



Welsh Breed Improvement Scheme

(Reference DMA 002/2009)

Hybu Cig Cymru – Meat Promotion Wales (HCC) is the organisation responsible for the development, marketing and promotion of red meat produced in Wales. It works to develop markets for Welsh lamb and beef, and to develop the industry itself.

What is the Welsh Breed Improvement Scheme?

This scheme is funded by HCC. It will help you as a sheep or beef farmer in Wales to achieve rapid genetic improvement in your flocks. This will be done by introducing superior genetic animals through Artificial Insemination (AI) and Embryo Transfer (ET). This scheme supplements activities in the Welsh Rural Development Plan.

Priority will be given to producers whose animals included in the project programme are pedigree-registered and are at least the fifth generation of the same breed line. However, consideration will also be given to those whose animals are purebred and to producers whose animals are at least the third generation of the same breed line. Evidence that these breeding criteria are satisfied must be provided on request. No other producers are eligible.

The scheme will allow you to source genetics which may not otherwise be possible due to geography or availability of suitable animals. In addition, access to genetics via AI/ET provides you with a better comparison to other pedigree breeders within the breed by having a genetic link to other flocks and this can therefore provide a benchmark for comparison. Ultimately, this will benefit the commercial ram buyer because as a result more animals will be available that have more accurate performance figures.

A. Artificial Insemination of Sheep

HCC will provide support to individual pedigree sheep breeders to encourage the use of AI by contributing towards the cost of insemination and also the purchase of semen from eligible rams.¹ HCC expects 45 enterprises to participate per year. They will be chosen on a first-come, first-served basis.

To participate, you must agree to performance record your flock and provide HCC with conception rates and the performance data of the flock. HCC will have the right to accept/decline rams for AI. An application form is appended.

Funding

HCC will provide 90% support to maternal breeders and 50% support to terminal breeders for the cost of inseminating up to 25 ewes. The cost of preparing the sheep for AI (synchronizing) will be your responsibility. HCC will provide a maximum of £500 per flock per year.

The maximum total funding that HCC will provide for this part of the scheme will therefore be £22,500 per year.

B. Embryo Transfer for Sheep

Embryo transfer is a tool which will enable you to increase the breeding stock from your elite females. It is a more complex breed improvement tool and so HCC will only provide support for up to 11 breeders in any year. They will be chosen on a first-come, first-served basis.

¹ Rams must be in the top 10% in ether scan weight **or** muscle depth to be eligible. Rams with maternal ability in the top 25% will also be accepted.

To participate, you must agree to flush a minimum of two ewes, performance record your flock, and provide HCC with your performance data. An application form is appended.

Funding

HCC will provide 50% support, to a maximum of £700 per flock.

The maximum total funding that HCC will provide for this part of the scheme will therefore be £7,750 per year.

C. Artificial Insemination of Beef

HCC will provide support to individual pedigree beef breeders to encourage the use of AI by contributing towards the cost of insemination and also the purchase of semen from eligible bulls². HCC expects 40 enterprises to participate per year. They will be chosen on a first-come, first-served basis.

To participate, you must agree performance record your herd and provide HCC with conception rates and the performance data of the herd. HCC will have the right to accept/decline bulls for AI. An application form is appended.

Funding

HCC will provide 50% support to breeders for the cost of inseminating up to 10 cows. The cost of preparing the cows for AI (synchronizing) will be your responsibility. HCC will provide a maximum of £300 per herd per year.

The maximum total funding that HCC will provide for this part of the scheme will therefore be £12,000 per year.

D. Embryo Transfer for Beef

Embryo transfer is a tool which will enable you to increase the breeding stock from your elite females. It is a more complex breed improvement tool and so HCC will only provide support for up to 11 herds in any year. They will be chosen on a first-come, first-served basis.

To participate, you must agree to flush a minimum of two cows, performance record your herd, and provide HCC with your performance data. An application form is appended.

Funding

HCC will provide 50% support, to a maximum of £700 per herd.

The maximum total funding that HCC will provide for this part of the scheme will therefore be £7,750 per year.

The Scheme

² Bulls must fulfil the following criteria to be eligible;

Signet Beefbreeder	ABRI Breedplan
Top 10% for Muscle Depth EBV	Top 10% for Eye Muscle Area EBV
OR Top 10% for 400 day Growth EBV	OR Top 10% for 400 day weight EBV
Top 90% for Calving Value	Top 90% for Calving Ease Direct

This scheme will run for 4 years, until 31 March 2013.

HCC reserves the right to increase or reduce the funding available under this scheme in any year, but will not exceed a maximum total of £200,000.

When HCC receives your application, it will check that you are eligible for the support grant and will write to you confirming the grant and the conditions that will apply.

Restrictions

EU law restricts the amount of State aid that can be given to agricultural businesses. The aid under this scheme is '*de minimis*'. This means that the amount of aid provided under the scheme is small enough for the EU authorities to be sure that it will not affect the common market, and therefore more stringent state aid rules need not be applied.

Aid will be provided in accordance with the EU agricultural *de minimis* Regulation 1535/2007.³ This Regulation restricts the total amount of such aid granted to any enterprise to a maximum of €7,500 in any three-years' period and requires HCC to make certain checks.

This scheme is geographically restricted to Wales. All pedigree sheep and beef producers in Wales are eligible for support.

Support is limited as indicated above. Producers may apply for more than one type (A-D) of aid.

The budget is limited and support will be awarded on a first come, first served basis to eligible applicants.

The Department for Environment, Food and Rural Affairs is satisfied that the aid provided under this scheme will not result in breach of the maximum *de minimis* aid that may be granted by the UK in the agricultural sector.

The Regulation allows you to receive a maximum of €7,500 of agricultural *de minimis* aid in any period of three fiscal years. If you have received any aid of this type, you will have been told in the grant letter that the aid was *de minimis* aid and was provided under either Regulation 1535/2007 or its predecessor, Regulation 1860/2004. No other funding contributes to this maximum. You must let HCC know if a grant made under this scheme would result in you receiving more than a total of €7,500 of agricultural *de minimis* aid in this fiscal year or the previous two years. False declarations will result in recovery of the aid with interest.

The application form makes this declaration easy for you.

HCC is required to keep a record of the *de minimis* aid it will provide for ten years after the last payment of aid under this scheme, and it will provide this record to the British or EU regulatory authorities on request.

This document is available at

http://www.hccmpw.org.uk/medialibrary/publications/Welsh%20Breed%20Improvement%20Scheme_4.pdf

Data Protection Act

The Department for Environment, Food and Rural Affairs (Defra) (as data controller) requires details of the identity of recipients of *de minimis* aid in the agriculture and

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OJ L337, 21 December 2007, p.35.

fisheries sectors, amounts of aid granted and date(s) of aid granted to be kept on a central register. Such data will be kept in order to comply with the provisions of Commission Regulation 1535/2007 on *de minimis* State aid in the agriculture and fisheries sectors and in particular to ensure that ceilings on the amount of aid granted are not breached. To this end, the data may be shared amongst any organization granting *de minimis* State aid in the agriculture and fisheries sectors and will be passed to organizations responsible for upholding the provisions of Regulation 1535/2007 on request. Defra may also be required to release information, including personal data and commercial information, on request under the Environmental Information Regulations 2004 or the Freedom of Information Act 2000. However, Defra will not permit any unwarranted breach of confidentiality nor will Defra act in contravention of its obligations under the Data Protection Act 1998. There is a legitimate public interest in knowing how public funds are spent and so details of the amount of aid paid, the identity of the recipient, and other details may be disclosed under the Access to Information legislation mentioned above.

Hybu Cig Cymru – Meat Promotion Wales and the Welsh Assembly Government (WAG) also require this information and will deal with it similarly including non-exhaustively transmitting it between themselves and Defra for the purposes indicated above.

HCC hopes that this scheme will enable you to improve the genetic quality of your livestock and looks forward to receiving your application.

Step 1 – Application

To apply for support, you need to send a completed application form (see Annex) to Hybu Cig Cymru, Ty Rheidol, Parc Merlin, Aberystwyth SY23 3FF.

This form will provide HCC with the information it needs to make the checks required under the EU Regulation.

We will confirm that funding is still available and assess your eligibility for support. We will then inform you whether you have been successful in your application.

Step 2 – Grant

If you have been successful, we will inform you in writing.

You will be reimbursed a maximum of the amounts specified above based on the specified percentage support ratios.

Step 3 - Notification

HCC will notify Defra and WAG of the amount of aid granted to you under this scheme and the date of the grant, which will be recorded in the national register of such aid. This will allow Defra to ensure that you do not breach the *de minimis* aid rules, a requirement under the EU Regulation.

You must inform anyone proposing to grant *de minimis* aid to you within the next three years that you have received this *de minimis* aid from HCC, and the date on which it was provided to you.

ANNEX

Welsh Breed Improvement Scheme Application Form

Please complete and sign the following form, and send it to:
Hybu Cig Cymru, Ty Rheidol, Parc Merlin, Aberystwyth SY23 3FF
The completed form must be received no later than 31 July 2012

Name of Applicant:
(of company or sole trader)

Trading Name:
(for sole traders)

VAT number:

Holding number: CPH SBI

Business address (registered office for companies):.....

Post Town: **Post Code:**
If this is not within Wales, the application is ineligible

Telephone:

Mobile:

Fax:

E-Mail:

State aid eligibility:

If you have already received agricultural *de minimis* aid, this will have been mentioned specifically in the grant letter.

Have you received any agricultural aid described as *de minimis* aid in the past three years?
 Yes No

If the answer is Yes', please provide details of all such agricultural *de minimis* aid.

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I wish to apply for a grant to assist me with:

- Artificial Insemination of Sheep Embryo Transfer for Sheep
- Artificial Insemination of Beef Embryo Transfer for Beef

I declare that all the animals that I will include in the project programme are:

- Pedigree-registered and at least the fifth generation of the same breed line, or
- Purebred, or at least the third generation of the same breed line

Signed: **Date:**20

For HCC use only:

Date application received20.....
Does the applicant meet the *de minimis* and other criteria Yes No
Grant Approved? Yes No Date:20.....
Grant Provided? £..... Date:20.....