

Overview of the GRAZE Vehicle Grant Scheme

General overview of the GRAZE vehicle grant scheme:

Grants will be awarded to selected vehicle operators on the following basis:

- A Vehicle Grant Agreement must be entered into for each grant application.
- The Applicant must have a business registered in Ireland.
- Only new dedicated OEM CNG vehicles are supported by the scheme.
- The vehicle must be retained in the ownership of the Applicant for no less than five years.
- The Applicant must hold a valid Irish Tax Clearance Certificate.
- The vehicle must be registered in Ireland and remain registered in Ireland for a minimum of five years.
- The maximum amount of financial support available to an Applicant under the GRAZE Vehicle Grant Scheme is one hundred thousand euros (€100,000), subject to the de minimis ceiling (see next section below for more details).
- The total number of vehicles that an Applicant, including any subsidiary or holding company of an Applicant or a subsidiary of a holding company of an Applicant can receive funding for under the GRAZE Vehicle Grant Scheme is ten (10). The terms "subsidiary" and "holding company" have the meanings ascribed to them respectively under sections 7 and 8 of the Companies Act 2014. The Applicant must submit a separate application for each vehicle for which funding is sought.
- The vehicle categories identified for support and maximum funds allocated to each vehicle type are detailed in Table 1 below. These maximum amounts are subject to the ceiling of €300,000 per each enterprise over a three-year (36 month) period, as specified in the De Minimis Regulation.

Table 1: Grant funding by vehicle category (subject to de minimis ceiling)

Vehicle Category	Maximum funding
HGV Road Freight (>12t unladen) - Artic	€10,000
HGV Road Freight (>3.5t unladen) - Rigid	€10,000
LGV Road Freight (>3.5t unladen) – Large Van	€2,500
LGV Road Freight (<3.5 t unladen) – Small Van	€1,500
Waste Collection Vehicle (>3.5t unladen)	€10,000
Small Public Passenger Vehicle (over 8 seats in addition to driver, <5t unladen)	€2,500
Large Public Passenger Vehicle (over 8 seats in addition to driver, >5t unladen)	€5,000



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De Minimis Aid Requirements for the GRAZE Vehicle Grant Scheme:

For the purposes of EU rules on State aid, GNI will pay Grants under the GRAZE Vehicle Grant Scheme as de minimis aid under Commission Regulation (EU) 2023/2831 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid ("**De Minimis Regulation**").

Under the De Minimis Regulation, small amounts of State aid, up to €300,000 in any three-year period to any one enterprise, are regarded as too small to significantly affect trade or competition in the common market. Such amounts are regarded as falling outside the category of State aid that is banned by EU State aid rules. As a result, State bodies, such as GNI, can award aid falling under this threshold without notification to or clearance by the European Commission.

A Member State is required to have a mechanism to track de minimis aid and to ensure that the combined amount of de minimis aid payments from all sources to one enterprise in any three-year period respects the €300,000 ceiling.

For this reason, Applicants to the GRAZE Vehicle Grant Scheme are required to provide details of all other de minimis aid which has been granted to the Applicant's company within the past three years. They should do so by completing the form of declaration set out in the Application Form. It should be noted that a false declaration by a company resulting in the threshold of €300,000 being exceeded could later give rise to the aid being recovered with interest.

Applicants should be aware that, if they have received previous de minimis funding, they are still eligible to request funding in GRAZE Vehicle Grant Scheme if the total funding from previous de minimis grants and the funding applied for in the Scheme does not exceed €300,000.

€300,000 ceiling:

The €300,000 ceiling in the De Minimis Regulation is as follows: "The total amount of de minimis aid granted per Member State to a single undertaking shall not exceed EUR 300 000 over any period of 3 years".

By way of further detail:

- **Cumulation of de minimis aid.** All de minimis aid which has been granted to your company in the previous three years will count towards the €300,000 ceiling, regardless of the granting Department or State agency. However, aid which has been granted to your company under other instruments (such as the EU's General Block Exemption Regulation) will not count towards the ceiling unless it relates to the same eligible costs.
- **3-year lookback.** The €300,000 ceiling is applied on a rolling, 3-year basis ("3-year lookback"). In practice, this means that any de minimis aid received by the company during the previous 3-year period from any State sources must be cumulated to apply the ceiling.
- **Relevant date for 3-year lookback.** The relevant date for the purposes of applying the 3-year lookback is the moment the legal right to receive the aid is conferred on the company under national law (rather than the date any funds are disbursed). In this case, this will be the date when the Grant Agreement is made.
- **Single undertaking.** The relevant entity for calculating the total cumulative *de minimis* aid received is not just the corporate entity receiving the grant, but its entire undertaking. Undertaking is similar to the concept of a "corporate group" and encompasses all entities under the common ultimate control of the same person(s). 'Single undertaking' is defined in Article 2(2) of the De Minimis Regulation and includes for these purposes, all enterprises having at least one of the following relationships with each other:
 - o one enterprise has a majority of the shareholders' or members' voting rights in another enterprise;
 - o one enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
 - o one enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;
 - o one enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.

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GNI will award funding to successful Applicants with the following considerations:

- GNI will seek to provide funding for all the vehicle segments identified
- Applicants must comply with the criteria of the fund
- The deadline for the submission of an application under the GRAZE Vehicle Grant Scheme is six (6) calendar months from the launch of the Scheme by GNI. However, the submission of an Application Form within this timeframe does not guarantee the award of a grant. In particular, GNI operates the Scheme on a 'first come, first served' basis. GNI will have no liability to pay any grant, or may reduce the amount of the Grant, if sufficient funds are no longer available when the Grantee submits the documents and requests payment of a grant
- The grant will be issued to the CNG vehicle owner once all required documents have been submitted

By submitting an Application Form, the Applicant confirms that the vehicle for which funding is sought will travel the minimum annual km distance as indicated in the table below according to the relevant vehicle type.

Segment	Minimum annual km travelled
N3 - HGV Road Freight (>12t unladen) - Artic	70,000 km
N2 / N3 - HGV Road Freight (>3.5t unladen) - Rigid	70,000 km
N2 - LGV Road Freight (>3.5t unladen) - Large Van	40,000 km
N1 - LGV Road Freight (<3.5t unladen) - Small Van	30,000 km
N2 - Waste Collection Vehicle (>3.5t unladen)	10,000 km
M2 - Small Public Passenger Vehicle (over 8 seats in addition to driver, <5t unladen)	40,000 km



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Application Process

Applicants can apply for funding under the GRAZE Vehicle Grant Scheme by completing the Application Form and sending to cng@gasnetworks.ie quoting reference "GRAZE Vehicle Grant Scheme".

The Vehicle Fund process consists of a number of steps:

1. **Application form submitted**
Applicant submits a valid Application Form to GNI by post or by sending to cng@gasnetworks.ie.
2. **Application Qualification / selection process**
If GNI determines that the Applicant is eligible, a Grant Agreement is issued to the Applicant.
3. **Grant Agreement (Contract)**
Applicant signs and returns the Grant Agreement to GNI.
N.B. Funding will only be secured once the Grant Agreement has been executed by both the Applicant and GNI.
4. **Applicant Completes Vehicle Purchase**
Applicant purchases the new OEM dedicated CNG vehicle identified within the Grant Agreement and submits the required documentation as detailed in the Grant Agreement.
5. **Grant payment**
Once all the required documentation is received and verified, GNI will issue payment of the grant to the Applicant.

Grant Payment Process

Once the Grant Agreement has been executed by both parties, the grantee has nine (9) calendar months in which to purchase a vehicle and submit the required documentation to GNI.

In order to process the grant payment, certain requirements must be satisfied in line with the conditions of the Grant Agreement.

Requirements for Payment under GRAZE Vehicle Grant Scheme

1. Vehicle Registration Certificate for the new vehicle, showing the Applicant as registered owner
2. Vehicle purchase invoice
3. Insurances (certificate or proof of insurance) (Clause 15 of the Grant Agreement)
 - a. Motor insurance
 - b. Public Liability €6.5m
 - c. Employers Liability Insurance €13m
 - d. Insurance key insurable assets
4. Tax Clearance Certificate
5. Letter requesting grant payment (on company headed paper)
6. Company bank details on headed paper (for EFT payment).

Once all the required documentation is received and verified, payment is issued by electronic funds transfer (EFT).