

Food Processing, Marketing and Co-operation



Due to pressures on the Scottish budget, the Food Processing Marketing and Cooperation Grant Scheme will not be running in 2023/24

The scheme provides grant funding to businesses within the Scottish food and drink sector, and supports Scotland's journey towards becoming a Good Food Nation, where it is second nature to produce, buy, serve and eat fresh, healthy food.

The food and drink sector can also help to make Scotland healthier, wealthier and smarter, with stronger communities and production that is socially and environmentally sustainable.

Through this scheme, you can apply for:

- start-up grants for a new food processing business
- development grants for an existing food processing business

Funding can help you:

Capital Projects:

- develop or create food processing facilities, including buildings and equipment

Non-Capital Projects:

- market your products in home and export markets at national/international trade shows/fairs.
- to run co-operative ventures to make sure more value is retained by both farmers and growers
- to improve supply-chain efficiency

This is a competitive grant scheme and not all applications will be successful.

Please also note that in order to demonstrate the “incentive impact” of limited public funds any request for grant assistance of less than 10% of overall costs cannot be considered.

Work on your project can begin once you have received notification of approval of grant.

You must not start work on any part of your project, with the exception of preliminary costs before receiving notification of the grant award. Preliminary costs incurred before the grant award letter date are not eligible for grant funding. Any other costs incurred before the grant award letter date will make the project ineligible for funding.

Final claims for approved projects must be received by 31 March 2023, or we will be unable to make payment.

You must not start work on any aspect of your project, with the exception of preliminary costs before receiving notification of the grant award.

[Eligible & Ineligible Cost Examples](#)

We encourage applicants to submit their forms as soon as they are ready. If all, or the majority of applications are received within the last week, this may have an impact on the expected notification of outcome date.

If you have any queries or questions please contact the [FPMC Mailbox](#).

Conflict in Ukraine

Due to the ongoing conflict in Ukraine, applicants are now required to disclose any connections which their business has to Russia and/or Belarus. Further guidance on how we define a connection to Russia and/or Belarus can be found:

[Capital projects - completing an application](#)

[Non-capital projects - completing an application](#)

Fair Work

As part of our ongoing commitment to the promotion of fair working practices, we now require that applicants disclose whether they or their business have been convicted of any offences under Agricultural Wages (Scotland) Act 1949, or the National Minimum Wage Act 1998 within the last 12 months.

Any such convictions will result in businesses being ineligible to apply for the FPMC funding. Further guidance can be found:

[Capital projects - completing an application](#)

[Non-capital projects - completing an application](#)

Funding awards

The document below lists all of the projects that have previously been awarded FPMC funding.



[FPMC awards \(PDF, Size: 399.4 kB\)](#)

doc_external_url: <https://www.ruralpayments.org/media/resources/Food-Processing-Marketing-and-Co-operation---Funding-awards-November-2022.pdf> Previous FPMC funded projects

Full scheme guidance

Before you apply for this scheme, please read the full scheme guidance. If you have any questions or concerns, please contact us before completing your application.

[Full scheme guidance](#)

Updates

23 October 2020

We've updated the document listing successful applications to this scheme.

For previous versions of the guidance, please check the scheme archive.

[Food Processing, Marketing and Co-operation Scheme archive](#)

Eligibility

Businesses who are involved in the processing and marketing of agricultural produce into food products can apply for support from this scheme.

This could be individuals, constituted groups or companies that process agricultural products into food products, market their own produce or are involved in collaborative working within the food chain.

Please note that projects involving the production of fishery and seafood products are eligible for support under a separate Scheme (EMFF). (<http://www.gov.scot/Topics/marine/grants-subsidies>)

You must also be registered with the Rural Payments and Inspection Division and you can find out how to do this at the link below.

[Register your business](#)

Selection criteria

Applications will be subject to an initial eligibility check to see if they meet the criteria set out in the eligibility section.

The next stage involves technical and economic assessments that will consider various aspects, such as value for money, economic and environmental benefits and the need for public sector funding.

A National Project Assessment Committee, made up of food and drink specialists, will then consider applications and make a recommendation regarding approval and level of support. This will take into account the views of our specialists and how applications fit with the scheme and wider Scottish Government strategic objectives.

You will be formally notified of the outcome and, if successful, a contract will be issued to allow work to commence.

Applications

Applications are welcome throughout the year. When you submit your application, you should include:

- three comparable quotes for each cost
- evidence to demonstrate a market for your product
- closed accounts covering the last three financial years
- your latest management accounts, from the start of the current financial year to the point of application

However, in some cases, we understand that this information may not be available. For example, a new business may not have three years of accounts.

If this is the case, you should include an explanation to why the normal scheme rules cannot be met and we'll make a decision on whether the application can be accepted.

There are two elements of potential support under the scheme rules:

Capital – these are projects that could help improve your property or facilities. For example, the erection or refurbishment of buildings, the purchase of equipment or professional costs such as architects', engineers' and consultants' fees.

Non-capital – these could include projects involving co-operation with other producers or suppliers, feasibility studies, product development and marketing.

Claims

Once your application has been approved, you can begin to submit claims retrospectively once costs are incurred. You can do this throughout the project at set times, which will be explained in your award letter.

We need all claims to be supported by evidence, for example invoices and evidence of payment. These should be submitted in line with an agreed claim schedule, which will form part of your application and be detailed in your award letter.

Payment

Payments will be made through BACS following the submission and validation of a claim form. We aim to make payments within eight weeks of receiving a fully completed and supported claim.

Inspections

If your application to join this scheme is successful, you will also be subject to our inspections programme.

You can find out more about how and why we carry out inspections in our inspections section.

[Inspections](#)

Breaches and penalties

If we discover that you have not followed the scheme guidelines, we will call this a breach. It's important that we penalise breaches to make sure we are following European Commission law.

Further information on why we need to penalise breaches can be found below.

[Breaches and penalties](#)

Appeals and complaints

If you are unhappy with a decision we have made or the standard of service we have provided, you are able to either submit an appeal or make a complaint.

[Appeals and Complaints](#)

Contact

If you have any queries or questions please contact the team who manage the scheme direct.

The best way to get in touch is through our dedicated [mailbox](#)

Forms

Please visit the dedicated page to access the relevant forms for this scheme.

[Food Processing, Marketing and Co-operation forms](#)

Scheme delivery

This scheme is delivered through:

