
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations introduce measures to supplement—

- (a) Council Regulation (EC) No 1257/1999 of 17th May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations;
- (b) Council Regulation (EC) No 1260/1999 of 21st June 1999 laying down general provisions on the Structural Funds; and
- (c) Commission Regulation (EC) No 1750/1999 of 23rd July 1999 laying down detailed rules for the application of Council Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF).

The above Community legislation provides for payment of assistance from the Guidance Section of the European Agricultural Guidance and Guarantee Fund for measures which promote rural development falling within the scope of Council Regulation 1257/1999. Measures relating to Objective 1 areas (which include the Highlands and Islands for transitional support under Objective 1) are subject to the provisions of Council Regulation 1260/1999.

These Regulations set up the Highlands and Islands Agricultural Processing and Marketing Grants scheme and enable the payment of grants under the Single Programming Document for the Highlands and Islands Special Transitional Programme which, in accordance with Council Regulation 1260/1999, was approved by the European Commission on 8th August 2000.

Grants under the Regulations can be provided for investments or projects fulfilling the requirements and the purposes of Articles 25 to 28 of Council Regulation 1257/1999 and Articles 21 to 23 of Commission Regulation 1750/1999 or, where the investment or project relates to the marketing of quality agricultural products, falls within any of the purposes set out in Schedule 1 to these Regulations (regulation 3).

The Regulations provide for the procedure for applications for grants. Applications must be submitted to the Scottish Ministers after applications have been invited (regulation 4).

The Regulations also—

- (a) make provision for the determination of applications by the Scottish Ministers (regulation 5);
- (b) provide for how grants may be claimed and for the Scottish Ministers to determine the manner and timing of payment of the approved grants (regulation 6);
- (c) provide for retention of information and records (regulation 7);
- (d) confer powers of entry and inspection for authorised persons to enforce the Regulations (regulation 8);
- (e) make provision for the revocation and variation of approval and the withholding or recovery of grants (regulation 9);
- (f) make provision for payment of interest on grants recovered under regulation 9 (regulation 10); and
- (g) create offences of knowingly or recklessly making a false statement to obtain grants or of obstructing authorised persons acting under the Regulations and make associated provision (regulations 11 and 12).

Status: This is the original version (as it was originally made).

These Regulations also revoke, subject to a saving provision, the Agricultural Processing and Marketing Grant Regulations 1995 (S.I.1995/362) and make a minor revocation consequential thereon.

A copy of the Commission Decision approving the Single Programming Document, together with a copy of the Single Programming Document, have been placed in the Scottish Parliament Information Centre. Copies of them may be inspected at the Scottish Executive Rural Affairs Department, Agriculture, Food and EU Co-ordination Branch, Room 257, Pentland House, 47 Robb's Loan, Edinburgh EH14 1TY.

The Regulations also make minor amendments to the Agricultural Business Development Scheme (Scotland) Regulations 2000 to clarify provisions in those Regulations concerning applications for and determinations of applications for funding thereunder.