department may approve, in whole or in part, expenditure in connection with an operation for which an application has been made.

(2) The Department shall not approve expenditure unless it is satisfied that the operation to which it relates is eligible for Community assistance.

(3) Approval may be given subject to such conditions as the Department may determine.

(4) Subject to paragraph (5), the Department may vary any approval.

(5) The Department shall only vary an approval pursuant to a request in writing from the beneficiary to do so or in any other case after:-

(6) giving the beneficiary notice in writing that it proposes to do so together with a statement of its reasons;

(a) giving the beneficiary an opportunity to make written representations within such time as the Department considers reasonable; and

(b) considering any such representation.

(7) An approval or variation of an approval shall be in writing.

**Commencement Information**

**I4** Reg. 4 in operation at 31.7.2010, see [reg. 1](#)

**I5** Reg. 5 in operation at 31.7.2010, see [reg. 1](#)

**Claims**

6. A claim for financial support shall be made at such time and within such a period and in such a form and be accompanied by such information as the Department may reasonably require.

**Commencement Information**

**I6** Reg. 6 in operation at 31.7.2010, see [reg. 1](#)

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## Information

7.—(1) A beneficiary shall give the Department such information about any approved expenditure and any operation in connection with which such expenditure is incurred as the Department may reasonably require.

(2) Where the Department requires such information, the beneficiary shall give it to the Department within such period as the Department may reasonably require.

### Commencement Information

**I7** Reg. 7 in operation at 31.7.2010, see [reg. 1](#)

## Record keeping

8.—(1) A beneficiary shall, subject to paragraphs (2) and (3), keep any invoice, account or other document relating to approved expenditure or any operation in connection with which such expenditure is incurred up until 31 December 2022 or such a date specified by the European Commission.

(2) If in the normal course of business a beneficiary transfers to another person the original of any document he is required to keep under paragraph (1) within the period he is required to keep it under that paragraph it shall be sufficient compliance with that paragraph for him to keep a copy of that document for that period.

(3) Paragraph (1) shall not apply in any case where a document to which that paragraph relates has been removed by any person lawfully authorised to remove it.

### Commencement Information

**I8** Reg. 8 in operation at 31.7.2010, see [reg. 1](#)

## Powers of authorised persons

9.—(1) An authorised person may at all reasonable times, on producing, if so required, some duly authenticated document showing his authority, enter on any land, other than land used solely for the purpose of a dwelling-house—

- (a) to which an application or any approved expenditure relates; or
- (b) on which he has reasonable grounds to believe that documents or equipment relating to an application for approval or approved expenditure are being kept,

for any of the purposes mentioned in paragraph (2).

(2) The purposes referred to in paragraph (1) are—

- (a) inspecting the land or equipment to which the application or approved expenditure relates;
- (b) verifying the accuracy of any information provided by a beneficiary relating to an application or approved expenditure; and
- (c) determining whether or not a beneficiary has complied with the conditions of an approval.

(3) An authorised person who has entered any land under paragraph (1) may—

- (a) inspect the land and any document record or equipment on it which he reasonably believes relates to an application or approved expenditure;

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- (b) require the applicant or beneficiary or any employee, servant or agent of such applicant or beneficiary, to produce, or secure the production of, any document or supply any additional information in his possession or under his control relating to the application or approved expenditure, as the case may be;
- (c) where any information referred to in sub paragraph (b) is kept by means of a computer have access to any computer and any associated apparatus or material which is or has been used for storing that information and require information to be reproduced in a form in which it is legible and can be taken away;
- (d) require copies of or extracts from any such document or other record referred to in sub-paragraph (a) or (b) to be produced ; and
- (e) seize and retain any document or other record which he reasonably believes may be required as evidence in proceedings under these Regulations.

(4) A beneficiary, and any employee, servant or agent of such a beneficiary shall give an authorised person all reasonable assistance in relation to the exercise of his powers under paragraphs (1) and (3).

(5) An authorised person entering any land under paragraph (1) may take with him such other person as he considers necessary and paragraphs (3) and (4) shall apply to any such person when acting under the instructions of an authorised person as if he were an authorised person.

#### Commencement Information

**I9** Reg. 9 in operation at 31.7.2010, see [reg. 1](#)

#### Breaches of obligations

**10.**—(1) Subject to paragraph (2) where—

- (a) any information furnished to the Department by the beneficiary is false or misleading;
- (b) the beneficiary is in breach of any of the conditions of an approval; or
- (c) the beneficiary is in breach of any requirement to which he is subject under these Regulations or under the Community legislation,

the Department may exercise the powers contained in regulation 12.

(2) Where—

- (a) a beneficiary has transferred all or part of the land to which an approval relates to another person (“the transferee”);
- (b) the transferee has given an undertaking to the Department to assume the conditions of the approval in place of the beneficiary; and
- (c) the Department has accepted that undertaking,

the beneficiary shall be released from the conditions of the approval, other than in respect of any breach or other matter occurring before the acceptance by the Department of the transferee’s undertaking.

#### Commencement Information

**I10** Reg. 10 in operation at 31.7.2010, see [reg. 1](#)

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### Other cases in which recovery etc powers apply

11. The Department may exercise the powers contained in paragraph (1) (a) or (b) of regulation 12 where—

- (a) there has been a material change in the nature, scale, costs or timing of the approved expenditure in question or any operation to which it relates; or
- (b) the operation to which the approved expenditure in question relates has been or is being delayed, or is unlikely to be completed.

#### Commencement Information

**I11** Reg. 11 in operation at 31.7.2010, see [reg. 1](#)

### Department powers

12.—(1) The powers conferred by regulations 10(1) and 11 are—

- (a) to withhold the whole or any part of the financial support payable to the beneficiary; and
- (b) to recover on demand the whole or any part of the financial support already paid to the beneficiary.

(2) Where all the circumstances in which the powers conferred by regulation 10(1) and specified in paragraph (1) have become exercisable are such as were intended by the beneficiary or as to which the beneficiary was reckless, the Department may also require the beneficiary to pay to it an additional sum equal to no more than 10 per cent of the financial support paid or payable to him.

(3) Where the Department takes any step specified in paragraph (1) it may also serve in writing on the beneficiary a notice suspending or terminating the approval in question.

(4) Where, under paragraph (3), the Department treats an approval as terminated, it may by notice in writing served on the beneficiary prohibit the beneficiary from making an application for the approval of expenditure in connection with an operation for such period (not exceeding two years) from the date of the termination as may be specified in the notice.

(5) Before taking any step specified in paragraph (1), (2), (3) or (4) in relation to a beneficiary the Department shall—

- (a) give the beneficiary a written explanation of the reasons for the step proposed to be taken;
- (b) afford the beneficiary an opportunity to make written representations within such time as the Department considers reasonable; and
- (c) consider any such representations.

#### Commencement Information

**I12** Reg. 12 in operation at 31.7.2010, see [reg. 1](#)

### Recovery of interest

13.—(1) Where the Department exercises the power conferred by regulation 12(1)(b) it may also recover on demand interest on the financial support to be recovered for the period beginning with the day following that on which the financial support was paid and ending on the day on which the Department recovers it.

(2) The rate at which the interest is payable for any day in that period is one percentage point above LIBOR.

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(3) For the purposes of paragraph (2) “LIBOR” means the sterling three month London interbank offered rate in force on the day in question, and in any proceedings relating to the recovery of such interest a certificate of the Department stating the LIBOR applicable for any day is conclusive evidence of the rate applicable for that day if the certificate also states that the Bank of England notified the Department of that rate.

**Commencement Information**

**I13** Reg. 13 in operation at 31.7.2010, see [reg. 1](#)

**Recovery of payments**

**14.** In any case where an amount falls to be paid to the Department by virtue of (or by virtue of action taken under) these Regulations, the amounts so falling to be paid shall be recoverable as a civil debt.

**Commencement Information**

**I14** Reg. 14 in operation at 31.7.2010, see [reg. 1](#)

**Offences and penalties**

**15.—(1)** A person is guilty of an offence if—

- (a) for the purposes of obtaining financial support for himself or any other person under these Regulations he knowingly or recklessly makes a statement which is false or misleading in a material particular; or
- (b) he intentionally obstructs an authorised person (or a person accompanying him and acting under his instructions) in the exercise of his powers under regulation 9.

(2) A person who is guilty of an offence shall be liable—

- (a) in the case of an offence under paragraph (1)(a)—
  - (i) on summary conviction, to a fine not exceeding the statutory maximum; or
  - (ii) on conviction on indictment, to a fine; and
- (b) in the case of an offence under paragraph (1)(b), on summary conviction to a fine not exceeding level 3 on the standard scale.

**Commencement Information**

**I15** Reg. 15 in operation at 31.7.2010, see [reg. 1](#)

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Sealed with the Official Seal of the Department of Agriculture and Rural Development on 16<sup>th</sup> June 2010.



*Liam McKibben*  
A senior officer of the  
Department



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PROSPECTIVE

SCHEDULE

Regulation 2(1)

*Meaning of “Community Legislation”*

1. Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) 1260/1999 (O.J. No. L210, 31.7.2006, p.25).

**Commencement Information**

I16 Sch. para. 1 in operation at 31.7.2010, see [reg. 1](#)

2. Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out the rules for the implementation of Council Regulation 1083/2006 (O.J. No. L371, 27.12.2006, p.1).

**Commencement Information**

I17 Sch. para. 2 in operation at 31.7.2010, see [reg. 1](#)

3. Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999 (O.J. No. L210, 31.7.2006, p.12).

**Commencement Information**

I18 Sch. para. 3 in operation at 31.7.2010, see [reg. 1](#)

4. Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999 (O.J. No. L210, 31.7.2006, p.1).

**Commencement Information**

I19 Sch. para. 4 in operation at 31.7.2010, see [reg. 1](#)

5. Regulation (EC) No 1989/2006 of the European Parliament and of the Council of 21 December 2006 amending Annex III to Regulation (EC) No 1083/2006 (O.J. No. L411, 30.12.2006, p.6).

**Commencement Information**

I20 Sch. para. 5 in operation at 31.7.2010, see [reg. 1](#)

6. Council Decision 2006/702/EC on Community strategic guidelines on Cohesion (O.J. No. L291, 21.10.2006, p.11).

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**Commencement Information**

**I21** Sch. para. 6 in operation at 31.7.2010, see [reg. 1](#)

7. [Commission Regulation \(EC\) No. 70/2001](#) of 12 January 2001 on the application of Articles 87 and 88 of the Treaty to state aid to small and medium-sized enterprises (O.J. No. L10,13.1.2001, p.33).

**Commencement Information**

**I22** Sch. para. 7 in operation at 31.7.2010, see [reg. 1](#)

8. [Commission Regulation \(EC\) No. 1857/2006](#) of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to state aid to small and medium-sized enterprises active in the production of agricultural products and amending Regulation [\(EC\) No. 70/2001](#) (O.J. No. L358,16.12.2006, p.3).

**Commencement Information**

**I23** Sch. para. 8 in operation at 31.7.2010, see [reg. 1](#)

9. [Commission Regulation \(EC\) No. 1628/2006](#) of 24 October 2006 on the application of Article 87 and 88 of the Treaty to national regional investment aid (O.J. No. L302, 1.11.2006, p.29).

**Commencement Information**

**I24** Sch. para. 9 in operation at 31.7.2010, see [reg. 1](#)

10. State Aid N. 673/2006 – United Kingdom Regional aid map.

**Commencement Information**

**I25** Sch. para. 10 in operation at 31.7.2010, see [reg. 1](#)

PROSPECTIVE

**EXPLANATORY NOTE**

*(This note is not part of the Order)*

These Regulations, which come into operation on 31st July 2010, supplement in respect of Northern Ireland the Community legislation listed in the Schedule to the Regulations (“the Community legislation”). The Community legislation *inter alia* provides for support to be paid from the

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European Regional Development Fund for projects under Priority 3 (“Community assistance”) towards investment in the production of renewable energy for heat and electricity on farm.

The Regulations enable financial assistance to be paid by the Department of Agriculture and Rural Development (“the Department”) in respect of any expenditure it has approved on projects intended to achieve or assist in the achievement of the purposes of Priority 3 (regulations 3 to 5).

The Regulations also provide for the making of claims for, and the payment of, grants following approval (regulation 6) and also contain provisions creating obligations on those in receipt of grants concerning the provision of information (regulation 7) and record-keeping (regulation 8).

In addition the Regulations confer powers of entry on certain authorised persons, including Officials of the Commission (regulation 9), introduce a system of penalties to be imposed in the event of a breach of obligations by granting the Department various powers to take action, up to and including termination of approval in the event of breaches of the conditions of an approval and in a number of other cases (regulations 10 to 12), provide power to recover interest on sums recovered and that these be classified as a debt (regulations 13 and 14) and create offences in respect of the furnishing of false information for the purpose of obtaining financial assistance and in respect of obstruction (regulation 15).

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**Changes and effects yet to be applied to :**

- Sch. para. 1 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 2 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 3 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 4 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 5 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 6 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 7 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 8 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 9 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. para. 10 coming into force by [S.R. 2010/217 reg. 1](#)
- Sch. inserted by [S.R. 2011/9 reg. 6](#)
- reg. 1 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 2 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 2(1) revoked in part by [S.R. 2011/9 reg. 3\(a\)](#)
- reg. 2(1) words inserted by [S.R. 2011/9 reg. 3\(b\)](#)
- reg. 3 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 3(2) words substituted by [S.R. 2011/9 reg. 4](#)
- reg. 4 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 5 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 6 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 7 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 8 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 8(1) words omitted by [S.R. 2011/9 reg. 5](#)
- reg. 9 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 10 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 10(1)(c) words substituted by [S.R. 2011/9 reg. 4](#)
- reg. 11 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 12 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 13 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 14 coming into force by [S.R. 2010/217 reg. 1](#)
- reg. 15 coming into force by [S.R. 2010/217 reg. 1](#)