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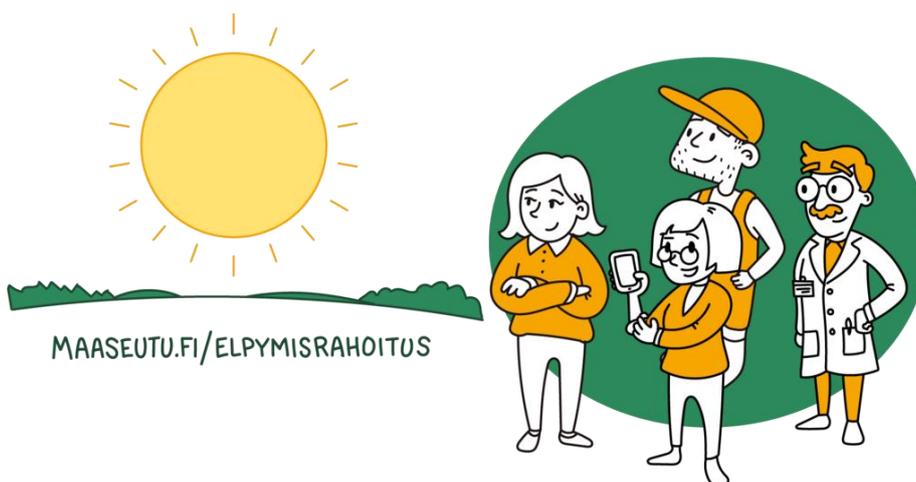
1 September 2021

## Application for the recovery funds of Agricultural Fund for Rural Development will open soon – you should start planning a project now!

Finland receives a total of 207,5 million euros from the recovery funds of the European Agricultural Fund for Rural Development, of which 26 million is allocated to agricultural companies. The application period for the aid will begin soon. Now, businesses related to farms as well as micro and small enterprises in rural areas should start preparing projects related to the introduction of renewable energy, more efficient or energy-saving technologies, digitalisation or ownership changes.

The application period for funding is relatively short, which means that they are looking for projects that are ready for implementation and either already contain the required documents (permits) or that they can be quickly acquired.

**The following information is preliminary information on recovery funds and their terms and conditions, so changes are possible.**



### Investment targets and terms

Recovery funds are allocated to micro and small enterprises in rural areas, businesses related to farms and businesses processing agricultural and food products (micro and small). Aid can be provided for the following intangible and tangible investments:

- Introduction of a new technique or method that is more effective or energy-saving or that otherwise fulfils the BAT requirement (Best Available Technology).
- Increasing digitalisation in business.
- Changing the form of energy to renewable energy. Increasing the use of renewable energy (e.g. solar panels and air source heat pumps). Production of renewable energy for the company's own use (company premises).

- Improving energy and material efficiency and reducing waste (tangible and intangible investments that improve the company's resource efficiency).
- Renovating existing installations that generate renewable energy.

Aid may be applied for either by start-up or already active enterprises whose investment is carried out in an eligible rural area (definition of the SYKE). The aid is therefore not granted to businesses located in urban areas, nor for used machinery or equipment. If the business is located on the same site as a residential building, aid can be granted. These aid terms also allow businesses related to farms to invest in energy, when the business activities are carried out under the same business ID in connection to agriculture.

For micro and small businesses in other areas of business than agriculture as well as businesses related to farms, the support level of investments is 30%. The eligible costs must be at least 10,000 euros and the general de minimis regulation applies to the investment projects.

The level of investment for micro and small enterprises processing agricultural and food products and for multidisciplinary farms is 35%. The eligible costs must be at least 10,000 euros. The maximum amount of aid is 200,000 euros (Annex I products). For other final products (Non-Annex I), the aid is granted on de minimis terms.

The support level for investment on new plants or production units that produce biogas is 50%. The eligible costs must be at least 10,000 euros. Total eligible costs are up to 2 million euros. The maximum size of the plant's total output may not exceed 2 MW.

### Change of ownership

New micro and small enterprises that employ and are located in sparsely populated and core rural areas (SYKE classification) can apply for recovery funds for acquiring guidance, advice and expert services related to the preparation of change of ownership. The support level for changes of ownership is no more than 10,000 euros per change. The minimum aid to be granted is 2,000 euros.

### Recovery fund application and selection of projects to be funded

The applications are submitted to the regional ELY Centre through the Hyrrä system. The start of the application period will be announced later.

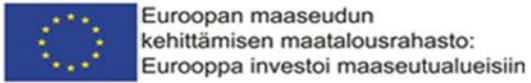
The ELY Centre scores the received applications with the selection criteria and selects the projects that best meet the selection criteria for funding. Projects are selected with particular attention on how ready the project is for implementation and on the applicant's ability to start the implementation as soon as possible after the selection. The granted recovery funds must be used during the three years following the year of the commitment.

### Additional information

**Read more about recovery funds: [Rural.fi site \(link\)](#)**

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