

Sustainable Farming Investment Scheme (SFIS)

Terms and Conditions – Round 1

Background

The Sustainable Farming Investment Scheme Round 1 (referred to as ‘the Scheme’) is the first round of a grant funding scheme under The Sustainable Farming Investment Scheme Regulations (Northern Ireland) 2026 (‘the Regulations’). See Annex A.

Following assessment of applications, successful applicants will receive a Letter of Offer which specifies the project item list, the grant offered and relevant deadlines. Separate Letters of Offer will be issued for Low Emissions Slurry Spreading Equipment (LESSE) and non-LESSE items.

Further information is provided in the Sustainable Farming Investment Scheme (SFIS) Guide.

1. Definitions

The following terms shall have the meanings below in these Terms and Conditions unless the contrary is expressly stated (listed alphabetically).

References to clauses are to clauses of these Terms and Conditions. Clause headings shall not affect the interpretation of these Terms and Conditions.

Agreement holder (referred to “**Agreement Holder**”, “**you**”, “**your**” or “**their**”) is the Business, registered with DAERA, who has applied to the Scheme and accepted their Letter(s) of Offer. All individuals listed against the Business shall be jointly and severally liable for obligations and liabilities arising under the Letter(s) of Offer.

Appeal means a challenge by the Agreement Holder to specific decisions made by DAERA. Appeals will be handled as either a Review of Decisions or under an Administrative Processing Review. Refer to clause 12 and the Guide.

Application means the online application made by or on behalf of the Business seeking Grant from the Scheme.

Approved means approved by DAERA.

Authorised person means any person authorised by DAERA to carry out visits and exercise powers for the purpose of enforcing the Regulations

Breach means not fulfilling the scheme requirements as set out in the Letter of Offer and these Terms and Conditions.

Business means a farm business registered with DAERA under a Category 1 Business ID number. The Business and its members are responsible for all business decisions taken and information supplied in relation to the Application, Letter of Offer, Claim and Retention.

Claim means the single online Claim for payment of Grant for Eligible Expenditure.

Conflict of interest means any personal interest which could improperly influence business decisions e.g. relationships, financial interests of an activity which might create a conflict.

DAERA means the Department of Agriculture, Environment and Rural Affairs.

DAERA Agent means a person other than an authorised person appointed by DAERA to carry out functions for the purpose of the Scheme.

DAERA Customer Portal means the online system which allows individuals, organisations and agents to manage their DAERA accounts and view messages from the Department. More information is available at: [DAERA Customer Portal | Department of Agriculture, Environment and Rural Affairs](#)

Declaration means an undertaking agreed to by the Agreement Holder, or Online Agent acting on their behalf including when making an application, accepting a Letter of Offer, and submitting a Claim.

Eligible Expenditure means expenditure made by the Business that is eligible for funding Eligible Items as set out within the Letter of Offer.

Eligible Items means the items that the Agreement Holder has selected from the Scheme's list of eligible equipment as approved in the Letter of Offer.

Extension is an approved deadline extension beyond the Final Claim Submission Date.

Final Claim Submission Date means the date by which a Claim must be submitted, as set out in the Letter of Offer, or as specified under an approved Extension.

Grant means the sum payable to the Agreement Holder towards Eligible Expenditure.

Guide means the Sustainable Farming Investment Scheme guide. It sets out information on the application and claim process, along with further detail on eligibility, grant available and item specifications.

Inspection means on-site visit to confirm expenditure against the Letter of Offer. A virtual inspection may be possible through a video call to confirm specifics relating to the Claim.

Letter of Offer means the legally binding contract between the Agreement Holder and DAERA. It specifies the approved Eligible Items and conditions under which DAERA agrees to pay the Grant, including these terms and conditions.

Obligations is the broader term used for all the requirements as set out in the terms and conditions and Letter of Offer across the full life cycle up to 5 years after the date of Claim submission.

Online Agent means a person who is appointed by the Agreement Holder, to act on their behalf for specific services such as completing an online Application or a Claim for the Scheme.

Penalty means a reduction or full non-payment of the Grant, or recovery of Grant paid, due to a Breach of the terms and conditions or the Letter of Offer.

Portal means the online access point to the Scheme application and claim system. All actions relating to the Scheme must be completed using this electronic facility, unless set out in any communication raised separately through email from DAERA.

Project means the project as described in the Application and approved by way of the Letter of Offer.

Project Start Date is the date the Letter of Offer is issued.

Retention Period means 5 years from the date on which the Claim is submitted to DAERA.

Scheme means the Sustainable Farming Investment Scheme (SFIS).

Scheme documentation includes all the legislation, rules, and processes for implementing the Scheme, along with relevant guidance. It includes, for example, the

Regulations, Terms and Conditions, Scheme Guide, Short video guides, Letter of Offer, and associated declarations at both Letter of Offer and Claim stage.

Specification means the full Eligible Item description and requirements as defined in the Item List, the Guide, and the Letter of Offer.

Transferee is the person who accepts all or part of the Letter of Offer from the transferor and becomes the new Agreement Holder.

Transferor is the original Agreement Holder who transfers all or part of the Letter of Offer to the transferee.

2. Agreement Holder's Obligations

- 2.1 In accepting a Letter of Offer, and submitting a Claim, the Agreement Holder agrees to comply with these Terms and Conditions, the Letter of Offer and associated Declarations, the Regulations and all the relevant requirements in the Scheme Documentation. In the event of any conflict between these documents then the Regulations shall prevail.
- 2.2 The Agreement Holder will ensure all items are purchased in accordance with the Letter of Offer. All items purchased must be in line with the Specification.
- 2.3 The Agreement Holder will ensure that each item is installed and ready for operational use before the Claim submission date. This time limit can be extended in exceptional circumstances with prior approval from DAERA (for example equipment is on site but not fully operational).
- 2.4 The Agreement Holder must not obtain another grant, from other sources, for the items approved under the SFIS Letter of Offer.
- 2.5 The Agreement Holder accepts that DAERA will send communications via the DAERA Customer Portal, and by other use of SMS, email, and phone relating to the Scheme as required.
- 2.6 The Agreement Holder agrees to DAERA using other administrative databases at its disposal for the purpose of determining eligibility for Grant and for monitoring and evaluation of the Scheme.
- 2.7 The Agreement Holder undertakes that any funded items will remain in the ownership of the Business at the location stated in the Claim and will be retained in agricultural use and maintained for the purpose and in the manner for which they were intended under the Letter of Offer until the end of the Retention Period.
- 2.8 The Agreement Holder must not modify the equipment for purposes other than its intended use as detailed in the item description or by the manufacturer's specification without prior written consent from DAERA, otherwise DAERA may seek to recover the Grant.
- 2.9 The Agreement Holder shall ensure that the Grant will be used solely for the purposes of business operations in the jurisdiction of Northern Ireland.

3. Term

- 3.1 The Project will commence on the date the Letter of Offer is issued (i.e. Project Start Date) and subject to any earlier termination in accordance with Scheme rules, it shall continue until the end of the Retention Period.

- 3.2 The Letter of Offer must be accepted on the Portal within 28 calendar days from the date of issue otherwise it will expire.
- 3.3 The Claim must be submitted on the Portal by the Final Claim Submission Date as set out in the Letter of Offer, or as extended under an approved Extension (as set out in clause 8). DAERA is not obliged to accept a Claim after this date.

4. Indemnity

- 4.1 DAERA accepts no liability for any consequences, whether direct or indirect, arising from the Letter of Offer, the use of the Grant by the Agreement Holder, or from DAERA exercising its rights under the Letter of Offer.
- 4.2 The Agreement Holder shall indemnify DAERA or any persons acting on DAERA's behalf against all actions, proceedings, demands, costs, claims, expenses, losses, damages, and all other liabilities of any kinds, howsoever caused in relation to the Project.
- 4.3 The Agreement Holder acknowledges and accepts that if it suffers any losses which prevent it from fulfilling its obligations under the Letter of Offer, DAERA may require the Grant to be repaid or the losses to be made good at the Agreement Holder's own expense, regardless of whether the Agreement Holder is insured against such losses.
- 4.4 The Agreement Holder who has been offered grant for any item which involves working with slurry confirms when accepting their Letter of Offer and associated declaration that they have read and understood the HSENI guidance on working safely with slurry. This guidance can be viewed here:
<https://www.hseni.gov.uk/articles/slurry-working-safely-slurry>.

5. Amendment to Approvals and Scheme Documentation

- 5.1 DAERA and or the DAERA Agent has the right to make changes to any approvals they have given including changing, adding new, or removing conditions as per Regulation 6. Before making any such change DAERA shall give notice in writing, as is reasonable and proportionate, having regard to the nature of the change and its consequences for the Agreement Holder. The Agreement Holder will be given an opportunity to make written representations which will be considered before any change is made.
- 5.2 The Agreement Holder and DAERA may amend the Letter of Offer by mutual consent. No amendments to the Letter of Offer can be made unless expressly agreed in writing by DAERA
- 5.3 Subject to clause 5.1 & 5.2 DAERA reserves the right to amend the Scheme Documentation.

6. Statutory Requirements

- 6.1 The Agreement Holder must ensure that all actions undertaken in relation to the Project comply with the relevant statutory legislation in existence during the lifetime of the Project.

7. Expenditure

- 7.1 Expenditure is only eligible for Grant if it has been incurred in line with the terms and conditions and the Letter of Offer. The expenditure must meet all the Scheme requirements as per Scheme Documentation. The onus is on the Agreement Holder to seek clarification if in doubt to the eligibility of any expenditure.
- 7.2 Details on ineligible expenditure and the penalties are available in the Guide. In circumstances where the Agreement Holder is found to have intentionally provided false evidence then a 100% Penalty will be applied, no grant will be paid along with a two-year exclusion from the Scheme as per Regulation 14.
- 7.3 Any person who knowingly or recklessly makes a false statement for the purposes of obtaining Grant under this Scheme or assisting another to obtain Grant may be prosecuted. In line with the Department's Anti-Fraud Policy and Fraud Response Plan, depending on the circumstances, the matter could be referred to the Fraud Investigation Service and Police Service Northern Ireland.

8. Extensions

- 8.1 Extensions to the Final Claim Submission Date will be at the discretion of DAERA.
- 8.2 If an Extension is required, this must be requested in writing by emailing SFIS@daera-ni.gov.uk before the Final Claim Submission Date. Evidence may be required to support the need for an Extension.
- 8.3 Any approved Extension will update the Final Claim Submission Date on the Portal. The original Letter of Offer acceptance will be deemed as acceptance of any Extension.
- 8.4 If a Claim is not submitted within the extended period, it will expire and you will not be able to submit the Claim on the Portal.
- 8.5 More information about Extensions is provided in the Guide.

9. Claims, Variations, and Payment

- 9.1 Claims are to be submitted after all the Eligible Items specified in the Letter of Offer have been purchased and by the Final Claim Submission Date. To claim the Grant, the Agreement Holder must complete the Scheme's online claim form using the Portal. This includes uploading all the applicable supporting evidence specified in the Guide. No other claim forms will be accepted.
- 9.2 Variations to some Eligible Items can be made at Claim stage. This is limited to specific items with permitted variations e.g. changing an item to a smaller version (see the Guide)

- 9.3 Once submitted, the Claim cannot be withdrawn. One Claim per Letter of Offer is permitted. It is the responsibility of the Agreement Holder to ensure that the Claim is accurate.
- 9.4 Invoices which are dated, or expenditure (including part payments or deposits) incurred BEFORE the date of issue of the Letter of Offer will render the whole item, or potentially the entire project, ineligible for Grant.
- 9.5 The Agreement Holder can only claim when all the item(s) have been paid for in full and full payment of the item(s) has cleared the bank account and the item(s) have all been received and are ready for operational use.
- 9.6 Claims for cash expenditure will not be accepted.
- 9.7 The Grant payable for each item will be based on the amount specified in the Letter of Offer or under Variation, or on the basis of the amount paid for the item, whichever is the lowest. The Grant amount shall not be increased in the event of any overspend.
- 9.8 Grant is allocated for each specific item. If the cost of purchasing an item is less than the specified price, then the balance of Grant is NOT transferable to other items in the Letter of Offer. However, the Grant remaining for subsequent rounds will be calculated against the Grant monies paid.
- 9.9 DAERA will check and verify all Claims before Grant is paid. In doing so DAERA may require the Agreement Holder to provide additional information or evidence within a specified deadline. DAERA reserve the right to contact third parties, such as suppliers, directly to ascertain details of the purchase and supply to the Agreement Holder.
- 9.10 A prepayment site visit may be completed to the Agreement Holder's business premises to check and verify the Claim. During the visit, the inspector:
- will inspect the equipment being claimed for.
 - may require sight of original claim documentation, for example, bank statements.
 - check that items funded in previous rounds of the Scheme and where applicable, the Farm Business Improvement Scheme- Capital, are still operational (Clause 13).
- 9.11 Once DAERA has completed its checks of the Claim and it is satisfied that the expenditure claimed is eligible in terms of the Scheme requirements, the Grant will be paid by DAERA via BACS (Bankers Automated Clearing System) transfer directly to the verified business bank or building society account registered with DAERA.
- 9.12 The Agreement Holder must notify DAERA without delay of any anticipated or actual changes to the bank or building society account. Where DAERA has been notified of an actual or anticipated change they may withhold payments until such time as DAERA is satisfied that the changes have been checked and verified.
- 9.13 If the Agreement Holder is in receipt of a payment from DAERA under another scheme and an overpayment has occurred or clawback is deemed necessary, then a Claim under this Scheme may be intercepted and payment withheld or reduced.
- 9.14 DAERA accepts no liability in respect of any loss attributable to any delay in payment of Claims or to any suspension, reduction, or cancellation of Grant.

- 9.15 If the Department has already told you about Breaches in your Claim or if you have been given notice of the Department's intention to conduct an on-the-spot check, which subsequently reveals a Breach of Letter of Offer, you cannot withdraw the parts of the Claim affected.
- 9.16 It is the Agreement Holder's responsibility to check all payments the Agreement Holder receives from DAERA and notify DAERA immediately if the Agreement Holder has any reason to believe that an error has occurred.
- 9.17 If the Agreement Holder receives any overpayment or any payment to which the Agreement Holder is not entitled (including in the event of an administrative error), the undue amount must be repaid. This includes (without limitation) situations where:
- (a) an incorrect sum of money has been paid,
 - (b) the Agreement Holder is not eligible for the Grant,
 - (c) DAERA is required to recover the Grant as part of a debt owed by the Agreement Holder or as required under state aid limitations, or
 - (d) the Grant has been paid in error before the Agreement Holder has complied with all conditions of the Letter of Offer.

10. Change of circumstances

- 10.1 The Agreement Holder must notify DAERA, as soon as reasonably practicable, of any change in circumstances which might reasonably be expected to affect:
- (a) its continued entitlement to the Grant;
 - (b) its compliance with conditions under which the Grant is given;
 - (c) its ability to achieve the purpose for which the Grant is given in accordance with any agreed standards or timescales; or
 - (d) the amount of Grant awarded.
- 10.2 Without prejudice to clause 10.1 above, notifiable changes of circumstance include but are not limited to the following:
- (a) the sale or transfer of all or part of the Agreement Holder's business or significant assets to a new owner(s);
 - (b) the merger or split of the business,
 - (c) if the business becomes a limited company.
 - (d) the sale or transfer of any land which is capable of affecting the ownership or use of the items or any other part of the Letter of Offer;
 - (e) the granting, termination or expiry of any lease or tenancy which is capable of affecting the ownership or use of the items or any other part of the Letter of Offer;
 - (f) any material change to the Agreement Holder's financial circumstances which could affect its ability to carry out the Letter of Offer;
 - (g) the insolvency or winding up of the business.
- 10.3 The Agreement Holder may not grant any legal charge over any asset funded in whole or in part by the Grant without DAERA's prior written consent.

- 10.4 The Agreement Holder acknowledges and accepts that a notifiable change of circumstances may have consequences for the Letter of Offer. DAERA may at its absolute discretion take enforcement action in response, for example to reduce the amount of Grant, withhold payment of Grant, terminate the Letter of Offer, or recover all or part of the Grant.

11. Transfer of Letter of Offer

- 11.1 The Agreement Holder will not transfer, assign, novate or otherwise dispose of the whole or any part of the Letter of Offer or any rights under it, to another organisation or individual, without DAERA's prior written consent.
- 11.2 Where DAERA is satisfied a change of circumstances will affect one or more of the matters specified in clause 10.1, DAERA may consent to the transfer of all or part of the Letter of Offer to another Business ("the transferee").
- 11.3 DAERA may permit the Scheme funded items to be transferred in accordance with Regulation 12.
- 11.4 The Transferee must:
- (a) meet the eligibility criteria for receipt of the Grant under the Letter of Offer,
 - (b) notify DAERA of any proposed transfer within any deadline specified by DAERA, and
 - (c) give DAERA an undertaking to assume the obligations under the Scheme Letter of Offer.
- 11.5 DAERA is not required to agree to a transfer under clause 11.2 or to accept an undertaking given under clause 11.4.
- 11.6 Nothing in clause 11 releases the Transferor in respect of any Breach or other matter occurring before DAERA accepts the Transferee's undertaking.

12. Penalties and Appeals

- 12.1 There are six types of breaches where a penalty may be applied – Overclaim, Ineligible Expenditure, Decommittment, Evaluation / Monitoring Obligations, Retention Period and misleading information or false evidence. Detailed information on the Scheme penalty matrix and the appeals process (Review of Decisions and Administrative Processing Review) is available in the Guide.
- 12.2 DAERA may, in the circumstances set out in Regulation 13, make a determination that there has been a Breach in relation to an application or claim made to DAERA or to an operation approved by DAERA.
- 12.3 In considering making a determination or imposing a penalty DAERA will give the Agreement Holder a written explanation of the reasons for proposing such an action and will give the Agreement Holder an opportunity to make written representations to DAERA setting out the reasons why a determination or penalty should not be applied.
- 12.4 If DAERA determines that the Agreement Holder has breached the Letter of Offer, and the Agreement Holder has informed DAERA of good reasons for the breach, and submitted evidence in support of those reasons, DAERA may decide that no enforcement action is required.

- 12.5 DAERA will consider the reasons and evidence submitted on a case-by-case basis in deciding whether or not the Agreement Holder is relieved of all or part of its obligations under the Letter of Offer and whether to take enforcement action. It will inform the Agreement Holder in writing of its decision.
- 12.6 The circumstances in which DAERA may not require reimbursement may, in particular, be recognised in the following cases:
- (a) Death of the Agreement Holder;
 - (b) A severe natural disaster seriously affecting land on the holding;
 - (c) Accidental destruction of livestock buildings on the holding;
 - (d) An epizootic disease, or a plant health disease, affecting all or part of the farm business' livestock or crops respectively.
- 12.7 Where DAERA requires any part or all of the Grant to be repaid, the Agreement Holder shall repay this amount no later than 60 days beginning on the date on which the notification is given. If the Agreement Holder fails to repay the amount of the Grant as required by DAERA within the above period, the amount may be set off as per Regulation 17, and in the alternative will be recoverable as a civil debt, together with interest on that amount calculated in accordance with Regulation 15 and 16.

13. Inspections, monitoring, and access to documents and information

- 13.1 The Agreement Holder shall comply promptly with any requests by DAERA, the DAERA Agent, or Authorised Person(s) for access to land and / or agree to disclose or supply all information or evidence as may be required in accordance with the Regulations 7-10 in order to:
- (a) verify continued eligibility for and compliance with the Letter of Offer
 - (b) verify a Claim and supporting documentation, which can include viewing and confirmation of digital or on-line records or transactions.
 - (c) review or evaluate the activities carried out under the Letter of Offer
 - (d) monitor the extent to which their purposes have been achieved, or
 - (e) review or evaluate the success of the Scheme which may take place from the Project Start Date to the end of the Retention Period.
 - (f) verify items previously funded by DAERA for continued compliance.
- 13.2 The Agreement Holder agrees to assist any person authorised to conduct any site visit, virtual check, audit, or evaluation, and shall provide access to any land, premises, livestock, trees, crops, plants, machinery, equipment, documents, or records.
- 13.3 The Agreement Holder understands that its contact details may be disclosed to third parties for monitoring and evaluation of the Scheme and agrees to assist and cooperate with any person authorised by DAERA to conduct an assessment which will include but not be limited to a Post Project Evaluation.
- 13.4 The Agreement Holder understands that DAERA may request information from a third party for detection of fraud, monitoring the Project and evaluation of the

Scheme and will not unreasonably refuse consent to share information for that purpose.

- 13.5 If the Agreement Holder uses an Online Agent for the Scheme, then the Online Agent will have access to all the information relating to the farm business held on the Portal, including payment information and will also receive notification of payment.
- 13.6 Inspections can be completed by either DAERA or Authorised Person(s) at any time up to the end of the Retention Period
- 13.7 Items purchased must only be used, and be available for inspection, in Northern Ireland.
- 13.8 If any audit or other site visit or virtual check (by way of online meeting and sharing screen, video or photographic content) by or on behalf of DAERA identifies a Breach in the terms and conditions of the Letter of Offer or the Regulations, or failure to use the Grant for its purpose under the Scheme, DAERA may:
- (a) give notice specifying the way in which performance falls short of the requirements of the Letter of Offer or is otherwise unsatisfactory;
 - (b) require the Agreement Holder to prepare and undertake remedial actions to make good any shortcomings; or
 - (c) exercise its rights in accordance with the Scheme penalty matrix
- 13.9 The Agreement Holder shall:
- (a) remedy the cause of such non-compliance as soon as reasonably practicable and in any event within any deadline agreed with DAERA;
 - (b) use all reasonable endeavours to immediately minimise the impact of such failure and to prevent such failure from recurring; and
 - (c) immediately give DAERA information it may request regarding what measures are being taken to comply with the obligations and the progress of those measures until resolved to the satisfaction of DAERA.

14. Retention

- 14.1 The Agreement Holder is required to retain and maintain all equipment for the purpose it was intended for 5 years from the submission of their Claim otherwise they will be required to repay all or part of the Grant.
- 14.2 The Agreement Holder is also required to retain all original documents in hard copy and digital format relating to the Project and its financing for 5 years from the date their claim is submitted as per Regulation 11 (unless the Letter of Offer is transferred in which case the transferee is required to retain copies). This includes receipts, invoices, proof of payments and access to computer data, and any other relevant records relevant to the Grant expenditure. DAERA shall have the right to review and take copies of such documents. In no circumstances should any documentation be destroyed or disposed of, before the end of the Retention Period, without written consent of DAERA.
- 14.3 The Agreement Holder shall comply with and facilitate DAERA's compliance with all legal requirements as regards accounts, audit or examination of accounts, annual reports, and annual returns applicable to itself and DAERA.

15. Conflict of Interest

- 15.1 The Agreement Holder shall put adequate procedures in place to make sure that there is no actual or perceived risk of bias or conflict of interest that might call into question its eligibility to receive the Grant. The agreement holder should fully disclose and notify the Department immediately in writing, of any conflicts of interest or potential conflicts of interest should the need to do so arise during the lifetime of the Project.

16. Publicity

- 16.1 The Agreement Holder agrees that DAERA may, if required to do so, publish such information about the Agreement Holder's business and the Grant as is necessary to comply with domestic, European, and international Law.
- 16.2 DAERA may further acknowledge the Agreement Holder's involvement in the Scheme as appropriate without prior notice.

17. Data Protection and Freedom of Information

PRIVACY NOTICE

- 17.1 The Department takes data protection, freedom of information and environmental information issues seriously. It takes care to ensure that any personal information received from you is dealt with in a way which complies with the requirements of the UK General Data Protection Regulation and the Data Protection Act (2018).
- 17.2 This means that any personal information you supply will be processed principally for the purpose for which it has been provided. However, the Department is under a duty to protect the public funds it administers, and to this end may use the information you have provided for this purpose. It may also share this information with other bodies responsible for the audit or administration of public funds, to prevent and detect crime.
- 17.3 In addition, the Department may also use it for other legitimate purposes in line with the UK General Data Protection Regulation, Data Protection Act 2018, Freedom of Information Act 2000, and Environmental Information Regulations 2004. These include:
- the full range of departmental policy responsibilities;
 - administration of financial support schemes administered by DAERA;
 - the production and safety of food;
 - management of land and other environmental controls;
 - animal health and welfare;
 - occupational health and welfare;
 - the prevention and detection of fraud or maladministration (e.g. The Comptroller & Auditor General and HM Revenue & Customs);
 - compilation of maps and statistics;
 - disclosure to other organisations when required by law to do so;

- disclosure under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004 where such disclosure is in the public interest;
- business development and knowledge advisory service for farmers, growers and food processors;
- statistical and research purposes; this may include linking or combining the information with data from Arms Length Bodies, government departments or other public bodies;
- corresponding with you in connection with the above activities.

17.4 The DAERA Privacy Statement can be view at [DAERA Privacy Statement](#).

18. Value Added Tax (VAT)

18.1 The amount claimed by the Agreement Holder must be exclusive of VAT.

19. Termination

- 19.1 DAERA reserve the right to terminate the Letter of Offer on written notice to the Agreement Holder if the Agreement Holder has breached the Letter of Offer, if there is a change in the circumstances affecting its eligibility to receive the Grant or if the Agreement Holder has failed to repay monies recoverable by DAERA.
- 19.2 The Agreement Holder may terminate the Letter of Offer at any time by withdrawing it on the Portal. The Agreement Holder understands that in such circumstances it may be required to repay all or part of the Grant and that its obligations under the Letter of Offer shall not cease until such repayment has been made.

 STATUTORY RULES OF NORTHERN IRELAND

2026 No.0000

AGRICULTURE

**The Sustainable Farming Investment Scheme Regulations
(Northern Ireland) 2026**

Made - - - - *2nd June 2026*

Coming into operation *23rd June 2026*

The Department of Agriculture, Environment and Rural Affairs^(a), in exercise of the powers conferred by section 6(1)(f) of the Agriculture Act (Northern Ireland) 1949^(b), with the approval of the Department of Finance^(c), makes the following Regulations.

Citation and Commencement

These Regulations may be cited as the Sustainable Farming Investment Scheme Regulations (Northern Ireland) 2026 and come into operation on 23rd June 2026.

Interpretation

—(1) In these Regulations —

“agent” means a person, other than an authorised person, who is appointed in writing by the Department for the purposes of these Regulations;

“applicant” means an eligible farm business registered with a DAERA farm business ID which has applied for financial assistance;

“application” means an application under regulation 5;

“approved operation” means an operation approved by the Department or its agent under regulation 6;

“authorised person” means any person authorised by the Department to act under section 40(1) of the Agriculture Act (Northern Ireland) 1949 in matters relating to regulations 9 and 10;

“beneficiary” means—

a person who has applied for and been granted approval for an operation;

in relation to any time after a capital investment payment has been made in connection with the operation, the person to whom the payment was made; or

any person who has undertaken to assume the conditions of an approval in place of a previous beneficiary;

^(a) The Ministry of Agriculture for Northern Ireland became the Department of Agriculture for Northern Ireland by the Northern Ireland Constitution Act 1973 c. 36 section 40 and Schedule 5 paragraph 8(1); Renamed as the Department of Agriculture and Rural Development by the Departments (Northern Ireland) Order 1999 S.I. 1999/283 (N.I.1) Article 3(4) and the Department of Agriculture, Environment and Rural Affairs by the Departments Act (Northern Ireland) 2016 c. 5 (N.I.) section 1(2).

^(b) 1949 c. 2 (N.I.).

^(c) The Ministry of Finance is now the Department of Finance; see section 1(4) of the Departments Act (Northern Ireland) 2016 c. 5 (N.I.).

“capital investment payment” means any payment made by the Department under regulation 3;

“the Department” means the Department of Agriculture, Environment and Rural Affairs;

“operation” means an investment, plan, commitment, project or action which is the subject of an application;

“scheme” means the Sustainable Farming Investment Scheme, the relevant particulars of which are set out in the Schedule.

A reference in these Regulations to anything done in writing or produced in written form includes a reference to an electronic communication which has been recorded and is consequently capable of being reproduced.

Assistance for capital investment

The Department may pay financial assistance to a beneficiary towards expenditure incurred or to be incurred by them in connection with any approved operation.

Payment

—(2) The Department may make a capital investment payment as a single lump sum or by instalments.

Capital investment payments may be made—

at such time or times as the Department thinks fit; and

subject to such conditions as the Department may determine.

Applications for an approval of operations

—(3) An application for the approval of an operation must be made to the Department or, in such circumstances as the Department may determine and publish in writing, to its agent.

Such an application must be made in such form and contain such information as the Department or its agent, may require.

Approval of operations

—(4) The Department or its agent may, on application made to it, approve any operation for the purposes of regulation 3 and may do so—

in whole or in part; or

unconditionally or subject to such conditions as it may determine.

The Department or its agent may vary any approval given by it.

The variation of an approval under paragraph (2) may include—

the variation of any condition to which the approval is subject;

the addition of new conditions; or

the removal of any existing conditions.

Before the Department or its agent decides to vary an approval under paragraph (2) it must—

give the beneficiary notice in writing of its proposed decision with a statement of its reasons;

give the beneficiary an opportunity to make written representations within such time as the Department or, as the case may be, the agent considers reasonable; and

consider any such representations.

An approval or variation under the regulation must be in writing.

Claim for capital investment payment

A claim for a capital investment payment must be made at such time and in such form and be accompanied by such information as the Department or its agent may require.

Provision of information

—(5) A beneficiary must supply the Department or its agent with such information about an approved operation as the Department or its agent may require.

Where the Department or its agent requires such information, the beneficiary must supply the Department or its agent with the information within such period as the Department or its agent may determine.

Powers of entry

—(6) An authorised person may exercise any of the powers specified in this regulation for the purposes of enforcing these Regulations.

An authorised person may at all reasonable times, on producing, if so required, some duly authenticated document showing their authority, enter any land or premises, other than premises used solely for the purposes of a dwelling house—

to which an application or approved operation relates; or

on which they have reasonable grounds to believe that documents or equipment relating to an application or approved operation are being kept.

An authorised person entering any land or premises by virtue of this regulation may be accompanied by such other persons as the authorised person considers necessary for any purpose mentioned in paragraph (1).

An authorised person who enters any unoccupied premises must as far as is reasonably practicable, leave them as effectively secured as they were before entry.

Powers of an authorised person

- (7) An authorised person who has entered any land or premises under regulation 9 may—
- inspect the land, premises, buildings and any document, record or equipment thereon which they reasonably believe relates to an application, approved operation or claim;
 - require the applicant or beneficiary, or any employee or agent of such applicant or beneficiary, to produce, or secure the production of, any document or record or supply any additional information in his possession or under his control relating to the application, approved operation or claim;
 - where any document, record or information referred to in sub-paragraph (b) is kept by means of a computer, have access to and inspect any computer and any associated apparatus or material which is or has been used in connection with that document, record or information;
 - require copies of, or extracts from, any document, record or information relating to the application, approved operation or claim to be produced;
 - remove and retain for a reasonable period any document, record or information relating to the application, approved operation or claim which he has reason to believe may be required as evidence in proceedings under these Regulations and, where any such document, record or information is kept by means of a computer, require it to be produced in a form in which it may be taken away and in which it is visible and legible;
- if necessary for the purposes of enforcing these Regulations—
- inspect and count livestock on the land and premises; and
 - require the applicant or beneficiary, or any employee, servant or agent of such beneficiary, to arrange for the collection, penning and securing of such livestock.

require an applicant or beneficiary, or any employee, servant or agent of such applicant or beneficiary, to give an authorised person all reasonable assistance in relation to the matters mentioned in this regulation.

Paragraph (1) applies in relation to a person referred to in regulation 9(3) when such a person is acting under the instructions of an authorised person, as if such person were an authorised person.

Record-keeping

—(8) Save as provided in paragraphs (2) and (3), a beneficiary must retain any invoice, account or other document relating to an approved operation for such a period as the Department or its agent may determine, and in any case for a minimum period of five years from the date on which the claim is submitted to the Department .

If the beneficiary transfers the original of any such document to another person in the normal course of business, they must instead keep a copy of that document for that period.

Paragraph (1) does not apply in relation to any document removed by any person lawfully authorised to remove it.

Transfers of assets purchased with a capital investment payment

—(9) Any assets purchased using a capital investment payment must be retained by the beneficiary for a minimum period of five years from the date on which the claim is submitted to the Department and may not be sold, leased, destroyed or otherwise temporarily or permanently disposed of unless by prior written agreement with the Department or its agent.

Where an asset is not duly retained by the beneficiary, a penalty may be applied under regulation 14, except where the asset is temporarily deployed on another farm.

Determinations relating to operations

—(10) The Department or its agent may determine that, in relation to any claim or application made to it, or an operation approved by it—

- the beneficiary has furnished false or misleading information to it;
- the beneficiary is in breach of any of the conditions of a capital investment payment;
- the beneficiary is in breach of any of the conditions of an approval under regulation 6;
- the beneficiary is in breach of any requirement to which that beneficiary is subject under these Regulations;
- the whole or any part of the sum paid or payable in relation to an operation duplicates assistance provided, or to be provided, out of monies made available by—
 - any statutory provision;
 - a body exercising public functions;
- there has been a material change in the nature, scale, costs or timing of the approved operation;
- or
- the approved operation has been or is being delayed or is unlikely to be completed.

Before the Department or its agent makes a determination under paragraph (1), it must—

- give the beneficiary a written explanation of the reasons for proposing—
 - to make the determination; or
 - to impose a penalty under regulation 14(1)(c)(i) or (ii);
- afford that beneficiary the opportunity of making written representations within such period as the Department or its agent considers reasonable; and
- consider any such representations in deciding whether to make any determination.

Powers of recovery etc. in relation to capital investment payments

—(11) Where the Department or its agent makes a determination under regulation 13(1), the Department may—

withhold of the whole or part of any capital investment payment payable to the beneficiary to which the determination relates; and

recover on demand of the whole part or part of any such capital investment payment already paid to the beneficiary.

impose a penalty as follows—

the minimum penalty shall be the sending of a warning letter by or on behalf of the Department;

the maximum penalty shall not exceed 100% of all capital investment payments made or due to be made in relation to an approved operation to which the determination relates.

Where the Department takes any step specified in paragraph (1) in relation to an approved operation, the Department may also suspend or terminate that approval.

Where an approved operation has been terminated under paragraph (2), the Department may also prohibit the beneficiary from making any new application under this scheme for a period of two years from the date of the termination.

The powers conferred by this regulation are exercisable by a notice in writing served by the Department or its agent.

Recovery of payment

In any case where an amount falls to be paid to the Department by virtue of these Regulations, the amount falling to be paid is recoverable as a civil debt.

Recovery of interest

—(12) Where the Department exercises the power to recover a sum falling within regulation 14(1)(b), it may also recover, on demand, interest on that sum.

The rate of interest applicable on any day is one percentage point above the Bank of England base rate.

In this regulation, “Bank of England base rate” means—

except where sub-paragraph (b) applies, the rate announced from time to time by the Monetary Policy Committee of the Bank of England as the official dealing rate, being the rate at which the Bank is willing to enter into transactions for providing short-term liquidity in the money markets; or

if an order under section 19 (reserve powers) of the Bank of England Act 1998 is in force, any equivalent rate determined by the Treasury under that section.

For the purposes of this regulation, interest will be calculated for the period elapsing between the payment deadline for the beneficiary indicated in the notice under regulation 14, which may not be set at more than 60 days, and the date of either repayment or deduction.

In any proceedings relating to this regulation, a certificate of the Department stating the Bank of England base rate applicable during the period specified in the certificate shall be sufficient evidence of the rate applicable in the specified period unless the contrary is proved.

Set-off

The amount of—

any sum payable by the Department under these Regulations; or

any sum otherwise payable to the beneficiary by the Department

may be set off against the amount of any sum recoverable by the Department under regulation 15 or 16.

Review of Decisions

—(13) Where the Department or its agent rejects an application under these Regulations, in whole or in part, an applicant may apply to the Department for a review of the decision.

An applicant must apply to the Department in writing for a review no later than 28 days from the date of the notification of the decision to be reviewed and specify—

the name and address of the applicant;

the decision of the Department or its agent in respect of which the applicant seeks a review and the date of that decision; and

full particulars of the ground upon which the review of the decision is sought.

Where an applicant seeks a review under this regulation the Department must review the decision specified.

In reviewing a decision, the Department may—

consider any document or other evidence produced by the applicant (whether or not that document or evidence was available at the time of the decision);

invite the applicant to provide such further information relevant to the review as it considers appropriate; and

give the applicant or its representative an opportunity to make representations orally or in writing.

Following a review of the decision the Department may—

confirm the decision; or

substitute for it a new decision.

As soon as reasonably practicable after reviewing the decision, the Department must notify the applicant in writing of its decision under paragraph (5) and the reasons for it.

Sealed with the Official Seal of the Agriculture Environment and Rural Affairs on 1st June 2026

Martin McKendry

A senior officer of the

Department of Agriculture Environment and Rural Affairs

The Department of Finance approves the forgoing Regulations

Sealed with the Official Seal of the Department of Finance on 2nd June 2026

Patrick Neeson

A senior officer of the
Department of Finance

SCHEDULE 1

Regulation 2

AIM AND DESIGN OF THE SUSTAINABLE FARMING INVESTMENT SCHEME

Aim of the Scheme

1. The aim of the Sustainable Farming Investment Scheme (SFIS) is to incentivise on-farm investment in equipment and technology which will improve environmental performance on farms.

Scheme Financial Limits

—(1) Subject to paragraph (3), an applicant may apply for grant support for an operation where the eligible costs of the operation are equal to or exceed £3,000 but do not exceed £62,500.

Subject to paragraph (3) and regulation 14(1), the grant rate is 40% of the eligible costs.

A farm business may receive a maximum of £25,000 grant for the duration of the scheme.

List of Eligible Equipment and Technology

—(2) Each item on the list of equipment and technology will be assessed by or on behalf of the Department against a range of benefits including environment (air, water, soil and biodiversity), carbon, efficiency, innovation and animal health and welfare and plant health.

The list of eligible items will be published by the Department on such date or dates as it may determine.

Item pricing

The amount of support available for each item on the list will be decided at such price as the Department or its agent may determine.

Scheme Eligibility

—(3) The scheme will be open to farmers engaged in the production of food for human consumption.

Applicants are required to have a Category 1 DAERA Farm Business ID.

All beneficiaries must be farmers or groups of farmers, whether natural or legal persons.

Eligible Costs

The following costs are eligible for support—

the purchase of new machinery, technology and equipment, including computer software and subscription costs (for a maximum of one year from the purchase date of the associated item) provided that such costs are—

included on the List of Eligible Equipment and Technology; and

specified as approved for purchase in a beneficiary's Letter of Offer.

Ineligible Costs

The following costs are not eligible for support—

purchases which are likely to have an unacceptable negative effect on the environment;

the purchase of second hand, pre-used items;

the purchase of agriculture production rights, payment entitlements, animals, animal plants and their planting;

the purchase of replacement or maintenance items;

costs associated with operationalising purchased equipment or technology including, but not limited to delivery; commissioning costs; planning permission costs; site works; installation costs; labour costs; professional fees (unless otherwise stated in the beneficiary's Letter of Offer);

costs associated with the ongoing operation of purchased equipment or technology, including, but not limited to fuel; servicing or maintenance costs; any form of optional extended warranty; training on the use of items; insurance; any computer hardware required for functionality (e.g. laptop; smart phone; printer); labour costs; consumables;

any interest on debt or financial charges arising from the purchase;

the purchase of land;
value added tax (VAT).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations establish the Sustainable Farming Investment Scheme. The scheme provides for payments to be made by the Department of Agriculture, Environment and Rural Affairs to eligible farm businesses to invest in equipment and technology which will improve environmental performance and efficiency on farms.

The Regulations—

provide that the Department may make payments in respect of eligible expenditure incurred or to be incurred by a beneficiary (regulation 3);

provide that the Department may set the form that such payments may take (regulation 4);

provide that the Department may set the form that applications must take (regulation 5);

provide that the Department may approve or reject any application made under the scheme; may attach conditions to any approval, and may vary any approval previously granted (regulation 6);

provide that the Department may set the form that claims for payment must take (regulation 7);

provide that the Department may request any such information it requires in relation to an approved operation and that a beneficiary must supply same within set timeframes (regulation 8);

specify the powers of authorised persons and those accompanying them to enter any land or premises connected with the scheme, except dwelling-houses (regulation 9);

specify the powers of authorised persons to conduct checks and inspections (regulation 10);

specify that beneficiaries must retain any records pertaining to, and any items purchased under, the scheme for a minimum period of five years (regulations 11 & 12);

provide that the Department may determine that an applicant or beneficiary is in breach of the terms and conditions of the scheme (regulation 13);

provide that where such a determination is made, that the Department may seek to recover any payments previously made as a civil debt, and/or withhold future payments, and/or may prohibit future applications under the scheme from the applicant for two years (regulations 14 & 15). They may also seek interest on these payments (regulation 16) or seek to set-off the amounts owed by the beneficiary under this scheme from other sums payable by the Department to the beneficiary (regulation 17);

provide for the review of a decision to reject an application (regulation 18); and

detail the aim and design of the scheme (Schedule).