

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY THE DEPUTY OF ST. JOHN
ANSWER TO BE TABLED ON MONDAY 13th SEPTEMBER 2010**

Question

Would the Minister advise to whom the grant for vodka production has been made and under what terms?

Would he state how many grants have been made under the Rural Initiative Scheme since 2006 and advise—

- (a) for what purpose the grants were made?
- (b) what were the recipients names?
- (c) what was the value of each grant?
- (d) whether recipients had benefited from other grant schemes administered by the Department or former Agriculture and Fisheries Department and, if so, how many, for what purpose and to what value since 2000?
- (e) whether funds must be matched pound for pound by recipients and, if so, how is this monitored and would the draw off of spend be expected to be equal?
- (f) have any of the recipients had funding from the former Agriculture and Fisheries Department for research into areas currently being granted aid under the Rural Initiative Scheme, and, if so, which?
- (g) whether the Minister read the 2004 reports financed by the former Agriculture and Fisheries Department and Jersey Potato Marketing Board investigating the potential for vodka production in the Island and, if so, given the negative conclusions of those reports, why did he approve this grant?

Question

1. Would the Minister advise to whom the grant for vodka production has been made and under what terms?

Answer

Not at this stage, as this is commercial in confidence until the work is actually carried out. The grant is not for vodka production, but for research into the feasibility of artisanal production, in accordance with the specified terms and conditions applicable under the Rural Initiative Scheme ref:

<http://www.gov.je/BENEFITS/GRANTS/INDUSTRYGRANTS/Pages/RuralInitiativeScheme.aspx>

Question

2. Would he state how many grants have been made under the Rural Initiative Scheme since 2006 and advise—

- a. for what purpose the grants were made?
- b. what were the recipients names?
- c. what was the value of each grant?

Answer

Please see the following table in response to a, b & c.

| Year | Company Or Individual | Purpose of Grant | Type | Final Amount Claimed |
|------|-----------------------|------------------------|------|----------------------|
| 2006 | St Lawrence Growers | Flame Weeder | E | £3,000.00 |
| 2006 | R Titterington | St Aubins Scallop Farm | E | £21,000.00 |
| 2006 | R Stevenson | Country Butchers | E | £7,437.50 |

| | | | | |
|--------------|-------------------------------|-------------------------------------|----------|--------------------|
| 2006 | Amal-Grow | Ethylene System | E | £8,822.50 |
| 2006 | Somerleigh Farm Ltd | Harvesting Equipment | E | £7,500.00 |
| 2006 | C Gould | Ranching of King Scallops | E | £9,856.48 |
| 2006 | Jersey Milk Marketing Board | Valorex Project | R | £4,000.00 |
| 2006 | Fauvic Nurseries | Tomato Packaging | R | £4,269.00 |
| 2006 | Woodside Farm | Beef promotion activities | E | £5,338.95 |
| 2006 | Woodside Farm | Bulb Drying | E | £2,120.00 |
| 2006 | Woodside Farm | Refrigeration Equipment | E | £8,552.33 |
| 2006 | Woodside Farm | Flower Allocation | E | £7,500.00 |
| 2006 | Le Marinel Farm | Quails | R | £469.94 |
| 2006 | Le Marinel Farm | Vacuum Packing | E | £6,286.25 |
| 2006 | Le Mare Vineyards | Wine and Cider Development | I | £131,795.56 |
| 2006 | Classic Herd Ltd | Cheese & Butchery | E | £5,147.25 |
| 2006 | Pure Adventure Jersey | Indian Forest Activity Centre | R + E | £4,162.50 |
| 2006 | Grant Feltham | Edible Seaweed | R | £225.00 |
| 2006 | Le Marinel Farm | Brooder Grow off pens | E | £733.21 |
| 2006 | Jersey Horticulture | Blooming Direct | R | £5,880.32 |
| 2006 | Jersey Horticulture | Blooming Direct | E | £29,759.35 |
| Total | | | | £273,856.14 |
| 2007 | Mrs N Huelin | Fun 4 Dogs | E | £2,052.25 |
| 2007 | Anneville Farm | Plant Hygiene | E | £10,147.08 |
| 2007 | Channel Island Bio-diesel Ltd | Production of Bio-diesel | R | £2,290.50 |
| 2007 | Channel Island Bio-diesel Ltd | Production of Bio-diesel | E | £1,000.00 |
| 2007 | Belles Fleurs Nursery | Potting Machine | E | £3,563.50 |
| 2007 | Woodside Farm | Daffodil Bulb Packaging | E | £6,469.77 |
| 2007 | Pure Adventure Centre | Pure Adventure Centre | E | £50,000.00 |
| 2007 | Woodside Farm | Daffodil Sales | E | £3,900.00 |
| 2007 | Woodside Farm | Pneumatic Seed Drill | E | £4,000.00 |
| Total | | | | £83,423.10 |
| 2008 | Fauvic Nurseries | Export of Jersey Produce | E | £6,728.88 |
| 2008 | Classic Herd Ltd | Ice Cream & Yoghurt Production | E | £4,647.35 |
| 2008 | Woodside Farm | Leek Harvester | E | £15,075.00 |
| 2008 | Vers Les Monts Organic Farm | Organic Chickens | E | £2,053.34 |
| 2008 | Mr & Mrs Shipley | Shipley Sheep | E | £4,530.61 |
| 2008 | La Mare Vineyards | Black Butter Biscuits | E | £21,250.00 |
| 2008 | Jersey Dairy | Jersey Ice Cream | I | £38,967.00 |
| 2008 | JFU | Chelsea Flower Show | I | £5,760.25 |
| 2008 | RJA & HS | World Jersey Cheese Awards | I | £20,000.00 |
| 2008 | Brooklands Farm | Me and The Farmer | E | £11,297.14 |
| 2008 | Jersey Island Genetics Ltd | Export of Cattle Embryos | R (I) | £935.38 |
| 2008 | JR Horticulture | Young Plant Packing Line | E | £9,018.50 |
| 2008 | Woodside Farm | Daffodil Bulb Sterilization | I | £48,750.00 |
| 2008 | Brooklands Farm | Me and The Farmer Phase 2 | E | £6,150.01 |
| 2008 | Freedom Farms | Freedom Farms Phase 1 | E | £50,000.00 |
| Total | | | | £245,163.46 |
| 2009 | Woodside Farm | Bulb Drying Facilities | I | £46,138.19 |
| 2009 | Woodside Farm | Cooling unit and Cold Store | E | £50,000.00 |
| 2009 | Jersey Fisherman's Ass | Sponsorship of Jersey Fish Festival | I | £9,989.99 |

| | | | | |
|--------------|-------------------------------|---|--------|--------------------|
| 2009 | Jon Emmanuel | New mobile hen houses | E | £42,467.60 |
| 2009 | Master Farms | Electronically guided organic weeder | E | £18,621.00 |
| 2009 | Jersey Fisherman's Ass | Scallop dredging trials | R | £1,058.28 |
| 2009 | Southern Rock Fisheries | Scallop Processing | E | £32,351.99 |
| 2009 | Recovery Management Services | Research into quality soups from 2 nd grade vegetables | R | £8,000.00 |
| 2009 | Lodge Farm Ltd | Slurry additive to boost nutrient availability in slurry | R + EF | £350.08 |
| 2009 | Brooklands Farm | Pie & Pasty press for local pork business | E | £3,185.14 |
| 2009 | Andre Militis | Jersey Honeybee Development | R | £3,753.49 |
| 2009 | Brian Adair | Relocation of an organic plant raising facility | E | £5,751.10 |
| 2009 | Brooklands Farm | Cold store, oven and preparation equipment | E | £7,153.62 |
| Total | | | | £228,820.48 |
| 2010 | J Le Maistre Tree Surgery Ltd | Mobile tracked wood chipper | E | £23,499.93 |
| 2010 | Individual | New mobile hen house | E | £23,162.50 |
| Total | | | | £46,662.43 |

I = Research, E = Enterprise & I = Industry – wide

Question

d. whether recipients had benefited from other grant schemes administered by the Department or former Agriculture and Fisheries Department and, if so, how many, for what purpose and to what value since 2000?

Answer

Of the above, the following have also benefited from previous grant schemes

| Marketing Support Scheme 2003 | | | |
|--------------------------------------|-----------------|----------------------------------|---|
| Name | Amount of Grant | Product | Project |
| Jersey Milk | £30,000 | Jersey ice cream | Market research, product launch and general marketing |
| Jersey Milk | £15,000 | Dairying | Market research, re-branding of Jersey Milk |
| Woodside Produce Ltd | £4,300 | Jersey Royals | Joint promotions with UK supermarket |
| Woodside Produce Ltd | £6,270 | Daffodils | Market research into new markets |
| Jersey Island Genetics | £5,000 | Jersey cattle, semen and embryos | Promoting Jersey Island cattle genetics |
| Jersey Farmers Union | £7,000 | Locally grown produce | Bulk buying scheme re branded packaging |
| Classic Herd Ltd | £4,950 | Dairying | Feasibility study - production/sale of soft cheeses |
| Farm Fresh Organics | £1,745 | Organic locally grown produce | POS materials, labelling and equipment |

Diversification Support Scheme 2005/2006

| Applicant | Grants 2005 | Grants 2006 | Project |
|--------------------|-------------|-------------|--|
| Woodside Farms Ltd | 2,000.00 | | Netted Swede |
| Woodside Farms Ltd | 4,178.73 | | Upgrade Onion/Daffodil Storage |
| Woodside Farms Ltd | 774.93 | | Processing Leeks |
| Woodside Farms Ltd | 4,282.00 | | Internet Site for Flower Sales |
| Woodside Farms Ltd | 1,722.15 | | Free Range Geese and Turkeys |
| Woodside Farms Ltd | 7,344.72 | | Jersey Beef |
| Le Marinel Farm | | 5,767.00 | Le Marinel Farm Products |
| Fauvic Nurseries | 875.00 | | Marketing of Jersey Produce to UK Farm Shops |
| Fauvic Nurseries | 985.88 | | National Cordyline Collection |
| Fauvic Nurseries | 1,611.68 | | Website to publicise Farm Shop |
| Fauvic Nurseries | 448.30 | | Seaweed Processing |
| Classic Herd Ltd | 7,954.90 | | Meat Butchery |
| Classic Herd Ltd | 20,000.00 | | Soft Cheese - Fresh and Ripened |
| Brooklands Farm | 377.69 | 1,622.31 | Studying Curing and Brining Pork |
| Brooklands Farm | | 13,087.50 | Brooklands Butchery Room |
| La Mare Vineyards | 7,122.66 | | Black Butter and Fudge |

| | | | |
|------------------------------------|-----------|--------|--|
| La Mare Vineyards | 16,849.50 | | Jersey Cream Liqueur |
| Jersey Fisherman's Association Ltd | | 350.00 | Line Caught Jersey Wild Fish / |
| Grass Roots Organic | 1,010.57 | | Modular Organic plant raising to service local growers |

Question

e. whether funds must be matched pound for pound by recipients and, if so, how is this monitored and would the draw off of spend be expected to be equal?

Answer

The following table from the current RIS application form shows the maximum level of funding available. Funds will not normally be allocated if the proposed project has received funding from other government schemes.

| RIS Grant Categories | Funding | Total Project Spend |
|----------------------|--|--|
| Research | Up to 50% (maximum grant £10,000). | Minimum of £1,500. |
| Energy Efficiency | Up to 50% (maximum grant £50,000). The energy audit is also eligible for funding. | Minimum of £3,000. Following the receipt of an energy audit. There is no minimum spend for the energy audit. |
| Enterprise | Up to 50% (maximum grant £50,000). <i>Cooperative grant applications may strengthen your case for funding.</i> | Minimum of £3,000. |
| Industry-Wide | Variable depending on project. | Each application will be assessed on its own merits. |

Applicants must provide a minimum of 20% of the overall investment from their own resources, for example: cash reserves, sale of assets, or investment from members/shareholders.

The total public sector contribution is limited to 50%, except in exceptional circumstances when an Industry-Wide application is made; if other public funds are obtained to support the costs of a project these will be taken into account when considered the RIS application and may be off-set against any award made.

RIS grant awards are based on agreed business plans, which indicate the level of expected profitability over a 3 year period after receiving grant monies. Grants can only be drawn-down once the expenditure has been incurred, therefore the spend profile should be in equal proportions between the States and the business.

The projects are monitored by officers to observe the business in operation and the outcomes of the award.

Question

f. have any of the recipients had funding from the former Agriculture and Fisheries Department for research into areas currently being granted aid under the Rural Initiative Scheme, and, if so, which?

Answer

Not to our knowledge.

Question

g. whether the Minister read the 2004 reports financed by the former Agriculture and Fisheries Department and Jersey Potato Marketing Board investigating the potential for vodka production in the Island and, if so, given the negative conclusions of those reports, why did he approve this grant?

Answer

The conclusions of the Jersey Potato Marketing Board were not negative and contrary to the above appear to be positive e.g.

Executive summary, The Stage 1 feasibility study for the production of alcohol from the Jersey Royal Potato, August 2003 states;

Page 7, "There is therefore no reason why this should not become an important new industry within Jersey over the next few years"

Executive summary, Vodka Project Final Report, August 2004;

Page 4 "It is anticipated that the business will turn cash positive within 3-4 years of launch and will later be seeking to expand aggressively into other geographic markets".

Page 5 "...it is apparent that the range of branded super premium products that are enshrined within the plan, are likely to find favour in many areas of the target market place."

Page 8 "All of these opportunities seem to be viable, due to the good levels of profitability that are predicted to be in place over that timescale".

The current vodka project is on an entirely different scale to the earlier proposal and involves the offer of a £11,225 for trials and market research for the production of artisanal vodka under the Rural Initiative Scheme. Following a successful trial, production of premium vodka would start in April and continue until July each year.