

## Supply Chain Development Measure

*The Supply Chain Development Measure is one of several measures being funded under Axis One of the Northern Ireland Rural Development Programme 2007 – 2013 and promoted by the Countryside Agri-Rural Partnership on behalf of the Department of Agriculture and Rural Development*

The Supply Chain Development (SCD) Programme is aimed at helping farmers and food producers work together to improve the rewards from their supply chain. This will be achieved primarily by helping to stimulate the formation of “embryonic” supply chain partnerships and support these as they move forward. The intention is to bring them the stage where they are confident and capable of adopting new supply chain arrangements which take costs out of the supply chain and improve marketing performance.

The SCD Programme recognises the difficulty producers face in finding the time to devote to group activity and in identifying the expertise and resources necessary to progress joint initiatives. It therefore supports group formation and development by providing financial assistance and expert guidance.

The **overall approach** is one of support and encouragement through providing generous input from a group of experience professionals. These “mentors” will have the skills and experience to guide and encourage the group members to develop structures and processes which best meet their individual and group needs. They will be able to work on behalf of the group in identifying market opportunities, sourcing information and preparing reports.

**Ultimately the Programme will give like-minded producers the opportunity to work together to explore, along with processors, ways of improving returns from their supply chain.**

## **Eligibility.**

### **Eligible Sectors**

The Measure is open to applicants from the following input sectors:

- red meat
- pig meat
- poultry meat
- eggs
- milk
- potatoes
- cereals
- horticulture (including flowers, fruit and vegetables)
- renewable energy and forestry (including short rotation coppice)

### **Eligible enterprises.**

Primary producers in the agri-food and forestry sectors co-operating with each other and with partners further along their respective supply chains, for example processors, retailers and other end users.

**NOTE:** Support will not be provided under the SCD Programme for the establishment of Producer Groups or for any other group activity not linked to supply chain development.

**The SCD Measure has two main components –**

- **Supply Chain Development Feeder Events – *Initiation Phase.***
- **Supply Chain Development Programme – *Development Phase.***



## 1. Supply Chain Development Feeder Events

This SCD Feeder Events will help individuals, partnerships and groups identify opportunities and develop initial ideas to the stage where they can apply to the main Supply Chain Development Programme.

To enrol on the Feeder Programme, applicants will normally be expected to attend an evening workshop at which examples of successful supply chain groups will be provided, ideas generated and the overall Programme with the support available will be outlined.

Following this, if they apply to the feeder programme, with a very simple outline of their idea, then up to 5 days mentor support will be provided to firm up the embryonic idea to the extent that an application can be made to the Supply Chain Development Programme. The 5 days mentoring must be used within 3 months of the application date.

### **Supply Chain Feeder Events.**

A number of Feeder Events are being arranged to help stimulate ideas for supply chain development and encourage group formation. Application to this will be accepted from single individuals and businesses, however in all cases the outcome will need to involve a potential group or partnership of at least two businesses / interested parties working together in a single supply chain.

Note: It is not a pre-requisite for applicants to attend feeder events before applying to the main SCD Programme.



## 2. Supply Chain Development Programme

The SCD Programme provides extensive support to Supply Chain (SC) enterprises (partnerships or groups of two or more businesses) to help them move from the embryonic concept or ideas stage to a position where they will have conducted a review of the options available, selected a preferred option and, if the result is encouraging, completed a business/action plan for that option.

At the conclusion of the process the SC enterprise will have either taken an informed decision not to proceed or be in a position to move forward with an outline business and action plan; an agreed management and legal structure; the necessary skills to make it successful and have the business tools to make it work.

One desirable outcome of the process will be to ensure that at the completion of the SCD Programme the SC enterprise will, where appropriate, be suitably constituted and in a position to make application for support under schemes such as the EU Agricultural and Forestry Marketing Development Grant Scheme.

**To achieve this, the Programme provides the following elements of support:**

### **Facilitation:**

A facilitator will be provided without charge to the SC enterprise to work with the members and progress its supply chain initiative. The group will, with the guidance and support of the facilitator:

- review the group's idea or existing business
- conduct a review of the research options available



- complete a business and action plan for the preferred option
- help source specialist help from mentors with specific expertise such as marketing or legal arrangements
- review training needs and source training
- identify sources of funding to assist implementation and further development

An anchor facilitator will be assigned to each applicant and be available to the enterprise throughout the life of the application – which should be as short as possible with an absolute maximum length of 2 years. Up to 50 days facilitation and mentoring will be available to the enterprise throughout that 2 year period. This total of 50 days will include any days consumed during the SCD Feeder Programme. The scheme requires that SC enterprises use no more than 5 days facilitation per month or 10 days mentoring per year.

### **Training:**

Funding of the full cost of training of up to a maximum of £5,000 per group applicant is available towards training of group members in order to develop the capability of the group to achieve its goals. This training will be closely linked to the agreed business / action plan for the SC enterprise.

### **Use of Business Tools:**

Funding of up to £5,000 is available per group to cover the full cost of management tools, and expertise in their use, linked to the development or implementation of business and action plan for the enterprise. Tools could, for example, involve techniques such as benchmarking, lean manufacturing or value chain analysis. Travel and subsistence is not an eligible expenditure under this heading.



### **Co-operation Support:**

Financial assistance will be provided towards costs associated with co-operation, including professional advice or services. This is available at a rate of 50% to a maximum of £2,500 funding for the group. Examples of eligible costs under this heading would be any legal and financial services required to establish the SC enterprise as a company or other formal legal entity.

### **Study Tours:**

Study tours linked closely to the development needs of the SC enterprise are eligible for funding under the SCD programme.

Study visits can be useful during the formative stage in group development through illustrating what others have done; thus stimulating ideas, while at the same time facilitating networking within the group in an informal environment. As the enterprise progresses to the delivery stage, such visits may have a sharper focus on marketing and on developing contacts with potential partners.

Support will be available at a rate of 75% of the cost per participant up to a maximum of £3,000 per group.

**(All members of the Group who participate on the study tour must contribute to producing a report about the tour).**

## **3. Conclusion**

At the conclusion of the process groups will:

- be in a position to move forward with an outline business / action plan
- have an agreed management and legal structure
- have the necessary skills to progress the business
- have used appropriate and necessary business tools



or

- have taken an informed decision on an alternative course of action

One desirable outcome of the process will be to ensure that at the completion of the SCD Programme the group will, where appropriate, be in a position to make application for support under other schemes such as the EU Agricultural and Forestry Marketing Development Grant Scheme.

#### **4. APPLICATIONS.**

Applications are welcomed from groups of businesses in the eligible sectors with an idea for supply chain improvement. Groups must consist of two or more interested parties.

Applicants do not need to have completed the Feeder Programme before applying to join the main SCD Programme.

Although the SCD Programmes may be funded through until the closure of the NIRDP in 2013, this is not guaranteed. Potential applicants are therefore advised to make early application to ensure that funding remains available.

Early application and completion will also allow successful Groups to avail of the funding accessed through EU Agricultural and Forestry Marketing Development Grant Scheme and other NIRDP schemes which must also complete in 2013.

Further Information, Declaration of Interest or Application Forms for the Supply Chain Development Programme and the associated Feeder Programme are available from –

Countryside Agri-Rural Partnership,  
Supply Chain Development Team,



97 Moy Road,  
Dungannon  
Co Tyrone  
BT71 7DX

Telephone: 0845 026 75 38

e-mail [supplychain@countysiderural.co.uk](mailto:supplychain@countysiderural.co.uk)

A Declaration of Interest form may also be downloaded from the Countryside Agri-Rural Partnership website [www.countrysiderural.co.uk](http://www.countrysiderural.co.uk)

**Advice and guidance on general Supply Chain issues may be obtained from –**

Supply Chain Development Branch,  
Department of Agriculture and Rural Development,  
Room 518  
Dundonald House,  
Upper Newtownards Road,  
BELFAST  
BT4 3SB  
Telephone 028 9052 4591

