

Title of Aid Measure

Agriculture and Horticulture Development Board (AHDB) Support Scheme

This Agriculture and Horticulture Development Board Support Scheme can be found at <https://ahdb.org.uk/procurement>

AHDB currently runs a number of Schemes which are state aid compliant. The details of these are below and can be found at https://ec.europa.eu/competition/state_aid/register/....

Two are under the EU Agricultural Block Exemption Regulation (ABER)¹.

Name	Scheme Reference	Expiry Date	Full or Block
Agriculture and Horticulture Development Board Technical Support Scheme	SA.38241 SA.22857	31 March 2020	Full Notification. Notes: SA 38241 amended SA.22857 and extended it
Agriculture and Horticulture Levy Board Market Research Scheme	SA.38242	31 March 2020	Full Notification. Notes: Encouraging Quality Products. Extended from previous scheme
AHDB R&D Scheme	SA.39428	31 December 2020	Block Exemption (ABER)
AHDB Generic Promotional Measures Scheme	SA.39687	31 March 2021	Full Notification.
English Pig Health Scheme	SA.39537(2014XA) SA.36362(2013XA) SA 54941(2019XA)	31 March 2020 31 July 2021	Block Exemption (ABER)

AHDB are working towards simplifying our programmes by amalgamating these schemes into a single Agricultural Block Exemption Regulation (ABER) Scheme and one full notification thus reducing the number of schemes we run from 5 to 2.

This Scheme will bring much of the funding for state aid work together, under one ABER Notification to encourage simplicity, transparency and clarity for applicants.

This ABER Scheme will commence on 1 April 2020 and incorporates the activities currently covered by the following schemes :-

Technical Support Scheme SA 38241 (expiry 31 March 2020) (full notification)
Market Research Scheme SA 38242 (expiry 31 March 2020) (full notification)
Research and Development Scheme SA 39428 (expiry 31 December 2020) (full notification)
English Pig Health Scheme SA 54941 (expiry 31 July 2021) (ABER)

¹ EU Agricultural Block Exemption Regulation ABER

Commission Regulation (EU) No 702/2014 of 25 June 2014 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union

Any activity under the two schemes still current on the commencement of this new Scheme will be terminated and all reporting will be under the new Scheme.

AHDB understand that the ABER Rules/Guidelines are due to expire/renew whilst the new Scheme is in force. As such, AHDB will undertake to amend this new Scheme as necessary in order to comply with all applicable rules.

A new full Notification will be made to cover the AHDB advertising activities, currently authorised under AHDB Generic Promotional Measures Scheme SA 39687 (expiry 31 March 2021) (full notification)..

Overview

The Agriculture and Horticulture Development Board (AHDB) is a statutory levy board, funded by farmers, growers and others in the supply chain to help the industry succeed in a rapidly changing world. Its statutory purpose is to improve UK farm business efficiency and competitiveness. AHDB want to create a world-class food and farming industry, inspired by and competing with the best.

AHDB was established by The Agriculture and Horticulture Development Board Order 2008² (AHDB Order).

AHDB's remit is to work with the agricultural and horticultural sectors, identified in the AHDB Order, to unite the whole industry around a common goal to lift productivity, bringing people together to collaborate, innovate and drive change, improve their efficiency and competitive position and to maintain and stimulate markets for industry products at home and abroad.

AHDB was created using powers granted under the Natural Environment and Rural Communities Act 2006.^[3]

AHDB's activities encompass the cereals and oilseeds sector in the United Kingdom, the milk, potato and horticulture sectors in Great Britain, and the English pig and English beef and lamb sectors.

Activities under this Scheme will be funded accordingly, from the statutory parafiscal levies derived from each individual sector, and, will benefit farmers, growers, processors and other economic operators in the supply chain in these specific sectors.

This **Agriculture and Horticulture Development Board Support Scheme** can be found at <https://ahdb.org.uk/procurement>

Full details of AHDB can be found at www.ahdb.org.uk

² The Agriculture Horticulture Development Board Order 2008
<https://www.legislation.gov.uk/uksi/2008/576/contents/made>

Measure

The scheme will be administered by the Agriculture and Horticulture Development Board (AHDB). AHDB is a UK non-departmental public body ('NDPB') operating at arm's-length from the UK Department for Food, Environment and Rural Affairs ('DEFRA'). DEFRA is the sponsoring department for the AHDB.

Budget

The annual budget across all Articles will be £48.5 million, and the total budget, over the 2 year duration of the Scheme with a 10 per cent provision for an annual increase on budgets is £116.5 million.

Duration

1 April 2020 until 30 June 2022

Name of Beneficiaries

The recipient of the aid is the final beneficiaries who will be the primary producers - the farmers, and growers, in the relevant agriculture and horticulture sectors and some processors and other economic operators in the supply chain who also pay the levies. Only small or medium enterprises (SMEs) are eligible for this Scheme – as defined in Annex 1 of Commission Regulation (EU) No 702/2014.

National Legal Basis

AHDB was set up under powers provided by Sections 87-91, 93, 94, 96 and 97 of the Natural Environment and Rural Communities Act 2006³. Those powers provided the funding for AHDB by enabling the statutory imposition of parafiscal levies.

The Agriculture and Horticulture Development Board Order 2008 ('AHDB Order') created AHDB and set up the levy arrangements by which its activities are funded. AHDB undertakes activities in relation to the cereals and oilseeds sector in the United Kingdom, the horticulture, milk and potato sectors in Great Britain, and the English pig and English beef and lamb sectors.

Statutory levies are used by AHDB to undertake work to assist with the development of the relevant sectors, notably work that would not be done under normal market conditions. This results from the fact that primary producers in these sectors, and also in many cases processors and other economic operators in the supply chain to consumers, are too small to be able to resource such areas of work themselves.

³ (3) Natural Environment and Rural Communities Act 2006
<https://www.legislation.gov.uk/ukpga/2006/16/contents>

State Aid

The Scheme will operate in accordance with Commission Regulation (EU) No 702/2014 of 25 June 2014 (ABER).

Notification threshold

The notification thresholds of Article 4 will be complied with.

Definitions

The definitions as set out in Article 2 will be applied.

Transparency of Aid

Aid will be transparent and provided as set out in Article 5.

Cumulation

Aid will comply with the cumulation requirements as set out in Article 8.

Application Process

Details of individual projects, who is eligible and how to apply will be found at www.ahdb.org.uk

Publication and Information

The requirements of Article 9 will be complied with.

Reporting and Monitoring

The reporting and monitoring requirements as set out under Article 12 and Article 13 will be complied with.

De Minimis

If a project is received that would not comply with this notification and its value is under £20,000.00, De Minimis may be used and the relevant Regulations will be complied with.

Aims and Objective of the Aid

The ABER allows the granting of certain categories of state aid to the agricultural sector without prior notification to the Commission. The aims and objectives of the aid under this Scheme are to enable activities under the Articles of the ABER which are listed below, to support and promote the work of AHDB in accordance with the scope of its Purpose, the Duties and the Functions set out within the AHDB

Order, to allow support and promotion of farmers, growers, processors and some other economic operators throughout the industry, within the geographic scope of the AHDB Order. The Scheme is operated in full compliance with the EC Regulation No 702/2014 of 25 June 2014 and will utilise the following Articles within that Regulation.

There are two aspects to this Scheme. The activities under this Scheme will be directly operated by AHDB. There are a number of activities that AHDB undertakes on a regular basis as part of its everyday remit to increase efficiency and productivity in the industry, and these activities do not require the customer to apply for aid. However, there are a number of other projects where AHDB will deliver a more selective service, such as the Pig Health Scheme under Article 26, and where AHDB are doing anything else like that, the individual project will be advertised on our website at www.ahdb.org.uk. AHDB additionally will deliver a number of specific projects which will be advertised on our website and full details of how any customer can apply for such aid will be available there.

The Articles listed below are those which it is believed will be applicable to enable AHDB to continue to provide funding support to certain of its activities which would otherwise be prohibited under the state aid laws. Some examples of the types of activity and project which AHDB would wish to be able to fund, are listed below, however, for the purpose of clarification, please note that this is not a definitive list but is to demonstrate the type of activities to be undertaken and funded under the relevant Article.

While the principal beneficiaries will be the farmers, growers, and processors of the agricultural products, the activities will be of interest to all operators in the sector or sub-sector concerned, including throughout the processing and supply chain from farmers/growers/ to consumers.

The scheme will apply to products listed in Annex I of the Treaty on the Functioning of the European Union and will comply with the requirements of ABER notably Chapter I and Articles individually listed above, and below, and the guidance set down in the Union's Guidelines. This Scheme will comply with the UK Regulations on state aid.

Article 14

Aid for investments in tangible assets or intangible assets on agricultural holdings linked to primary agricultural production

1. Aid for investments in tangible assets or intangible assets on agricultural holdings linked to the primary agricultural production shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 14 of this Article and in Chapter I.
2. The investment may be carried out by one or more beneficiaries or concern a tangible asset or intangible asset used by one or more beneficiaries.
3. The investment shall pursue at least one of the following objectives:

- (a) the improvement of the overall performance and sustainability of the agricultural holding, in particular through a reduction of production costs or the improvement and re-deployment of production;
- (b) the improvement of the natural environment, hygiene conditions or animal welfare standards, provided that the investment concerned goes beyond Union standards in force;
- (c) the creation and improvement of infrastructure related to the development, adaptation and modernisation of agriculture, including access to farm land, land consolidation and improvement, the supply and saving of energy and water;
- (d) the achievement of agri-environmental-climate objectives, including the biodiversity conservation status of species and habitat as well as enhancing the public amenity value of a Natura 2000 area or other high nature value systems, defined in the national or regional rural development programmes of Member States, as long as investments are non-productive;
- (e) the restoration of production potential damaged by natural disasters, adverse climatic events which can be assimilated to natural disasters, animal diseases and plant pests and the prevention of damages caused by those events.

4. The investment may be linked to the production at farm-level of biofuels or of energy from renewable sources, provided that such production does not exceed the average annual consumption of fuels or energy of the given farm.

Where the investment is made for the production of biofuels, the production capacity of the production facilities shall be no more than the equivalent to the annual average transport fuel consumption of the agricultural holding and the produced biofuel shall not be sold on the market.

Where the investment is made for the production of thermal energy and electricity from renewable sources on agricultural holdings, the production facilities shall serve only the beneficiary's own energy needs and their production capacity shall be no more than the equivalent to the combined average annual energy consumption of thermal energy and electricity on the agricultural holding, including the farm household. The selling of electricity into the grid shall only be allowed as far as the annual self-consumption limit is respected.

Where the investment is carried out by more beneficiaries with the purpose to serve their own biofuel and energy needs, the annual average consumption shall be accumulated to the amount equivalent to the average annual consumption of all beneficiaries.

The investments in renewable energy infrastructure that consume or produce energy shall comply with minimum standards for energy efficiency, where such standards exist at national level.

Investments in installations, the primary purpose of which is electricity production from biomass, shall not be eligible for aid unless a minimum percentage of heat energy, to be determined by the Member States, is utilised.

Member States shall establish thresholds for the maximum proportions of cereals and other starch rich crops, sugars and oil crops used for bioenergy production, including biofuels, for different types of installations. Aid to bioenergy investment projects shall be limited to bioenergy meeting the applicable sustainability criteria laid down in Union legislation, including in Article 17(2) to (6) of Directive 2009/28/EC.

5. The investment shall be in conformity with Union legislation and with the national laws of the Member State concerned on environmental protection. For investment requiring an environmental impact assessment under Directive 2011/92/EU the aid shall be subject to the condition that such assessment shall have been carried out and the development consent shall have been granted for the investment project concerned before the date of granting the individual aid.

6. The aid shall cover the following eligible costs:

- (a) the costs for the construction, acquisition, including leasing, or improvement of immovable property, with land only being eligible to an extent not exceeding 10 % of the total eligible costs of the operation concerned;
- (b) the purchase or lease purchase of machinery and equipment up to the market value of the asset;
- (c) the general costs linked to the expenditure referred to in points (a) and (b), such as architect, engineer and consultation fees, fees relating to advice on environmental and economic sustainability, including feasibility studies; feasibility studies shall remain eligible expenditure even where, based on their results, no expenditure under points (a) and (b) is incurred;
- (d) the acquisition or development of computer software and the acquisition of patents, licences, copyrights and trademarks;
- (e) expenses for non-productive investments linked to the objectives referred to in paragraph 3(d);
- (f) in the case of irrigation, the costs for investments that fulfil the following conditions:
 - (i) a river basin management plan, as required by Article 13 of Directive 2000/60/EC of the European Parliament and of the Council ⁽³³⁾, must have been notified to the Commission for the entire area in which the investment is to take place, as well as in any other areas whose environment may be affected by the investment. The measures taking effect under the river basin management plan in accordance with Article 11 of that Directive and of relevance to the agricultural sector must be specified in the relevant programme of measures. Water metering enabling measurement of water use at the level of the supported investment must be in place or must be put in place as part of the investment;
 - (ii) the investment must lead to a reduction of previous water use of at least 25 %;

However, as regards point (f) investments affecting bodies of ground- or surface water whose status has been identified as less than good in the relevant river basin management plan for reasons related to water quantity as well as investments resulting in a net increase of the irrigated area affecting a given body of ground- or surface water shall not be eligible for aid under this Article.

The conditions of point (f) (i) and (ii) above shall not apply to an investment in an existing installation which affects only energy efficiency or to an investment in the creation of a reservoir or to an investment in the use of recycled water which does not affect a body of ground- or surface water;

(g) in the case of investments aimed at the restoration of agricultural production potential damaged by natural disasters, adverse climatic events which can be assimilated to natural disasters, animal diseases or plant pests the eligible costs may include the costs incurred for restoring the agricultural production potential up to the level it was at before the occurrence of those events;

(h) in the case of investments aimed at the prevention of damages caused by natural disasters, adverse climatic events which can be assimilated to natural disasters, animal diseases or plant pests, the eligible costs may include the costs of specific preventive actions.

7. Costs, other than those referred to in paragraph 6(a) und (b) connected with leasing contracts, such as lessor's margin, interest refinancing costs, overheads and insurance charges shall not be considered to be eligible costs.

Working capital shall not be considered to be an eligible cost.

8. From 1 January 2017, in the case of irrigation, aid shall be paid only by Member States which ensure, in respect of the river basin district in which the investment takes place, a contribution of the different water uses to the recovery of the costs of water services by the agricultural sector consistent with Article 9(1) first indent of Directive 2000/60/EC having regard where appropriate, to the social, environmental and economic effects of the recovery as well as the geographic and climatic conditions of the region or regions affected.

9. Aid shall not be granted in respect of the following:

(a) the purchase of production rights, payment entitlements and annual plants;

(b) the planting of annual plants;

(c) drainage works;

(d) investments to comply with Union standards, with exception of aid granted to young farmers within 24 months from the date of their setting-up;

(e) the purchase of animals, with exception of aid granted for investments pursuant to paragraph 3(e).

10. The aid shall not be limited to specific agricultural products and must therefore be available either to all sectors of the primary agricultural production or to the whole plant production sector or to the whole animal production sector. However, Member States may exclude certain products because of overcapacity in the internal market or a lack of market outlets.

11. The aid referred to in paragraph 1 shall not be granted in contravention of any prohibition or restriction laid down in Regulation (EU) No 1308/2013, even where such prohibitions and restrictions only refer to the Union support provided for in that regulation.

12. The aid intensity shall be limited to:

- (a) 75 % of the amount of the eligible costs in outermost regions;
- (b) 75 % of the amount of the eligible costs in the smaller Aegean islands;
- (c) 50 % of the amount of the eligible costs in less developed regions and in all regions whose GDP per capita for the period from 1 January 2007 to 31 December 2013 was less than 75 % of the average of the EU-25 for the reference period but whose GDP per capita is above 75 % of the GDP average of the EU-27;
- (d) 40 % of the amount of the eligible costs in other regions.

13. The rates provided for in paragraph 12 may be increased by 20 percentage points, provided that the maximum aid intensity does not exceed 90 % for:

- (a) young farmers, or farmers who have set up during the five years preceding the date of application for aid;
- (b) collective investments, such as storage facilities which are used by a group of farmers or facilities to prepare the agricultural products before marketing, and integrated projects covering several measures provided for in Regulation (EU) No 1305/2013, including those linked to a merger of producer organisations;
- (c) investments in areas facing natural and other specific constraints;
- (d) operations supported in the framework of the European Innovation Partnership (EIP), such as an investment in a new stable, allowing the testing of a new practice of animal housing, which has been developed in an operational group composed of farmers, scientists, and animal welfare non-governmental organisation;
- (e) investments for the improvement of the natural environment, hygiene conditions or animal welfare standards, as referred to in paragraph 3(b); in this case the increased rate as provided for in this paragraph shall only apply to the additional costs necessary to obtain a level exceeding the Union standards in force and not leading to an increase in production capacity.

14. As regards non-productive investments referred to in paragraph 3(d) and investments for the restoration of production potential referred to in paragraph 3(e), the maximum aid intensity shall not exceed 100 %.

For investments in relation to preventive measures, referred to in paragraph 3(e), the maximum aid intensity shall not exceed 80 %. However, it may be increased to up to 100 % if the investment is carried out collectively by more than one beneficiary.

Examples of aid under Article 14

AHDB does not currently have any examples of activities under this Article but over the duration of the Scheme it is possible that activities will be undertaken and full details will be provided as set out below.

Full details of all projects and programmes under this Article can be found at [www](#).

Article 20

Aid for the participation of producers of agricultural products in quality schemes

1. The following categories of aid to producers of agricultural products shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof:

- (a) aid for new participation in quality schemes where it fulfils the conditions laid down in paragraphs 2 to and 6 of this Article and in Chapter I;
- (b) aid towards the costs for compulsory control measures in relation to the quality schemes undertaken pursuant to Union or national legislation by or on behalf of the competent authority, where it fulfils the conditions laid down in paragraphs 2, 4, 6, 7 and 8 of this Article and in Chapter I;
- (c) aid towards the costs of market research activities, product conception and design and for preparation of applications for the recognition of quality schemes where it fulfils the conditions laid down in paragraphs 2, 6, 7 and 8 of this Article and in Chapter I.

2. The aid referred to in paragraph 1 shall be granted in respect to the following quality schemes:

- (a) quality schemes established under the following Regulations and provisions:
 - (i) Part II, Title II, Chapter I, Section 2 of Regulation (EU) No 1308/2013 as concerns wine;
 - (ii) Regulation (EU) No 1151/2012;
 - (iii) Council Regulation (EC) No 834/2007 ⁽³⁵⁾;
 - (iv) Regulation (EC) No 110/2008 of the European Parliament and of the Council ⁽³⁶⁾;
 - (v) Regulation (EU) No 251/2014 of the European Parliament and of the Council ⁽³⁷⁾;
- (b) quality schemes, including farm certification schemes, for agricultural products recognised by the Member States as complying with the following criteria:
 - (i) the specificity of the final product produced under such quality schemes must be derived from a clear obligations to guarantee:
 - specific product characteristics, or
 - specific farming or production methods, or
 - the quality of the final product that goes significantly beyond the commercial commodity standards as regards public, animal or plant health, animal welfare or environmental protection;
 - (ii) the quality scheme must be open to all producers;
 - (iii) the quality scheme must involve binding final product specifications and compliance with those specifications must be verified by public authorities or by an independent inspection body;
 - (iv) the quality scheme must be transparent and assure complete traceability of agricultural products;

(c)voluntary agricultural product certification schemes recognised by the Member State concerned as meeting the requirements laid down in the Commission Communication — EU best practice guidelines for voluntary certification schemes for agricultural products and foodstuffs ⁽³⁸⁾.

3. The aid referred to in paragraph 1(a) shall be granted to producers of agricultural products in the form of an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from participation in the quality schemes.

4. The aid referred to in paragraph 1(a) and (b) shall not be granted towards the cost of controls undertaken by the beneficiary itself, or where Union legislation provides that the cost of controls is to be met by producers of agricultural products and groups thereof, without specifying the actual level of charges.

5. The aid referred to in paragraph 1(a) shall be granted for a maximum period of five years and shall be limited to EUR 3 000 per beneficiary per year.

6. The aid shall be accessible to all those eligible undertakings in the area concerned, based on objectively defined conditions.

7. The aid referred to in paragraph 1(b) and (c) shall not involve direct payments to the beneficiaries.

The aid referred to in paragraph 1(b) and (c) shall be paid to the body responsible for control measures, the research provider or the consultancy provider.

8. The aid referred to in paragraph 1(b) and (c) shall be limited to 100 % of the real costs incurred.

Examples of aid under Article 20

The following examples apply to Article 20 (1) (c) only. However, AHDB may wish to provide aid under the remaining provisions, if appropriate.

AHDB undertakes market research activities, quality assurance schemes, product conception and design, the preparation of applications for the recognition of geographical indications and designations of origin of certificates of specific character.

AHDB market research activities are undertaken by the Market Intelligence team. Due to the fact that prices, markets and supplies shift continuously and the world is changing, the industry's customers and competition are increasingly global. AHDB's Market Intelligence team works to make sense of all this information, by providing farmers, growers and food businesses with independent world-leading intelligence and insight to better inform their decisions. Whether it is the latest prices or shifting consumer trends, detailed insight on the big issues or the future outlook for supply or demand for agricultural commodities, the AHDB team helps to provide the information needed.

Market intelligence, combined with horizon scanning exercises and a unique relationship with industry, also helps AHDB to identify emerging and priority markets, thus enabling AHDB to focus its work on gaining access to these potential markets. This focused approach is all the more important and recognises that gaining access to new market is a gradual process, often taking several years. This information will be placed on our website and is available for all. However, in some cases, for Quality Standards work, we may be able to provide further assistance.

Meat Quality Standard Marks - AHDB has established meat quality standard marks. These meat quality standard marks have substantial reputation and may have significant value in market places and may add value to English markets for beef and lamb.

Eligible products must have specific characteristics or a quality that goes beyond the commercial commodity standards, involve binding product specifications and their compliance will be verified independently, be open to all producers, be transparent and assure complete traceability of the products.

AHDB licences the use of these beef and lamb quality standard marks in accordance with the quality specification that is audited independently.

All businesses within the meat sector will be eligible to participate in the quality mark schemes, which are open to businesses in all member states. Participants are able to use the quality mark logo in the marketing of their products.

A national or regional variant of the logo may be used on compliant products as appropriate. There is also an EU variant to cover products which cross frontiers within the EU in their production stages.

Some examples of the type of activity undertaken to support the AHDB Quality Products Schemes are listed below.

- The administration and auditing of the Scheme itself
- Scheme Member Communication and support and secondary wholesaler support.
- Promotional Kits for utilisation in butchers shops
- Promotion and communication of the benefits of Scheme participation to audiences including catering butchers, foodservice operators, chefs and the Q Guild of Butchers
- Dinner Chef Events
- Off the Block Films

Product development including pre-competitive research -

AHDB will undertake pre-competitive and market research, including to be commissioned by third parties, specifically aimed at identifying quality agricultural products or improving the quality of existing products. AHDB ensures that the results of such research are available to all those in the relevant industry sectors by publishing on the internet or distributing hard copies if necessary.

Supporting the development of products with geographical indications, protected designations of origin and certificates of specific character.

AHDB will provide market research for each sector for geographical indication, designation of origin or specific character of foods and assist where required, with the process for the application for approval from the relevant authority.

For example, the support AHDB provided to establish the PGI's for West Country Beef and West Country Lamb.

Full details of all projects and programmes under this Article can be found at www.ahdb.co.uk.

Article 21

Aid for knowledge transfer and information actions

1. Aid for knowledge transfer and information actions shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 8 of this Article and in Chapter I.

2. Aid shall cover vocational training and skills acquisition actions, including training courses, workshops and coaching, demonstration activities and information actions.

Aid may also cover short-term farm management exchange and farm visits.

Aid to demonstration activities may cover relevant investment costs.

3. The aid shall cover the following eligible costs:

- (a) the costs of organising the vocational training, skills acquisition actions, including training courses, workshops and coaching, demonstration activities or information actions;
- (b) the costs for travel, accommodation and per diem expenses of the participants;
- (c) the cost of the provision of replacement services during the absence of the participants;
- (d) in the case of demonstration projects in relation to investments:
 - (i) the construction, acquisition, including leasing, or improvement of immovable property, with land only being eligible to an extent not exceeding 10 % of total eligible costs of the operation concerned;
 - (ii) the purchase or lease purchase of machinery and equipment up to the market value of the asset;
 - (iii) general costs linked to expenditure referred to in points (i) and (ii), such as architect, engineer and consultation fees, fees relating to advice on environmental and economic sustainability, including

feasibility studies; feasibility studies shall remain eligible expenditure even where, based on their results, no expenditure under in points (i) and (ii) is incurred;

(iv) the acquisition or development of computer software and the acquisitions of patents, licences, copyrights and trademarks.

4. The costs referred to in paragraph 3(d) shall only be eligible to the extent used for the demonstration project and for the duration period of the demonstration project.

Only the depreciation costs corresponding to the life of the demonstration project, as calculated on the basis of generally accepted accounting principles, shall be considered as eligible.

5. Aid referred to in paragraph 3(a) and (c) shall not involve direct payments to the beneficiaries.

The aid referred to in paragraph 3(a) and (c) shall be paid to the provider of the knowledge transfer and information actions.

6. Bodies providing knowledge transfer and information actions shall have the appropriate capacities in the form of staff qualifications and regular training to carry out those tasks.

The provision of the activities referred to in paragraph 2 may be undertaken by producer groups or other organisations, regardless of their size.

7. The aid shall be accessible to all those eligible undertakings in the area concerned, based on objectively defined conditions.

Where the provision of the activities referred to in paragraph 2 is undertaken by producer groups and organisations, membership of such groups or organisations shall not be a condition for access to those activities.

Any contribution of non-members towards the administrative costs of the producer group or organisation concerned shall be limited to the costs of providing the activities referred to in paragraph 2.

8. The aid intensity shall be limited to 100 % of the eligible costs.

In the case of demonstration projects referred to in paragraph 3(d) the maximum aid amount shall be limited to EUR 100 000 over 3 fiscal years.

Examples of aid under Article 21

AHDB is the major funder of applied agricultural and horticultural research and knowledge transfer / knowledge exchange (KE) in the UK.

AHDB KE builds on the fact that AHDB are unique in being able to blend farm economics and skills development with technical advances and innovation.

KE activities will take the outputs arising from research and deliver them to the industry via four strategic programmes that utilise our two key delivery platforms of a network of demonstration/participation farms and our digital resources.

The four programmes for KE are listed below and AHDB will undertake activities to achieve these and other similar projects :-

Network building

Achieving more by working together:

- Collaborating with third parties to deliver KE (eg discussion groups and technical events)
- Developing a suite of activities targeting third party knowledge providers (eg vets, nutritionists, consultants, agronomists) so they access "state of the art" knowledge and information

Supply chain integration

Building connectivity through supply chains to improve marketability by:

- Developing and supporting processes for improved traceability
- Identifying and measuring consumer and processor quality
- Enabling better feedback to producers to support them in meeting market specifications

Business development

Developing an industry fit for the future by:

- Developing a fully integrated business skills development programme
- Enabling access to statistical data on farm costs
- Promoting careers for the agri-food and horticulture industries
- Developing a broad skills initiative to provide a joined-up approach to accreditation, development and delivery

Intelligence gathering

Listening, learning and sharing by:

- Collecting data on key industry performance indicators
- Keeping an ear to the ground in the regions for industry priorities and concerns
- Enabling early warning of critical issues
- Understanding the international technical, business and market landscape

Some examples of the types of activity that will be undertaken are :-

Farm Excellence Network – a network of strategic and monitor farms that has 'farmer-to-farmer' learning at its heart - AHDB run two programmes, the Strategic Farm programme which delivers sector specific improvements in technical performance and the Monitor Farm programme which delivers whole farm improvements in economic performance. We aim to grow this network to around 100 farms.

Conferences, seminars and other meetings.

Competitions – Winners will be chosen according to clear, objective rules.

Fairs and events - may be run to transfer knowledge to levy payers and the industry. Support may include costs for speakers to transfer knowledge at the fair or event.

Outreach through groups, clubs, and organised gatherings – where participants may be present either physically or electronically.

Training events and workshops – may be organised. Topics will include business matters, eg risk management, and a wide range of information on different technologies, such as production methods, plant and animal welfare and environmental technologies.

Benchmarking and best practice.– to facilitate comparisons with other businesses, improve the efficiency of supply chains and improve processes.

Information and communications which will be made available in a number of different formats and will be general, not specific, and available to all interested parties which includes those in other Member States.

Farmers and producers in the pig, beef and lamb sectors will develop and transfer their knowledge from their involvement with research centres and strategies. This includes Pig producers being involved with the AHDB Pig Health Scheme.

Communications will be general and not specific to any individual business and it will be made available to all interested parties, which includes those in other Member States.

Publications and newsletters – will be prepared and distributed either by hand, post, or electronically. This material will offer advice and guidance and provide updates on relevant issues, to include regular newsletters or bulletins and scientific reports, or summaries that communicate the results of research and development projects relating to business and production techniques, improved environmental performance and improved animal or plant health. There will be topic specific materials for growers and livestock producers and topic specific guides to decision making. Materials will be provided on paper and electronically.

Electronic dissemination of knowledge – where possible, AHDB will use websites, email, and other electronic means to communicate information to levy payers and stakeholders.

Data dissemination and maintenance – AHDB will collect and disseminate market information and statistics This will be made available on the web, through newsletters, periodic press releases, and report on various aspects of the different sectors statistics. Other ways of disseminating the information and statistics will be through statistical compendiums, special articles on consumer demand trends in specific product areas, including those in export markets and regular reviews of the UK, EU and international market situation and outlook for the various sectors.

Market information and statistics will also be disseminated to primary producers during seminars, meetings and promotional events, while sector companies, farmers

and producers are likely to organise presentations and talks based on the statistical information. Other methods of disseminating market information and statistics include telephone, text and email.

Vulgarisation of scientific knowledge.

Use of names, logos and quality marks of AHDB may be used in the provision of technical support and they will not be used for advertising purposes. No reference to any individual company, brand or origin in the activities will be made.

The quality standard marks will be used in a non-advertising promotional activity for consumers and stakeholders, for example, in leaflets, fliers or websites that provide nutritional information about beef, lamb, and pork and tips for storing and cooking meat, and, in technical information to stakeholders in the beef, lamb or pork food chains.

The origin of the quality products will be mentioned as a subsidiary message. Where the products are promoted to consumers using leaflets, fliers or websites, the overall messages covered will be generic, any quality standard marks will not be a prominent feature and will be subsidiary in relation to the overall message, they will be placed at the edge of the page or elsewhere as appropriate. Logos will be used in a similar way in any technical information supplied to stakeholders.

The use of names and logos of AHDB and of the quality standard marks in advertising will be covered by a Scheme to be fully notified, named The Agriculture and Horticulture Development Board – Advertising Scheme.

The quality standard marks may be used on the packaging of pre-packed beef and lamb products that are sold in supermarkets. The logos will be obvious to consumers, but will not interfere with the overall labelling of the product. No state aid will be provided.

AHDB has developed a programme called Farmbench, which is an easy to use online benchmarking tool for business costs that helps to identify where strengths and weaknesses lie within a farm business.

By comparing results anonymously to farms with similar enterprises, Farmbench enables the farmer/grower to make better informed decisions to improve individual business performance and thereby better cope with many of the challenges facing the sector, such as price volatility, Brexit, and economic uncertainty. This helps ensure that their business is on the best possible footing for the future, allowing their legacy to continue for years to come.

The market-leading tool allows the farmer to evaluate the performance of these enterprises, by comparing agreed performance indicators with similar enterprises locally or nationally. It allows the farmer to make an objective analysis of performance and explore the full impact on their bottom line.

The farmer will then be able to discuss and share best practice with others through Business Improvement Groups, before making evidence-based decisions to improve individual profitability and productivity.

At present, Farmbench is available for beef, lamb, dairy, combinable crop, potato and sugar beet enterprises. Funded by the AHDB levy, Farmbench is uniquely placed to provide the service and support for free.

Full details of all projects and programmes under this Article can be found at [www](#).

Article 22

Aid for advisory services

1. Aid for advisory services shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 8 of this Article and in Chapter I.

2. The aid shall be designed to help undertakings active in the agricultural sector and young farmers benefit from the use of advisory services for the improvement of the economic and environmental performance as well as the climate friendliness and resilience of their undertaking or investment.

3. The advice shall be linked to at least one Union priority for rural development in accordance with Article 5 of Regulation (EU) No 1305/2013 and shall cover as a minimum one of the following elements:

(a) obligations deriving from the statutory management requirements or standards for good agricultural and environmental conditions provided for in Chapter I of Title VI of Regulation (EU) No 1306/2013;

(b) where applicable, the agricultural practices beneficial for the climate and the environment laid down in Chapter 3 of Title III of Regulation (EU) No 1307/2013 and the maintenance of the agricultural area referred to in Article 4(1)(c) of that Regulation;

(c) measures aiming at modernisation, competitiveness building, sectoral integration, innovation, market orientation as well as the promotion of entrepreneurship;

(d) requirements as defined by Member States for implementing Article 11(3) of Directive 2000/60/EC of the European Parliament and of the Council;

(e) requirements as defined by Member States for implementing Article 55 of Regulation (EC) No 1107/2009 of the European Parliament and of the Council ⁽³⁹⁾, and in particular the compliance with the general principles of integrated pest management as referred to in Article 14 of Directive 2009/128/EC of the European Parliament and of the Council ⁽⁴⁰⁾;

(f) where relevant, occupational safety standards or safety standards linked to the farm;

(g) specific advice for farmers setting up for the first time, including advice on economic and environmental sustainability.

4. Advice may also cover issues, other than those referred to in paragraph 3 of this Article, related to climate change mitigation and adaptation, biodiversity and protection of water as laid down in Annex I to Regulation (EU) No 1307/2013 or linked to the economic and environmental performance of the agricultural holding including competitiveness aspects. This may include advice for the development of short supply chains, organic farming and health aspects of animal husbandry.

5. The aid shall not involve direct payments to the beneficiaries. The aid shall be paid to the advisory service provider.

6. The bodies selected to provide the advisory service shall have the appropriate resources in the form of regularly trained and qualified staff and advisory experience and reliability with respect to the fields they advise in.

The provision of advisory service may be undertaken by producer groups or other organisations, regardless of their size.

When providing advice, the provider of the advisory service shall respect the non-disclosure obligations referred to in Article 13(2) of Regulation (EU) No 1306/2013.

7. The aid shall be accessible to all those eligible undertakings in the area concerned, based on objectively defined conditions.

Where the provision of advisory services is undertaken by producer groups and organisations, membership of such groups or organisations shall not be a condition for access to the service.

Any contribution of non-members towards the administrative costs of the group or organisation concerned shall be limited to the costs of providing the advisory service.

8. The amount of aid shall be limited to EUR 1 500 per advice.

Examples of aid under Article 22

AHDB provides little or no direct or bespoke advice to the agricultural sector. However, whilst AHDB does not get involved in providing individual farm level advice, AHDB does encourage that such advice is provided by appropriate experts in the relevant areas, such as Vets, Agronomists, Accountants, and other expert consultants.

AHDB works with third party advisory bodies, such as Veterinary Practice Groups, the Association of Independent Crop Consultants, the National Farmers Union (NFU), in the provision of advice and guidance.

AHDB provides information and facilitates access to advice through our discussion groups and on-farm activities. We provide guidance in our documents and through

our website, but we do not provide bespoke advice for individuals or farm businesses.

AHDB has experts who support discussion and point farmers and growers in the right direction with regards to the elements listed in Article 22, and they also provide information and facilitate access to generic advice through our discussion groups and on-farm activities.

We provide guidance in our documents and through our website, and through some of the tools and services that we offer, such as our Farmbench Programme, and our Pork Electronic Medicine Book, and over the years, these services will grow and develop and become available more widely, to other sectors and they will all help to improve the economic and environmental performance as well as the climate friendliness and resilience of a business.

AHDB demonstrates advice and guidance by demonstration activity, coupled with our work on knowledge exchange and skills development (both managerial and technical) which contributes to the improvement of the occupational skill and competence of farmers and many other persons involved in agricultural activities. This would be specifically relevant to support farmers through transitional periods, reorientation of production, addressing environmental issues and optimising production systems.

Expert guidance is available via our research work, which is evidence based information following extensive research and trials in the relevant area, which enables undertakings active in the agricultural sector and young farmers benefit from the information, for the improvement of the economic and environmental performance as well as the climate friendliness and resilience of their undertaking or investment, which all helps in better decision making by the farmer and producer.

The AHDB Knowledge Exchange and Knowledge Transfer programmes all provide advice, guidance and information to all those in the industry. Some specific examples are :-

Supporting growers through access to crop protection tools. AHDB has worked closely with industry to deliver over 100 Extensions of Authorisation for Minor Use (EAMU).

Leading the development of integrated pest and crop management for the horticultural sector.

Helping growers improve the efficiency of labour and find smart alternatives to minimise labour costs.

AHDB underpins and supports industry innovation through advisory guidance and information. One example of this is the ongoing support AHDB horticulture provides for the independent Strawberry Raspberry Breeding Clubs.

Full details of all projects and programmes under this Article can be found at [www.](#)

Article 24

Aid for promotion measures in favour of agricultural products

1. Aid for promotion measures in favour of agricultural products shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 8 of this Article and in Chapter I.

2. The aid shall cover the costs for:

(a) the organisation of and participation in competitions, trade fairs and exhibitions;

(b) publications aimed at raising awareness of agricultural products among the wider public.

3. The publications referred to in paragraph 2(b) shall not refer to any particular undertaking, brand name or origin.

However that restriction shall not apply to reference to the origin of agricultural products covered by:

(a) quality schemes as referred to in Article 20(2)(a), provided that the reference corresponds exactly to that protected by the Union;

(b) quality schemes as referred to in Article 20(2)(b) and (c), provided that the reference is secondary in the message.

4. The aid shall cover the following eligible costs for the organisation of and participation in competitions, trade fairs and exhibitions referred to in paragraph 2(a):

(a) participation fees;

(b) travel costs and costs for the transportation of animals;

(c) costs of publications and websites announcing the event;

(d) the rent of exhibition premises and stands and costs of their installation and dismantling;

(e) symbolic prizes up to a value of EUR 1 000 per prize and per winner of a competition.

5. The aid shall cover the following eligible cost for publications aimed at raising awareness of agricultural products among the wider public referred to in paragraph 2(b):

(a) costs of publications in print- and electronic media, websites, and spots in electronic media, on radio or television, aimed at presenting factual information on beneficiaries from a given region or producing a given agricultural product, provided that the information is neutral and that all beneficiaries concerned have equal opportunities to be represented in the publication;

(b) costs for the dissemination of scientific knowledge and factual information on:

(i) quality schemes as referred to in Article 20(2) open to agricultural products from other Member States and third countries;

(ii) generic agricultural products and their nutritional benefits and suggested uses for them.

6. The aid shall be granted:

(a) in kind; or

(b) on the basis of the reimbursement of the real costs incurred by the beneficiary.

Where the aid is granted in kind the aid shall not include direct payments to the beneficiaries but shall be paid to the provider of the promotion measures.

The provision of promotion measures may be undertaken by producer groups or other organisations, regardless of their size.

The aid for symbolic prizes referred to in paragraph 4(e) shall only be paid to the provider of the promotion measures if the prize has been actually awarded and upon presentation of a proof of the award.

7. Aid for promotion measures shall be accessible to all eligible undertakings in the area concerned, based on objectively defined conditions.

Where the promotion measure is undertaken by producer groups and organisations, participation shall not be subject to membership of these groups or organisations and any contribution in terms of administration fees for the group or organisation shall be limited to the cost of providing the promotion measures.

8. The aid intensity shall be limited to 100 % of the eligible costs.

Examples of aid under Article 24

AHDB works with farmers, growers, processors and retailers on the marketing of agricultural products from the six sectors which pay the levy. Marketing activities are focused on giving consumers permission to enjoy primary agricultural products in a way which is relevant to rapidly changing lifestyles, cooking habits and health trends. It reflects a 'balanced plate' approach in line with Government advice. AHDB marketing programmes put factual information about the health and nutrition of agricultural products into the public domain to help reverse longer term declines in red meat, potato and dairy consumption.

Activities are centred on inspiring consumers to cook from scratch using recipes and nutritional advice which is delivered digitally to millennial audiences and younger families.

Just a few examples are :-

Promotional posters, for lamb and pork, which can be used in retail stores, at trade fairs and exhibitions.

Lamb recipe cards with the Quality Standard Mark Logo.

On Pack stickers, for lamb and pork.

Pork recipe cards.

A Metro Advertorial – on Red Meat Health.

Cooking Demonstrations and food sampling.

AHDB's work with schools and other educational establishments educates students on UK food production and the nutritional values of primary agricultural products in a way which supports the requirements of teachers.

There is also a primary school programme encouraging younger children to grow potatoes with kits. Support materials for this include :-

Posters for our Grow Your Own Potatoes programme (GYOP), for use in Primary Schools to support education primarily but promote the product too.

Poster on The History of the Potato for use in Primary Schools.

AHDB organises regular competitions, open to all, to promote and raise awareness of agricultural products among the wider public. AHDB produces a wide range of publications, on paper and electronically, aimed at raising awareness of agricultural products among the wider public.

In addition, AHDB organises and participates in trade fairs and exhibitions, conferences and events worldwide. The focus of the AHDB event programme is to deliver practical outputs from research, development and knowledge exchange to underpin change on farm, drive new business, generate consumer demand and enable the UK agriculture and horticulture industry to compete with the best in the world.

Each event aims to provide access to leading experts, prominent speakers and high-profile networking opportunities, presenting the latest developments from export, research, marketing, consumer and technical developments.

Examples include:

Winter Fancy Foods	San Francisco
British Cattle Breeders Conference	Shropshire, UK
Agro Spring	Ukraine
Gulfood	Dubai
SIA	Paris
Restaurant and Catering Show	Toronto

Foodex	Japan
Tavola	Belgium
ILDEX	Vietnam
FHA/Asia Meat Conference (FHA Organised)	Singapore
Global Britain Export Conference	London, UK Peterborough, UK
Agronomist Conference	UK
Dairy Leaders Conference	Cardiff, UK
Grain Market Outlook	London, UK

AHDB has a Market Access team which works with partners to remove technical barriers of access to new markets and opportunities.

AHDB work is crucial in securing entry to new markets both within the UK and Worldwide. This is achieved through close partnership with government, in particular Defra, Food Standards Agency (FSA) and Animal and Plant Health Agency (APHA) and the equivalent authorities in Scotland, Wales and Northern Ireland and industry.

This important work covers:

Supporting UK government with country specific negotiations and hosting/delivering official inward inspection visits, coordinating industry standards and working with relevant authorities across the devolved regions.

International Export Events where AHDB focus on developing international markets for British exporters, actively engaging with key supply chain participants in a number of markets. Attending leading global trade fairs is a key area of work. AHDB host British exporters on their pavilions providing an important platform for exporters to meet potential clients and foster existing relationships and show British Products to a global audience.

Full details of all projects and programmes under this Article can be found at [www.](#)

Article 26

Aid for the costs of the prevention, control and eradication of animal diseases and plant pests and aid to make good the damage caused by animal diseases or plant pests

1. Aid to SMEs active in primary agricultural production for the costs of the prevention, control and eradication of animal diseases or plant pests and aid to compensate such undertakings for losses caused by those animal diseases or plant pests shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 13 of this Article and in Chapter I.

2. Aid shall only be paid:

- (a) in relation to animal diseases or plant pests for which Union or national rules exist, whether laid down by law, regulation or administrative action; and
- (b) as part of:
 - (i) a public programme at Union, national or regional level for the prevention, control or eradication of the animal disease or the plant pest concerned; or
 - (ii) emergency measure imposed by competent authority; or
 - (iii) measures to eradicate or contain a plant pest implemented in accordance with Council Directive 2000/29/EC.

The programme and measures referred to in point (b) shall contain a description of the prevention, control or eradication measures concerned.

3. The aid shall not relate to measures in respect of which Union legislation provides that the cost of such measures is to be borne by the beneficiary, unless the cost of such measures is entirely offset by compulsory charges on the beneficiaries.

4. As regards animal diseases, the aid shall only be granted in respect of animal diseases referred to in the list of animal diseases established by the World Organisation for Animal Health or the animal diseases and zoonoses listed in Annexes I and II to Regulation (EU) No YYY/2014 of the European Parliament and of the Council ⁽⁴¹⁾.

5. Aid shall be paid directly to the undertaking concerned or to a producer group or organisation of which that undertaking is a member.

Where the aid is paid to a producer group or organisation, the amount of aid shall not exceed the amount of aid to which that undertaking is eligible.

6. Aid schemes shall be introduced within three years from the date of the occurrence of the cost or loss caused by the animal disease or plant pest.

Aid shall be paid out within four years from that date.

7. In the case of prevention measures, the aid shall cover the following eligible costs:

- (a) health checks;
- (b) analyses, including in-vitro diagnostics;
- (c) tests and other screening measures, including TSE and BSE tests;
- (d) the purchase, storage, administration and distribution of vaccines, medicines, substances for the treatment of animals and plant protection products;
- (e) the preventive slaughtering or culling of animals or the destruction of animal products and plants and the cleaning and disinfection of the holding and equipment.

8. In the case of control and eradication measures, the aid shall cover the following eligible costs:

- (a) tests and other screening measures in case of animal diseases, including TSE and BSE tests;
- (b) the purchase, storage, administration and distribution of vaccines, medicines, substances for the treatment of animals and plant protection products;
- (c) the slaughter or culling and destruction of animals and the destruction of products linked to them, or destruction of plants, including those that die or are destroyed as a result of vaccinations or other measures ordered by the competent authorities and the cleaning and disinfection of the holding and equipment.

9. In the case of aid to make good the damage caused by animal diseases or plant pests, compensation shall be calculated only in relation to:

- (a) the market value of the animals slaughtered or culled or that have died or the products, linked to them, or the plants destroyed:
 - (i) as a result of the animal disease or the plant pest;
 - (ii) as part of a public programme or measure as referred to in paragraph 2(b).

That market value shall be established on the basis of the value of the animals, products and plants immediately before any suspicion of the animal disease or plant pest arose or was confirmed.

- (b) the loss of income due to quarantine obligations, difficulties in restocking or replanting and obligatory crop-rotation imposed as part of a public programme or measure as referred to in paragraph 2(b).

That amount shall be reduced by any costs not directly incurred due to the animal disease or plant pest which would otherwise have been incurred by the beneficiary.

10. The aid to make good the damage caused by animal diseases or plant pests shall be limited to costs and damage caused by animal diseases and plant pests for which the competent authority:

- (a) has formally recognised an outbreak, in the case of an animal disease; or
- (b) has formally acknowledged their presence, in the case of plants pests.

11. Aid in relation to the eligible costs referred to in paragraph 7 and 8 shall be granted in kind and shall be paid to the provider of the prevention and eradication measures.

By way of derogation from the first subparagraph of this paragraph, aid in relation to the eligible costs referred to in the following paragraphs may be granted directly to the beneficiary on the basis of reimbursement of the real costs incurred by the beneficiary:

- (a) paragraphs 7(d) and 8(b) in the case of animal diseases or plant pests; and
- (b) paragraphs 7(e) and 8(c) in the case of plant pests and for the cleaning and disinfection of the holding and equipment.

12. No individual aid shall be granted where it is established that the animal disease or the infestation with the plant pest was caused deliberately or by the negligence of the beneficiary.

13. The aid and any other payments received by the beneficiary, including payments under other national or Union measures or insurance policies for the same eligible costs as referred to in paragraphs 7, 8 and 9 shall be limited to 100 % of the eligible costs.

Examples of aid under Article 26

One example to demonstrate the work that AHDB does under Article 26, is the AHDB Pig Health Scheme. The Scheme will monitor pigs at slaughter for prevalence and severity of specified conditions, with the aim to help pig producers to reduce the level of disease within their own herds and within the national pig population. Scheme statisticians will analyse the data collected during assessments, and the resulting national data will be distributed widely. Those statistics will not include information on an individual farm level, however, benchmarking is available on producer reports to allow for the comparison against the nationally based data. The aim of the Scheme is to improve the health and welfare of pigs and to help reduce production losses throughout the supply chain.

The Scheme will not provide definitive diagnosis of pig health conditions nor veterinary consultancy to an individual pig producer. It will not help the Scheme's assessors to provide consultancy as a result of their participation in the Scheme. Information provided by the Scheme provides only a foundation upon which a producer can implement pro-active health strategies in self-funded consultation with their own veterinarian as part of good agricultural practice.

The Scheme, funded by statutory levy, will be managed by AHDB. AHDB supports this project as part of a 'A strategy for British Pig Health and Welfare' as a tool used to inform and monitor the health status of a producer's herd and can be used alongside their veterinary surgeon to inform decisions around disease control. It will thus have a valuable role in post-mortem assessments, with the potential to recognise new and emerging disease and will enhance animal health, animal welfare and production quality throughout the supply chain. It will also develop a more pro-active relationship between the producer and their own private veterinarian, leading to increased industry efficiency.

The Scheme will:

- Undertake post-mortem veterinary examinations of pigs at slaughter from participating farms and abattoirs to assess for different conditions, and provide robust, objective post-mortem information on a number of pig health conditions, indicating the absence, presence and severity of a range of conditions.
- Collate, analyse and disseminate objective information about conditions observed..
- Make the resulting regional/national statistical data available to all interested parties including producers, veterinarians, abattoirs, commercial sponsors, government authorities and the European Commission.
- Provide producers with benchmarking data, to enable comparison of producer's results with the statistically analysed data for all participating pig producers.

- With producer's permission, provide their data to their veterinarian. This enables them to draw up, at their own expense, long-term strategies with their veterinarian to improve herd health, responsibly reduce the use of medication, encourage quality production, improve animal health and welfare and use relevant technical information.

The benefit of the Scheme is to enable a farmer and producer to apply the information provided by the Scheme to their own farm as a tool to establish appropriate long-term health management plans in accordance with good agricultural practice, in association with your own veterinarian, at their own cost. This can be used to improve herd health, reduce the use of medication, encourage quality production, improve animal health and welfare and provide farmers and producers with technical information.

Full details of all projects and programmes under this Article can be found at [www](#).

Article 27

Aids to the livestock sector and aid for fallen stock

1. The following aid to livestock breeders shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 and 3 of this Article and in Chapter I:

- (a) aid at a rate of up to 100 % of the administrative costs of the establishment and maintenance of herd books;
- (b) aid at a rate of up to 70 % of the costs of tests performed by or on behalf of third parties, to determine the genetic quality or yield of livestock, with the exception of controls undertaken by the owner of the livestock and routine controls of milk quality;
- (c) aid at a rate of up to 100 % of the costs of the removal of fallen stock, and 75 % of the costs of the destruction of such fallen stock, or aid up to an equivalent aid intensity towards the costs of premiums paid by farmers for insurance covering the costs of the removal and destruction of fallen stock;
- (d) aid at a rate of up to 100 % of the costs of the removal and destruction of fallen stock where the aid is financed through fees or through compulsory contributions destined for the financing of the destruction of such fallen stock, provided that such fees or contributions are limited to and directly imposed on the meat sector;
- (e) aid at a rate of 100 % for the costs of the removal and destruction of fallen stock where there is an obligation to perform TSE tests on the fallen stock concerned or in case of an outbreak of an animal disease referred to in Article 26(4).

2. The aid referred to in paragraph 1(c), (d) and (e) shall be conditional on the existence of a consistent monitoring programme which ensures the safe disposal of all fallen stock in the Member State.

The aid towards the costs of premiums paid by farmers for insurance covering the costs of the removal and destruction of fallen stock referred to in paragraph 1(c) of this Article shall comply with the conditions laid down in Article 28(2).

3. The aid shall be provided in kind and shall not involve direct payments to the beneficiaries.

In order to facilitate the administration of the aid referred to in paragraph 1(c), (d) and (e) the aid may be paid to economic operators or bodies that:

- (a) are active downstream from the undertakings active in the livestock sector; and
- (b) provide services linked to the removal and destruction of fallen stock.

Examples of aid under Article 27

AHDB will consider support to eligible farmers and producers in the event of any outbreak of a severe illness amongst farm animals such as, the Porcine Epidemic Diarrhoea Virus, salmonella, foot and mouth and other similar viruses which can spread amongst a herd, and from farm to farm, by various methods and have devastating consequences for the stock, and farmers alike.

If payments were to be provided, AHDB would first consider any other scheme to ensure that there was no duplication or over compensation.

Full details of all projects and programmes under this Article can be found at [www](#).

Article 31

Aid for research and development in the agricultural and forestry sectors

1. Aid for research and development in the agricultural and forestry sectors shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 7 of this Article and in Chapter I.

2. The aided project shall be of interest to all undertakings active in the particular agricultural or forestry sector or sub-sector concerned.

3. Prior to the date of the start of the aided project the following information shall be published on the internet:

- (a) that the aided project is to be carried out;
- (b) the goals of the aided project;
- (c) an approximate date for the publication of the results expected from the aided project;
- (d) the place of publication of the results expected from the aided project on the internet;

(e) a reference that the results of the aided project are available to all undertakings active in the particular agricultural and forestry sector or sub-sector concerned at no cost.

4. The results of the aided project shall be made available on internet from the end date of the aided project or the date, on which any information concerning those results is given to members of any particular organisation, whatever comes first. The results shall remain available on internet for a period of at least 5 years starting from the end date of the aided project.

5. Aid shall be granted directly to the research and knowledge-dissemination organisation.

The aid shall not involve payments to undertakings active in the agricultural sector based on the price of the agricultural products.

6. The eligible costs shall be the following:

(a) personnel costs related to researchers, technicians and other supporting staff to the extent employed on the project;

(b) costs of instruments and equipment to the extent and for the period used for the project. Where such instruments and equipment are not used for their full life for the project, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible;

(c) costs of buildings and land, to the extent and for the duration period used for the project. With regard to buildings, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles, are considered as eligible. For land, costs of commercial transfer or actually incurred capital costs are eligible;

(d) costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project;

(e) additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project.

7. The aid intensity shall be limited to 100 % of the eligible costs.

Examples of aid under Article 31

AHDB will take into proper consideration the principles set out in the Commission Communication '*Framework for State aid for research and development and innovation*'.

1 AHDB will create and maintain web pages on the internet where it will publish the following information in relation to each project under this scheme:

(a) A statement that the project will be carried out;

(b) A description of the goals of the project;

- (c) An indication of the date when the results of the project are expected to be published on the internet, and that those results will be freely available to all businesses in the relevant sector or sub-sector at no cost;
 - (d) An indication of the place where those results will be published, which may be in the form of a link that will provide access to that place of publication;
- 1.1 The results referred to above will:
- (a) be made available on the internet for at least five years;
 - (b) not be given to members of any particular organisation before being so published on the internet except insofar as they may be provided to participants in the project for the purposes of the project including to enable such participants to contribute to the development and presentation of the results.
- 1.2 The results of the Scheme will thus be made available promptly through unrestricted publication. As exceptions:
- (a) results believed to be commercially significant may be withheld from publication pending protection of relevant intellectual property rights and commercialisation by transparent means; and
 - (b) publication of the results may be delayed in order to avoid prejudicing the proper interests of research students, for example the submission of theses based upon the project, in accordance with the requirements of the academic institution with which they are registered for a degree.
- 2 AHDB will grant aid under this scheme directly to the research and knowledge- dissemination organisation.
- 2.1 AHDB will not make payments to:
- (a) businesses active in the agriculture sector based on the price of the agricultural products;
 - (b) any undertaking that is subject to an outstanding recovery order following a previous Commission Decision declaring an aid illegal and incompatible with the internal market.
- 2.2 The aid intensity will not exceed 100% of the eligible costs, which will be restricted in accordance with Article 31(6) of Regulation 702/2014 to:
- (a) Personnel costs (researchers, technicians and other supporting staff, to the extent that they are employed on the project);
 - (b) Costs of instruments and equipment to the extent and for the period used for the project. If such instruments and equipment are not used for their full life for the project, the eligible costs will be the depreciation costs corresponding to the life of the project, based on generally accepted accounting principles;
 - (c) Costs of buildings and land, to the extent and for the duration of the project. For buildings, the eligible costs will be the depreciation costs corresponding to the life of the project, based on generally accepted

accounting principles. For land, costs of commercial transfer or actually incurred capital costs will be eligible;

- (d) Costs of contractual research, knowledge and patents bought or licensed from outside sources under arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project;
- (e) Additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project.

2.3 The following are excluded from this scheme:

- (a) Projects that exceed €40 million per undertaking if more than half of the eligible costs of the project are incurred through activities categorised as fundamental research;
- (b) Projects that exceed €20 million per undertaking if more than half of the eligible costs of the project are incurred through activities categorised as industrial research or categorised as industrial research and fundamental research taken together;
- (c) Projects that exceed €15 million per undertaking if more than half of the eligible costs of the project are incurred through activities categorised as experimental development;
- (d) Feasibility studies in preparation for research activities that exceed €7.5 million per study.

AHDB research has the scope to operate across a wide range of subject areas covering the technical needs of our crop and livestock sectors. These activities are principally aimed at improving the technical performance of the industry. Topics for research are identified through close consultation with the industry and outputs from this research work will be communicated both through the Farm excellence Platform and other knowledge exchange activities (see Article 22).

The technical areas of research covered by the AHDB research programmes and related projects/activities will fall into a number of key areas including:

Realising genetic potential

Turning data into genetic information by:

- Understanding the genetic basis of resistance and resilience to animal and plant pests and diseases
- Developing and evaluating new plant variety and animal traits
- Understanding quality traits for healthy food
- Developing and understanding novel genetic techniques and their practical application in plant and animal genetics
- Coordinating activity in animal breeding research and evaluation

Building sustainable plant and animal health

Improving knowledge exchange and practice by:

- Understanding, monitoring and managing diseases of animal and plant pests, weeds and diseases, including the resistance status of key pests, weeds and diseases.
- Developing and evaluating strategies and tools to reduce the threat of anti-microbial resistance (AMR).
- Developing Integrated Pest Management (IPM) systems, including data-based systems for assessing and mitigating risks in IPM systems.
- Understanding disease epidemiology and pest population dynamics.
- Develop and evaluating practical methods to understand and minimise pest, weed and disease resistance risk.
- Developing monitoring and diagnostic tools to detect pests and pathogens of crops and livestock and analysing and interpreting data from them
- Developing animal disease control strategies, including new initiatives and diagnostics and decision support tools.
- Identifying and filling gaps in the current plant protection product armoury, facilitating emergency use of pesticides and ameliorating regulatory issues.

Managing resources efficiently and sustainably

Becoming more competitive and sustainable by:

- Understanding the environmental footprint of agricultural and horticultural systems and developing systems and techniques for measuring and mitigating these.
- Understanding and developing systems for mitigating gaseous emissions from agricultural and horticultural systems.
- Developing nutritional strategies for livestock, including neonatal nutrition and young stock rearing
- Evaluating novel animal feeds and feeding systems
- Understanding and monitoring of crop physiology, crop nutrition, agronomy and crop storage solutions.
- Improving grazing and conversion
- Investigating alternative forages and novel forage traits
- Understanding and monitoring of crop physiology, crop nutrition, agronomy and crop storage solutions.
- Understanding and monitoring of environmental issues, including developing strategies for improving water quality.
- Finding alternative uses for waste streams.
- Maintaining and improving soil health.
- Facilitating the development of responsibly sourced growing media
- Developing more resilient farming systems

Driving precision technology into practice

Independent, evidence-based information and evaluation of tools and technology by:

- Linking sensor data to biological processes to influence management decisions
- Demonstrating innovative robotics and their practical application

- Analysing and exploiting large data sets to understand current practice and future impact on farm practice and economics
- Identifying novel technologies in other industries for application in agriculture and horticulture
- Understanding data ownership, quality and curation
- Evaluating the use of telemetry in precision livestock farming
- Evaluating on-site and remote sensor applications

Facilitating trusted food in the supply chain

Understand and deliver what customers will buy by:

- Improving raw product quality to meet current and future supply chain needs
- Understanding and monitoring food safety issues and changes in legislation
- Evaluating the impact of new production methods on food safety
- Understanding factors affecting meat and crop quality
- Promoting the nutritional value and specific human health benefits of meat and crops
- Developing systems for understanding the provenance and verification of food
- Understanding nutrient utilisation in plants to maximise storage quality

Honing business and technical skills

Improve and grow businesses and build the agriculture and horticulture industry profile by:

- Supporting PhDs, bursaries and fellowships
- Technical and business up-skilling of farmers, growers and consultants through CPD schemes
- Understanding the drivers and influencers of farmer decision making
- Understanding attitudes and perceptions to risk and understanding behaviour change
- LEAN management systems
- Farm management accounting and decision support
- International competitiveness and competitor production costs and performance
- Analysis and review of farm production costs

Full details of all projects and programmes under this Article can be found at [www.](#)

