



# Program Guide

## Newfoundland and Labrador

These guidelines are subject to change from time to time without notice. Consult our website at [www.gov.nl.ca/flr](http://www.gov.nl.ca/flr) for the most up-to-date information on Canadian Agricultural Partnership opportunities or contact us by phone at 709-637-2077, or by email at CAP@gov.nl.ca.





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# Canadian Agricultural Partnership

The Canadian Agricultural Partnership is a \$3 billion, five year, Federal-Provincial-Territorial (FPT) Framework Agreement that will commence on April 01, 2018 and expire on March 31, 2023. The Canadian Agricultural Partnership will provide:

- \$1 billion in federal-only initiatives; and
- \$2 billion in cost-shared programming funded on a 60 per cent federal (\$1.2 billion) and 40 per cent provincial and territorial basis (\$800 million).

In Newfoundland and Labrador, the Canadian Agricultural Partnership will provide \$37 million in funding for the agriculture, agri-foods, and agri-products sector to support employment creation, new entrants, secondary processing, economic growth, and food self-sufficiency.

## Priority Areas

FPT governments, through consultations with industry stakeholders, developed six priority areas to enable the sector to become more competitive, productive, profitable and environmentally sustainable:

1. **Markets and Trade:** Investment will be made to expand both domestic and international marketing opportunities; enhance market access, export readiness, and agricultural market capacity at home and abroad; increase knowledge transfer and skills development; and encourage the use of beneficial management practices.
2. **Science, Research and Innovation:** Investment will be made to support technology adoption and innovation in the sector; strengthen knowledge transfer; advance clean growth technologies and the implementation of innovative practices; and support innovation to create employment and increase food self-sufficiency.
3. **Risk Management:** Investment will ensure the safety and protection of the food system; enable the sector to proactively manage risks, including assistance for businesses to manage transformation and respond to change; and support for food safety, traceability, biosecurity, premise identification, animal and plant health, agricultural safety, and emergency preparedness and prevention.
4. **Environmental Sustainability and Climate Change:** Investment will be made to promote environmentally responsible agriculture; address agriculture's impact on natural resources; reduce greenhouse gas emissions; mitigate and adapt to the anticipated impacts of climate change; and promote the use of environmental farm planning and the implementation of environmental beneficial management practices.
5. **Value-Added Agriculture and Agri-Food Processing:** Investment will be made to expand agricultural processing capacity; create employment; and enhance productivity, competitiveness, innovative capacity, and new market opportunities in the agricultural processing industry.
6. **Public Trust:** Investment will be made to build trust and confidence in the agriculture and agri-foods system to maintain market access and capture new market opportunities; and promote the high standards of food safety, farming practices, environmental stewardship, and animal and plant production standards utilized in the sector.

## Overview of Newfoundland and Labrador Programs

Designed to advance the Canadian Agricultural Partnership priority areas, the Department of Fisheries and Land Resources will offer eight programs specific to the growth opportunities in the Newfoundland and Labrador agriculture, agri-foods and agri-products sector.

1. **Agriculture Business Program** – This program will enhance market development opportunities and growth, address market access challenges, and increase knowledge transfer and skills development. Eligible activities include market research and planning, on-farm market infrastructure, business planning, succession planning, farm financial assessments, and human resource development, including the organization and delivery of agricultural conferences and workshops to enhance knowledge in the sector.
2. **Future Farms Program** – This program will enable the Newfoundland and Labrador agriculture industry to attract new farmers and investment, realize economic growth opportunities, as well as meet food self-sufficiency targets. Eligible activities will include mentoring programs to match new entrants with experienced farmers; as well as financial support to the Newfoundland and Labrador Young Farmers Forum to provide services and training to young farmers interested in a career in agriculture.
3. **Agriculture Land Development Program** – This program will increase agricultural land in production to enable the sector to grow, increase food self-sufficiency, and enhance livestock feed capacity. Eligible activities will include land clearing and enhancement, sub-surface drainage, on-farm access roads, legal land surveys for new entrants, and the acquisition of agricultural land development equipment.
4. **Agriculture Growth and Innovation Program** – This program will accelerate innovation, and enhance the growth, resiliency, competitiveness and productivity of the agriculture sector. Eligible activities will include controlled environment agriculture and greenhouse systems, livestock production systems and technologies, crop production systems and technologies, and knowledge transfer and information sharing.
5. **Mitigating Agricultural Risks Program** – This program will enable the sector to identify and respond to risks, and to implement risk prevention and risk mitigation measures. Eligible activities will include food safety advisory services and training, implementation of beneficial management practices, biosecurity assurance systems, traceability measures, animal health and welfare measures, farm safety awareness and training, and the development of risk assessments and agriculture emergency preparedness plans.
6. **Environmental Sustainability and Climate Change Program** – This program will promote environmentally responsible agriculture, address agriculture's impacts on natural resources, reduce greenhouse gas emissions, and mitigate and adapt to the impacts of climate change. Eligible activities include environmental farm planning; implementation of beneficial management practices such as water resource management, soil conservation, nutrient management, and waste management and environmental stewardship; and climate change mitigation and adaptation measures.
7. **Agriculture Processing and Value-Added Program** – This program will create employment growth in the food processing sector, new economic opportunities for food processing and new markets for primary agricultural production. Eligible activities will include capital costs for processing equipment, building infrastructure, product quality testing, design and development of product packaging, nutritional analysis, value-added activities including washing, grading and packaging systems, and product development and commercialization. Funding will be available to upgrade existing facilities or construct new facilities to expand food processing and slaughterhouse capacity in the province.
8. **Advancing Public Trust Program** – This program will build trust and confidence in the Newfoundland and Labrador agriculture, agri-foods and agri-products system. Eligible activities will include agricultural awareness activities such as agricultural fairs, promotional campaigns, and celebrations such as Open Farm Day; and Agriculture in the Classroom activities to educate youth about the importance and opportunities in the agriculture sector.

## The Way Forward – On Agriculture

The Government of Newfoundland and Labrador released **The Way Forward – Agriculture Sector Work Plan** on October 23, 2017 to pursue opportunities and remove barriers to support agricultural sector growth. The **Agriculture Sector Work Plan** identified specific action items to achieve targets for agricultural growth:

- Increase Newfoundland and Labrador's food self-sufficiency to at least 20 per cent by 2022;
- Increase secondary processing of food products; and
- Generate an additional 500 person years of employment, upon attainment of the food self-sufficiency target.

The **Agriculture Sector Work Plan** identified key challenges and opportunities related to agriculture development: agriculture production; agriculture business development and risk management; human resources and labour; research, innovation and diversification; market access and development; and processing and value-added agriculture.

The Canadian Agricultural Partnership programming will support targets set out in **The Way Forward – Agriculture Sector Work Plan** and a growth lens will be applied to projects to prioritize investment to meet these targets. Funding priority will be placed on projects that support food self-sufficiency, enhance agricultural growth, increase secondary processing, and/or create new employment opportunities in the sector.

### To learn more:

[www.gov.nl.ca/flr](http://www.gov.nl.ca/flr)

## Cost-share Programs

Whether you are just starting out, or have been in business a long time, the Canadian Agricultural Partnership offers cost-share funding assistance that can help you reach your business goals. Program participants can access program resources at:

**URL:** [www.gov.nl.ca/flr](http://www.gov.nl.ca/flr)  
**Mailing Address:** Attn: Canadian Agricultural Partnership  
Department of Fisheries and Land Resources  
Agriculture Business Development Division  
P.O. Box 2006  
Corner Brook, NL A2H 6J8  
**Telephone:** 709-637-2077  
**Fax:** 709-637-2589  
**Email:** [CAP@gov.nl.ca](mailto:CAP@gov.nl.ca)

## Business Risk Management

Under the Canadian Agricultural Partnership, Newfoundland and Labrador producers will continue to have access to a comprehensive suite of Business Risk Management programs including AgriInsurance, AgriInvest and AgriStability. These programs offer protection to producers who experience small and large declines in farm income, as well as provide coverage for crop losses due to uncontrollable natural perils.

Program	Contact Information
<b>AgriInsurance</b> is designed as a management tool to provide producers with income protection against uncontrollable natural perils.	Please contact the Newfoundland and Labrador Crop Insurance Agency at 709-637-2077 or 709-637-2473 or visit <a href="http://www.gov.nl.ca/flr">www.gov.nl.ca/flr</a>
<b>AgriInvest</b> helps you manage small income declines, and provides support for investments to mitigate risks or improve market income.	Please contact 1-866-367-8506 or visit <a href="http://www.agr.gc.ca">www.agr.gc.ca</a>
<b>AgriStability</b> provides support when you experience a large margin decline.	Please contact 1-866-367-8506 or visit <a href="http://www.agr.gc.ca">www.agr.gc.ca</a>

## On-line Resource: AgPal



AgPal is a one-stop, web-based discovery tool designed to provide clients with agricultural information on all federal and provincial programs and services.  
[www.agpal.ca](http://www.agpal.ca)

## Basic Eligibility Requirements

All **applicants** must meet the following eligibility requirements:

### Existing Producers and Processors

- Must be a Canadian citizen or permanent Canadian resident at least 19 years of age.
- Must be operating or have ownership in a commercial farm, agricultural processing facility, or agri-business within the province of Newfoundland and Labrador.
- Must be an individual or recognized legal entity capable of entering into a contractual agreement with the Government of Newfoundland and Labrador.
- Must have a minimum of \$15,000 in annual gross farm sales as reported to the Canada Revenue Agency within the three years prior to application date.
- Processors must have a minimum of \$15,000 in eligible annual gross sales.
- In the case of an incorporated entity that has ownership in an agri-business; the agri-business must have a minimum of \$15,000 in annual gross farm sales.
- Producers who had reported in excess of \$15,000 in annual agricultural sales in the past and have exited the industry entirely or downsized operations, and now intend to re-establish a new commercial agri-business involving either primary or secondary production are also considered an existing producer.
- Existing producers must have completed or updated an Environmental Farm Plan within the past five years.
- Slaughterhouse facilities must be provincially licensed to qualify for funding.
- Eligible applicants include legally incorporated (for-profit) agricultural entities operating within the province of Newfoundland and Labrador and capable of entering into a contractual agreement with the Government of Newfoundland and Labrador.
- For processors, the need for an Environmental Assessment will be determined on a case by case basis by administrative staff.
- Starting on April 1, 2019, producers will be required to participate in the national premise identification program. To register or update your premises information, visit the Newfoundland and Labrador Premises Identification Program website at [www.gov.nl.ca/flr](http://www.gov.nl.ca/flr) or call at 709-637-2088 or email at [nlpid@gov.nl.ca](mailto:nlpid@gov.nl.ca).

**Note:** In extenuating circumstances, the Canadian Agricultural Partnership Implementation Committee (IC) may consider applications from producers that report less than \$15,000 in annual gross agricultural sales or processors that are reporting less than \$15,000 in eligible annual gross sales.

The IC will consider applications on a case-by-case basis and determine whether there has been extenuating circumstances why the applicant has not been able to develop their farm and reach \$15,000 in sales; as well, the applicant will be required to document actual and planned investment and farm activity to reach commercial farm size.

### New Entrants

- Must be a Canadian citizen or permanent Canadian resident at least 19 years of age.
- Must be an individual or recognized legal entity capable of entering into a contractual agreement with the Government of Newfoundland and Labrador.
- Must have been operating an agri-business for less than six years or intending to establish an agri-business in the province of Newfoundland and Labrador.
- Must be able to demonstrate they have acquired on-farm work experience, agricultural training and/or education, can demonstrate commercial viability and have made a significant financial investment in their farm operation.
- Certain commodities, such as Christmas trees or fruit orchards, where there is a longer establishment period, may be considered for new entrant eligibility for an extended period of time.
- New entrants are required to submit a business plan with their application.
- For new entrants to operate a slaughterhouse, they must acquire a provincial license to operate the slaughterhouse prior to final payment of project claim.
- The need for an Environmental Farm Plan will be determined on a case by case basis by administrative staff.

## Returning Farmers

- Must be a Canadian citizen or permanent Canadian resident at least 19 years of age.
- Must be an individual or recognized legal entity capable of entering into a contractual agreement with the Government of Newfoundland and Labrador.
- Has reported agricultural sales in the past in any commodity and has ceased operations, but wishes to re-enter the agriculture industry in a different commodity.
- Returning farmers must meet all other program requirements to be eligible.
- Returning farmers must submit a business plan with their application.

## Regional Pastures

- Must be a legally incorporated regional pasture operated by a not-for-profit organization, or a legally incorporated community pasture operated by an individual, corporation, or municipality.
- Must be operating within the province of Newfoundland and Labrador and capable of entering into a contractual agreement with the Government of Newfoundland and Labrador.
- Must have a License to Occupy or clear title to land.
- Must have completed or updated an Environmental Farm Plan within the past five years.

## Not-for-Profit Organizations or Groups

The Implementation Committee will consider eligibility of other groups, organizations, or institutions based on project submission. Eligible groups may include:

- A legally incorporated agricultural entity operating within the province of Newfoundland and Labrador and capable of entering into a contractual agreement with the Government of Newfoundland and Labrador.
- Educational institutions undertaking graduate research training.
- Development Associations undertaking agricultural development projects.
- Groups or value chain partnerships.
- Commodity boards.
- Agricultural organizations.
- Other groups at the discretion of the Implementation Committee.

## Under-represented Groups

The Canadian Agricultural Partnership programs are available to all those who are eligible to participate, and wherever possible, will consider the needs of under-represented groups including women, youth, persons with disabilities, and Indigenous Peoples.

Program Overview and Eligible Recipients	
Canadian Agricultural Partnership Programs	Eligible Recipients
Agriculture Business Program	Primary producers, producer organization, processor, processor organization, other industry organizations, research bodies, other development groups, Indigenous government/community/groups
Future Farms Program	Primary producers, producer organization, processor, processor organization, other industry organizations, research bodies, Indigenous governments/communities/groups
Agriculture Land Development Program	Primary producers
Agriculture Growth and Innovation Program	Primary producers, producer organization, processor, processor organization, other industry organizations, research bodies, provincial/territorial government, Indigenous governments/communities/groups
Mitigating Agricultural Risks Program	Primary producers, producer organization, processor, processor organization, other industry organizations, provincial/territorial government, Indigenous governments/communities/groups
Environmental Sustainability and Climate Change Program	Primary producers, producer organization, processor, processor organization, other industry organizations, provincial/territorial government, Indigenous governments/communities/groups
Agriculture Processing and Value-Added Program	Primary producers, producer organization, processor, processor organization, other industry organizations, Indigenous governments/communities/groups
Advancing Public Trust Program	Producer organization, processor organization, other industry organizations, research bodies, provincial government, Indigenous governments/communities/groups

## How Applications Will Be Assessed

When an application is received;

- It is registered and the applicant is notified in writing.
- The application will then be reviewed for completeness prior to assessment.
- Complete applications for eligible projects must meet General Eligibility Criteria before they are assessed against the Merit-based Application Evaluation Criteria.
- Applications that do not meet the General Eligibility Criteria will be rejected.

If an application is considered by the Administration to be incomplete, it will be rejected and the applicant will be notified. If the applicant wishes to address the missing information, they may choose to re-submit the full application, including any missing information for consideration.

Applications submitted by **commercial producers, processors, and/or agri-businesses** will be assessed based on the following criteria:

- Eligibility of the proposed project activities.
- The applicant's managerial ability and experience.
- Commercial and technical feasibility of the project.
- How well the project addresses program objectives and priorities.
- Overall benefit to the agri-business and sector or industry.

Applications submitted by **not-for-profit organizations, legislated entities, Indigenous groups, and/or regional economic development groups** will be assessed based on the following criteria:

- Commercial and technical feasibility of the project.
- How well the project addresses program objectives and priorities.
- Overall benefit to the sector or industry.
- Industry support for the project.
- Industry reach.

### General Eligibility Criteria

- The application is complete: all required fields are complete; any required conditions are met and required documentation is attached.
- The applicant shall comply with requirements and obtain all necessary permits under relevant Federal, Provincial, and Municipal laws and regulations.
- The project does not support normal operating costs associated with carrying out a business.
- All Basic Eligibility Requirements have been met.
- Applicant has acknowledged their agreement with the terms and conditions of the Canadian Agricultural Partnership cost-share funding assistance (Declaration on the Application Form).

### Merit-based Application Evaluation Criteria

Applications will be evaluated based on three criteria:

- project / applicant eligibility;
- how the project fits within program priority areas; and
- whether the project meets the main targets set out in **The Way Forward – Agriculture Sector Work Plan** including an increase in Newfoundland and Labrador's food self-sufficiency, employment creation, secondary processing and/or agricultural growth.

Eligible applications will be prioritized by the project's ability to address the targets as set out in **The Way Forward – Agriculture Sector Work Plan**:

- increases Newfoundland and Labrador's food self-sufficiency;
- increases secondary processing of food products;
- generates additional employment; and/or
- promotes growth of the agriculture industry within Newfoundland and Labrador.

It is important that the applicant clearly state how the project meets the evaluation criteria to be given priority for funding in a very competitive pool of applicants. Applicants will be notified on whether the project application has been approved or denied. An applicant, whose project has been approved, will receive a contribution agreement and unsuccessful applicants will receive a rejection letter stating reasons for funding denial.

## Important Considerations for Applicants

Funding requests from not-for-profit organizations for infrastructure such as, but not limited to, physical structures, equipment and machinery to be permanently placed on a privately operated farm or agribusiness are ineligible under the Canadian Agricultural Partnership Program.

Eligible infrastructure for not-for-profit organizations may include, but is not limited to event tents, movable marketing displays and structures, and mobile abattoir equipment. The Implementation Committee will ensure program funding limits are adhered to and the related parties' policy is being applied effectively.

Eligible not-for-profit organizations except regional pastures are not required to complete an Environmental Farm Plan and/or be the subject of an arrears check to participate in the Canadian Agricultural Partnership Program.

## Ineligible Commodities

The following commodities are ineligible for Canadian Agricultural Partnership funding in Newfoundland and Labrador:

- Wild harvested products such as wild mushrooms, wild tree products, and wild berries;
- Horses/ponies including riding stables, horse racing, recreational riding activities;
- Aquaculture, aquaponic food production, seaweed, and fish and seafood production, marketing, and processing;
- Cannabis production and marketing; and
- Other commodities that may be identified as ineligible by the administration.

The Canadian Agricultural Partnership **does not support the following activities**:

- Applicants who received funding under Growing Forward and/or Growing Forward 2 for conventional farm equipment and machinery will not be eligible for Canadian Agricultural Partnership funding for the same type of farm equipment or machinery with a similar function.
- Normal replacement costs for equipment and machinery will be prohibited.
- The Implementation Committee will not process applications for projects that are concurrently submitted to other funding programs delivered by the Department of Fisheries and Land Resources.
- The Implementation Committee will not process applications or project amendments for \$1,000 or less of Canadian Agricultural Partnership funding.
- To avoid duplication of government investment in assets purchased by applicants, Canadian Agricultural Partnership will not reimburse purchase costs for used equipment funded by previous government programs including Provincial Agrifoods Assistance Program, Growing Forward and Growing Forward 2. While used equipment, no older than five years, is eligible under the Canadian Agricultural Partnership, it will be given lower priority compared to new innovative technologies, equipment and systems.

## Northern Agriculture Development

Federal and Provincial Governments will provide a Canadian Agricultural Partnership funding allocation to producers, processors, agri-businesses and agricultural organizations to promote and encourage northern agriculture development. Both Governments recognize the challenges faced by the agriculture and agri-foods industry in Labrador and will allocate \$500,000 annually over the life of the Canadian Agricultural Partnership to support northern agricultural activities.

Eligible applicants can avail of the programs outlined in the Program Guide. Project activities must be consistent with program guidelines; however, consideration will be given based on the unique challenges, economic opportunities and the early stage of agricultural development in Labrador. Canadian Agricultural Partnership investments will further encourage the development and commercialization of a northern agriculture and agri-foods industry, and support food self-sufficiency and employment creation in northern communities.

## Submitting an Application

Check the website at [www.gov.nl.ca/flr](http://www.gov.nl.ca/flr) for the current versions of the Application Forms and current information on submission details. Before submitting the application, ensure that:

- the application is complete;
- all conditions have been met; and
- required documentation is attached.

Additional documentation to complete an application may include:

- Financial statements
- Business plan
- Land title documents
- Sub-surface drainage plans
- Site maps
- Quotes

Applications can be submitted by email at [CAP@gov.nl.ca](mailto:CAP@gov.nl.ca), fax at 709-637-2589 or in hard copy to the following address:

Attn: Canadian Agricultural Partnership  
Department of Fisheries and Land Resources  
Agriculture Business Development Division  
P.O. Box 2006  
Corner Brook, NL A2H 6J8

It is the responsibility of the applicant to ensure the application is complete, all required documentation is included, and that the application has been received by Canadian Agricultural Partnership Administration in Corner Brook. The applicant is also responsible for ensuring that the project description includes details as to how the project meets the Canadian Agricultural Partnership priority areas and how it meets targets set forth in **The Way Forward – Agriculture Sector Work Plan**.

Applications will be received on a continuous basis and are available at all regional Agrifoods offices and on the Department of Fisheries and Land Resources website at [www.gov.nl.ca](http://www.gov.nl.ca). Funding availability is subject to program demand.

Applications may be held until such time as all project conditions have been met, including project reports, for other programs administered by the Agriculture and Lands Branch.

## Cost-share Funding Levels

For-profit applicants, including individuals, agri-businesses, partnerships, corporations, and limited companies, will be eligible for consideration for non-repayable reimbursements up to a maximum of \$400,000 over the 5 years of the Canadian Agricultural Partnership, from April 1, 2018 to March 31, 2023. The program funding limit of \$400,000 may be utilized in any one year, or over the five-year life of the program. Other applicants including not-for-profit groups and government are not restricted to the \$400,000 funding limit where the project has industry-wide benefit.

The \$400,000 funding cap can be raised at the discretion of the Implementation Committee for projects that demonstrate strong/significant economic impact to the provincial agriculture and agrifoods industry.

<b>Eligible Applicants</b>		Existing agriculture producers and processors; New Entrants; Returning Farmers; Regional Pastures, Not-for-Profit Organizations or Groups, Indigenous Organizations, women and youth.
<b>Funding Limits:</b>		\$400,000 over the 5 years from 2018-19 to 2022-23.
<b>Funding Levels:</b>	<b>For-profit Applicants:</b>	Up to 75 per cent of eligible expenses
	<b>Not-for-Profit Groups and Governments:</b>	Up to 100 per cent of eligible expenses and up to 75 per cent on eligible capital expenditures.
<b>Exception:</b>		Land development project reimbursement is based upon acreage payments.

Eligible activities and unused project funding may not be carried forward from one fiscal year to the next.

The Canadian Agricultural Partnership is subject to annual budget appropriation by both the federal and provincial governments.

## Eligible Costs

Eligible costs are one-time incremental costs of goods, services, supplies; rental of facilities, equipment or machinery; communication materials; travel and meals; and capital costs provided that those costs are directly related to the project.

Cost-share funding is based on eligible costs. In order to be eligible, costs must be:

- Incurred and paid by the applicant within the invoice eligibility timeframe specified in the Contribution Agreement
- Directly attributable to the execution of an approved project.

## Premises Identification

A premises identification number is not required to apply for funding in 2018-19. Effective April 1, 2019, Newfoundland and Labrador producers will require a premises identification number to be eligible for Canadian Agricultural Partnership funding.

A premises identification number is a unique identifying number assigned to a parcel of land where agriculture, agri-food and agri-based bio-product activities occur. To register or update your premises information, visit the Newfoundland and Labrador Premises Identification Program website at [www.gov.nl.ca/flr](http://www.gov.nl.ca/flr) or call at 709-637-2088 or email at [nlpid@gov.nl.ca](mailto:nlpid@gov.nl.ca).

## Funding Programs

### 1. Agriculture Business Program

The objective of the Agriculture Business Program is to enhance market development opportunities and growth, address market access challenges, increase knowledge transfer and skills development and encourage the utilization of beneficial business management practices.

The Agriculture Business Program will enable the sector to build on business and market development strengths, address domestic and export market access challenges for both new opportunities and existing markets and support growth and food self-sufficiency targets. Investments will enhance the domestic and international market capacity as well as enhance competitiveness of the sector. The Program will enable the sector to develop and assess market opportunities both domestically and internationally; enhance business development practices; and support skills development and knowledge transfer activities. Knowledge transfer and skills development will enhance the sector's ability to respond to risks, enhance resiliency, and increase the competitiveness, productivity and profitability of the sector.

The Newfoundland and Labrador agriculture, agri-foods, and agri-products industry will be able to address various business related challenges to pursue and capitalize on new opportunities and maintain access to existing markets.

#### Market Development

##### Market Access/Development

- Market intelligence gathering and dissemination, market research and analysis and planning.
- Domestic and export market development activities.
- Planning and implementation of promotional activities that improve access to the local market place including the design of advertisements, labels, signage and other promotional items.
- Construction and development of on-farm markets to enhance farm market capacity in the province including: signage, infrastructure investments, mobile marketing infrastructure and/or marketing venues that meet required food safety standards.
- Minor infrastructure required for agri-tourism activities that promote the marketing of local products and encourage visits to working farms, agricultural, horticultural, or agri-business operations providing a direct benefit to the agriculture and agri-food sector. The agri-tourism activity must support the marketing of agricultural products grown or raised on the farm, and must not involve general tourism or non-agricultural activities.
- Investments in the development and implementation of export capacity building activities.
- Planning and development of industry or sector market strategies.

##### Organic Certification and Market Development

- Investments to improve and maintain organic market access and production capacity in the Newfoundland and Labrador agriculture and agri-foods industry and to enable the sector to meet consumer requirements:
  - Training and advisory assistance.
  - Support for initial organic certification and audit costs including new and in-transition producers. On-going certification and audit costs would be ineligible.
  - Physical infrastructure to help meet certification requirements and/or minor infrastructure of strategic value to the organic sector such as composters, fencing and mechanical weeders.

##### Reimbursement Considerations

To qualify for funding as an organic producer, the applicant must be certified by a nationally recognized body such as the Atlantic Certified Organic Co-operative Limited (ACO), Organic Crop Improvement Association (OCIA), or Ecocert Canada or must be in transition to organic certification. Transition producers are defined as those who are under the oversight of a certification agency and have been audited by a professional organic inspector, or in the process of obtaining certification.

## Agriculture Business Program

### Business Development

- **Business Planning:** Investment will be provided to assist the agriculture, agri-food and agri-products industry to better understand and manage their financial performance and/or identify and adapt to new and changing market opportunities through business planning, feasibility studies and cost of production analysis. Please refer to Appendix 1 for minimum business plan requirements.
  - One producer/processor: Up to a maximum of \$ 8,000
  - Two producers/processors: Up to a maximum of \$16,000
  - Three producers/processors: Up to a maximum of \$25,000
  - Four or more producers/processors: Up to a maximum of \$50,000
- **Succession Planning:** Succession planning is a process by which the knowledge, skills, labour, management and control of ownership of an existing agri-business is transferred from the founder/owner to the next generation of ownership. Funding may be provided for professional services including succession planning facilitators, accountants and lawyers required to develop a comprehensive succession plan. Please refer to Appendix 2 for minimum succession plan requirements.
- **Strategic Plans:** Planning and development of industry or sector strategies; studies and industry analysis.
- **Farm Financial Assessments:** conducted by qualified consultants or accountants to enable the applicant to assess the financial health of their agribusiness. Please refer to Appendix 3 for minimum farm financial assessment requirements.

### Reimbursement Considerations

Minimum Requirements for Business Plans, Farm Financial Assessments and Succession Planning are attached in Appendices 1, 2 and 3, respectively. The Implementation Committee recognizes these activities as part of a sound business development process. Funding of these activities does not imply that project proposals arising out of these activities will be eligible for, or receive, funding approval.

### Examples of Eligible and Ineligible Items:

#### Agriculture Business Program (Market Development and Business Development)

Eligible Items
<ul style="list-style-type: none"><li>• Consultant fees</li><li>• Meeting room rentals, audio visual equipment rentals, and nutrition breaks</li><li>• Industry meetings to develop sector strategies</li><li>• Professional fees for accountants, lawyers, financial planners</li><li>• Speaker fees</li><li>• Website development</li><li>• Farm signage</li><li>• Market research</li><li>• On-farm market infrastructure and equipment including new building construction and expansion/enhancement of existing on-farm marketing facilities.</li><li>• Purchase of on-farm market equipment such as coolers, display units, and shelving</li><li>• Professional engineer design work</li><li>• Professional design, set up and minimum first run of new promotional items, labelling, and packaging material</li><li>• Costs associated with new organic certification audit, including audit fees</li><li>• Minor agri-tourism infrastructure such as: shelters and shades, comfort huts, picnic tables, wagons, safety barriers and fencing, information boards and signage, demonstration areas</li><li>• Travel and attendance at trade shows including booth fees</li><li>• Minor infrastructure and equipment to support organic sector development such as composters, and mechanical weeders</li></ul>

**Ineligible Items**

- Large-scale agri-tourism infrastructure
- Costs associated with on-going organic certification audit, including audit fees
- Cost of product samples for trade shows
- Normal operational or ongoing maintenance costs incurred by eligible recipients
- Core provincial government activities such as on-going inspection services and enforcement of regulations
- Tax credits or rebates
- Land purchases
- Quota purchases
- Activities related to aquaponic food production, aquaculture, seaweed, fish and seafood production, marketing and processing.
- Educational institutions/research bodies main course curriculum development
- Normal replacement costs for equipment and machinery
- Replacement equipment
- Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry
- Tractors
- Excavators
- Repairs and maintenance
- On-going operational costs
- Breeding stock
- In-kind resources
- Motorized vehicles including All Terrain Vehicles (ATVs) and Recreational/Utility Vehicles (RTVs)
- Animal welfare advocacy funding
- Community and municipal farmer's markets

### Knowledge Transfer and Skills Development

Investments will be made in knowledge transfer and skills development such as industry specific training opportunities, innovative product and process technology training, risk management, human resource development exchanges, conferences and workshops necessary to increase the competitiveness, productivity and profitability of agri-businesses in Newfoundland and Labrador.

Primary producers, secondary processors, agri-business operators and their employees, as well as groups managing regional agricultural initiatives may be considered for knowledge transfer and skills development funding. Annual funding caps may be applied and may include stipends with set amounts for local, national and international travel.

Funding will be available for:

- Agriculture related training, skills, and business development initiatives that support the strengthening of farm and agri-business management practices.
- Human resource activities to support the continued development of management, governance and strategic planning capacity in the sector.
- Assistance for the development and delivery of learning activities for eligible recipients.
- Human resource development activities including travel and exchange, conferences, workshops, and other training events to enhance the sectors' ability to realize new opportunities and to enhance skills and knowledge within the agriculture and agri-foods industry will be considered for individual producers, secondary processors, and members of industry groups.
- Incremental human resource activities for agri-business employees when the activity pertains to new production processes, practices, and technology or other training that will enhance the competitiveness, profitability, and innovative practices of the industry, will also be considered. However, training for agri-business employees associated with the on-going, normal activities of operating an agri-business or agricultural organization does not qualify for Canadian Agricultural Partnership funding.
- Requests for funding assistance to attend multi-week agriculture training courses will be reviewed by the Implementation Committee and a decision will be made on a project by project basis.
- Investigation of agriculture practices outside Newfoundland and Labrador.
- Agricultural conferences and training workshops.
- Training opportunities that would normally be less than a month in duration.
- Development and delivery of non-academic, non-credit educational and training resources for the agriculture industry.

Expenses eligible for contributions through Knowledge Transfer and Skills Development programming include:

- Costs for travel and exchange opportunities or for eligible applicants to attend agricultural conferences or workshops outside Newfoundland and Labrador including airfare, ground transportation within and outside the province, meals, and hotel accommodations.
- Costs for eligible applicants to attend conferences or workshops within Newfoundland and Labrador may include registration fees, airfare, ground transportation, meals, and hotel accommodations for conferences, workshops, or other training events not funded by the Canadian Agricultural Partnership.
  - Funding may be restricted based on the level of Canadian Agricultural Partnership (or any other government program) financial support already provided for the development and delivery of that specific event.
- Costs associated with the organization and delivery of agricultural conferences and workshops which may include, but not be limited to, speaker fees, nutrition breaks and meals for participants, meeting room rental, audio/visual equipment rental, advertising, conference materials, and incremental project administration.
  - Costs associated with speaker gifts, hospitality suites, or participant accommodations will not be eligible.
  - Quotes for speaker expenses including travel, accommodations and speaker fees may be required at the discretion of the Implementation Committee.
- Costs associated with the development and delivery of educational and training resources for the agricultural industry may include but not be limited to, consultant fees, resource materials, program design for non-academic credit courses and/or workshops, meeting costs, rental or purchase of audiovisual equipment, and incremental project administration.

Travel costs claimed for contributions from Canadian Agricultural Partnership programming will be reimbursed at Provincial Treasury Board rates for meals and private vehicle mileage unless otherwise approved by the Implementation Committee. Applicants must select the most economical mode of transportation.

It is strongly recommended that applications are submitted to Financial Officers a minimum of ten weeks in advance of the project start date to ensure that there is sufficient time for review of the application. Applications received less than ten weeks prior to the project start date may not be considered for funding.

### Reimbursement Considerations

Conference, course, or trade show evaluation form may be required to be submitted with project claim reimbursement.

### Examples of Eligible and Ineligible Items: Agriculture Business Program (Knowledge Transfer and Skills Development)

Eligible Items
<ul style="list-style-type: none"> <li>• Costs associated training opportunities</li> <li>• Consultant fees</li> <li>• Training materials and resources</li> <li>• Training promotional materials and advertising</li> <li>• Meeting room rentals</li> <li>• Nutrition breaks</li> <li>• Registration fees</li> <li>• Audio visual equipment rental</li> <li>• Speaker fees and speaker travel costs</li> <li>• Hotel accommodations</li> <li>• Travel for human resource development activities including, airfare, meals, and ground transportation at most economical rate</li> </ul>
Ineligible Items
<ul style="list-style-type: none"> <li>• In-kind resources</li> <li>• Replacement equipment</li> <li>• Repairs and maintenance</li> <li>• Legal and accounting costs</li> <li>• On-going operational costs</li> <li>• Private accommodations</li> <li>• Incidentals</li> </ul>

### 2. Future Farms Program

The objective of the Future Farms Program is to enable the Newfoundland and Labrador agriculture industry to attract new entrepreneurs and investment, realize economic growth opportunities in the sector and meet food self-sufficiency targets.

This program is designed to increase awareness of opportunities in the agricultural sector, and provide supports to new agricultural ventures to ensure success, profitability and competitiveness in the development of new farm operations. The Future Farms Program will help achieve the Canadian Agricultural Partnership outcomes of expanding domestic and international markets, and increasing competitiveness, productivity and profitability in the Newfoundland and Labrador agriculture sector. The average age of farmers is increasing and the total number of farms in the province is declining. This Future Farms Program will aid in the development and implementation of strategies to meet this ongoing challenge. The Program will also encourage knowledge sharing through ongoing efforts of the NL Young Farmers Forum and other agricultural organizations.

#### Newfoundland and Labrador Farmers Forum

Funding will be available for initiatives that enable young farmers and potential future farmers to acquire knowledge and skills in the industry such as the Newfoundland and Labrador Young Farmers Forum. Other activities may include promotion and implementation of agriculture awareness activities, new entrant resources, social media campaigns, career days and human resource development activities.

#### Mentoring Programs

Funding will be available to agricultural associations and groups to develop and implement mentoring programs for new entrants. This will enable beginning farmers to acquire the knowledge, skills, and on-farm experience required to ensure future profitability and success in the sector. Eligible project costs may include costs associated to deliver and implement mentoring programs designed to match experienced farm managers with beginning farmers, Indigenous Peoples, women or youth interested in a career in the agriculture and agri-foods industry.

#### Specialized Training Opportunities

The Implementation Committee may consider specialized training opportunities that meet objectives of this program. These activities include, but are not limited to, mentoring that may assist Indigenous and Labrador residents in implementing Northern Agriculture initiatives; new farmer groups that may fall outside currently offered groups (i.e. experienced farmers); and awareness and training programs assisting those outside currently established programs for young and new farmers.

#### Examples of Eligible and Ineligible Items: Future Farms Program

Eligible Items
<ul style="list-style-type: none"><li>• Travel expenses associated with mentoring programs and Young Farmers Forum to attend travel exchange and conferences</li><li>• Honorariums for mentors and mentees when applicable</li><li>• Professional and consultant fees</li><li>• Training costs</li><li>• Speakers fees and speaker travel</li><li>• Meeting room rental, nutrition breaks, meals, audio visual rental</li><li>• Training materials and resources</li><li>• Young Farmers Forum project delivery costs including project coordinator salary</li><li>• Future farmers project coordination costs for training, conferences, and workshops</li><li>• Website development costs and project promotional costs</li><li>• Other costs deemed eligible by the Implementation Committee to meet program objectives</li></ul>

**Ineligible Items**

- Tractors
- Excavators
- In-kind resources
- Replacement equipment
- Repairs and maintenance
- Breeding stock
- On-going operational costs
- Transfer of ownership of existing assets
- Motorized vehicles including All Terrain Vehicles (ATVs) and Recreational/Utility Vehicles (RTVs)
- Training programs funded by other sources such as Service Canada
- Cost of clearing boundary lines
- Private accommodations
- Incidentals
- Normal operational or ongoing maintenance costs incurred by eligible recipients.
- Core provincial government activities such as on-going inspection services and enforcement of regulations.
- Tax credits or rebates
- Land purchases
- Quota purchases
- Activities related to aquaponic food production, and to aquaculture, seaweed, fish and seafood production, marketing and processing.
- Educational institutions/research bodies main course curriculum development.
- Normal replacement costs for equipment and machinery.
- Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry.

### 3. Agriculture Land Development Program

The objective of the Agriculture Land Development Program is to enhance the productive capacity of agricultural land in the province and to increase the utilization of agricultural land resources to address food self-sufficiency, domestic market development and environmentally sustainable crop management practices.

Newfoundland and Labrador established a target to increase food self-sufficiency to at least 20 per cent by 2022. New agricultural land is required to reach this food self-sufficiency goal and realize economic opportunities in the domestic marketplace. Development of agricultural land will foster economic growth in rural areas, while ensuring environmental sustainability and clean growth practices. Investment in agricultural land development will support the Canadian Agricultural Partnership broad outcomes to increase environmental sustainability as well as increase the competitiveness, productivity and profitability of the Newfoundland and Labrador agriculture sector.

New agricultural land development will support domestic market development and enhance food security in Newfoundland and Labrador. Investment will enable the sector to capture new and emerging market opportunities, including expansion in fruit and vegetable production, and enhancements in livestock feed self-sufficiency.

Agriculture land development investment will also support environmental sustainability practices and climate change actions. Sustainable growth of land resources, primarily on Crown Land leases, can be accomplished while addressing priority environmental issues related to water quality, air quality, soil health and biodiversity. Implementation of beneficial management practices for land development will also ensure enhanced crop rotation practices and reduced soil erosion and improved land drainage, while protecting sensitive areas such as wetlands, buffer zones, and steep slopes.

Applicants should refer to page 50 for details on the Agriculture Land Title Policy.

#### Land Development: Mineral Soils

Rough clearing of new agricultural land to enhance the productive capacity of land resources; this includes the removal of trees, stumps and large rocks from undeveloped arable land. Rough clearing is eligible for reimbursement up to \$1,500 per acre.

Enhancement of new agricultural land to improve the productive capacity and efficient use of land resources; this includes rock removal, land levelling, minor field profiling and the initial application of limestone and fertilizer. Land enhancement is eligible for reimbursement up to \$1,500 per acre.

#### Land Development: Peat Soils

Development of new peat land (peat land not previously in agricultural production) to enhance the productive capacity of this underutilized land resource is eligible for reimbursement up to \$3,000 per acre.

- For peat land, funding will be available up to 75 per cent of eligible costs for professional consultative and/or engineering costs.
- The following activities are included in peat land development:
  - Brush Cutting: Tall grasses/weeds and small trees are cut close to the peat surface.
  - Limestone Spreading: Spreading of limestone using a spreader which has been adapted for peatland use.
  - Ditching: Completed using ditcher or excavator/backhoe, ditches recommended 1.0m -1.2m deep, with intervals of 15m for the majority of sites.
  - Rotovation: Rotovation of the top 15cm of peat. This incorporates the limestone into the peat and prepares the field for profiling.
  - Profiling: This equipment spreads the rotovated loose peat evenly and crowns the field in the center over the length of the field for surface water runoff.

Important considerations before you start new Peat Land Development:

Applicants must submit a site design that is approved by the Land Management Division of the Department of Fisheries and Land Resources with their application. A site design approved by a qualified engineer may be required. Site design must include:

- Type of peatland development (Brush cutting, Ditching, Excavation, Rotovation, Profiling)
- General site location map
- Site specific location map
- Drawing of proposed ditches on map
- Spacing of ditches
- Length of ditches
- Depth of ditches
- Location, length, width and depth of sediment pond
- Total area (hectares or acres) of proposed activity
- Proposed dates of development

### Sub-surface Drainage

Funding will be available for the acquisition and installation of sub-surface drainage services to improve the productive capacity of newly developed and existing agricultural land and optimize drainage systems to mitigate environmental impacts. Eligible expenses include engineering design, excavation, topographic site surveys, and materials such as tile, tile fittings, associated piping, equipment rental and third party labour. Sub-surface drainage activities will be considered for reimbursement up to \$1,500 per acre.

Funding for professional consultative and/or engineering costs is eligible for reimbursement up to 75 per cent of actual costs.

Important considerations before you start Sub-surface drainage:

Applicants must have a Representative from the Department of Fisheries and Land Resources inspect the sub surface drainage site while drainage infrastructure is installed and visible.

Applicants must submit a site design that is approved by the Land Management Division of the Department of Fisheries and Land Resources with their application. A site design approved by a qualified engineer may be required. Site design must include:

- General site location map
- A site specific location map
- drawing of proposed tile location on map
- spacing of tile
- length of tile
- diameter of tile
- depth of tile
- location, size and depth of sediment pond
- total area (ha or acres) of proposed activity
- proposed dates of construction

### On-Farm Access Roads

Funding will be available for eligible expenses for the construction of new on-farm access roads to enhance the efficiency of use and access to arable land on farms. Eligible on-farm access road construction costs include culverts, geotextile fabric, corduroying, fill, equipment rental, third party labour and other associated costs approved in advance. Landings and parking areas are not eligible.

Funding for the construction of on-farm access roads is eligible for reimbursement up to a maximum of 75 per cent of the total actual cost incurred per metre. Maximum reimbursement rates are as follows:

- Mineral soil: \$26/metre (75 per cent of \$35/metre maximum)
- Peat land: \$34/metre (75 per cent of \$45/metre maximum)

## Agriculture Land Development Program

### Example:

An applicant submits an application to construct a new road 200 metres in length on mineral soil to access 20 acres of new agriculture land. The applicant obtained a quote from an arm's length company to complete the work for \$7,000 however the applicant completed the work themselves. The applicant was also approved funding for purchased fill, culverts, and geotextile which totaled \$8,000 upon project completion. The actual project claim is submitted for \$8,000 at 75 per cent or \$6,000 for reimbursement which is \$30 per metre. The proponent is reimbursed at \$5,200 which is capped at \$26 per metre for 200 metres. In-kind contribution of the applicant's labour is not eligible for reimbursement.

### Agricultural Land Development Equipment

Funding will be available for purchase/modifications of agricultural land development equipment for land clearing, renovation, rock removal, and drainage activities on mineral soils and peat land. Eligible projects would maximize soil retention in the land clearing process, enhance the productivity of agricultural soils to reduce environmental impact, increase crop yields and ensure more efficient utilization of land resources. Examples may include rock and root rakes, stone forks, rock pickers and extractors, land levelling equipment, peat land ditching equipment, limestone spreaders, brush cutters, rotovators, profilers, and equipment modifications such as wide tracks to reduce soil compaction. Replacement equipment is not eligible.

### Legal Land Survey

Funding is available to assist new entrants with survey costs associated with acquiring new agricultural Crown Land leases to increase the productive capacity of the Newfoundland and Labrador agriculture industry, and encourage and assist new entrants to develop agriculture land.

Assistance is available towards the cost of a legal land survey completed by a registered member of the Association of Newfoundland and Labrador Surveyors, as well as the cost to cut survey lines.

Applicants must meet new entrant requirements and have been approved for a Crown Land Agricultural Lease of not less than 15 acres, awaiting survey, and/or have their survey completed in the current fiscal year. The Implementation Committee may consider funding survey costs for agriculture land leases of less than 15 acres in projects where the proposed agricultural lease is deemed to be sufficient for a commercially viable farm. This includes projects where the applicant has additional agricultural leases or land available for a viable farm unit or the proposed commodity requires less than 15 acres for viable commercial production, such as greenhouse operations or confined livestock production.

### Organic Land Development

Funding is available for new organic land development to enhance the productive capacity of land resources and enable the industry to respond to organic market opportunities.

Eligible costs include the initial application of organic soil amendments such as animal manure, compost, fish products, kelp and kelp products, composted manure, micronutrients, mulch, peat moss, plant by-products, sawdust and wood chips, trace elements and any other soil amendments listed in the Organic Productions Systems Permitted Substances Lists of the Canadian Organic Standards with the exception of limestone.

Applicants must be certified by a nationally recognized body such as the Atlantic Certified Organic Co-Operative Limited (ACO), Organic Crop Improvement Association (OCIA), or Ecocert Canada, or must be in transition to organic certification.

### Regional Pastures

Regional pastures will be eligible for funding for the rough clearing of new pasture land with reimbursement up to \$1,500 per acre and reimbursement of \$1,500 per acre for land enhancement of new pasture land.

Regional pastures are also eligible for funding up to 100 per cent reimbursement of expenses incurred for amendments to existing pasture land including the purchase and application of fertilizer, lime and manure and fence construction.

## Examples of Eligible and Ineligible Items: Agriculture Land Development Program

<b>Eligible Items</b>	
<b>Land Development Activities:</b> <ul style="list-style-type: none"> <li>• Rough land clearing</li> <li>• Land enhancement</li> <li>• Peat land development</li> <li>• Subsurface drainage including: excavation, topographical site surveys, tile and fittings, equipment rental, and engineering design</li> <li>• Construction of on-farm access roads including: excavation, culverts, fill, geo-textile corduroying</li> <li>• Initial application of permitted organic soil amendments</li> <li>• Third party labour</li> <li>• Engineering design fees</li> <li>• Legal Land Survey costs</li> <li>• Equipment rental</li> </ul>	<b>Land Development Equipment:</b> <ul style="list-style-type: none"> <li>• Ploughs</li> <li>• Spring-tooth harrows</li> <li>• Land levellers</li> <li>• Land rollers and packers</li> <li>• Disc/rotary/power harrows</li> <li>• Limestone spreaders</li> <li>• Fertilizer spreaders</li> <li>• Rock rakes/windrowers</li> <li>• Profilers</li> <li>• Excavator thumbs</li> <li>• Rock crushers</li> <li>• Rock pickers</li> <li>• Stone forks</li> <li>• Root rakes</li> <li>• Rotary ditchers</li> <li>• Brush cutters</li> <li>• Rotovators</li> </ul>
<b>Land Development Equipment:</b> <ul style="list-style-type: none"> <li>• Equipment modifications such as wide tracks</li> <li>• Choppers</li> <li>• Rotary tillers</li> </ul>	
<b>Ineligible Items</b>	
<ul style="list-style-type: none"> <li>• Landings and parking lots</li> <li>• Normal land operation, land renovation or on-going land management costs (e.g. annual rock picking, equipment repairs/replacement, annual pH adjustment, etc.) incurred by eligible recipients, except in the case of community/regional pastures</li> <li>• Excavators and mini excavators/excavator buckets/backhoes</li> <li>• Dozers</li> <li>• Site preparation</li> <li>• Annual application of limestone and fertilizer with the exception of community/regional pastures</li> <li>• Peat land renovation</li> <li>• Mineral soil renovation</li> <li>• Applicants who received funding under Growing Forward and/or Growing Forward 2 for conventional farm equipment and machinery will not be eligible for Canadian Agricultural Partnership funding for the same type of farm equipment or machinery with similar function.</li> <li>• Used equipment and machinery greater than five years of age</li> <li>• Normal operational or ongoing maintenance costs incurred by eligible recipients</li> <li>• Core provincial government activities such as on-going inspection services and enforcement of regulations.</li> <li>• Tax credits or rebates</li> <li>• Land purchases</li> <li>• Quota purchases</li> <li>• Activities related to aquaponic food production, and to aquaculture, seaweed, fish and seafood production, marketing and processing</li> <li>• Educational institutions/research bodies main course curriculum development</li> <li>• Normal replacement costs for equipment and machinery.</li> <li>• Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry.</li> <li>• Tractors</li> <li>• Repairs and maintenance</li> <li>• Legal and accounting costs</li> <li>• On-going operational costs</li> <li>• Skid steers</li> <li>• In-kind resources</li> <li>• Motorized vehicles including All Terrain Vehicles (ATVs) and Recreational/Utility Vehicles (RTVs)</li> </ul>	

### 4. Agriculture Growth and Innovation Program

The objective of the Agriculture Growth and Innovation Program is to accelerate the pace of innovation, and enhance the growth, resiliency, competitiveness and productivity of the agriculture sector in Newfoundland and Labrador.

Innovation is key in the development of a modern, prosperous, resilient and competitive sector. The agriculture, agri-food and agri-based products sector is positioned to capitalize on potential areas of economic growth and benefit from transformative technologies. Investments in innovation will grow the sector, create jobs and enhance food self-sufficiency in Newfoundland and Labrador. Programming will allow for projects to be completed that both investigate and demonstrate innovative strategies that increase sustainability and improve resiliency. Investments will focus on growth potential including the:

- development, evaluation and/or adoption of innovative technologies or new agricultural practices to grow the sector;
- development and/or utilization of new or improved products, processes or practices that add value, or lead to improved productivity or efficiencies on the farm;
- commercialization support for farms to accelerate the adoption of new or improved practices or technologies;
- development and/or adoption of clean growth activities and technologies; and
- knowledge transfer and information sharing activities for science, research and innovation.

Eligible projects include, but are not limited to:

#### Controlled Environment Agriculture and Greenhouse Systems

- Implementation of fruit, vegetable and horticultural greenhouse production systems, controlled environment agriculture, including physical infrastructure and equipment that reduce input costs, increase industry capacity and efficiency to meet customer requirements and enhance local and global competitiveness. This includes crop production, handling, climate control and monitoring systems that increase greenhouse capacity and controlled environment agriculture in the province.
- Development and/or adoption of innovative technologies including heating systems, ventilation systems, climate control and monitoring technology, clean growth technology, greenhouse and controlled environment agriculture design systems and innovative lighting and growing systems to support food self-sufficiency.
- Pilot projects, on-farm demonstration activities, and commercialization of food production systems.
- Accelerated adoption of new advances in technology and practices, including hydroponics, vertical growing systems and new greenhouse designs and materials.

#### Livestock Production Systems and Technologies

- Implementation of innovative livestock management systems, including on-farm infrastructure and equipment, that reduce input costs, create efficiencies, support clean growth or increase industry capacity and productivity to enhance local and global competitiveness. This includes, but is not limited to:
  - Livestock housing and handling systems such as new heifer rearing facilities, robotic milkers, hatcheries, pullet raising facilities, apiculture systems, and confinement rearing systems for other livestock.
  - Feed planting, harvesting, handling and storage systems that enable feed self-sufficiency.
  - Other food and/or feed crop production systems such as apiculture.
  - Pilot projects, on-farm demonstration activities, and commercialization of livestock production systems.

#### Apiculture Production Systems

This program supports the growth of current commercial apiculture operations, the growth of small scale bee-keeping to commercial volumes, and start up bee-keeping operations in Newfoundland and Labrador. Specifically, the implementation of innovative apiculture production systems that increase the number of healthy, disease-free honey bee colonies raised commercially in Newfoundland and Labrador. Funding support for the expansion of the Newfoundland and Labrador honey bee sector includes new bee-keeping equipment and modifications to hive management systems. Eligible items include:

- new beekeeping equipment and modifications to hive management systems;
- beekeeping infrastructure that will protect Newfoundland and Labrador hives, such as pest exclusion (fencing/barriers), winter covers, wind breaks;
- purchase of documented disease free queens, bee packages, new hives and nucs from Newfoundland and Labrador Beekeepers or other approved apiarist (as per provincial legislation);

- Queen rearing equipment;
- purchase and/or construction costs of honey bee equipment per new colony purchased or split/produced: brood boxes, bottom board, inner and outer covers, supers, queen excluder, feeder, frames with foundation.

#### Crop Production Systems and Technologies

- Implementation of innovative crop management systems, including infrastructure and equipment that reduce input costs, support clean growth, or increase industry capacity and efficiencies to enhance local and global competitiveness. This includes, but is not limited to, investments for the development and adaptation of new or improved systems for:
  - vegetable crop planting, harvesting, storage and handling systems;
  - livestock feed crop planting, harvesting, storage and handling systems; and
  - production systems that enhance crop production capacity and efficiency by extending the growing season and promoting growing conditions such as high tunnels and floating row covers.
- Other horticultural, tree fruit and vegetable crop planting, harvesting, storage and handling systems.
- Other food and/or feed crop production systems.
- Pilot projects, on-farm demonstration activities and commercialization of crop production systems.

#### Fruit Production Systems and Technologies

- Implementation of innovative production management systems, including physical infrastructure and equipment, that reduce input costs, support clean growth, or increase industry capacity and efficiencies to enhance local and global competitiveness. This includes innovative planting, harvesting, handling and storage systems for fruit crops such as mechanical planting and harvesting systems and plasticulture systems.
- Establishment of orchards and/or vineyards including site development, wildlife fencing, support systems for trees and vines, and initial orchard plant material limited to trees and shrubs. Replanting of orchards will not be eligible.
- Pilot projects, on-farm demonstration activities and commercialization of fruit production systems and technologies.

#### Knowledge Transfer and Information Sharing

- Graduate research costs, including travel, stipends and project supplies, related to agriculture and agri-food research conducted at a post-secondary institution. Research must pertain directly to the Newfoundland and Labrador agriculture, agri-foods and agri-products industry that will support growth opportunities in the sector. Research results must be shared with industry.
- Innovation forums and research conferences to encourage collaboration among industry, researchers, academia and government to identify and work towards innovative solutions to challenges and opportunities in the Newfoundland and Labrador agriculture, agri-foods and agri-products industry.

#### Reimbursement Considerations

Graduate Research projects are eligible for reimbursement up to a maximum of \$25,000 annually.

Applicants must adhere to the Newfoundland and Labrador import regulations for honeybees available on-line at [www.gov.nl.ca/flr](http://www.gov.nl.ca/flr)

## Agriculture Growth and Innovation Program

### Examples of Eligible and Ineligible Items: Agriculture Growth and Innovation Program

Eligible Items	
<ul style="list-style-type: none"> <li>• Third party labour</li> <li>• Professional engineer design work</li> <li>• Other costs deemed eligible by the Implementation committee to meet program objectives</li> <li>• Clean growth technologies</li> <li>• Pilot projects and on-farm demonstration activities to support agricultural growth opportunities</li> </ul>	<b>Graduate Research</b> <ul style="list-style-type: none"> <li>• Laboratory analysis costs</li> <li>• Graduate research costs such as research travel and project supplies</li> <li>• Speaker fees, travel, meals and accommodations at Provincial Treasury Board rates</li> <li>• Meeting room rentals and Audio Visual equipment rental</li> <li>• Conference resource materials, promotion and advertising</li> <li>• Participant meals and nutrition breaks</li> <li>• Graduate research stipends</li> </ul>
<b>Apiculture</b> <ul style="list-style-type: none"> <li>• New bee-keeping equipment and modifications to hive management systems including indoor overwintering facilities</li> <li>• Bee-keeping infrastructure that will protect Newfoundland and Labrador hives, such as pest exclusion (fencing/barriers), winter covers, wind breaks</li> <li>• Purchase of documented disease free queens, bee packages, new hives and nucs from NL Beekeepers or other approved apiarist (as per provincial legislation)</li> <li>• Queen rearing equipment</li> <li>• Purchase and/or construction costs of honey bee equipment per new colony purchased or split/produced: brood boxes, bottom board, inner and outer covers, supers, queen excluder, feeder, frames with foundation</li> <li>• Apiculture processing equipment including honey and wax processing equipment, hive boxes, bee rearing equipment</li> <li>• Apiculture development</li> </ul> <b>Livestock</b> <ul style="list-style-type: none"> <li>• Feed grain processors</li> <li>• Feeding systems</li> <li>• Feed and grain handling equipment</li> <li>• Feed storage systems including bins, silos, bunkers</li> <li>• Feed mixing equipment</li> <li>• Feed analysis equipment</li> <li>• Livestock feed preparation equipment including TMR mixer</li> <li>• Automated feed systems including feed stations integrated with animal monitoring systems</li> </ul>	<b>Horticulture</b> <ul style="list-style-type: none"> <li>• Vegetable harvesters</li> <li>• Sod harvesters</li> <li>• Sod mowers</li> <li>• Forage and grain seeders</li> <li>• Forage harvesting and handling equipment</li> <li>• Vegetable seeders and transplanters</li> <li>• Fruit and vegetable storage systems and climate control equipment</li> <li>• Orchard and vineyard establishment including site development, wildlife fencing, tree/vine support systems</li> <li>• One time planting of orchard material limited to trees and shrubs</li> <li>• Facility construction, including equipment purchase and installation that adopt innovative practices and increase industry capacity</li> <li>• Crop seeding and production equipment</li> <li>• Crop harvesting equipment including vegetable harvester</li> <li>• Sod production equipment including sod mower, sod harvester</li> <li>• Vegetable storage facility including climate controlled building for long term storage of vegetables and fruit and associated equipment</li> <li>• Crop storage systems and specialized storage vessels including insulated storage boxes and pallets, pallet forks</li> <li>• Crop handling equipment</li> <li>• Season extension systems including row covers and high tunnels</li> <li>• Controlled environment agriculture systems and facilities</li> </ul> <b>Greenhouse Systems</b>

## Agriculture Growth and Innovation Program

<ul style="list-style-type: none"> <li>• Automated milking systems including robotic milkers</li> <li>• Livestock handling systems including animal chutes, gates</li> <li>• Livestock monitoring systems</li> <li>• Facility construction, including equipment purchase and installation that adopt innovative practices and increase industry capacity and food self-sufficiency</li> <li>• Confinement rearing systems to support agriculture growth</li> </ul>	<ul style="list-style-type: none"> <li>• Season extending systems including greenhouse, cold frame, high tunnels</li> <li>• Greenhouse control systems including greenhouse, cold frame, high tunnels</li> <li>• Fertilization and irrigation systems including greenhouse fertilizer units and automated irrigation systems</li> <li>• Enclosed production systems including Non-greenhouse hydroponic systems</li> <li>• Efficient lighting systems including LED lighting systems</li> <li>• High efficiency heating systems including High efficiency boiler systems</li> <li>• Climate control and monitoring systems</li> </ul>
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### Ineligible Items

- Fertilizers, Pesticides
- Non-commercial scale greenhouses
- General trailers, equipment floats
- Applicants who received funding under Growing Forward and/or Growing Forward 2 for conventional farm equipment and machinery will not be eligible for Canadian Agricultural Partnership funding for the same type of farm equipment or machinery with similar function
- Replacement of winter killed bee colonies
- Replanting of orchards
- Tractors, forklifts and/or loaders
- Excavators
- Skid steer loaders
- Replacement equipment
- Normal replacement costs for equipment and machinery
- Facility repairs and maintenance
- Repairs and maintenance
- Normal operational or ongoing maintenance costs incurred by eligible recipients
- Legal and accounting costs
- In-kind resources
- Residential scale or non-commercial equipment
- Motorized vehicles including (ATVs) and Recreational, Utility Vehicles
- Breeding stock
- On-going operational costs including ongoing laboratory analysis
- In-kind resources
- Core provincial government activities such as on-going inspection services and enforcement of regulations.
- Tax credits or rebates
- Land purchases
- Quota purchases
- Building purchases
- Activities related to aquaponic food production, and to aquaculture, seaweed, fish and seafood production, marketing and processing
- Educational institutions/research bodies main course curriculum development
- Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry

## 5. Mitigating Agricultural Risks Program

The objective of the Mitigating Agricultural Risks Program is to enable the Newfoundland and Labrador agriculture and agri-foods industry to identify and respond to risks, and to implement risk prevention and risk mitigation measures. Investments will support risk assessments; risk and emergency preparedness and planning; proactive risk mitigation measures; farm safety awareness, education, and implementation measures; on-farm and post-farm food safety programs and advisory services; biosecurity and traceability measures; plant health; and animal health and animal welfare systems. The Program will support risk management tools such as early identification of emerging risks, risk assessments and effective business management practices.

Consumers are increasingly aware of biosecurity, animal welfare as well as health and safety considerations related to agriculture production and the agri-foods sector. This program will provide financial support for the implementation of systems, standards and/or infrastructure and equipment to meet evolving domestic and international consumer, regulatory and market requirements such as animal welfare, traceability and food safety; as well as mitigate agricultural risks on the farm. Investment will be made to accelerate the adoption and implementation of recognized assurance systems for food safety, biosecurity, traceability, plant health, and animal health and welfare. Investment priority will be placed on projects that support economic growth, food self-sufficiency and new employment in the agriculture, agri-foods and agri-products sector in Newfoundland and Labrador.

### Food Safety

To enable industry to respond to challenges to the safety and security of the food system. Funding will be available to facilitate the implementation of on-farm food safety programs such as CanadaGAP, ProAction, Start Clean Stay Clean and others. Activities eligible for contribution include:

- food safety advisory services provided by the Department of Fisheries and Land Resources including food safety awareness activities and knowledge transfer;
- third party audit for certification;
- evaluation and development of food safety action plans; and
- implementation of action items including infrastructure necessary to meet recognized food safety program standards.

To ensure the safety and security of the food system, funding will be available to facilitate the implementation of recognized post-farm food safety programs by agri-food processors including provincially licensed slaughterhouses. Activities eligible for contributions include:

- food safety advisory services provided by the Department of Fisheries and Land Resources, including awareness activities and knowledge transfer;
- evaluation and development of food safety process control systems; and
- implementation of action items including infrastructure necessary to meet the requirements of a recognized food safety process control system.

<b>Food Safety Beneficial Management Practices (BMPs)</b>	
<b>BMP Category Description</b>	<b>Beneficial Management Practice Description</b>
Improved Premises	<ul style="list-style-type: none"> <li>• Construction of or modification to food production or processing facilities to ensure a safe and secure food supply</li> <li>• Surface improvements to improve drainage around premises and shipping and receiving areas</li> <li>• Engineer design work</li> </ul>
Improved Sanitation	<ul style="list-style-type: none"> <li>• Improved features to facilitate sanitation practices (installation of washable surfaces, i.e., white vinyl coated sheeting)</li> <li>• Investments in sanitation equipment (wash down equipment, knife sanitizers, etc.)</li> <li>• On-site water treatment equipment</li> <li>• Development and implementation of written policies and procedures for the sanitation of equipment and/or facilities</li> <li>• Investments in personal hygiene facilities/practices including washroom facilities, and hand cleaning stations</li> </ul>
Pest Control	<ul style="list-style-type: none"> <li>• Investments in pest control infrastructure</li> <li>• Investments in or modifications to facilities to improve pest control</li> <li>• Development of pest control protocol to ensure safe storage, use and handling of pesticides to ensure safe and secure food supply</li> </ul>
Personnel	<ul style="list-style-type: none"> <li>• Development of written procedures for personnel</li> <li>• Training of personnel in food safety protocols, practices and procedures</li> <li>• Signage</li> </ul>
Transportation & Receiving	<ul style="list-style-type: none"> <li>• Development and/or implementation of shipping and/or receiving practices and procedures (standard food safety practices and commodity specific) that ensures the safety and security of the food supply</li> <li>• Infrastructure improvements to ensure raw materials, ingredients, inputs, etc. are received and handled to ensure a safe and secure food supply</li> </ul>
Improved Food Storage	<ul style="list-style-type: none"> <li>• Purchase of or modification to equipment for improved cooling, e.g., bulk tanks, climate control, refrigeration units</li> <li>• Purchase of or modification to equipment to increase the rate and efficiency of cooling of food, e.g., plate coolers, monitoring equipment</li> </ul>
Record Keeping	<ul style="list-style-type: none"> <li>• Purchase and installation of electronic record keeping equipment, i.e., time-temperature recorders</li> <li>• Development and/or implementation of on-site record keeping protocols, practices and procedures</li> </ul>
On-Farm Food Safety Program Development	<ul style="list-style-type: none"> <li>• Creation and/or implementation of on-farm food safety protocols (common food safety practices and commodity specific) to implement national standards</li> <li>• Creation and/or implementation of post-farm food safety protocols (common food safety practices and commodity specific) to implement recognized standards for process control systems</li> </ul>

### Biosecurity Assurance Systems

Funding will be available for the implementation of on-farm and sector biosecurity plans that follow biosecurity standards (developed by industry and the CFIA where they exist), including infrastructure that reduces the spread of livestock, poultry and plant diseases on farms, between farms, regional pastures, slaughterhouses and other locations. Investments will be made to enable the adoption of processes, practices, knowledge, and skills that enhance the ability of individual producers

and industry to meet plant, animal, and poultry health standards such as minimum standards for import, export, and local trade of live plants, animals, poultry, and their products (transportation and humane slaughter).

### Traceability Assurance Systems and Premises Identification

Funding will be available for the implementation of traceability systems that assist in tracking the movement of plants and animals through the food system, including animal identification, premises identification and movement reporting to contribute to the development and implementation of a National Agriculture and Food Traceability System (NAFTS). This includes, but is not limited to:

- premises identification awareness, promotion and programs provided by the Department of Fisheries and Land Resources;
- infrastructure for plants, livestock, and agri-based products such as the purchase and installation of traceability infrastructure, including supporting software and livestock handling systems necessary to implement traceability systems;
- the development and implementation of traceability systems, including infrastructure and equipment, that assist in tracking the movement of plants and animals through the food system, including animal identification, premises identification and movement reporting, to contribute to the development and implementation of a National Agriculture and Food Traceability System; and
- training of staff to implement traceability systems for plants, animals and agri-based products.

### Animal Health and Welfare

Investments that enhance the ability of individual producers and industry to meet the requirements in accordance with national animal care codes of practice, protocols or standards for animal and poultry care and welfare on farms such as investments in housing, provision of feed and water, lighting, air quality, health and welfare, transport of animals and poultry and awareness and training. Applicants will be required to identify the national code of practice that will be addressed.

**External Resources:** National Farm Animal Care Council ([www.nfacc.ca](http://www.nfacc.ca))

### Farm Safety

- Farm safety awareness and training, including tractor operator safety, equipment operator safety training, first aid training and accident prevention.
- Farm safety demonstrations and development of educational resources including videos, brochures, manuals and signage.
- Development of safety plans, manuals and safety procedures.
- Investment will be made to enhance safety in the agriculture and agri-foods sector including funding for personal protective gear and equipment (ear and eye protection), protective clothing, safety hats and vests, eye wash stations and respiratory protection.
- Investment will be made to identify and mitigate on-farm safety risks including but not limited to confined spaces, fall protection, premise and building safety, hazardous materials, occupational health and safety, mechanical safety, equipment guards and shields, safety signage, fire safety and prevention (heat shields, fire detectors, and fire extinguishers), methane gas and carbon monoxide detectors.
- Funding for protective gear will be a one-time investment.

**External Resources:** Canadian Agricultural Safety Association ([www.casa-acsa.ca](http://www.casa-acsa.ca))

### Risk Assessments

- Research and identification of risks impacting the agriculture, agri-foods and agri-products sector; and the development of risk mitigation measures and responses to strengthen the resiliency of the sector.
- Development of risk management strategies and tools to enhance the sustainability and profitability of the sector.

### Emergency Preparedness and Prevention

- Development of, or update to, emergency preparedness plans for the agriculture sector to enhance the industry's ability to respond to emergency situations.
- Awareness, development, and adoption of emergency preparedness plans to address emergencies that pose biosecurity risks to the agriculture, agri-foods and agri-products industry. Training to support the development of emergency preparedness plans.
- Testing and simulation exercises of emergency preparedness plans.

Eligible Items	
<p><b>Food Safety</b></p> <ul style="list-style-type: none"> <li>• Costs associated with implementation of food safety Beneficial Management Practices</li> <li>• Cooling equipment</li> <li>• Food safety audit and certification fees</li> <li>• Sanitizing equipment</li> <li>• Washing equipment</li> <li>• Milk monitoring</li> <li>• Boot Washes</li> <li>• Back-up power systems</li> <li>• Hand washing units</li> <li>• Sanitation controls</li> <li>• Washable bulk food containers</li> <li>• Hygiene and washing facilities</li> <li>• Third party labour</li> <li>• Metal Detectors</li> <li>• Water filtration system</li> </ul> <p><b>Animal Health and Welfare</b></p> <ul style="list-style-type: none"> <li>• Infrastructure and/or equipment, awareness and/or training necessary to upgrade existing facilities or construct new facilities to meet standards of animal and poultry care (e.g. bedding and litter management, ventilation systems, heating systems, lighting systems, alarm system, water meters, back-up power system, traction milling, pasture mats, e-brush units, livestock handling system, euthanasia system, livestock trailers, enrichments to livestock pens)</li> <li>• Infrastructure and/or equipment necessary to upgrade existing facilities or construct new facilities to meet standards for import, export and local trade of plants, animals and poultry</li> <li>• Animal health monitoring systems</li> </ul> <p><b>Risk Assessment</b></p> <ul style="list-style-type: none"> <li>• Costs associated with risk assessments including research and identification of risks and the development of risk management strategies</li> </ul> <p><b>Emergency Preparedness</b></p> <ul style="list-style-type: none"> <li>• Costs associated with the development or update to on-farm, post-farm and industry-wide Emergency Preparedness Plans and Prevention, including training, testing, simulation exercises, and mock disasters</li> <li>• Professional engineer design work</li> <li>• Consultant fees and meeting costs</li> <li>• Training and associated travel costs and speaker costs</li> </ul> <p><b>Plant Health</b></p> <ul style="list-style-type: none"> <li>• Plant health monitoring systems to mitigate plant health risks and/or plant diseases</li> <li>• Equipment to monitor soil moisture and fertility</li> <li>• Implementation of pest and disease prevention systems such as pest exclusion fencing and row crop covers</li> <li>• Software</li> </ul> <p><b>Farm Safety</b></p> <ul style="list-style-type: none"> <li>• Personal protective gear and equipment (including ear and eye protection, protective clothing, safety hats and vests, eye wash stations and respiratory protection)</li> <li>• Identification and mitigation of on-farm food safety risks including confined spaces, fall protection, premise and building safety, hazardous materials, occupational health and safety, mechanical safety, equipment guards and shields, safety signage, fire and safety prevention (heat shields, fire detectors, fire extinguishers), methane gas, and carbon monoxide detectors)</li> <li>• Construction of facilities and/or purchase of equipment required to meet on-farm and post-farm food safety, biosecurity and traceability initiatives</li> <li>• Costs associated with farm safety including safety awareness and training, demonstrations and development of educational resources, development of safety plans, manuals and safety procedures</li> </ul>	<p><b>Biosecurity</b></p> <ul style="list-style-type: none"> <li>• Biosecurity fencing, sanitation, signage, and systems including boot washes</li> <li>• Biosecurity plans - awareness and development</li> <li>• Consultant fees to develop biosecurity plans</li> <li>• Biosecurity camera system</li> <li>• Development of on-farm quarantine sites</li> </ul> <p><b>Traceability</b></p> <ul style="list-style-type: none"> <li>• Radio frequency identification readers (e.g. ear tag readers) and software</li> <li>• Traceability equipment and software</li> </ul>

**Ineligible Items**

- Normal operational or ongoing maintenance costs incurred by eligible recipients (e.g. ongoing certification costs, motorized vehicles, tractors, excavators, repairs and maintenance, legal and accounting costs, site preparation, regulated identification devices, and in-kind resources.)
- Core provincial government activities such as on-going inspection services and enforcement of regulations
- Tax credits or rebates
- Land purchases
- Quota purchases
- Activities related to aquaponic food production, and to aquaculture, seaweed, fish and seafood production, marketing, and processing
- Educational institutions/research bodies main course curriculum development
- Normal replacement costs for equipment and machinery
- Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry
- Applicants who received funding under Growing Forward and/or Growing Forward 2 for conventional farm equipment and machinery will not be eligible for Canadian Agricultural Partnership funding for the same type of farm equipment or machinery with similar function.

## 6. Environmental Sustainability and Climate Change Program

The objective of the Environmental Sustainability and Climate Change Program is to contribute to solutions that promote environmentally responsible agriculture, address agriculture's impacts on natural resources, reduce greenhouse gas emissions, manage agricultural risks and mitigate/adapt to the anticipated impacts of climate change. Funding will promote sustainable development, including environmental farm planning and the implementation of environmental beneficial management practices. Efforts will focus on priority areas such as clean growth technologies, energy efficiency measures, beneficial management practices, and other activities that mitigate climate change and address its impact.

### Environmental Sustainability

Environmental Farm Planning will include the development of on-farm and regional environmental farm plans and scans to identify both economic and environmental challenges that can be addressed to ensure long term sustainability. The Environmental Farm Planning process will enable the sector to identify risks and learn how to mitigate impact on the environment with implementation of environmental stewardship practices. Environmental risk assessments for agri-processors will be supported to ensure that the agri-foods and agri-products sector can identify environmental challenges and develop mitigation measures to ensure sustainability. Environmental Farm Planning, environmental risk assessments, workshops and advisory services will be provided by the Department of Fisheries and Land Resources.

Investment will be made to enhance water quality and conservation/management, enhance air quality and soil health, and support biodiversity. Investment for the implementation of on-farm and agri-processing environmental Beneficial Management Practices will be made in the following priority areas including but not limited to:

- **Water resource management;** water use efficiency; water source development and protection; water well management; farm run-off and drainage control; waste water treatment; and water use planning and management.
- **Soil conservation;** erosion control measures; shelterbelt establishment; and improved cropping systems.
- **Nutrient management;** nutrient management planning; nutrient recovery systems; improved manure storage and handling; manure land application; and manure composting systems
- **Waste management and environmental stewardship;** composting of agricultural waste; improved single-use storage and handling of agricultural products; waste management systems for agri-processing facilities; improved on-farm storage, handling and disposal of agricultural waste; improved storage, handling and disposal of livestock/poultry mortalities; improved pesticide application and storage; soil health and air quality measures; wildlife damage mitigation; and integrated pest management planning and practices.

### Climate Change Mitigation and Adaptation

Climate change impacts on the Newfoundland and Labrador agriculture sector may result in higher temperatures, increased precipitation and more variable and extreme weather patterns. Investment will be made to promote environmentally sustainable practices and climate change mitigation and adaptation strategies to enable the agriculture and agri-processing sector to enhance productivity, manage risks, reduce greenhouse gas emissions, build public confidence and contribute to clean growth opportunities.

- Investment in energy conservation measures for farms, agri-processors and agri-businesses including:
  - Implementation of sustainable, energy efficient systems, to reduce the environmental footprint and energy costs, including solar, wind, geothermal, wood pellets, bio-digesters, or other renewal energy sources.
  - Implementation of energy conservation beneficial management practices including energy audits and energy conservation measures such as energy efficient equipment, lighting, and ventilation systems; heat recovery units; improved insulation; and energy efficient systems and machinery.
- The implementation of products, processes, or practices, including infrastructure and equipment, that assist in mitigating the effects of climate change and reduce the impact of climate change on the agriculture, agri-foods and agri-products industry in the province, including:
  - Implementation of systems that enhance industry capacity to reduce crop, livestock and poultry losses due to adverse weather conditions such as irrigation, shades, sprinklers, snow shelters, wind breaks, floating row covers, flood and drainage management, frost control systems, and ventilation and cooling systems for livestock and poultry.
  - Weather data collection and monitoring systems.

## Environmental Sustainability and Climate Change Program

- Precision agriculture technologies (including GPS and sensors) to optimize the application of agricultural inputs including fertilizer and manure.
- Conservation management practices including no-till and reduced tillage.
- Implementation of effective farm practices and technology to reduce impacts related to climate change including, but not limited to, proper waste disposal, manure storage and handling and digestion of bio-waste.
- Establishment costs incurred for riparian areas and shelterbelts to enhance biodiversity.
- Testing and demonstration of new technologies and practices to mitigate or adapt to climate change.
- Implementation of innovative solutions to reduce greenhouse gas emissions and adapt to climate change, including optimizing livestock management and storage of waste.
- Implementation of innovative solutions to reduce the impact to soil health, air quality, water management and biodiversity including but not limited to, irrigation management, erosion control measures, nutrient management strategies and wildlife protection.
- Processes and practices to deal with climate change risks such as increased pest pressures, invasive species and greater incidence of disease outbreaks.
- Environmental sustainability and climate change knowledge transfer.
- Evaluation and monitoring the impacts of environmental actions in the agriculture sector.
- On-farm demonstration and implementation of climate-friendly agricultural practices.
- Implementation of measures in the agri-food processing sector to mitigate climate change, reduce greenhouse gas emissions and support clean growth in the sector.

### Environmental Beneficial Management Practices (BMPs)

The Implementation Committee may consider BMPs not listed below if it is shown that the activity enhances environmental stewardship within the agri-business.

On-Farm Environmental BMP Category Types	Definition and examples of eligible actions (not exhaustive)
<b>Manure Storage and Handling</b>	Storage to meet winter spreading restrictions (including satellite storage)
	Containment systems for solid and liquid manure
	Assessment and monitoring of existing manure storage infrastructure
	Dewatering systems, recycling, nutrient recovery systems, solid/liquid separators
	Composting of manure and dead livestock, including Windrow turners, windrow covers and cover lifters
	Engineering design work associated with the above implemented practices
<b>Manure Management and Treatment</b>	Installation of methane collectors, off-gassing/flaring equipment, catalytic oxidation and bio-filters, etc. to reduce GHG emissions
	Storage covers to reduce odours and GHG emissions
	Bio-digesters (e.g. Anaerobic bio-digesters)
	In-barn air quality treatment technologies: air scrubber infrastructure, in-barn ventilation modifications, and bio filters.
	Engineering design work costs/installation fees associated with the above implemented practices
<b>Livestock Nutrition to Reduce GHG emissions</b>	Sensors and automated feeding equipment to implement efficient feeding regimes to reduce GHG emissions.
	Feed additives to reduce GHG emissions.
<b>Manure Land Application</b>	Investment in specialized/modification to equipment for improved manure application, (e.g. manure handling equipment and manure transfer systems)

<b>Farmyard Runoff Control/ Runoff drainage control and management</b>	Upstream diversion around farm infrastructure (e.g., farmyards, livestock pen areas, and confinement areas, greenhouses, container nursery operations ) and collection and downstream protection (Including catch basins, retention ponds, constructed wetlands)
	Construction of impermeable base and roof for minimizing runoff from livestock pen areas and confinement areas
	Engineering design work / professional consultation associated with the above implemented practices
<b>Relocation of Livestock Confinement and Horticultural Facilities</b>	Relocation of livestock facilities such as corrals, paddocks and wintering sites away from waterbodies and riparian areas
	Relocation of horticultural facilities such as greenhouses and container nurseries from waterbodies and riparian areas
	Engineering design work associated with the above implemented practices
<b>Wintering Site Management</b>	Portable shelters and windbreaks
	Mobile water systems: summer/winter water systems (solar, wind, pipeline, other)
	Field access improvements: alleyway/access lane upgrades
	Fence modifications
<b>Protection of existing on-farm water supplies</b>	Sealing and capping old water wells, and well pit conversions.
	Protecting existing wells from contamination through upgrading/maintenance of sanitary seal, annular seal, cap replacement, flow control for artesian wells, installation of anti-backflow protection, grading and mounding to redirect surface flow, and conversions or removal of well pits.
	Fencing and/or barriers to prevent access by livestock and off-site watering.
	Reservoir aeration systems for surface water supply
<b>On-Farm Water Supply and Retention</b>	Construction of new or expanded surface water or groundwater supply and water retention for agricultural use, including ponds, dugouts, wells , dams, spring developments, and reservoirs or tie-ins to a multi-user water supply pipeline as part of climate adaptation.
	Replacement well for old-sealed and capped wells and initial water quality testing
	Water source protection measures (as outlined above for existing water supplies) associated with installation of new on-farm water sources.
<b>Agriculture water use efficiency (non-irrigation)</b>	Water saving systems and management through cisterns, water use meters, and water level equipment, for livestock facilities, greenhouses, milk houses, etc. and including watering sanitation and cleanout systems.
	Includes professional costs associated with technical assessment of current use, design, construction and installation of eligible technology.
<b>Sustainable Irrigation Management</b>	Investment in purchase, modification and improvement of irrigation equipment to increase water, and/or energy, and/or nutrient use efficiency (e.g. variable rate irrigation systems, weather stations, soil moisture sensors, irrigation piping, nozzles, water pumps and housing).
	Equipment to prevent backflow of altered irrigation water into water sources
	Improved infiltration galleries and irrigation intake systems
	Utilization of drainage water by recycling onto drained field to meet crop demand during dry period: irrigation and sub-irrigation equipment; engineering designs and written plans for implemented practices.
<b>Nutrient Recovery from Waste Water</b>	Recycling of waste water streams from milk houses, fruit and vegetable washing facilities, and greenhouses in order to recover nutrients
	Engineering design work associated with the above implemented practices

<b>Soil Health and Management</b>	Forage or annual barrier establishment for soils at risk (eg. strip cropping, grassed waterways, perennial forages on severely erodible or saline soils)
	Straw mulching
	Constructed works: contour terraces, gully stabilization, bank stabilization, drop inlet systems and enhanced infiltration systems, in-channel control, and erosion control dams, mechanical wind screens
	Engineering design work associated with the above implemented practices
	Restoration of topsoil (e.g. eroded knolls, with soil lower slope position).
	Salinity control, including data collection (e.g. EC scans and soil sampling); establishment of suitable perennial vegetation to manage the water table and/or tolerate elevated soil salinity.
	Equipment purchase and/or modifications to reduce soil compaction
<b>Improved Pasture and Forage</b>	Improved grazing management on regional pastures, such as fencing for rotational grazing and offsite watering, to improve pasture health and wildlife habitat.
<b>Precision Nutrient Management</b>	Precision farming applications: GPS information collection, GPS guidance, manual controllers for variable rate fertilizer application, variable rate mapping, etc.
	Access codes to enable precision application equipment for nutrient application.
<b>Conservation Tillage/Nutrient Placement</b>	Equipment purchase and/or modification on seeding and post seeding implements for low disturbance placement of seed and fertilizer.
<b>Improved Pest Management / Pesticide Application</b>	Equipment purchase and/or modification for improved application (e.g. limit drift, sensors and equipment for precision application to reduce total used).
	Information collection and monitoring to apply pesticides when economic thresholds are exceeded.
	Biological control agents to replace chemical pesticides.
	Cultural control practices/ mechanical weeders
<b>Hedgerow / Shelterbelt Establishment</b>	Establishment of shelterbelts for farmyard, livestock facilities, dugout snowtrap, and fields.
	Tree materials required for shelterbelt establishment/block plantings
<b>Riparian and Buffer Establishment</b>	Establishment of forages, shrubs, trees, including planting and weed control to create, or widen buffers from agricultural fields to adjacent surface water sources.
<b>Riparian Area Grazing Management</b>	Remote watering systems to manage livestock away from surface water: gravity fed, pump and pipeline systems
	Fencing to manage grazing and improve riparian condition/function, including adjacent upland areas.
	Improved stream crossings, (e.g. limited access with reinforced banks and stone crossing).
<b>Wildlife Habitat and Biodiversity</b>	Hayland management to enhance wildlife survival
	Infrastructure development and relocation to protect wildlife and species at risk
	Rejuvenation and enhancement of sensitive or critical areas through revegetation and restoration of disturbed areas.
<b>Wildlife Damage Prevention / Protection</b>	Forage buffer strips
	Fencing to protect stored feed, concentrated livestock, high value crops, drip irrigation systems, and other ag. activities
	Scaring and repellent systems and devices

<b>Product &amp; Waste Management</b>	New or improved on-farm storage and handling of agricultural products (e.g. fertilizer, petroleum products, and pesticides)
	New or improved on-farm storage, handling, and disposal of agricultural waste (e.g. livestock mortalities, fruit and vegetable cull piles, wood waste)
	Composting of agricultural waste (e.g. fruit, vegetable, wood, straw residue)
<b>Additional On-farm Resource Planning Services / Consultative Services</b>	Consultative services to develop integrated pest management plans, planning and decision support tools
	Consultative services to develop range and grazing management plans, planning and decision support tools
	Consultative services to develop soil erosion and salinity control plans, planning and decision support tools
	Consultative services to plan habitat enhancement, stewardship for species at risk and/or wildlife damage prevention within agricultural land base; planning and decision support tools
	Consultative services for planning improved water use efficiency and reduced environmental risk of existing irrigation systems, planning and decision support tools
	Consultative services for assessing riparian health, planning and decision support tools
	Consultative services for water management planning including hydrological surveys and on-farm water supply management to protect surface and ground water quality and ensure sustainable supplies.
	Consultative services, soil, manure and feed analysis to develop a written nutrient management and/or livestock feeding plan by qualified personnel to reduce GHG emissions and improve nutrient use efficiency.
	Consultative Services for extreme weather event preparedness and mitigation plans, planning and decision support tools
<b>On-Farm Energy Efficiency</b>	Professionally completed on-farm energy audits, consultations and design
	Installing energy monitoring controls and equipment
	Building envelope, lighting and ventilation upgrades (includes heating, refrigeration, cooling and water heating upgrades)
	Farm machinery modifications to biodiesel use, or other renewable energy source
	Other measures identified from professional completion of on-farm energy audits and/or climate change assessments
<b>On-Farm Renewable Energy Production</b>	Wind generation
	Geothermal
	Biomass and biogas equipment
	Biodiesel for specialized dedicated farm equipment (excluding tractors)
	Solar
<b>On-Farm Climate Change Adaptation</b>	Refer to climate change eligible activities on pages 38 and 39.

Agri-Processors BMP Category Types	Definition and examples of eligible actions (not exhaustive)
Conducting assessments or audits	For example climate change, energy, or waste audits
Planning and consultative services	Services required to collect data, measures or conduct climate change, energy, or waste audits
Skills development and training	Training for processors to measure benchmark water or energy resources and waste streams.
	Training for processors to implement and operate new technology required to improve water or energy resource use, and waste streams.
Measure and benchmark resource efficiency	Projects to collect measurements and benchmark water, or energy resources and waste streams
Water use equipment or technology upgrades	Upgrades to improve water resource efficiency, as identified from assessments and audits
Energy Equipment or technology upgrades	Upgrades to improve energy resource efficiency, as identified from assessments and audits
Waste Stream equipment or technology upgrades	Upgrades to improve waste stream efficiency, as identified from assessments and audits

## Examples of Ineligible Items: Environmental Sustainability and Climate Change Program

Ineligible Items	
<ul style="list-style-type: none"> <li>• Hiring for professional trappers</li> <li>• Rodent control and poisons/baits</li> <li>• Veterinary or other animal care costs</li> <li>• Shelters for guard animals</li> <li>• Review or audits by unqualified personnel</li> <li>• Fish or aquaculture ponds</li> <li>• Rehabilitation or cleaning of existing water supplies</li> <li>• Wells used for domestic purposes</li> <li>• Costs associated with municipal drainage water supply</li> <li>• Repairs or maintenance to existing irrigation and/or back flow prevention systems</li> <li>• Activities such as on-going inspection services</li> <li>• Tires</li> <li>• Custom application of manure</li> <li>• Transportation costs for manure</li> <li>• Loaders, excavators and dozers</li> <li>• Extended warranties and subscription services</li> <li>• Costs of transporting raw waste</li> <li>• Multi use storage</li> <li>• Pesticides and herbicides</li> </ul>	<ul style="list-style-type: none"> <li>• Firearms and/or lethal traps for wildlife protection</li> <li>• Normal operational or ongoing maintenance costs incurred by eligible recipients.</li> <li>• Core provincial government activities such as ongoing inspection services and enforcement of regulations</li> <li>• All Terrain Vehicles (ATVs) and Recreational Utility Vehicles (RTVs)</li> <li>• Repairs and maintenance</li> <li>• In-kind contributions</li> <li>• Tax credits or rebates</li> <li>• Land purchases</li> <li>• Quota purchases</li> <li>• Building purchases</li> <li>• Activities related to aquaponic food production, and to aquaculture, seaweed, fish and seafood production, marketing and processing.</li> <li>• Normal replacement costs for equipment and machinery.</li> <li>• Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry.</li> </ul>

## 7. Agriculture Processing and Value-Added Program

The objective of the Agriculture Processing and Value-Added Program is to support value-added agriculture and agri-processing in Newfoundland and Labrador and to maintain and expand domestic and export competitiveness. Food processing is Canada's second largest manufacturing industry, the largest manufacturing employer and a major buyer of Canadian primary agriculture production. This Program will build upon that success and create employment growth in the agri-processing sector, new economic opportunities for food processing, and new markets for local primary agricultural production.

Investment priority will be placed on projects that support economic growth, food self-sufficiency and new employment in the agriculture, agri-foods and agri-products sector in Newfoundland and Labrador. Applicants must demonstrate the economic benefits to the Newfoundland and Labrador primary agriculture industry. Projects that increase secondary processing of food products, particularly industrial milk, industrial eggs, fruits, vegetables and meat as identified in **The Way Forward – Agriculture Sector Work Plan** will be given priority.

Eligible applicants include agri-processors with a physical processing presence in the province or intending to establish a processing facility; abattoirs involved in further processing or value-added; and farmers wanting to further process their primary products or value-add.

Applicants must utilize Newfoundland and Labrador agricultural products where commercial volumes are available (dairy, eggs, and chicken); and may utilize Canadian agricultural products where primary agricultural production is limited within the province.

Ineligible applicants include retail food services, in-store bakeries, restaurants, and in-home processing.

### Examples of Eligible and Ineligible Items: Processing Value-Added Agriculture

Eligible Items
<ul style="list-style-type: none"> <li>Capital costs for processing equipment and building infrastructure for new construction or to expand existing processing capacity or to adopt new food and agri-product manufacturing technologies</li> <li>Construction or expansion of existing livestock abattoirs to enhance meat processing capacity in the province including infrastructure costs, site development, septic and waste management systems, exsanguination equipment, handling systems, cooling rooms, and meat packaging equipment</li> <li>Purchase of mobile abattoir facilities</li> <li>Professional fees including engineering fees and consultant fees</li> <li>Product quality testing, recipe development and nutritional analyses</li> <li>Design and development of labeling and packaging for new products</li> <li>Product development and commercialization</li> <li>Equipment costs for processing, packaging and labelling of agricultural products</li> <li>Investments in infrastructure and equipment to bring new products to market readiness. Funding is available for the development of secondary processing and value-added products such as fresh and frozen fruits, berries and vegetables, preserves, sausages and other meat and poultry products, wines, cheeses and other dairy products</li> <li>Capital costs for value-added activities including equipment and infrastructure for washing, grading, bagging and/or packaging systems</li> <li>Infrastructure and equipment required for value-added products including washing, grading, and packaging systems</li> <li>Secondary processing and value-added product development costs for fresh and frozen fruits and vegetables, preserves, sausages and other meat products, wines, cheeses and other dairy products</li> <li>Non-capital costs that support expansion and growth in the agri-processing sector, including training for employees on new agri-foods and agri-products processing technologies and systems</li> <li>Product storage and shelf-life extension technologies such as cooling units and specialized storage containers.</li> <li>Building, electrical and other service permits required for the successful completion of the project</li> </ul>

Ineligible Items
<ul style="list-style-type: none"> <li>• Normal operational or ongoing maintenance costs incurred by eligible recipients.</li> <li>• Core provincial government activities such as on-going inspection services and enforcement of regulations.</li> <li>• Tax credits or rebates</li> <li>• Land purchases</li> <li>• Quota purchases</li> <li>• Building purchases</li> <li>• Activities related to aquaponic food production, and to aquaculture, seaweed, fish and seafood production, marketing and processing.</li> <li>• Educational institutions/research bodies main course curriculum development</li> <li>• Normal replacement costs for equipment and machinery.</li> <li>• Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry.</li> <li>• Repairs and maintenance costs to existing infrastructure.</li> <li>• Processing equipment and infrastructure for non-agriculture or non-agrifoods products.</li> <li>• Legal and accounting expenses.</li> <li>• Ongoing operational costs including sample analysis and product testing.</li> <li>• Vehicles including forklifts, loaders, transport vehicles.</li> </ul>

## 8. Advancing Public Trust Program

The objective of the Advancing Public Trust Program is to build trust and confidence in the Newfoundland and Labrador agriculture, agri-foods and agri-products system. Building trust with consumers is important to maintain market access and capture new market opportunities. Consumers increasingly want to know where their food comes from and how it is produced. Agriculture awareness initiatives will highlight the agricultural sector in Newfoundland and Labrador, educate the public on farming practices and promote the high standards of food safety, environmental stewardship as well as animal and plant production standards utilized in the sector.

Agriculture Awareness funding will be made available to enhance agriculture awareness activities in the province, including agricultural fairs, Open Farm Day celebrations, promotional campaigns and other agricultural events. This investment will create a greater understanding of the local agriculture sector among the public and enhance consumer confidence in the food system, while highlighting the safety and quality of local food and agri-products.

Agriculture in the Classroom activities to educate youth about the importance of the food system, healthy food choices and the agriculture sector in Newfoundland and Labrador. Investment is provided to continue with Little Green Thumbs, agricultural career days, harvest celebrations in schools, Rooting For Health, Canadian Agriculture Literacy Month, educational resources and other activities to engage youth in agriculture.

Research and implementation of agricultural awareness and public trust initiatives to increase consumer confidence; and assess the effectiveness of public trust activities including consumer surveys.

Development and implementation of public trust strategies for the agriculture, agri-foods and agri-products sector.

### Examples of Eligible and Ineligible Items: Advancing Public Trust Program

Eligible Items
<ul style="list-style-type: none"> <li>• Consultant fees</li> <li>• Industry meeting costs</li> <li>• Website development</li> <li>• Advertising and promotion</li> <li>• Design and development costs for awareness and public trust related materials and resources</li> <li>• Resource materials for delivery and implementation of Agriculture in the Classroom</li> <li>• Travel related expenses to attend trade shows and events including booth fees</li> <li>• Incremental labour, materials and supplies for the delivery of awareness and public trust programs</li> <li>• Accounting and legal fees related to specific public trust projects (not-for-profit organizations only)</li> <li>• Non-refundable HST (not-for-profit organizations only)</li> <li>• Fees and related expenses for hired speakers, educators, and demonstrators</li> <li>• Training related travel expenses for teachers and mentors involved with the Little Green Thumbs program</li> <li>• Resources for delivery and implementation of public trust initiatives</li> <li>• Other eligible costs as approved by the Implementation Committee</li> </ul>
Ineligible Items
<ul style="list-style-type: none"> <li>• Normal operational or ongoing maintenance costs incurred by eligible recipients.</li> <li>• Core provincial government activities such as on-going inspection services and enforcement of regulations.</li> <li>• Tax credits or rebates</li> <li>• Land purchases</li> <li>• Quota purchases</li> <li>• Activities related to aquaponic food production, and to aquaculture, seaweed, fish and seafood production, marketing and processing.</li> <li>• Educational institutions/research bodies main course curriculum development</li> <li>• Normal replacement costs for equipment and machinery.</li> </ul>

- Activities that do not provide a direct benefit to agriculture, agri-food and/or agri-based products industry.
- In-kind resources
- Non-incremental administration
- Non-incremental materials and supplies
- Non-incremental labour
- Private accommodations
- Fees and travel related expenses for government employees.
- Incidentals

## Conflict of Interest Guidelines

Current or former federal public office holders or federal public servants to whom the Conflict of Interest Act, the Conflict of Interest Code for Members of the House of Commons, or the Values and Ethics Code for the Public Sector and the Policy on Conflict of Interest and Post-Employment applies, shall not derive any advantage or direct benefit from the Canadian Agricultural Partnership programs unless the provision or receipt of such advantage or benefit is in compliance with such legislation, codes and policies. Current or former federal public office holders or federal public servants will have to provide supporting documentation verifying that they are not in a conflict of interest.

Additionally, no member of the House of Commons or of the Senate shall be allowed to derive any financial advantage resulting from Canada's Contribution under the Canadian Agricultural Partnership that would not be permitted under the Parliament of Canada Act.

No member of the House of Assembly of Newfoundland and Labrador shall be permitted to obtain any share or part of Canadian Agricultural Partnership programs or be entitled to receive any financial benefit arising there from.

Provincial government employees must adhere to the guidelines of the Government of Newfoundland and Labrador Conflict of Interest Act, 1995.

## Related Parties and Companies

The following policy will be applied to all parties applying under the Canadian Agricultural Partnership.

For the purposes of the Canadian Agricultural Partnership, sole proprietors, agriculture businesses, partnerships, corporations, and co-operatives (of less than 20 members) will be considered related if common ownership exists between parties. Common ownership exists where there are:

1. common individuals, partners and/or shareholders;
2. spouses and common-law spouses of individuals, partners, and/or shareholders.

If common ownership exists as defined above, funding will be limited to the maximum funding limit for the Canadian Agricultural Partnership for the businesses combined.

Example 1:

- Producer A owns 100% of Company X and 100% of Company Y; therefore Company X and Company Y are defined as related companies. The maximum funding eligibility both companies combined will be \$400,000 regardless of how project proposals are divided between the companies X & Y.

Example 2:

- Producers A and Producer B co-own Company X and the spouses of Producer A and Producer B are partners in Company Y. Therefore, Company X and Company Y are related because the owners are spouses. The maximum funding eligibility for both companies combined will be \$400,000 regardless of how project proposals are divided between the companies X & Y.

When there are other, additional shareholders/partners (not included in 1 or 2 above) funding to the company or business will be limited by the amount held by the common owners.

Example 3:

- Producer A and Producer B co-own Company X. Also, Company Y is co-owned by Producer A (40%), Producer B (40%), and one of their sons, Partner C (20%). Company X is related to Company Y. If Company X has already received the maximum funding of \$400,000, then Company Y would be eligible for maximum funding of \$80,000.00 or 20% of \$400,000.00 which reflects the 20% ownership of Partner C.

Additionally, the Implementation Committee will take into consideration factors such as the availability of existing funds, industry benefit from the project, and amount of funding that common shareholders have received from the Canadian Agricultural Partnership through previous projects.

## Environmental Assessment and Permits

Projects approved for assistance under this program must be environmentally sound. If it is determined that the project could have significant environmental impact, an environmental assessment may be required prior to project approval. It is the applicant's responsibility to research regulatory requirements in advance of submitting an application, to obtain permits and ensure environmental compliance.

Applicants are responsible to contact their local Service NL office, municipality, and any other federal or provincial permitting agency to obtain the required permits and licenses for activities such as, but not limited to, public health and safety, labour codes and standards, care and use of animals in research, wildlife habitat, and environmental protection. Applicants will be required, upon request, to submit all necessary municipal, provincial and federal permits for compliance audit purposes.

## Travel Policy

Travel costs will be reimbursed at provincial Treasury Board rates less applicable HST. Please refer to the website for current travel rates for meals, and private vehicle mileage.

Private accommodations are not eligible for reimbursement.

For meal rates please visit:

[http://www.exec.gov.nl.ca/exec/hrs/working\\_with\\_us/meal\\_rates.html](http://www.exec.gov.nl.ca/exec/hrs/working_with_us/meal_rates.html)

For mileage rates please visit: [http://www.exec.gov.nl.ca/exec/hrs/working\\_with\\_us/auto\\_reimbursement.html](http://www.exec.gov.nl.ca/exec/hrs/working_with_us/auto_reimbursement.html)

## In-kind Contributions

In-kind contributions, other than for the land development, are not eligible for reimbursement. Only third party freight and other shipping/transportation expenses will be eligible for reimbursement. In-kind transportation and freight (or freight paid to a related company) is not an eligible expense with the exception of prior approval of the Implementation Committee, submission of a competitive bid, and proof of payment.

## Contribution Reporting

Contributions received under the Canadian Agricultural Partnership are subject to tax under the Income Tax Act (Canada), and must be recorded according to the appropriate accounting guidelines.

## Stacking Policy

- Stacking of Government funding is limited to a maximum of 75 per cent of eligible project costs for commercial for-profit applicants. This includes funding from all federal, provincial and municipal government sources. Applicants must contribute at least 25 per cent of the total eligible project costs, exclusive of any government funding.
- Funding for Not-for-profit organizations must not exceed 100 per cent of total eligible project expenses from all federal, provincial and municipal government funding sources.
- Only 50 per cent of an actual loan amount is included in the funding formula (stacking formula) from Federal and Provincial Departments or Agencies that provide non-interest bearing loans.

# Agriculture Land Title Policy

The following Agricultural Land Title Policy applies to applicants seeking Canadian Agricultural Partnership funding.

## Physical Structures

Applicants must have clear title to the land to which the funding application applies or an interest satisfactory to the Implementation Committee. This policy pertains to funding applications that involve the construction of permanent physical structures including barns, greenhouses, storages and equipment buildings, manure storages and manure pits.

For example and program purposes only, the Implementation Committee may consider situations where:

- the applicant is a sole proprietor and is the spouse, parent or child of the land owner; or
- the applicant is a corporation or partnership and the land owner is a shareholder or partner; or the land owner is a spouse, parent or child of a shareholder or partner.

## Land Clearing and Enhancement

To be eligible for land clearing and enhancement funding, applicants must have one of the following in relation to the land intended to be cleared or enhanced: (i) clear title; (ii) a lease for a minimum of ten years; or (iii) an interest satisfactory to the Implementation Committee that shows;

- the applicant is a sole proprietor and is the spouse, parent or child of the land owner;
- the applicant is a corporation or partnership and the land owner is a shareholder or partner; or the land owner is a spouse, parent or child of a shareholder or partner; or
- considerations such as:
  - Land title documentation from owner.
  - Lease between parties.
  - Documentation necessary to support a satisfactory interest.

# Project Reimbursement

Once project conditions have been met, the applicant must prepare the project Reimbursement Form (Appendix 2 of the Contribution Agreement) and submit it to the assigned Financial Officer with required documentation. Claims will not be processed for reimbursement without the completed Reimbursement Form.

An applicant may request interim or milestone payments when a substantial amount of the project has been completed. Interim or milestone payments require the applicant to provide eligible invoices and will require proof of payment. A 25 per cent holdback will be applied to all interim or milestone payments. A larger holdback may be applied at the discretion of the Implementation Committee. Holdbacks will be released following completion of the entire project. Failure to complete the project within the required time period may result in the proponent being required to repay any amounts received from the Government of Newfoundland and Labrador.

In addition, all project claims must be supported by invoices and proof of payment for purchased goods and services, as well as cancelled cheques and remittances for third party labour. With the exception of the land development projects, the value of in-kind resources, such as unpaid labour and supplies, is ineligible for reimbursement under the Canadian Agricultural Partnership.

Projects that require licencing upon completion of the project may be eligible for interim payments with holdback applied. Licencing must be obtained before final payment of project claim.

The completed Project Reimbursement Form (Appendix 2 of the Contribution Agreement) and all requested documents must be submitted by the deadline specified in the Contribution Agreement. Invoices received after the specified deadline may not be processed for payment.

HST/GST is not an eligible project cost for commercial agricultural producers and processors and will not be reimbursed to the applicant. With the exception of not-for-profit organizations (i.e., for those organizations that get partial reimbursement

of HST expenditures), the non-reimbursable portion of the HST is an eligible expense when appropriate documentation is provided.

If the applicant is required to submit a project report, it must be submitted with the invoices and Project Reimbursement Form. Final reimbursement may be withheld until all project conditions are met.

Skills development and knowledge transfer projects may require the completion of an evaluation form to be provided with the Contribution Agreement and to be submitted with the final claim. Claims will not be processed for payment until the evaluation form is received by the Financial Officer.

Infrastructure projects for commercial for-profit applicants will require on-site inspections of completed activities prior to payment of project claim. In addition, all projects funded may be subject to compliance audits to verify that project requirements have been met.

Projects that have received interim reimbursement and have been subjected to a 25 per cent holdback will require an inspection by a FLR Departmental Representative and the signing of a declaration by the proponent once the project is complete and all project conditions have been met.

The maximum contribution agreement amount is a maximum only, and does not create a right or entitlement on part of the recipient to that amount.

Transactions not made at arm's length may not be acceptable to the Minister or his or her designate and contribution may not be provided to the recipient. Non-arm's length transaction require prior approval of the Implementation Committee.

All invoices submitted must be issued in the recipient's name as identified in the Contribution Agreement unless otherwise approved by the Implementation Committee or administration.

All invoices submitted must clearly show the vendor's or third party labourer's name and contact information, unless otherwise approved by the Implementation Committee. The Minister or any person authorized by the Implementation Committee may inspect any facility or property associated with the project and the recipient shall allow such inspections and render all reasonable assistance to any such person notwithstanding the termination of the contribution agreement.

When an asset or agricultural land, developed, acquired, constructed, or modified under the Canadian Agricultural Partnership, is within five years after its development, acquisition, construction or modification;

- converted to non-agriculture use
- changed to a use incompatible with the intent of the project;
- sold or otherwise disposed of; or
- not used for the intended purpose of the project;

then the recipient shall provide notice to the Minister of the change in asset status and repay the total amount of all contributions received in respect of that asset by the recipient under the Canadian Agricultural Partnership with interest from the date of the change in asset status to the date of payment at the Prime Rate plus two per cent compounded annually. Failing repayment, the Minister may recover any amount owing including annual interest at the Prime Rate on the day the payment is paid plus two per cent compounded annually as a debt owing to Her Majesty the Queen in Right of Newfoundland and Labrador.

The amount of assistance made available to the recipient under the Canadian Agricultural Partnership may be released as public information and information provided will be subject to applicable privacy and access legislation.

If the recipient becomes aware of any adverse environmental impact of the project not previously known to the Implementation Committee, these impacts must be reported to the Implementation Committee without delay. The project will then be subject to an environmental impact assessment and the project Contribution Agreement may be cancelled or postponed, at the direction of the Implementation Committee. Eligible expenses that have been properly incurred to date will be reimbursed in accordance with the Contribution Agreement.

Contributions are subject to tax under the Income Tax Act (Canada), as amended from time to time, and must be declared as income for the year in which the contribution is received.

The recipient agrees that contributions received pursuant to this Agreement must be accounted for in accordance with Generally Accepted Accounting Principles.

Cash purchases over \$1,000 in aggregate will not be reimbursed.

Project expenses funded through other Provincial Departmental programs such as the Provincial Agrifoods Assistance Program, the Cranberry Industry Development Program, and the Provincial Agricultural Research and Development Program are **not** eligible for further reimbursement under the Canadian Agricultural Partnership.

If costs relating to the creation of a business plan are approved as eligible expenses this does not signify approval of the plan, and does not bind the Minister to further funding of any activities indicated within the business plan.

## Appendix 1: Business Plan Minimum Requirements

A business plan is an essential tool whether you are expanding your existing farm or considering a new venture. Business plans are developed for internal and external purposes.

Internally, the business plan provides details on how you plan to reach your goals and objectives. The plan exposes opportunities and risks involved, allowing you to clearly evaluate your operation over the next few years.

Externally, your business plan will be required by financial institutions, business partners, investors, and other stakeholders.

The plan explains exactly what your objectives are and how you plan to achieve them. There is no substitute for a thorough, well designed business planning document and all farm business managers should invest the time to develop and regularly update their business plan.

All business plans will differ, depending on the type, size and future plans of the farm business operation. The information presented should serve as a guideline for you to plan and complete a business plan for your farm operation.

Why do business plans?

- Planning guide for marketing, production, finance, and human resources.
- Proof of management skills and credibility of operation and manager.
- Guide to the managing of the farm operation.
- Communications tool for owner, investors and farm employees.
- Complete cost calculation with hands-on information.
- Aid to estate planning and succession planning.
- Assessment of strengths, weaknesses, opportunities and threats within the farm operation.
- A written business plan for presentation to financial institutions and government agencies when seeking financial assistance.

**You may wish to include additional information in your specialized plan; however, the sections listed below must appear as a minimum.**

Business overview

Cover page

- Provide the business/client name, address, telephone, and fax numbers.
- Explain the time period for business plan, and provide the preparation date.
- Provide a list of key contacts, including the consultant who prepared the plan.

Table of contents

- List chapter headings of the plan for reader reference and convenience.

Executive summary

- Provide a one-to-two page summary that describes the overall plan and highlights the action points.
- Include information on the purpose of the business, the market, unique advantages, financial highlights, management strengths, and purpose of the plan.

Purpose of plan

- Provide an outline of why the plan has been developed, (e.g., to obtain financing, attract equity capital, enter a new market, diversify the business, start a new business, expand an existing business, or assist in succession).

Business description

- List all aspects of the current and proposed state of the business, including business history and major events impacting business.
- Provide information on legal structure, type, and size of enterprise, as well as any physical resources available to the business.

## Management description

- Describe the management team, their skills, and how skill gaps will be filled.
- Provide information on professionals assisting the business.

## Strategic plan

- Identify the long-term view of the business.
- Outline business strengths, weaknesses, opportunities, and threats.
- Outline the business and what it is doing (mission).
- Outline where you want the business to be 5 to 10 years from now (vision).
- Outline the steps to get there (strategies and goals).
- Identify key performance indicators (objectives, their measurement, and follow-up).

## Industry and market analysis

- Identify the characteristics of the industry and the markets.
- Describe the industry and its history, its size, and major players.
- Describe long- and short-term trends and seasonal factors affecting the industry.
- Outline the impact of economic, social, technological, and political change, and any other significant factors that could have an influence on the business within the industry.
- Describe food safety, quality, and traceability issues and related regulations.
- Identify customer needs not being met, and potential sales.
- Identify critical success factors for the industry.

## Marketing

- Explain how you expect to market your production, considering the five P's: product, place, price, promotion, people.
- Provide information on the target market, including established and potential market opportunities or niche markets, customer characteristics and demographics, customer segmentation, market performance, growth trends, factors affecting purchaser decisions, and market geographic area.
- Describe the competition, including the number of competitors, their strengths and weaknesses, their costs and prices, potential competitor reaction to new market entry, the potential for substitutes, and barriers to entry.
- Describe the product/service being offered, its selling features, key product attributes, differentiating factors and quality, storage life, selling arrangements, contracts, potential alliances, service policies, and warranties.
- Describe how the product will be distributed (e.g., direct marketing, wholesaler, Web site, sales representative).
- Provide information on packaging, labeling, storage, controls, inventories, delivery guarantees, and return policy.
- Outline the advertising and promotion strategy to support the sales and profit objectives, cost/benefit of the strategy including product/service testing, advertising, how advertising will be generated for the business, and promotion budget.
- Describe how product/service price is established; warranties/ guarantees, discounts/incentives, contribution margin, and break-even price.
- Outline licensing and permit requirements.
- Explain your state of export readiness (if appropriate).

## Operations

- Outline the production capacity of the business: for farms, include buildings, machinery, livestock, and land; for value-added businesses, describe plant and its capacity.
- Outline standardized quality-management systems, such as HACCP and ISO.
- Outline how the everyday activities will be managed, including supplier and production contracts, inventories, quality-control measures, production targets, distribution, and the regulatory environment.

## Human resources

- Outline the people required to operate the business, their skills, their availability, and any training programs needed or in place.
- Describe any human-resource issues facing the business, and how they will be addressed.
- Summarize attraction, retention, and compensation strategies.

## Financial

- Identify the financial requirements and projections to implement the plan.
- Outline business assumptions on which the financial plan is based, including quantities sold, price, cost of goods sold, operating expenses, salaries, interest rates, depreciation, income taxes, and regulatory costs.
- Provide past, present, and future (three- to five-year horizon) balance sheets, income statements, source and application of funds, and ratio analysis.
- Provide a cash-flow statement, a break-even analysis, and an expenditure plan, including start-up costs as appropriate.
- Provide a financing schedule, including source of capital (family or external), amount, timing, type, and terms.
- Provide an exit strategy for equity capital.
- Provide a most likely scenario and a sensitivity analysis.

## Environmental

- Outline environmental concerns, how they will be addressed, and at what cost.
- Outline the environmental approvals that are required for the business, and when they will be obtained.
- Describe the strategies in place, such as insurance and disaster plans, to prevent environmental disaster.
- Describe consultation and community support for business and business-site selection.

## Risk management

- Identify the risks inherent in the business, and outline plans to manage these risks.
- Describe all risk factors (e.g., regulatory, legal, environmental, political), and how these risks will be mitigated.
- Prepare a risk assessment, including insurance considerations.
- Address production, marketing, export, vendor, legal, environmental, human-resource (death/disability), and financial risks, as well as the possible impact of government policy.
- Describe management's tolerance/aversion to risk.
- Outline contingency and disaster plans, where needed.

## Appendix 2: Succession Planning Guidelines

A succession plan is a business continuity plan. It is essential to ensure the continuity of a farm business through to subsequent generations. The transfer of a farm business contains three elements, all of which are usually included in a farm business succession plan:

- the transfer of management and control;
- the transfer of assets and ownership; and
- the transfer of labour.

Listed below are the minimum details which must be included in a farm business succession plan:

### Cover/summary page

- Provide the business/client names (retirees, successors and non-farming members), addresses, and telephone and fax numbers.
- Provide a list of key contacts, including the consultant who prepared the plan.

### Table of contents

- List the major chapters of the plan for reader reference and convenience.

### Executive summary

- Provide a summary that describes the overall plan and highlights the action points on which the family must act to implement the plan.

### Description of the farm business

- Provide an outline and description of the current farm business, including what is produced, where it is located, who is involved, and the type of business arrangements (e.g., partnership, corporation, joint venture).

### Description of business, personal goals, and expectations

- Provide an outline and description of the goals and expectation of both the “founders/retirees” and the “successors,” with specific reference to the farm business and to their own personal aspirations.

### Retirement plan

- Provide an outline of what is going to happen in retirement, and how it will be financed (i.e., goals, expectations, and desired activities for retirees, including how the “founders/retirees” will or will not be involved in the farm business in the future).
- Provide the address where everyone is going to live.
- Include a financial plan outlining where money will come from and how it will be spent, both for annual living and relocation (if necessary).
- Explain any retirement-income planning (e.g., RRSPs, RRIFs, CPP, OAS).

### Training and development plan for successor

- Outline what skills are needed to successfully manage the farm, and how they will be obtained.
- Provide a skills profile for a fully qualified farm manager.
- Provide a skills profile for the successor.
- Identify skill gaps and an action plan on how they will be met (e.g., hiring to fill gaps, additional training), if both generations are staying involved, having them attend the same training courses could be beneficial.
- Provide an outline of a performance review process and mechanism to provide the “successor” with feedback on progress.

### Farm business plan

- Provide an outline of how the farm business will meet the needs of both the successor(s) and retiree(s).
- Analyze the current farm business (if necessary).
- Outline the plan for the future direction of the farm business (e.g., maintenance, contraction, expansion, diversification, value-added), and provide a description of how this will affect the business, along with projected financial statements.

### Operating plan

- Provide an outline of how everyday activities will be managed.
- List roles, responsibilities, and authorities for managing the business on a daily basis.
- Explain if it will be a multi-generational farm with two or three generations co-operating, and/or how it will change over time.
- Provide a description and plan regarding family business meetings to discuss such issues as the progress of the transfer process, and necessary changes (e.g., how they will function, who is responsible for what and where it will take place, the involvement of non-farming family members, what they will and will not have a voice in, and how they will be involved) whereby the end product will be a "user's" manual.

### Management, control, and labour transfer plan

- Provide an outline of how the transfer of labour and management will take place, including a timetable for transition to the successor(s).

### Ownership transfer plan

- Provide an outline of how the farm business is currently structured (referenced back to the description of the farm business) and how this will be changed during the transfer process.
- Explain how the transfer of ownership of the assets will be handled.
- Include an inventory and valuation of assets and liabilities.
- Identify what the business arrangement is going to be (e.g., sole proprietorship, corporation, partnership).
- Identify the transfer mechanism (e.g., purchase, gift, and rental).
- Include a prenuptial agreement (if necessary).
- Explain the tax implications and how to address them.
- Explain the financing required, and its sources.
- Explain the treatment of non-farming children.
- Outline the insurance requirements (e.g., death, disability).
- If required, provide a copy of the will to the consultant or an overall description of the intent to assist with ownership transfer plan.
- Provide a description of any other legal agreements (e.g., employment contracts, partnership agreements, shareholder agreements, and buy-sell agreements).

### Implementation timetable

- Provide a summary of the overall timetable for when key activities start and finish—include time frames that allow progress to be monitored, measured, and amended if necessary.

### Communications plan

- Define the process by which the family communicates and makes decisions (i.e., regularly scheduled family meetings).
- Determine how disputes and conflict will be managed and resolved (e.g., family voting, third-party mediation assistance).

### Contingency plan

- Explain what will happen and who will ensure implementation in such situations as death, illness, divorce, disability, business downturn, or failure.

## Appendix 3: Farm Financial Assessment Guidelines

A Farm Financial Assessment (FFA) is an analysis of the financial position of an agri-business. The basis of an FFA is your business's financial statements (primarily your balance sheet and income statement).

To be eligible for Canadian Agricultural Partnership funding, a FFA must be completed by a qualified accountant or consultant. The criteria for a qualified accountant or consultant are:

- be a member in good standing of a recognized professional organization **or** have related post-secondary education in financial analysis;
- have experience in preparing financial statements or financial statement analysis;
- provide a minimum of two references from previous clients (names and telephone numbers) who can endorse past work of a similar nature.

Your accountant/consultant must provide the following indicators and must also provide an interpretation of each of these indicators to give you a better understanding of your financial performance.

### Profitability

Operating Profit Margin: 
$$\frac{\text{Net Farm Income} + \text{Interest Expense} - \text{Family Living and Income Taxes}}{\text{Gross revenues}}$$

Return on Assets:  
(ROA) 
$$\frac{\text{Net Income} + \text{Interest Expense}}{\text{Total Assets}}$$

Return on Equity:  
(ROE) 
$$\frac{\text{Net Income}}{\text{Total Equity}}$$

### Liquidity

Current Ratio: 
$$\frac{\text{Current Assets}}{\text{Current Liabilities}}$$

### Solvency

Debt-to-Asset Ratio: 
$$\frac{\text{Total Liabilities}}{\text{Total Assets}}$$

### Financial Efficiency

Asset Turnover Ratio: 
$$\frac{\text{Gross Revenue}}{\text{Total Assets}}$$

Operating Expense Ratio: 
$$\frac{\text{Total Operating Expenses} - \text{Depreciation}}{\text{Gross Revenue}}$$

Amortization Expense Ratio: 
$$\frac{\text{Amortization Expense}}{\text{Gross Revenue}}$$

Interest Expense Ratio: 
$$\frac{\text{Total Farm Interest Expense}}{\text{Gross Revenue}}$$

Net Farm Income Ratio: 
$$\frac{\text{Net Farm Income}}{\text{Gross Revenue}}$$

## Debt Repayment Capacity

Current Ratio (as above):  $\frac{\text{Current Assets}}{\text{Current Liabilities}}$

Working Capital:  $\text{Current Assets} - \text{Current Liabilities}$

Debt Coverage Ratio:  $\frac{\text{Net Farm Income} + \text{Interest} + \text{Amortization} - \text{Living Expenses} - \text{Income Tax}}{\text{Debt Principal} + \text{Interest Payments}}$

Debt Repayment Capacity:  $\text{Net Farm Income} + \text{Interest} + \text{Amortization} - \text{Living Expenses} - \text{Cash used for Capital Replacement}$

Debt Repayment Margin:  $\frac{\text{Net Farm Income} + \text{Interest} + \text{Amortization} - \text{Living Expenses} - \text{Cash Used for Capital Replacement}}{\text{Debt Principal} + \text{Interest Payments}}$

## Cash Flow Analysis

A three-year historical cash flow analysis.

A two-year cash flow projection.

## Summary

A summary will include all the analysis and an interpretation of the financial position of your agri-business.

