Pre-Financing

Pre-financing is available to newly formed Producer Organisations recognised since 2021. This facility will provide financial support in the form of an up-front lump sum based on the finance plan that forms part of the Production and Marketing Plan. This lump sum will be capped at maximum of €50,000 for each year of the plan.

The following is an example

Section	Measure (must be identified in PMP)	Support Rate % of eligible costs	Maximum aid per year
1	Preparation of Production and Marketing Plan	75%	€40,000
2	Preparation of Annual Reports	75%	€30,000
3	Administrative implementation of Production and Marketing Plans	75%	€80,000
4	Celtic Sea Herring Management Advisory Committee (administration costs)	75%	€10,000
5	Northwest Herring Advisory Committee (administration costs)	75%	€10,000
6	Indirect Costs	75%	€10,000
7	Capital costs	75%	€30,000
8	Attendance at specified meetings	75%	€25,000
9	Dissemination of knowledge & advisory services	75%	€35,000

Total expenditure planned for 2026 under PMP is €130,000 of which the Producer will receive 75% in grant aid if claimed in full (€97,500). As the prefinancing amount is set at 50%, this will amount to a pre-payment of €48,750 being issued to the PO on approval of the PMP and annual reports in preceding years.

If the planned finance amount is not achieved in that year, the actual expenditure will be taken into consideration at final claim stage. If the final claim amounts to a value greater than the pre-financing amount the outstanding balance will be paid to the PO. See example below

- Planned Finance allocation for 2026: €130,000
- Pre-financing amount issued to PO: €48,750

Actual Finance expenditure as per claim submitted: €100,000
Final Balance issued to PO: €75,000 (75% Grant Aid) - €48,750 (pre-financing) = €26,250

Producer Organisations need to be aware that there is a risk that they may need to repay a portion of the pre-financing if they do not submit a claim of expenditure that meets a certain threshold on the basis of pre-financing amount issued.

- Planned Finance allocation for 2026: €130,000
- Pre-financing amount issued to PO: €48,750

Actual Finance expenditure as per claim submitted: €60,000
Final Balance issued to PO: €45,000 (75% Grant Aid) - €48,750 (pre-financing) = €3,750 will need to be paid back to BIM/DAFM by PO.

To ensure that the PO does not have to repay a portion of prefinancing then they will be required to spend at least 50% of the expenditure they have outlined in their financial plan on an annual basis.