

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

Dorset and East Devon Fisheries Local Action Group (FLAG)

Guidance for Applicants

This guidance is for applicants applying to the EMFF through the Dorset and East Devon Fisheries Local Action Group (FLAG). Further details should be obtained from Dorset and East Devon FLAG if required.

Index

PART 1- Applying to the FLAG

1. What is FLAG?
2. Who can apply for funding?
3. Who cannot apply for funding?
4. What can you apply for?
5. What can you not apply for?
6. How much funding can I apply for?
7. Before you apply
8. Applying for funding

PART 2- Your contract with the MMO

9. Project Decisions
10. Delivering your project
11. How to claim
12. Terms and conditions
13. Contact Details

This guidance explains how to apply to the Dorset and East Devon FLAG for a grant from the European Maritime and Fisheries Fund (EMFF) and what you need to know before you apply.

DEFINITIONS;

In these notes:

- **You** means the applicant. You will be responsible for ensuring that all of the terms and conditions of grant are fulfilled. Responsibility for the content of the application and any supporting information and documentation rests with you and in particular, this means that you must retain ownership of the work which is being grant aided.
- **Member State** means The United Kingdom and within that the 4 Devolved administrations of England, Scotland, Wales and Northern Ireland.
- **We** means the Dorset and East Devon FLAG
- **MMO** means Marine Management Organisation
- **Fisherman** means any person licenced for and engaging in commercial fishing activities, as recognised by the Member State.
- **Inland fishing** means fishing activities carried out for commercial purposes in inland waters by vessels or other devices.
- **Vessels operating exclusively in inland waters** means vessels engaged in commercial fishing in inland waters and not included in the Union fishing fleet register.
- **A public law body** is an organisation financed, managed or supervised by the government.
- **Small-Scale Coastal Fishing (SSCF)** means fishing carried out by fishing vessels of an overall length of 11.99 metres or less and not using towed fishing gear (as listed in Table 3 of Annex I to Commission Regulation (EC) No 26/2004).
- **FLAG** means the Dorset and East Devon Fisheries Local Action Group

PART 1- Applying to the FLAG

1. What is FLAG?

Fisheries Local Action Groups known as FLAGs are groups of fisheries and other marine and local sector representatives formed to deliver a Local Development Strategy in a specific region. Funding is provided to those groups from the European Maritime and Fisheries Fund (EMFF). The FLAG is responsible for administering the scheme in their particular region including managing applications and making recommendations to the Marine Management Organisation on projects that should be funded.

The principle priorities of the EMFF FLAG scheme in England are:

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

Dorset and East Devon FLAG covers the region from Swanage through to Beer including the fishing communities of Beer, Axmouth and Seaton, Lyme Regis, West Bay, Portland, Weymouth, Lulworth and Swanage.

The priorities of the FLAG are to:

- Encourage and enable effective collaborative working across and within sectors
- Strengthen the aquaculture sector in Dorset
- Infrastructure and equipment improvements to enable safe, sustainable working ports and harbours
- Enable innovation to increase the value of catch and products
- Support the industry by enabling diversification, up-skilling and training, and increase the knowledge and understanding of the sector to attract a younger workforce

2. Who can apply for funding?

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

- the owner of an EU or UK registered fishing vessel and you commercially fish from a port based in the UK
- fisherwoman, or spouse or legal partner of a fisherman
- a producer organisation, Inter-branch organisation or a public or semi-public organisation
- an aquaculture business or organisation
- an organisation of fishermen or fisherwomen

- involved in production, processing, marketing, distribution or commercial retail of fisheries and aquaculture products such as restaurants, fishmongers, suppliers etc.
- non-governmental organisations
- an association, including new aquaculture farmers
- universities and research institutes
- Training and education
- Scientific organisations working in the maritime sectors
- Public-private partnerships
- Micro, small and medium-sized businesses-see definition of Micro, Small and Medium businesses in the appendix.

You can contact the Dorset and East Devon FLAG if you are unsure which category your company falls under and whether you are eligible to apply for funding.

3. Who cannot apply for funding?

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

You can't apply for and receive EMFF funding if you've been convicted of an offence that the MMO or European Union considers to be a 'serious infringement' or fraud, in the 12 months before applying. Guidance on Inadmissibility and Fraud can be found at dorsetforyou.gov.uk/FLAG and you should read it before applying to the FLAG. In addition you usually cannot apply to the scheme if you are:

- A large company. This means you employ more than £250 employees and have an annual turnover or balance of more than €50million
- You are a partner of or linked to a large company, see above
- If you are applying for fishing equipment but you are not a licenced commercial fisherman
- You do not work in another eligible sector type

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

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

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

- Purchasing of gear with increased selectivity that replaces existing gear e.g. pots with escape hatches
- Ice machines, fish boxes, tub insulators
- Items which improve working conditions e.g. net flakers, net bins, hygiene equipment
- On-board health and safety equipment that is not already mandatory such as personal protective equipment, VHF radio, PFD's, non-slip decking
- New shelters or improvements to existing fishing ports, landing sites and auction halls such as inputting cranes or storage
- Support for training and encouraging new entrants into the industry
- Processing of fisheries and aquaculture products e.g. stainless steel work tops, vacuum packers, smokers
- Innovative products, techniques or research which are undertaken in partnership with research institutes
- Increasing the energy efficiency of vessels providing it is not a new engine. E.g. replacement of parts of existing engines
- Support for aquaculture businesses that is in line with the national strategic plan for development of aquaculture e.g. increase of production or modernisation of existing enterprises and construction of new enterprises.

5. What can you not get funding for?

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

- increases to the fishing effort, the capacity of your vessel or increase the ability of your vessel to find fish
- increases to the capacity of fish holds
- the building of fishing vessels or the importation of them
- the stop fishing activities temporarily or permanently
- exploratory fishing
- the transfer ownership of a business
- direct restocking unless explicitly provided for as a conservation measure by a European Union legal act or in the case of experimental restocking
- the purchase or construction of inland fishing vessels
- the construction of Lobster Hatcheries
- statutory or mandatory undertakings - Items and services that are statutory or mandatory requirements of law and bylaws cannot be funded
- the maintenance of any vehicles
- on-going business operating costs
- interest on a debt
- the purchase of land or housing that's worth more than 10% of your project's total expenditure

- re-payments of loans on any item(s) you have purchased
- the costs of any item(s) bought with a loan until the loan is repaid (this does not include leased items as long as your Offer Letter allows for them)
- any costs that you could recover in part or in total by making a claim on an insurance policy or by seeking compensation or damages.
- Mandatory costs such as licences fees and planning permission

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

6. How much funding can I apply for?

Funding rates vary depending on:

- what you are applying for
- the type of applicant you are, for example, if you are a private business or a public organisation
- if you are applying for equipment or gear then the size of your vessel will determine the funding rates. There are different rates for vessels 11.99m and under not using towed gear and those vessels that are larger or any vessel that uses towed gear
- how much match funding you are able to obtain or what you can afford

Most of the time funding rates are between 50% and 80% but there are exceptions where you can receive 100%, you should contact Dorset and East Devon FLAG for advice on your particular project.

The FLAG scheme is designed to assist those who cannot afford to fund projects without funding support, however, if successful, you will need to be able to pay for your project cost up front- you can then claim back the amount of money agreed.

7. How to apply to the FLAG

The FLAG application process can seem daunting however the FLAG staff are here to help with applications and the process. Please do get in touch with us.

Expression of Interest (EOI)

- Submit an Expression of Interest (EOI) to the FLAG to check if your initial project idea has the potential to be eligible for funding. We ask for this so it can save both yours and our time before making a full application. It also gives the FLAG board an opportunity to give initial feedback on projects before full application. The EOI is available from dorsetforyou.gov.uk/FLAG.

You are welcome to call the FLAG Coordinator or Animateur to talk a project through before submitting an EOI.

- Following the submission of an EOI to the FLAG, we will then assess your project and tell you if you can apply and how you should do so. You should be aware that the FLAG board members will see a summary of your EOI but your personal details will be confidential. A full response and comments back can take up to 15 working days.
- Make sure you include as much information as possible in your EOI, if you have not supplied enough information you will be asked for more and this may delay receipt of your response.
- If your project is eligible, the FLAG will invite you to complete a full application however this does not guarantee that you'll get funding.
- The FLAG will advise you when you can make a full application and the next steps.

8. Submitting a full application

Once the FLAG have given their advice on when to submit a full application, you can use the instructions below to apply. If you require help, the FLAG can help you to submit a full application but the instructions on how to do so are below:

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

You need to register and receive a password for your account before you can complete and submit a full application. You should have all your application documents with you when you start your application. If you start your application but do not finish it you must use the Save button to ensure your work is not lost. You can then return to your application at a later date by logging back into the system. The next steps will be:

- Dorset and East Devon FLAG will contact you within 5 working days of submission of your full application to confirm that they have received it.
- Your application will be appraised by the FLAG board at the next suitable FLAG board meeting and a decision will be made to reject the application or recommend the application for funding to the MMO.
- The FLAG will write to you to tell you if your application has been successful or not, provided we don't need any further information. If more information is needed the FLAG will contact you to explain what is required and how long you have to provide it. If further information is needed then it may take longer until you have a decision.
- The FLAG board meetings for 2017/18 are likely to be held at the beginning of the following months; June, September, December, March, but this may be subject to change.

Please note:

- If your application does not get approved, whether or not you have started work, you will not be able to reclaim any costs from the MMO or the EMFF
- You must not start work on your project before you've made a full application for EMFF funding and received an email acknowledgement that confirms your application has been received. If you start work before receiving your acknowledgement email, your project will be automatically ineligible and you will not be able to claim any of the costs of the project.
- You may proceed at risk with your project once your acknowledgement email has been received for the full application, however the Dorset and East FLAG does not recommend this. See Section 8.1 below on Proceed at Risk on starting your project after acknowledgment but before receiving a decision.

8.1 Proceed at Risk

You must not start work on your project before you've made a full application for EMFF funding and received an email acknowledgement that confirms your application has been received. If you start work before receiving your acknowledgement email, your project will be automatically ineligible and you will not be able to claim any of the costs of the project. You may proceed at risk with your project once your acknowledgement email has been received for the full application, however the FLAG does not recommend this. See Section 8 below on Proceed at Risk on starting your project after acknowledgment but before receiving a decision.

Although the Dorset and East Devon FLAG does not recommend it, you can start work on your project including the purchasing of items once you have submitted your application and received an acknowledgement email. Any work undertaken after you have received your acknowledgement but before you have received a decision letter is done so at your own risk as funding is not guaranteed until a decision has been made on your application and an Offer of Funding has been made to you. If your application is not approved you will not be able to claim any funding from the Dorset and East Devon FLAG, MMO or EMFF.

8.2 Documents you need to send with your full application

You may need to send additional documents with you full online application. This section sets out which documents you might need, for example, the number of quotes you will need to get. If you would like any advice please contact the FLAG.

Documents you might need are:

- A) **Business Cases** -for projects over £25,000
- B) **Quotes for suppliers, products and services**- the number of quotes you need depend on the cost on the item and whether you are a public or private applicant

- C) **Accounts**- 2 to 3 years of accounts for businesses/organisations or 5 years cash flow for brand new business/organisations
- D) **Sole Trader**- proof of identification is required
- E) **Partnerships**- consent from all partners if you are applying in a partnership
- F) **Staff Costs**- revenue or capital staff costs are not eligible but staff costs for public research or studies might be eligible for reimbursement.
- G) **Leases on lands and buildings**- you must have a lease for 10 years on land and buildings
- H) **Second Hand Equipment**- you need proof that it will last for 5 years
- I) **Targets and Benefits**- any evidence to support your targets and benefits of the project
- J) **Permissions, Planning Consents and licences**- you will need proof of these if your project requires them
- K) **Match Funding**- you will need proof of match funding
- L) **Project Management**- you will need to provide rationale if your project management costs are more than 10% of the total project cost.
- M) **Durability of Operations**- items purchased need to have a lifetime of 5 years
- N) **Research projects**- research must be publicly available
- O) **State Aid**

More information on documents required:

A) Business Cases

If your project has a total value of up to £24,999.99 a business case is not required for this size of project.

If your project has a total value of £25,000 or more a Business Case must be submitted. The **Business Case Template** is available from dorsetforyou.gov.uk/FLAG.

B) Quotes

For all goods and services that you intend to apply for as part of your project you must provide quotes to verify the costs. The quotes will be used to show that you are getting the best value for money in the project. Quotes supplied must include:

- A detailed and itemised breakdown of costs
- The supplier's address, phone number and a contact name
- The supplier's VAT number, if they're VAT registered and they have included VAT on the quote
- The supplier's company registration number, if they're a limited company

You will need to send either:

- The original signed quote by post to the FLAG
- Email quotes can be accepted but they must show the email trail from the supplier to the applicant. Print outs of attachments only cannot be accepted.
- Photocopies or print-outs of catalogue or website listings for products. The photocopies or print-outs must contain the specification of the item. They must contain a price and all should either be inclusive or exclusive of VAT as applicable. The photocopies or print-outs must be from accessible catalogues or websites that can be easily verified.
- Documents that prove a formal tender has been issued, scoring and decision making details.

Quotes that don't meet the requirements will be rejected by the FLAG but you will have an opportunity to obtain and resubmit correct quotes.

The quotes and tenders supplied must:

- Come from suppliers that trade independently of each other and don't share any ownership
- Be valid and dated within the last 3 months
- Be comparable in terms of the quality, size, quantity, power and type of product

Quotes or tenders must not come from suppliers you are related to or that your business is linked to as these cannot be accepted. This will be will be verified by the FLAG.

You must ensure that the companies requested to quote for items or services know that their quote is being submitted as part of an application of funding to the EMFF scheme and MMO.

In some cases a declaration completed by the supplier providing quotes must be obtained by you. If your application is selected for this additional check then you must ask your suppliers to complete a declaration to confirm that the quote is accurate and that they understand that you are applying for European funding.

Dorset and East Devon FLAG will undertake spot checks on at least one quote from each project by contacting the supplier and confirming that they are aware of the quote being provided and the details of the quote.

Dorset and East Devon FLAG reserves the right to seek independent advice on the validity and value for money of quotes and tenders supplied.

How many quotes to send:

The number of quotes you need to send will depend on the value of the individual items or services you are applying and what type of applicant you are e.g. private or public. Please see the tables below:

If you are a Private Applicant:

Individual items with a value (excluding VAT) of:	Number of Quotes or Tenders required
over £0 and up to £1,500	At least One quote
£1,500.01 and up to £5,000	At least two quotes must be provided. If at least two quotes have not been provided, then an explanation why must be provided
£5,000.01 and up to £60,000	At least three quotes must be provided. If at least two quotes have not been provided, then an explanation why must be provided
equal to or over £60,000.01	You cannot provide photocopies or print-outs for items over £60,000.01, for these items a minimum of 3 quotes or evidence of tender must be provided including; 1) A detailed specification of the works to be undertaken 2) Evidence of the scoring used to select the company 3) A suitable rationale for the decision to select the chosen company

In exceptional circumstances FLAG may consider accepting fewer quotes than the minimum number above. For example it may not be possible to obtain three quotes for specialist equipment. If you are unable to provide the minimum number of quotes or tenders required, you must explain why in your application and provide proof of any attempts to obtain more quotes. For example if you have requested a quote from a supplier but the supplier has declined to quote this can be used as evidence of an attempt to obtain a quote.

If you are a Public applicant:

Different rules apply to different applicants when obtaining quotes for projects. The rules for public applicants such as public authorities and government organisations are below.

For Public applicants public procurement rules must be followed.

The procurement of goods and services that are acquired externally must follow the procurement rules of the organisation applying and evidence of those procurement rules must be provided with the application.

An example of evidence required in support of a procurement policy is referenced below however organisational requirements will differ;

Value of goods and services	Evidence requirement
Goods and services up to £1,000 per item	1 quote is required
Goods and services between £1,000 and £10,000	3 quotes are required and a brief scoping document outlining the scope of the goods and services being requested
Goods and services over £10,000	Goods and services over £10,000 A scoping document, formal tender with associated documentation including tender evaluations
Good and Services over £100,000	Good and Services over £100,000 EU procurement rules apply

In certain circumstances there may be only one supplier that can provide the goods or services, this could be because;

- it is the only provider who has the necessary skills or equipment to undertake the work,
- the provider owns the exclusive rights required to deliver the goods or service.

If this is the case then it is a Single Tender Action (STA) or equivalent and it is necessary for evidence to be supplied;

- in the example of the organisational procurement policy, for all STA's over £1,000 pre-procurement approval must be provided in the form of a completed Pre Procurement Approval Form (PPAF) or equivalent which

evidences the supporting justification for the STA and must be approved by the business area and the Head of Procurement or equivalent prior to any purchase of the goods or services

- if the applicant organisation does not follow a similar formalised process then evidence of project objectives, a breakdown of the costs, an outline of any value for money considerations, reasons for not procuring in the usual way and any relevant supporting documentation must be provided.

Public Applicants - Internally procured goods and services.

If the goods and services are being supplied to the project internally, by your own organisation then formal procurement is not applicable. However to ensure value for money is considered we would need to see the following information;

- a rationale for using internal staff/services - this should include but is not limited to; evidence of the skills and experience of the individual and their suitability for the role undertaken, or evidence of the unique suitability of the vessel/equipment for the project
- evidence that the project has satisfied a value for money assessment where possible

Quotes in Foreign Currencies

- If you submit a quote or quotes which are in a foreign currency you must calculate the exchange rate at the time your application is submitted. You can use this website to convert your amounts;
- http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm
- You must tell Dorset and East Devon FLAG the exchange rate you have used and the pound sterling amount you have calculated. You must do this for each quote you send in any foreign currency. Where there are exchange rate fluctuations between submitting an application for funding and an offer of funding being made the Dorset and East Devon will use the most favourable exchange rate for you.

C) Accounts

You should provide copies of your business/organisation's accounts for the last three financial years to demonstrate that your business/organisation is financially sound and in need of the funding. These can be audited or non-audited. If your business/organisation is currently loss making, this does not necessarily mean that you cannot be considered for funding. However, you will need to explain carefully in

your business case or application the steps you are taking to make the business/organisation financially viable, including the contribution the proposed project is expected to make to this. FLAGs will consider this evidence during its assessment of your project.

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

If the business/organisation is new, you should provide a cash flow forecast for a minimum of 5 years and a Discounted Cash Flow. See Figure 1 on page 21 for an example of a cash flow.

D) Sole Traders identification

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

E) Partnerships

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

F) Calculating Staff Costs

Staff costs can be eligible for EMFF but only in certain circumstances. For capital or revenue projects staff costs are deemed as running costs and are not eligible. For projects with a common interest like research or studies where the findings are made public the staff time can only be reimbursed where the work on the project is not part of an employee's regular job role and there is a secondment or similar agreement in place.

Staff costs, where a member of staff is working directly on the project, can be included in the project costs.

If a project includes staff costs you must provide:

- a Staff hourly rates calculator
- a job description of the staff member
- payslip or proof of salary

- information on contracted hours in current job role and;

You can only include the hours spent exclusively on the project. All costs must be supported with payslips or PAYE reports to confirm the salary costs have been calculated using the correct rates. All claims for staff costs must be accompanied by signed timesheets and evidence of payment when submitting the claim.

If the project includes salary costs and it is anticipated that there will be pay rises within the lifetime of the project, these must be outlined when applying and will be considered carefully by the FLAG. You will need to provide a detailed rationale for any pay rises proposed with justification for the rise applied. Pay rises funded through EMFF are not guaranteed.

G) Leases on land or buildings.

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

H) Second hand Equipment

Second hand equipment is eligible providing the items demonstrate value for money, there is a good reason for purchasing second hand equipment and there are assurances that the item will last at least the 5 years durability of operations but ideally longer. You must supply this information when applying for second hand equipment.

I) Targets and Benefits

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

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

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

Example Targets and benefits

Example target	What makes it a good target?
<p>The fish boxes mean I will be able to chill my catch within 30 mins of landing it increasing its quality by up to 10%</p>	<p>The fish boxes are the main element of the project and will directly contribute to improvements to the quality of the catch so the targets should focus on what they will deliver.</p> <p>You will know how much a box or kilo of fish was worth before and after the investment and notwithstanding any major market fluctuations that can be explained the increase should be easy to calculate.</p> <p>Making a target achievable is important as we don't want you to tell us something you will struggle to meet. Make sure the target is something you can control to have the best chance of meeting it.</p>
<p>My discards will reduce to under 1%.</p>	<p>This target is easily measured as you will know how much fish you are discarding as a percentage of the total catch. This can be measured against your pre-project discards.</p> <p>Measurements can be almost anything depending on the project including but not limited to fuel usage, days lost to breakdowns/maintenance, increases in sale prices/value or profits made.</p>
<p>The landed value of my fish will increase by 10% in the first year</p>	<p>This target is specific to the fish boxes being applied for in this example. You will be able to assess how much the landed fish value increases in comparison to before the project.</p>
<p>I currently have 20 outlets for my fish and will be able to approach up to 5 more outlets for selling my catch directly in the first 2 years</p>	<p>This target is realistic as you will know if 5 more outlets from an original 20 is achievable and likely. This target also has a timescale on it as it is planned that the increase in outlets will be achieved within 2 years.</p> <p>Targets should be able to be met by you without too much difficulty. If you make them unrealistic and overestimate your achievements and don't reach them your funding may be at risk.</p>
<p>My business turnover will increase by at</p>	<p>This target has clear timescales as well as measurable achievements. Delivery</p>

<p>least 5% per year for the first three years and 2.5% a year for a further 2 years</p>	<p>over a number of years allows applicants to measure the long term benefits of the project on their business.</p> <p>Putting timescales on projects helps you to keep an eye on progress. The length of time depends on the project but in most cases we would expect to see a minimum of 3 years. Timescales will also help you report on your progress.</p>
--	---

J) Permissions, Planning consents and licences

If your project needs specific permissions, consents and licences to go ahead, you must send proof that you have them to Dorset and East Devon FLAG when you apply.

You should talk to the relevant authority to find out if you need any consents including Marine Licences.

If your planning consents and/or licences are not in place when you apply to Dorset and East Devon FLAG for funding you should supply details of when these are expected and forward to the FLAG as soon as they have been received. An offer of funding cannot be issued without the required planning consents and/or licences being in place.

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

K) Match Funding

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

Cash, loans or grants from other sources being used for match funding must be in place before applying to the Dorset and East Devon FLAG. You may be asked for proof this is in place before a decision is made.

Non-cash Match Funding

The value of land, buildings or assets cannot be used as match funding.

Future revenue from projects or other businesses cannot be used as match funding.

Items or services where there are no actual costs incurred cannot be used as match funding; this is In Kind funding, see below for details of this type of match funding.

In kind

In Kind costs are those where no actual costs have been incurred.

For example, an organisation allowing a member of staff to work on an EMFF funded project for 1 day per week, but while paying the person is not an In Kind cost as there is a cost to the business. Alternatively, the same person volunteering outside of work hours, for which they are not paid, is an In Kind Cost.

In the volunteer example, as no actual costs are being incurred, In Kind costs cannot receive a financial contribution from the EMFF scheme. However, In Kind costs may be an important part of delivering a project so can be included as part of the project delivery and costs.

When applying for funding, In Kind costs should not be included in the actual costs associated with the project but should be detailed within either the application form or the business case to explain why these are important.

In Kind costs should not exceed 10% of the total budget for a project.

L) Project Management

Project Management costs should not exceed 10% of the total project costs. If you wish to incur more than 10% Project Management costs on your project you must provide a detailed rationale of the need for the increased costs with your project application. Any requests for Project Management costs above 10% of the total project costs will be carefully assessed by the Dorset and East Devon FLAG and therefore consideration should be given to ensuring that costs of this nature provide the best possible value for money for the public funding.

M) Durability of Operations

To ensure the effectiveness, fairness and sustainable impact of the funding, provisions guaranteeing that investments in businesses and infrastructures are long-lasting and prevent European Funding from being used to undue advantage are in place.

Therefore items purchased using public funding from the EMFF Scheme must be owned and used for their original purpose for a minimum of five years from the date of the last payment made to you, except where State Aid rules provide for a different period or the items are leased, see the Leasing of items or equipment section for more advice.

In the case of a project comprising investment in infrastructure or productive investment, and where the applicant is not a Micro, Small or Medium enterprise (SME), you will be required to repay the funding contribution from the EMFF scheme if, within 10 years of the final payment to the project, the project or its activity is subject to relocation outside of the European Union.

Some or all of the funding for projects that do not meet the Durability of Operations above will be recovered.

8.3 Additional information

Research Projects

Results of all funded research projects must be made public through appropriate means including publication and circulation in appropriate channels, and publication on available websites.

State Aid

All projects must comply with all other eligibility rules of the scheme and State Aid rules to be deemed eligible for funding. State Aid rules do not apply to the majority of projects which are eligible under the EMFF scheme. However, projects that relate to the catching, production and/or processing of fisheries products. These are defined in:

- Annex I of the Treaty for the Functioning of the European Union (found in the Official Journal of the European Union under 2012/C 326/01)

and;

- Annex I & II of the Common Market Organisation regulation EU 1379/2013

If you feel that your project does not meet these criteria then you should contact Dorset and East Devon FLAG to discuss your project before making an application for funding. This may result in the FLAG obtaining advice from State Aid Experts.

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

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

Figure 1. Example Cash Flow Forecast for 12 Months

Cash Flow Forecast - 12 Months														
Month:	Pre-Start	1	2	3	4	5	6	7	8	9	10	11	12	Totals
Receipts														
Cash sales	£0.00	£0.00	£10,020.00	£10,855.00	£12,525.00	£14,195.00	£15,865.00	£18,370.00	£21,710.00	£24,215.00	£26,406.00	£28,808.00	£33,066.00	£216,035.00
Collections from credit sales	£0.00	£0.00	£0.00	£251.00	£418.00	£501.00	£501.00	£585.00	£752.00	£752.00	£1,002.00	£1,002.00	£1,166.00	£6,930.00
Loans received	£0.00	£16,700.00	£0.00	£0.00	£8,350.00	£0.00	£0.00	£8,350.00	£0.00	£0.00	£8,350.00	£0.00	£0.00	£41,750.00
Total Receipts	£0.00	£16,700.00	£10,020.00	£11,106.00	£21,293.00	£14,696.00	£16,366.00	£27,305.00	£22,462.00	£24,967.00	£35,758.00	£29,810.00	£34,232.00	£264,715.00
Payments														
Cash purchases	£0.00	£401.00	£326.00	£166.00	£131.00	£237.00	£166.00	£149.00	£149.00	£166.00	£113.00	£113.00	£167.00	£2,284.00
Payments to creditors	£0.00	£1,203.00	£978.00	£499.00	£392.00	£713.00	£499.00	£446.00	£446.00	£499.00	£339.00	£339.00	£503.00	£6,856.00
Overheads	£0.00	£6,304.00	£5,120.00	£2,620.00	£2,058.00	£3,728.00	£2,620.00	£2,336.00	£2,336.00	£2,620.00	£1,780.00	£1,780.00	£2,631.00	£35,933.00
Total Payments	£0.00	£7,908.00	£6,424.00	£3,285.00	£2,581.00	£4,678.00	£3,285.00	£2,931.00	£2,931.00	£3,285.00	£2,232.00	£2,232.00	£3,301.00	£45,073.00
Cashflow Surplus/Deficit (-)	£0.00	£8,792.00	£3,596.00	£7,821.00	£18,712.00	£10,018.00	£13,081.00	£24,374.00	£19,531.00	£21,682.00	£33,526.00	£27,578.00	£30,931.00	£219,642.00
Opening Cash Balance	£0.00	£0.00	£8,792.00	£12,388.00	£20,209.00	£38,921.00	£48,939.00	£62,020.00	£86,394.00	£105,925.00	£127,607.00	£161,133.00	£188,711.00	£861,039.00
Closing Cash Balance	£0.00	£8,792.00	£12,388.00	£20,209.00	£38,921.00	£48,939.00	£62,020.00	£86,394.00	£105,925.00	£127,607.00	£161,133.00	£188,711.00	£219,642.00	£1,080,681.00

PART 2: Your contract with the MMO

As the applicant, your main relationship and point of contact will be with the FLAG however, the funding contract will be between yourself and the MMO. These next sections are detailing important information about that contract.

9. Project Decisions

If your application is approved

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

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

How to respond to your Offer Letter

If you decide to accept the Offer Letter and its conditions you must sign the Acceptance of EMFF Offer and return it to MMO.

You should also make a copy of the Offer Letter and acceptance and keep it for your records.

Publicity

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

In addition projects must acknowledge they have received European funding to the public. All approved projects must display;

(a) The Union emblem in accordance with the technical characteristics that can be found in the document titled 'Instructions for referring to the European Union and creating the Union emblem (EMFF)'.

(b) A reference to the Fund or Funds supporting the operation. This is most likely to be the EMFF however it's possible you have received funding from other European Funds as well, in which case, a reference to the 'European Structural Investment Funds (ESIs)' is required.

(c) Providing on your website, where such a website exists, a short description of the project, proportionate to the level of support, including its aims and results, and

highlighting the financial support from the European Union through the EMFF scheme;

(d) Placing, for projects not falling under point c above, at least one poster with information about the project (minimum size A3). This should include details of financial support awarded from the European Union through the EMFF scheme. The poster should be in a location readily visible to the public, such as the entrance area of a building.

And; No later than three months after completion of the project, you must put up a permanent plaque or billboard of significant size at a location readily visible to the public if your project fulfils the following criteria:

(a) The total public funding for the project exceeds EUR 500 000 (based on the exchange rate at the time of application);

(b) The project consists of the purchase of a physical object, the financing of infrastructure or of a construction.

The plaque or billboard shall state the name and the main objective of the project as well as the EU logo, MMO logo and the phrase 'Investing in sustainable fisheries'.

If you are required to put up a plaque or billboard as above and you do not comply you will be deemed to have not fulfilled the terms and conditions of any funding awarded to you and funding may be recovered.

If your application is declined

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

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

You have 28 days after the date of the letter to ask the Dorset and East Devon FLAG to review its decision.

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

You will be notified of the outcome of your appeal within 6 weeks of the FLAG receiving it.

If your appeal is successful and the original decision is overturned, you will be issued with an Offer Letter as appropriate.

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

10. Delivering your project

Reporting changes to your project

Please notify the FLAG of ANY changes to your project once it has been approved for funding, before you make changes on the EMFF system. If you do make changes to your project without notifying the FLAG or the MMO, those changes will not be eligible for claims. Once the FLAG has been notified please use the guidance below :

You need to apply on the E system to change your project after you've signed and returned the offer letter, e.g. if you want to:

- change the way your project is funded e.g. how you are paying for your part of the project
- increase or decrease the total cost of your entire project
- use different contractors or suppliers to the ones agreed in your offer letter
- change the timetable of your project
- sell or dispose of any item of infrastructure purchased as part of your project
- stop any activity that's part of your project
- change the location of the activity

If you change your project without telling the FLAG through the E system, your funding award could be cancelled or you could be refused payment for costs associated with the changes.

Any conditions in your offer letter apply for 5 years from the date of the final payment made to you (see Durability of Operations).

- **Retrospective amendments**

Retrospective amendments cannot be considered. You must apply to the FLAG through the E system to change your project **before making changes** including additional costs. If you modify your project without making an amendment and or

before receiving approval from FLAG the whole project or part of the project could be ineligible for payment.

- **Increasing the cost of your project**

If you increase the total cost of your project, the Dorset and East Devon FLAG will only be able to award you more funding if we decide you couldn't have predicted this increase when you were applying. If you forgot to include a cost on your original application this cannot be considered.

- **Change of supplier**

We understand that sometimes suppliers to your project have to change.

If you want to change supplier even if the costs will remain the same you will need to tell the FLAG by making an amendment request through the E system and have it approved before the change is made.

An explanation for all requested changes must be included in your amendment request.

- **Where a project is under the threshold of £100,000 and an amendment to the project costs takes it over £100,000**

Sometimes a project will be originally approved with a total project cost of under £100,000 but an amendment to the costs will take it over £100,000, in this case the project must go to an MMO panel as stated in the EMFF core fund. In this instance, the FLAG will check the amendment to costs and you will be informed that the project will be passed onto the MMO panel.

If a number of amendments are received that collectively exceed 10% of the total project cost the FLAG has the discretion to refer the requests to the panel and to review the requests collectively. You will be informed if this decision is taken including the date of the panel where your project will be considered.

However please note the FLAG has the discretion to send any project decision or amendment to MMO panel, regardless of value if it is deemed necessary for reasons that can include but is not limited to complexity or risk to the fund.

- **Change to project manager within an organisation/project**

If you have a change of project manager within your organisation you should inform the FLAG in writing with the new contact details as soon as possible. If you don't inform FLAG then it could result in your new project manager being unable to access or discuss the project or make a claim for payment.

- **Change of Ownership**

If you have had a project approved then you should not sell or dispose of any funded items of the project within 5 years of the final payment made to you, this is part of the Durability of Operations of the scheme.

Consumables are exempt from this and will be made evident in your Offer Letter.

If you sell or undertake any other action that changes the ownership of any funded item from the project within the 5 years the Dorset and East Devon FLAG must be informed in writing by you. This includes indirect changes E.g. where a premises or vessel changes ownership or where the location of any funded items changes.

It is your responsibility as the original applicant to inform the new owners of the funding obligations attached to the item. The new owners will be required to take on the terms and conditions of the funding for the time remaining up to 5 years from the last payment made to you.

If the new owner of the item or items does not accept the terms and conditions of the funding attached then it is deemed that the item has not fulfilled its obligations to the scheme and therefore recovery proceedings may be started and funding may be recovered from you as the original applicant.

- **Moving your vessel outside the European Union (EU)**

You must not transfer a fishing vessel outside the EU for at least 5 years after the last payment of EMFF funding received by you - if you do transfer your vessel outside of the EU you must pay back all or part of the EMFF money you received to be decided by Dorset and East Devon FLAG and MMO.

The exact amount you have to pay back depends on when you transferred the vessel and how much time is remaining on the Durability of Operations.

- **Declaring additional funding**

If you apply for, or receive funding through another scheme, you must:

- Tell the organisation that runs the other scheme that you've been offered/have received EMFF FLAG funding
- Tell the Dorset and East Devon FLAG that you've been accepted for another type of funding

The Dorset and East Devon FLAG can decide that you're no longer eligible for EMFF funding if you get money from another scheme, based on:

- The source of the money - you'll be more likely to be ineligible for EMFF funding if you've got funding from another European Commission scheme
- The amount of money you got from the other scheme

- The conditions of the other funding

If you're deemed ineligible, the FLAG can recommend recovery to the MMO and the MMO can take action to get money back from you, or cancel any payments that were due.

- **Records you must keep**

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

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

You must give the FLAG or any appropriate agent any information or documents that they ask for at any stage.

The FLAG may give your name and address to an independent person they've hired to evaluate your project.

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

11. How to claim your funding

Please contact the FLAG to let them know you will be submitting claims before you submit them.

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

- Original dated invoices which show the amount of money you paid for each product or service you're claiming for

- Email invoices can be accepted but they must show the email trail from the supplier to the applicant
- Proof of payment
- A progress update on your project

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

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

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

Reporting your progress

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

You should tell us the following information:

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

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

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

Inspections

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

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

- National Audit Office
- Marine Management Organisation
- European Commission
- European Court of Auditors
- Any other agents deemed appropriate by the European Commission
- Another Intermediate Body

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

12. Terms and conditions

The following terms and conditions are between the applicant and the MMO upon approval of funding:

Conditions of European Funding

1. In these Conditions:

- (a) You means the funding recipient. You will be responsible for ensuring that all of the terms and conditions for European funding are fulfilled. In particular, this means that you will be expected to retain ownership of the work which is being European funded
- (b) We means the Marine Management Organisation.

General Conditions

2. You must inform the Marine Management Organisation in writing and await approval of any of the following changes before you implement them;
 - If you plan to modify your project;
 - If you plan to change the funding package;
 - If you plan to increase or decrease the cost of the project;
 - If you plan to change the contractors and/or suppliers specified in the Offer Letter;
 - If you plan to change the timetable of the project; or
 - If you plan to sell any item of infrastructure or stop or relocate any activity which the project is dependent on.
3. You must provide justification for any such changes by either notifying us on your account on the EMFF e-system or writing to us at the address provided in this Offer Letter. If you fail to notify us, any resulting costs associated with the change could become ineligible for European funding. Additionally, if you make any changes to your project without our prior approval, we may revise or cancel the European funding award.
4. The information provided in this letter must only be taken as a guide to the available funding. The legal basis for the European funding is Article 38 of Council Regulation (EC) 508/2014.
5. The award of European funds is based on statements made by you or your representative or agent in your application form and, if applicable, subsequent correspondence. The making of false statements is an offence.
6. If the European funds awarded to you are not used for the purpose for which it was granted it will breach these conditions. In the event that false or inaccurate information is discovered, we may consider withdrawal of the offer of European funds and give consideration to investigating the matter further. We may take such enforcement action, including criminal prosecution for example under the Fraud Act 2006 as we consider appropriate. In such circumstances we may also seek to recover any European funding paid.
7. Projects that have started, been physically completed or fully implemented prior to receiving a written acknowledgement from Marine Management Organisation even though they may meet the scheme objectives and priorities cannot be funded.

8. The EMFF scheme cannot give funding retrospectively however there are exceptions to this rule. Costs incurred prior to acknowledgement of your application to the Marine Management Organisation and up to a value of 10% of the total eligible project costs can be considered eligible for reimbursement. These costs must be directly related to your project and considered essential to bringing your application to submission stage. The eligibility of these costs are at the Marine Management Organisation's discretion and are not guaranteed and are undertaken entirely at your own risk.
9. Projects can commence after receiving a written acknowledgement from Marine Management Organisation. Any costs you have incurred between receiving your written acknowledgement from the Marine Management Organisation and receiving your written decision were incurred at your own risk as applying to the scheme does not guarantee approval of funding even if the project may meet the scheme objectives and priorities.
10. You cannot use the European funds to cover the cost of interest on debt. You may not use the European funds for the purchase of land if it exceeds 10% of the total expenditure of the project.
11. European funds cannot be paid in relation to any item not owned by you. Any items on hire purchase or leasing agreement must be paid for in full before they can be reimbursed by European funding.
12. We cannot pay European funding on replacement equipment in the event of loss where the costs have been recovered in whole or in part under an insurance policy or by way of compensation or damages.
13. You as the applicant agree to meet any legal obligations imposed under EU and UK law, statutory instrument or by-law, to obtain any necessary consents, rights and way leaves, give any necessary notices and meet any specific rules, regulations and/or standards which may be relevant to the project. Measures relating to the improvement of the environment must comply with the requirements of EU and UK legislation relating to the Common Provision Regulation European Regulation (EC) No 1303/2013, the environment and to water quality.
14. For projects in the public sector, EU public purchasing rules must be fully adhered to.
15. It is your responsibility to ensure compliance with all relevant legal requirements of their projects, and to ensure that any goods or services purchased with European funding meets all necessary legal requirements. If gear or a piece of equipment purchased subsequently becomes obsolete or

illegal then this is at your own risk. There can be no refunds or claims against the scheme in such circumstances.

16. There will be no automatic increase in the European funds awarded if the project costs increase. However, we will consider approving increased costs that could not have been reasonably forecast at the time that the application was approved. As European funding is provided as a percentage of eligible costs if the eligible costs decrease then so will the European fund award. Approval must be received in writing from the Marine Management Organisation prior to incurring the costs.

17. If you subsequently apply for and/or receive funding from a further source not stated on your application form, you must inform the other sources of any other funding you have been awarded, including EMFF and Marine Management Organisation funds. You must also inform the Marine Management Organisation of any such award of funds. If you receive funding from another source, this may affect your entitlement to European funding. Funding may be withheld, withdrawn or be required to be repaid depending on the source, value, and conditions of other funding. In particular, you should not receive financial assistance for your project from another European Commission scheme.

18. Your claim for payment will not be paid if you have not accepted the terms of this Marine Management Organisation Offer Letter. You are required to sign and return the Acceptance of Offer of European funding to the European Grants Team at the Marine Management Organisation.

19. The European funding payable will relate to the amount of eligible expenditure you have incurred excluding recoverable VAT. An exception to this rule may be made if you are not registered for the purposes of VAT and you are unable to recover VAT from your costs. In such cases, a declaration that you are not VAT registered will need to be provided before payment on a VAT-inclusive basis can be considered.

20. In addition, if you were previously not VAT registered, but have subsequently become VAT registered, you must notify us as soon as possible.

21. The European funding will be paid only after proven expenditure has been incurred and a claim has been submitted to the Marine Management Organisation. Before any payments can be made, you must submit claims on the Claim Form in the EMFF e-system (other formats available upon request) together with all necessary documentation including original invoices or invoices emailed directly from the supplier along with your proof of payment i.e. a bank statement. At this stage you may be asked to provide further details and information in support of your claim.

22. You will be asked to provide evidence of other national match funding you have received if this applies to your project.

23. Awards should be claimed in accordance with the claims schedule agreed in your Offer Letter. The dates by which your project should be completed and claims submitted are also stated in this Offer Letter. The final claim must be submitted within 3 months of the end of your project as specified in this Offer Letter.

24. Failure to observe the timetable for carrying out the project could lead to the cancellation or reduction of the European funding awarded. However, before any such cancellation or reduction is made, we will seek an explanation for any delay from you.

25. All claims must also be accompanied by a progress report. It is important that we monitor the progress of all approved projects and you will therefore be asked to provide updates on progress with your project in line with the agreed schedule. Additionally you will be required to submit a progress report on your business and performance of the project on an annual basis for 3 years from the date of payment of the final payment of European funding. You will therefore have both 6 monthly progress reports and annual performance reports to provide.

26. We may withhold part or all of the funding we are not satisfied that you have properly incurred the expenditure or that you have not carried out any necessary actions relating to the funds.

27. We may require part or all of the European funding to be repaid if it transpires that you made a fraudulent statement in your application or subsequent correspondence, the European funds was not used for the purpose for which it was granted or any condition of European funding has not been complied with. You may be required to pay interest on the sum recovered.

28. If you fail to fulfil the conditions related to eligibility and duration, financial consequences and corrections will apply. In order to determine the amount of such a financial correction, the nature, gravity, duration and repetition of the infringement, offence or fraud and the importance of the European contribution to your project will be taken into account.

29. You must retain all original project-related documents for 5 years from the date of the last EMFF claim. At any time up to that date European Commission auditors may wish to inspect any or all original documentation, including, amongst other things, order forms and delivery notes for plant and equipment; bills of quantity; tenders, estimates and quotations; architects' (etc.) certificates; statements and invoices; relevant books of account; drawings, plans and

technical specifications. Failure to retain documentation or to allow documentation to be viewed as outlined is an offence and action may be taken by the Marine Management Organisation.

30. Wherever possible the project shall be available for inspection at all reasonable times by either European Commission, UK Government representatives, European Court of Auditors. You are required, if requested, to permit access to the vessel, vehicle or business premises related to the application for grant and information about your project to those parties noted above. You must provide them with access to relevant documents and give them such assistance as they may reasonably request in the exercise of their duties under the scheme.

31. The Marine Management Organisation may write to you subsequently to request certain information to assist it with the monitoring and evaluation of your project. Your name and address may therefore be passed (in confidence) to an evaluator commissioned by the Marine Management Organisation to undertake independent evaluation. Supply of this information within a reasonable period of the request is a condition of the payment of European funds. Failure to supply the information could lead to cancellation or reduction of the funding awarded, or a requirement to repay European funds already paid.

32. The priorities of the European Union In relation to sea fisheries, EU enforcement and control policies require the landing of all catches as provided for in Article 15 of Regulation (EU) No 1380/2013; of the catch certificate scheme provided for in Chapter III of Regulation (EC) No 1005/2008; and of traceability requirements, including labelling systems to ensure reliable information for consumers, as provided for by Article 58 of the Regulation (EC) No 1224/2009 and Article 67(6) of Implementing Regulation (EU) No 404/2011.

33. If the project generates net revenue during its implementation, the eligible expenditure of the project approved by the Marine Management Organisation shall be reduced by the net revenue not taken into account at the time of approval of the project. The net revenue considered must be directly generated during the projects implementation, not later than at the final payment claim submitted by you. Where not all the costs are eligible for funding, the net revenue shall be allocated pro rata to the eligible and non-eligible parts of the cost.

34. You must not modify your project within five years of the award of European funds if that modification would affect the nature of your project or any condition imposed on its implementation or would result in an unfair advantage being given to any third party, this is known as durability of operations. Within that period, you must also not dispose of any assets or infrastructure or stop or relocate any activity if that would result in a modification to your project.

35. If you are an owner of a fishing vessel, or supporting one through your project, that vessel shall not be transferred outside the European Union during at least the five years following the date of actual payment of that funding to you. If a vessel is transferred within that time-frame, sums unduly paid in respect of the project shall be recovered by the Marine Management Organisation, in an amount proportionate to the period during which the condition set out in the first sentence of this paragraph has not been fulfilled.

36. If you are an owner of a fishing vessel, or supporting one through your project, and the vessel is sold or transferred within the European Union during at least the five years following the date of actual payment of that funding to you, the new owner of the vessel must accept the terms and conditions of this offer of funding. If the new owner does not accept the terms and conditions of this offer of funding then you as the applicant may be required to re-pay all or some of the funding paid to you.

37. All installation and/or modification work undertaken by the owner/skipper of the vessel must meet MCA safety/stability requirements, whether funded by EMFF or otherwise. Responsibility for any work undertaken which renders a vessel unstable or unsafe remains entirely with the owner/skipper of the vessel.

38. Items purchased using public funding from the EMFF Scheme must be owned and used for their original purpose for a minimum of five years, except where State Aid rules provide for a different period or the items are leased. In the case of a project comprising investment in infrastructure or productive investment, and where the applicant is not a Micro, small or medium enterprise (SME), you will be required to repay the funding contribution from the EMFF scheme if, within 10 years of the final payment to the project, the project or its activity is subject to relocation outside of the European Union. Some or all of the funding for projects that do not meet the Durability of Operations above will be recovered.

39. The European Commission and the Marine Management Organisation will publish brief details of all successful projects; including legal entity or organisation's name, short project descriptions and any European funds awarded to ensure transparency. You as the applicant agree that acceptance of funding constitutes inclusion of your details in the list of projects to be published by the Marine Management Organisation in accordance with Article 119(2) of the EMFF Regulation.

40. You must comply with the provisions on ineligibility contained in Regulation (EU) 2015/288 and the ineligibility guidance to the UK EMFF scheme. You must notify the Marine Management Organisation if you are found to have committed a fraud (as defined in the guidance) or a serious infringement prior to applying

for funding or at any point up to five years from the date of the final payment made under this offer of grant.

41. It is necessary to ensure that where possible a separate accounting system or code for funding transactions should be used.

42. You will need to comply with communication activities proportionate to the size of your project, such as the use of your website and/or social or print media, to inform the public about your project, its aims and the amount of European funding you received. In addition projects must acknowledge they have received European funding to the public. Projects must display;

(a) The Union emblem in accordance with the technical characteristics are available on the EC website

(b) A reference to the Fund or Funds supporting your project. This is most likely to be the European Maritime and Fisheries Fund (EMFF) however it's possible you have received funding from other European Funds in which case a reference the 'ESI Funds' meets requirements

(c) Providing on your website, where such a website exists, a short description of the project, proportionate to the level of support, including its aims and results, and highlighting the financial support from the European Union;

(d) Placing, for projects not falling under point c above, at least one poster with information about the project (minimum size A3), including the financial support from the European Union, at a location readily visible to the public, such as the entrance area of a building.

No later than 3 months after completion of your project, you must put up a permanent plaque or billboard of significant size at a location readily visible to the public for each project that fulfils the following criteria:

The total public funding for the project exceeds EUR 500 000 (based on the exchange rate at the time of application);

The project consists of the purchase of a physical object or of the financing of infrastructure or of construction operations.

The plaque or billboard shall state the name of the project as well as the EU logo, MMO logo and the phrase 'Investing in sustainable fisheries'.

If you are required to put up a plaque or billboard as above and you do not you will be deemed to have not fulfilled the terms and conditions of the grant awarded to you and funding may be recovered.

13. Contact Details

Dorset and East Devon FLAG

Address: C/O Dorset County Council

Environment Directorate

County Hall

Colliton Park

Dorchester

DT1 1XJ

Telephone: 01305 224763

Mobile: 07388377184

Email: dorseteastdevonflag@dorsetcc.gov.uk

Appendix

1. Small, Micro and Medium sized business definitions:

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

- **Micro-enterprises** are defined as enterprises that employ fewer than 10 persons and whose annual turnover or annual balance sheet total does not exceed €2 million;
- **Small enterprises** are defined as enterprises that employ fewer than 50 persons and whose annual turnover or annual balance sheet total does not exceed €10 million;
- **Medium-sized enterprises** are defined as enterprises that employ fewer than 250 persons and whose annual turnover or annual balance sheet total does not exceed €50 million.
- Large companies exceed the rules outlined for medium-sized enterprises.

In addition your company's relationship with other businesses is also important. For example if you have a large parent company and you are linked then you may not be eligible to apply for funding. It is up to you to determine and declare your business type from the three categories below:

- **Autonomous** – if the enterprise is either completely independent or has one or more minority partnerships (each less than 25%) with other enterprises
- **Partner** – if holdings with other enterprises rise to at least 25% but no more than 50%, the relationships is deemed to be between partner enterprises
- **Linked enterprise** – if holdings with other enterprises exceed the 50% threshold, these are considered linked enterprises.