

PRODUCT DEFINITION

PRODUCT NAME: Rural Development Programme for England Business Support

Purpose

1. The objectives of RDPE BS are:
 - to build profitable, innovative and competitive farming, food and forestry sectors, that meet the needs of consumers and make a net positive contribution to the environment; and
 - to enhance opportunity in rural areas, in a way that harnesses and builds upon environmental quality
2. The product implements economic support under the EU-Exchequer funded Rural Development Programme for England 2007-2013 (RDPE). RDPE is a national Defra programme with decision-making about investment devolved to the Regional Development Agencies and in turn to Local Action Groups under the Leader approach defined below. It supports the delivery of the Government's Regional Economic Performance PSA target, and contributes to the following Defra Departmental Strategic Objectives:
 - *A thriving farming and food sector with an improving net environmental impact*
 - *Strong rural communities*

Description

3. The EU Rural Development Regulation has three main objectives ("Axes" in the EU jargon) and one horizontal Axis – Axis 4, the Leader approach. This product implements the majority of Axis 1, Axis 3 and Axis 4 of the RDPE, and provides for a range of interventions to support rural businesses. Under EU rules, there are a range of different interventions available, funded at different rates, with different eligibility criteria. Further detail is provided in Annex A.
4. The objectives of Axis 1 are:
 - To build profitable, innovative and competitive farming, food and forestry sectors, that meet the needs of consumers and make a net positive contribution to the environment by:

- developing a greater awareness of market opportunities, and a greater ability to exploit these opportunities, particularly in relation to renewable energy and added-value products
- promoting and encouraging greater collaboration and co-operation between producers, and between producers and the rest of the supply chain
- improving agricultural and forestry industry uptake of technology and entrepreneurial skills
- increasing opportunities for knowledge transfer and skills enhancement, by enabling better access to mainstream business training;
- filling gaps in existing training and advice provision, where this does not meet the needs of farming, food and forestry sectors.
- promoting the adoption and dissemination of innovative business processes and practices

5. The objectives of Axis 3 are:

- To enhance opportunity in rural areas, in a way that harnesses and builds upon environmental quality, by:
 - supporting innovative rurally based business development and enterprise, including diversification out of agriculture and encouraging sustainable tourism
 - improving skills in the rural workforce through providing learning opportunities that are not offered by other programmes and mainstream services and facilitating access to mainstream learning and development opportunities
 - supporting areas of economic underperformance

A number of measures available under axis 3 are targeted at rural communities rather than businesses and these are excluded from this product (see Annex A).

6. The objective of Axis 4, the Leader approach, is:

- To mobilise the development potential of rural areas in a way that stimulates innovation to the benefit of the local area

7. The Leader approach is a delivery mechanism under the RDPE. It is not a separate scheme, fund or set of objectives, but is a method of harnessing local knowledge to enable a “bottom up”, community led approach to delivery of RDPE funding in rural areas. The Leader approach can be used to deliver a range of Programme objectives, and will help achieve integration. The Leader approach is targeted to defined rural areas with particular needs or priorities, as identified by regions in their RDPE Regional Implementation Plans.

8. Leader is implemented through Local Action Groups (LAGs), which represent public and private partners and local interest groups. The Local Action Groups are broad-based and cover all sectors of the local society and economy. The Leader delivery approach can be aligned with other initiatives, such as Local Area Agreements. LAGS will develop and implement Local Development Strategies which set out their plans for their areas, including selection criteria for local projects. The RDAs are responsible for the overall management of the delivery of the Leader approach.
9. The measures under axis 4 do not provide support to businesses per se, they provide funding for the development of local strategies and for collaborative activity between LAGs. The support is provided to the LAGs, which are community partnerships, not businesses, although some members may be businesses. LAGs are responsible for delivering and managing support to businesses in their turn, but the measures used will be under either axis 1 and axis 3.
10. Under EU rules, a minimum of 5% of the EU funding element of the RDPE must be spent through the Leader approach: this equates to a minimum of £105m across the country. Sixty four LAGs have been selected.

Eligibility

11. The product is aimed at farmers, foresters, people engaged in the food industry, and businesses in rural areas.¹ Further detail about eligibility is set out in Annex A.
12. Targeting of activity under Axis 1 will be undertaken at a regional level, within the framework of national priorities. It will therefore vary between regions, reflecting identified regional priorities. It may include:
 - geographical targeting, for example on areas of economic underperformance;
 - sectoral targeting on certain types of activity, for example:
 - bio-energy/renewable energy;
 - food chains;
 - livestock sectors experiencing particular challenges.
 - thematic targeting - requiring projects to demonstrate characteristics such as:
 - collaboration;
 - innovation;
 - knowledge and technology transfer;
13. Targeting of activity under Axis 3 interventions is undertaken at a regional level, within the framework of national priorities. It will therefore vary between regions, reflecting identified regional priorities. The RDAs will have particular regard to rural economic underperformance and disadvantage in rural areas (as defined by the rural

¹ EU regulations define a farmer as a person who devotes an essential part of their working time to agricultural activities and who derives at least 25% of their gross income from farming, taking account of all the land that they farm in England.

definition) when deciding, with their regional and local partners, to which areas resources will be allocated.

14. There may also be sectoral targeting on certain types of activity, for example:

- farmers wishing to diversify their businesses;
- micro-business growth;
- small-scale tourism activity.

15. There may also be thematic targeting - requiring projects to demonstrate characteristics such as:

- benefits to the wider rural community;
- environmental sustainability;
- entrepreneurship

Benefits

16. The benefits to business of participation in Rural Development include:

- Increased skills to develop their business
- Contribution to capital investments to develop their business
- Increased productivity

Rationale

17. Government aims to achieve high rates of economic growth and employment.

Support for business, from all levels of government, is aimed at redressing the market failures which can inhibit growth and development of our economy. A market failure occurs when the market, left to its own devices, does not deliver an efficient outcome. These market failures result in a below-social optimum level of business activity. Ultimately business support aims to maximise efficiency by increasing employment and productivity. HM Treasury identified five drivers of productivity: investment, innovation, skills, enterprise and competition.² Targeting these drivers will increase productivity and thus revenue, contributing to GDP, and raising social welfare.

18. Government also aims to create Strong Rural Communities, and believes that no individual should be disadvantaged by where they live. Therefore business support for business in rural areas serves an equity as well as an efficiency objective.

19. Government can provide interventions at various stages in business, in order to facilitate economic growth. These include start-up, access to finance, people development, operations, product development and marketing. Support for business is needed in these stages in order to solve market failures, such as:

² [http://www.hm-treasury.gov.uk/d/productivity_sum\[1\].pdf](http://www.hm-treasury.gov.uk/d/productivity_sum[1].pdf)

- **Incomplete information and uncertainty** – For example potential businesses may not have the necessary information for start-up, or may not want to risk investment in research and development. Government can provide informational support to business to make start-up easier, and encourage collaboration in innovative activities. An example of an RDPE measure to correct for this particular market failure is the setting up of advisory services .
- **Imperfect competition** – Imperfect competition can result in undersupply and elevated prices. Imperfect competition may occur due to the difficulties in entering a market (as above). Again, government can address this problem by lowering the real and perceived barriers to entry through informational support or subsidies, for example. In other circumstances government may support a business to encourage imperfect competition, for example to allow for profit to be invested in R&D. An example of an RDPE measure to correct for this particular market failure is the cooperation for development of new products, processes and technologies in the agriculture, food and forestry sectors.
- **Productivity externalities** – Business can create positive externalities for productivity which they do not take into account in their production decisions. For example, whilst a business pursues its own growth, it may generate further employment and revenue along the supply chain, in a positive multiplier effect. As this is not the primary concern of the business, its benefits may be undervalued and neglected, so targeted support can resolve this. An example of an RDPE measure to correct for this particular market failure is modernisation of agricultural holdings.
- **Public goods** – Innovation through R&D, and personnel training, provide knowledge which becomes a public good once in the public domain, and can benefit other businesses. There is an incentive to support business to achieve this spillover effect. An example of an RDPE measure to correct for this particular market failure is vocational training.

20. The business support that is provided across Axes 1, 3 and 4 contribute to two high level objectives, as below. Axis 4 seeks to support Axes 1 and 3 through implementing the Leader approach.

Axis 1 - Improve the competitiveness of the agricultural and forestry sectors.

Axis 3 - Improve the quality of life in rural areas and contribute to the diversification of the rural economy.

21. These business support actions work to help the performance of business. The aim is to create greater numbers of more successful businesses. This in turn will create more employment, raise living standards and by bringing prices in line with the equilibrium, will provide cheaper services.

22. The market failures associated with business can also be unevenly distributed, concentrating in disadvantaged areas. The rationale for business support is therefore not just to raise efficiency but to increase equity. Government aims to remove barriers to opportunity, giving all communities the chance to gain their desired employment and quality of life.

Access

23. Business Link advisers are being briefed on the product so that they can direct eligible businesses to the appropriate delivery body, as part of their generic IDB function. The Business Link.gov.uk website can also direct enquiries to the appropriate delivery body website. Where businesses access the product via a route outside Business Link they may be referred to Business Link for a holistic business diagnostic.

24. With regard to Leader, RDAs, BERR and Defra have agreed that where LAGs are implementing business support measures this should be aligned with BSSP and therefore RDAs are devising a protocol for the relationships between LAGs and Business Link operators. Where LAGs are delivering quality of life measures under Axis 3 this is not caught by BSSP

Marketing and branding

25. EU regulations set out specific requirements around marketing and communications for the Programme, of which the RDPE BS product is a part.

Information measures for potential beneficiaries

26. Under this heading, the EU requires that the managing authority (Defra) shall disseminate comprehensive information on the financing opportunities offered in the rural development programme. We need to publish RDPE widely as a distinct programme.

Information measures for beneficiaries

27. Once a project has been awarded RDPE funding, the managing authority must ensure that the notification of award of the assistance informs beneficiaries that the action is being financed from a programme part-financed by the EAFRD and the priority axis of the rural development programme concerned.

Information and communication material

28. The EU requires that publications (such as booklets, leaflets and newsletters) and posters about activities part-financed by the European Agricultural Fund for Rural Development (EAFRD) (i.e. RDPE) shall contain a clear indication on the title page of the Community's participation, as well as the Community emblem if the national or regional emblem is also used.

29. In the case of websites and audio-visual material, similar requirements apply. Websites concerning the EAFRD shall: mention the contribution of the EAFRD at least on the home page and include a hyperlink to the Commission website concerning EAFRD.
30. Each of the RDAs has its own communications plan aimed at target audiences. The overall aim of the Communications Strategy for the Programme is to:
- ensure that the Programme is publicised effectively and transparently, so that all potential rural beneficiaries are aware of the Programme and the European Community's contribution;
 - encourage the submission of high quality applications that deliver a range of public benefits in a cost-effective way; and,
 - help keep processes simple and easy for the customer to understand
31. Comprehensive information about the financing opportunities offered by the Programme is available on Defra's website. The delivery bodies' websites include detailed information about their investment strands, and information about where to obtain details about other aspects of the Programme.
32. Detailed information about the Programme is set out in guidance literature. This is available on request. The literature for all the RDPE schemes (web-based and hard copy) includes information about:
- the administrative procedures to be followed in order to qualify for financing under the Programme;
 - a description of the procedures for examining applications for financing;
 - the eligibility conditions and/or criteria for selecting and evaluating the projects to be financed; and
 - the names of persons or contacts at national, regional or local level who can explain the way the Programme works and the criteria for selecting and evaluating the operations.
33. Within the scope of these constraints, the Product Design Team will work with the BSSP brand implementation manager to make the transition to Solutions for Business brand standards over the period to March 2010.

Type of assistance

34. RDPE provides essentially three types of support to business:

- support for training and knowledge transfer
- capital investment funding (based on costs incurred)
- support for revenue costs

35. Intervention rates (i.e. aid intensity) are specified in the Programme document, and vary according to which measure in the European Rural Development Regulation is being used and to the requirements of the state aid regime (further detail in Annex A). RDAs have flexibility to award levels of grant up to the maximum specified. In the context of the current economic downturn Defra and RDAs are looking for ways in which the increase flexibility under state aid rules, and to implement increased intervention rates where permitted by EU regulations. This is a very dynamic situation at the time of writing.

36. RDAs are adopting different approaches dependent on regional circumstances and priorities for investment, and each RDA is delivering Rural Development Programme for England Business Support using a number of investment strands. These are set out in the table below:

Agency	Investment Strands/ approaches
Advantage West Midlands (AWM)	<ul style="list-style-type: none"> ➤ Rural Capital Grants Schemes ➤ Strategic Investment Grants ➤ Action Plans <ul style="list-style-type: none"> - Food and drink - Tourism - Environmental technologies - Livestock ➤ Leader
East of England Development Agency (EEDA)	<ul style="list-style-type: none"> ➤ Open Application – where the idea for a project is from a single applicant or a collaborative group ➤ Invitation to Tender – where there is a clearly defined need for the region and a variety of potential partnerships or delivery bodies could undertake delivery ➤ Commissioning – where there is a single clear industry lead body to undertake a particular area of work on behalf of the region. ➤ Leader
East Midlands Development Agency (EMDA)	<ul style="list-style-type: none"> ➤ Direct emda delivery to businesses ➤ Skills and vocational training (in the process of being contracted out) ➤ Leader
North West Development Agency	<ul style="list-style-type: none"> ➤ Sub regional partnership approach in Cheshire and rural Manchester ➤ Livestock programme ➤ Leader

ONE North East (ONE)	<ul style="list-style-type: none"> ➤ Large grants to business ➤ Micro-enterprise fund ➤ Skills ➤ Bio energy ➤ Business Assets ➤ Leader
South East England Development Agency (SEEDA)	<ul style="list-style-type: none"> ➤ Open application, including a mandatory Expression of Interest Stage, direct to SEEDA for delivery to business ➤ Skills delivered via LandSkills SE (consortium of Lantra/rbat training providers) and Livestock Health South East (consortium of veterinary practices and other animal health and welfare industry bodies) ➤ Leader
South West Regional Development Agency (SWRDA)	<ul style="list-style-type: none"> ➤ Commissioned delivery <ul style="list-style-type: none"> • Skills • Business support • Agricultural resource management • Supply chain and added value • Sustainable rural tourism • Animal health and welfare • Uplands livestock ➤ Business led applications ➤ Leader
Yorkshire Forward (YF)	<ul style="list-style-type: none"> ➤ Rural Enterprise Investment Programme ➤ Rural Business Start-Up Programme ➤ LandSkills ➤ Farm Resource Efficiency Programme ➤ Leader

Duration of public sector assistance

37. Public sector assistance is provided to finance specific activities e.g. undertaking training or capital works to enable the development of new enterprises. The duration of assistance will depend on the nature of the undertaking. Public funding is in place for the Programme up to the end of 2013.

Geographic Scope

38. This product is available across rural England subject to regional targeting arrangements

Funding constraints

39. Public sector assistance is currently provided jointly by the European Agricultural Fund for Rural Development (known as ‘the second pillar’ of the Common Agricultural Policy) and by Defra, through the RDPE. RDPE is a seven year programme, running from 2007-2013 and seven year budgets have been approved by HMT and the EU as part of the formal programme approval process.

State Aid

40. Activities funded by the Programme have been approved for state aid purposes as part of the EU Commission’s formal Programme approval process.

Monitoring and Evaluation

41. The progress and effectiveness of this product is monitored, evaluated and reported through processes established for the RDPE. These are in accordance with the requirements of the EU Rural Development Regulation and the Common Monitoring and Evaluation (CMEF) Handbook produced by the European Commission. Baseline indicators formed part of the analysis and evidence of the current situation in rural England which were used to define the objectives of Programme expenditure. Impact indicators and, where appropriate, indicative targets for the Programme have been set to allow its overall effectiveness to be assessed. In addition, for each measure used in the Programme, input, output and results indicators are being used as an evaluation tool, based upon the intervention logic for each measure.

42. Monitoring will be based on the common indicators set by the Commission in the Common Monitoring and Evaluation Framework and additional indicators will also be used, where necessary, to allow full evaluation of the effectiveness of the measures as they are implemented within the context of the England Programme.

43. The following table describes the relationship between the four types of indicator used for monitoring the RDPE:

Input indicators. These refer to the budget or other resources allocated. Financial input indicators are used to monitor progress in terms of the (annual) commitment and payment of the funds available for any operation, measure or programme in relation to its eligible costs.

Example: expenditure per measure declared to the Commission

Output indicators. These measure activities directly realised within programmes. These activities are the first step towards realising the operational objectives of the intervention and are measured in physical or monetary units.

Example: number of businesses that receive investment support.

Result indicators. These measure the direct and immediate effects of the intervention. They provide information on changes in, for example, the behaviour, capacity or performance of direct beneficiaries and are measured in physical or monetary terms.

Example: Increase in agricultural gross value added in supported farms.

Impact indicators. These refer to the benefits of the programme beyond the immediate effects on its direct beneficiaries both at the level of the intervention but also more generally in the programme area. They are linked to the wider objectives of the programme. They are normally expressed in “net” terms, which means subtracting effects that cannot be attributed to the intervention (e.g. double counting, deadweight), and taking into account indirect effects (displacement and multipliers).

Example: Net additional full time equivalent jobs created

44. In general, input and output indicators will be measured through information collected at the point of delivery, generally through administrative records. Result indicators may be measured either through administrative records or through evaluation methods such as sample surveys. Impact indicators, on the other hand, will be determined at the evaluation stage, using input, output and result information but also other tools and wider sources of data to build up a picture of the net impact of the programme on its wider strategic objectives.
45. Indicators are used as tools to assess how far the expected objectives have been achieved by measures or whole programmes. Monitoring is not an end in itself, but an aid to programme evaluation and development. Monitoring and evaluation will be on-going over the full seven years of the Programme so that the Managing Authority (Defra) and the Programme Monitoring Committee can examine the progress of the Programme against intended outcomes. It is expected that targets will also be adjusted in the course of the Programme to take account of increasing experience in delivering the outcomes and reflect the results of new research.

Exit Strategy

46. The product will be subject to regular monitoring and evaluation against its published objectives and targets. The EU regulation which governs RDPE is due to be reviewed before the end of the current EU financial perspective in 2013. In the event of there being no successor arrangements to the current RDPE, the desirability of implementing nationally funded arrangements will be considered in the light of this product’s success and the Government’s rural economic objectives.

RDPE Business Support Product Design Team
Defra
March 2009

Annex A**Eligible costs; intervention rates; eligible customers; indicative budgets****AXIS 1: IMPROVING THE COMPETITIVENESS OF THE AGRICULTURAL AND FORESTRY SECTOR**

Rural Development Regulation Measure	Eligible costs/ intervention rates	Eligible customers	Indicative budget³
111 vocational training and information actions, including diffusion of scientific knowledge and innovative practises, for persons engaged in the agricultural, food and forestry sectors	<ul style="list-style-type: none"> • trainers/ facilitators; • training needs assessments; • training venues and refreshments; • course materials and examination fees; • course evaluation costs; • project management costs for training organisers; • events concerning knowledge transfer and the dissemination of research; • small-scale capital costs. <p>Up to 100% of the cost of the training provision can be funded</p>	Recipients of the funding will be providers of training and information services to the agriculture, food and forestry sectors	€101m
114 use of advisory services by farmers and forest holders	Between 50-80% of the costs of delivering advice (up to a maximum of €1500 per advisory service)	Woodland and forest owners (including farm woodlands)	€3.4m
115 setting up of farm management, farm relief and farm advisory services, as well as of forestry advisory services	<p>Costs associated with the establishment of the new advisory or management service, including professional fees, office equipment, revenue costs (including salaries), marketing costs.</p> <p>Year 1 75% Year 2 50% Year 3 25%</p>	Organisations, holdings or individuals setting up farm management, farm relief and farm advisory services, as well as forestry advisory services.	€4.1m
121 modernisation of agricultural holdings	<p>Costs associated with professional fees; feasibility studies; costs of cooperation; new build and conversions; equipment and machinery, and infrastructure</p> <p>Up to 40% outside Less Favoured Areas (LFA) and up to 50% within LFA⁴</p>	Farmers and landowners	€126m

³ The indicative budget is the total public investment (Defra and EU) over the programme period 2007-2013

⁴ The area of Less Favoured Area (LFA) is an EU baseline indicator related to context. In England, about 17% of all English agricultural land is designated as LFA and is almost exclusively areas of hill farm, moorland or common grazing with most to be found in the north and south west of England, with a smaller area around the Welsh border. Designation of LFAs in England relates to the physical handicaps to farming in these areas, notably: high rainfall, low temperatures, poor infertile soils and steep gradients, and to low or declining populations with a higher than normal dependence upon agriculture.

Rural Development Regulation Measure	Eligible costs/ intervention rates	Eligible customers	Indicative budget ³
122 improving the economic value of forests;	<p>Purchase or hire of specialist harvesting machinery or equipment; storage facilities; feasibility study for a woodland recreation enterprise; infrastructure for in-forest recreational enterprises.</p> <p>Up to 50% outside LFA and Natura 2000 areas, and up to 60% within LFA and Natura 2000.⁵</p>	<p>Owners of private forests, including associations of private owners; and local authorities. The following are specifically excluded:</p> <ul style="list-style-type: none"> - Central and regional government and their corporations - Crown land 	€16m

⁵ Natura 2000 is the European Union-wide network of protected areas, recognised as 'sites of Community importance' under the EC Habitats Directive. The Natura 2000 network includes two types of designated areas: Special Areas of Conservation (SAC) and Special Protection Areas (SPA). SACs are designated under the EC Habitats Directive and SPAs are classified under the EC Wild Birds Directive.

Rural Development Regulation Measure	Eligible costs/ intervention rates	Eligible customers	Indicative budget ³
<p>123 adding value to agricultural and forestry products;</p>	<p>Capital costs including new build and conversions, equipment and machinery and associated infrastructure;</p> <ul style="list-style-type: none"> • professional fees; feasibility studies; product development, branding and design costs. <p>Intervention rates are complex under this measure:</p> <p>For SMEs, annex 1 in/ annex 1 out:</p> <ul style="list-style-type: none"> - Up to 50% in Convergence areas⁶ - Up to 40% in other areas <p>For enterprises above the SME threshold and with fewer than 750 employees or with a turnover of less than €200m, annex 1 in/ annex 1 out:</p> <ul style="list-style-type: none"> - Up to 25% in Convergence areas - Up to 20% in other areas <p>Where the end products are non Annex 1, investments will be funded in accordance with the SME block exemption</p> <p>For aid to forestry enterprises, de minimis will apply. Intervention rates will be:</p> <ul style="list-style-type: none"> - Up to 50% in Convergence areas - Up to 40% in other areas <p>Large companies (with more than 750 employees or with a turnover of more than €200m will be subject to de minimis support.</p>	<p>Micro-enterprises, SMEs and larger enterprises in the agriculture sector; forestry micro-enterprises</p>	<p>€111m</p>

⁶ Cornwall and the Isles of Scilly is the only area in England to qualify for convergence funding

Rural Development Regulation Measure	Eligible costs/ intervention rates	Eligible customers	Indicative budget ³
<p>124 cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector;</p>	<p>preparatory operations such as design, product, process or technology development and tests and other tangible and/or intangible investments related to the cooperation (such as legal fees/accountancy costs), before the use of the newly developed products, processes and technologies for commercial purposes.</p> <p>Investments will be subject to the SME block exemption and will be up to the following rates:</p> <p>100% for fundamental research 60% for industrial research 35% for pre-competitive development</p>	<p>primary producers in agriculture and forestry; the processing industry and/or third parties (no limitation in size);</p> <ul style="list-style-type: none"> • partners involved in the cooperation projects. (Primary producers must always be involved in the cooperation activity concerned.) 	<p>€64m</p>
<p>125 improving and developing infrastructure related to the development and adaptation of agriculture and forestry;</p> <p>[restricted to interventions related to improving:</p> <ul style="list-style-type: none"> • access to farm and forest land; • water management.] 	<ul style="list-style-type: none"> • capital costs; • costs incurred in development and co-ordination where these form a necessary part of the undertaking. <p>The intervention rate is not specified in the RDPE Programme so will be determined by the RDA</p>	<p>farm and forestry businesses</p>	<p>€22m</p>

AXIS 3: THE QUALITY OF LIFE IN RURAL AREAS AND THE DIVERSIFICATION OF THE RURAL ECONOMY

RDR Measure	Eligible costs/ intervention rates	Eligible customers	Indicative budget
311 diversification into non-agricultural activities	<p>grant aid towards the costs of capital investment;</p> <ul style="list-style-type: none"> • start-up revenue; • market research and feasibility studies, where these are linked to the investment to be made; • marketing support, product development, branding and design costs; • technical support to help new businesses become established and to help existing businesses to consolidate and expand. <p>Intervention rate will be up to 50% dependent on the extent of commercial return, and on de minimis rules</p>	Members of a farm household	€124m
312 support for the creation and development of micro-enterprises	<ul style="list-style-type: none"> • grant aid towards the costs of capital investment; • start-up revenue costs; • market research and feasibility studies; • marketing support, product development, branding and design costs; • technical support to help new businesses and social enterprises become established and to help existing businesses and social enterprises to consolidate and expand. <p>Intervention rate will be up to 50% dependent on the extent of commercial return, and on de minimis rules</p>	micro-enterprises (as defined in Commission Recommendation 2003/361/EC); or persons wishing to set up a new micro-enterprise.	€53m
313 encouragement of tourism activities	<ul style="list-style-type: none"> • small-scale capital investments; • feasibility studies and start-up revenue costs; • establishing collaborative initiatives; • marketing support and market development activities, directly linked to an investment under this measure; • technical support to help new businesses become established and to help existing businesses to improve the quality of their services, consolidate and expand. <p>Intervention rates will be up to 100% – dependent on the extent of commercial return and the limits imposed by de minimis.</p>	existing tourism enterprises located in, and tourism related organisations operating in, rural areas, and to persons wishing to set up new rural tourism enterprises.	€38m
321 basic services for the economy and rural population	Its objective is to improve or maintain the living conditions and welfare of those living in rural areas and to increase the attractiveness of such areas through the provision of more and better basic services for the economy and the rural population – not within BSSP scope.		

RDR Measure	Eligible costs/ intervention rates	Eligible customers	Indicative budget
322 village renewal and development	The objective is to support integrated village initiatives which promote cross-community development and regeneration – not within BSSP scope		
323 conservation and upgrading of the rural heritage	The objective is to support integrated village initiatives which promote cross-community development and regeneration – not within BSSP scope		
331 Training and information for economic actors operating in the fields covered by axis 3	<ul style="list-style-type: none"> • costs of trainers/facilitators/mentors; • training needs assessments; • training venues and refreshments; • course materials and examination fees; • course evaluation costs; • project management costs for training organisers; • small scale infrastructure/capital costs. <p>Intervention rate up to 70%</p>	Rural economic actors, including businesses, social enterprises, charities, and other formally constituted groups.	€10m

AXIS 4: THE LEADER APPROACH, DELIVERED BY LOCAL ACTION GROUPS UNDER THE SUPERVISION OF RDAs

It has been agreed that where Leader strategies are implementing RDPE measures which are business support then Leader groups will need to be compliant with BSSP. Where they are implementing measures which are not business support (e.g. the quality of life measures in Axis 3) they will not be required to be compliant. Approximately 25% of all the funding for Axis 1 and 3 must be spent through the Leader approach.

Annex B – Local Action Groups selected to deliver Leader approach under RDPE

West Midlands

Central Warwickshire
Herefordshire
North Warwickshire
Northern Marches (1)
Shropshire Hills
Staffordshire
Worcestershire
Peak Rural Action Zone (3)

East of England

Greensand Ridge
The Brecks
The Fens Adventurers
Eastern Plateau
Norfolk Coast and Broads
Waveney Valley
Chilterns (2)

East Midlands

Coastal Action Zone Partnership
Lindsey Action Zone
Bolsover and North East Derbyshire
Peak Rural Action Zone (3)
The Wash Fens Partnership
Bassetlaw and Newark & Sherwood
North Northamptonshire

South East

Aylesbury Vale and Rural Milton
Keynes
Chilterns (2)
Fieldfare Winchester and East
Hampshire
Isle of Wight
Kent Downs and Marshes
Loddon and Eversley
New Forest
North Wessex Downs (4)
South Oxfordshire
Surrey Hills
Sussex Downs and Low Weald
Three harbours and a Coastal Plain
Wealden and Rother

North East

Northumberland Uplands
Northumberland Coast & Lowlands
East Durham
North Pennine Dales
North York Moors, Coasts and Hills (5)

North West

Solway, Border and Eden
Cumbria Fells and Dales
North Lancashire
West Lancashire
Pennine Lancashire
Mersey Rural Leader
Northern Marches (1)
South Pennines (6)

Yorkshire and the Humber

Northern Lincolnshire Rural LAG
North York Moors, Coasts and Hills (5)
South Pennines (6)
Yorkshire Dales
East Peak Innovation Partnership
Coast, Wolds, Wetlands & Waterways (East
Riding)

South West

Isles of Scilly)
Clay Country) Convergence
West Cornwall)
East Cornwall)
South Devon Coastal
Greater Dartmoor
Forest of Dean
Plain Action (Salisbury Plain)
Western Somerset
Make it Local (Blackdown Hills and East
Devon)
Leader 4 Torridge and North Devon
Somerset Levels and Moors
Sowing SEEDS (North Dorset and South
Wiltshire)

West Kent

Chalk and Cheese (South and West Dorset)
North Wessex Downs (4)

1. Northern Marches: cross-border WM-NW (WM lead)
2. Chilterns: cross-border SE-EE (SE lead)
3. Peak: cross-border EM-WM (EM lead)
4. North Wessex: cross-border SE-SW (SE lead)
5. N Yorks Moors: cross-border YH-NE (YH lead)
6. South Pennines: cross-border YH-NW (YH lead)