**Rural Development Programme 2014-2020**

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**Final Version 12/02/16**

### Description of the Operation

This scheme will provide financial support (£2m) to fill the gap for rural dwellers who cannot avail of broadband and will help address the very rural ‘not spots’ that are not within the scope of any other government initiatives. Funding will be limited to small broadband infrastructure schemes that will involve innovative community led solutions for local access.

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### Type of Support

Support will be provided through grant aid. Under the following conditions, advance payments will be available for Community, Voluntary and Social Economy Enterprises who would not otherwise be able to access the capital to commence implementation of their project:

* Advances are subject to a 100% guarantee provided by a bank or other equivalent financial institution established in the Member State;
* Advances will not exceed 20% of the total amount of the aid to be granted to a beneficiary for a given operation.

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### Eligible Costs

The following costs are eligible for support;

1. The construction, acquisition, including through leasing, or improvement of immovable property;
2. The purchase or lease-purchase of new machinery and equipment, up to the market value of the asset.
3. General costs linked to the expenditure such as architects, engineers and consultation fees, fees relating to advice on environmental and economic sustainability, including feasibility studies, the acquisition of patent rights and licences, up to a total maximum of 10% of the eligible project grant amount. Feasibility studies are eligible expenditure even if there is no expenditure under points (a) and (b) as long as the activity was capable of being supported;

### Beneficiaries

The following beneficiaries are eligible:

* + - Community Voluntary Sector (inc Social Economy Enterprises)
    - Local Council
    - Local Council /Private Partnership (where the Local Council is the grant recipient)
    - Local Council / Community Voluntary Sector partnership (where the Local Council is the grant recipient)

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### Eligibility Conditions

The following eligibility conditions will apply to support for Rural Broadband:

* Creation of, and enabling access to broadband infrastructure including backhaul facilities and ground equipment (e.g. fixed, terrestrial wireless, satellite-based or combination of technologies.
* All projects must achieve a minimum speed of 5mb.
* Any area benefitting from investment will not be eligible for any other government scheme.

### Amounts and Support Rates

Maximum grant up to £100,000 at 75% level of support to local authority, Community, Voluntary and Social Economy Enterprises. Promoter must contribute at least 5% own cash to the project costs.

**State Aid**

State aid for broadband infrastructure will comply with Article 52 of Regulation (EU) 651/2014 or with de minimis Regulation (EU) 1407/2013.

A State Aid checklist must be completed for each application received under this Scheme.

*Where the total project cost is greater than £10K Community/Voluntary groups must be registered as Community Interest Company, Limited Liability Partnership or Company limited by guarantee. Where the total project cost is £10K or less the Community/Voluntary group must have a constitution in place. In all cases a lease must be in place to cover the duration of the project (1 year, 2 years etc).*

*For those groups which function under the conditions of a parent body and therefore cannot amend their constitution to become a company limited by guarantee and who wish to avail of funding in excess of £7,500 a letter must be submitted to the cluster from the parent body as per* [*Appendix 7Bii*](#APPENDIX_26) *attached.*